Republic of Malawi

REPORT ON EMPLOYMENT STATISTICS

Ministry of Labour

Private Bag 344

Lilongwe 3

MALAWI

November, 2022

1.0 INTRODUCTION

According to ILO, 2017, employment is a key driver for development as it constitutes a bridge between economic growth and poverty reduction. Graduating out of poverty is mostly depended on moving into more productive and decent jobs or improving existing jobs. Placing the aim of achieving employment at the heart of development policy is therefore very important for reducing and eventually eliminating poverty, reducing inequality and addressing informality (ILO, 2017). Globally, the Sustainable Development Goals framework has recognised employment as reliable pathway to achieve inclusive and sustainabke economic growth. For example, Sustainable Development Goal (SDG) 8 aspires to "Promote sustained, inclusive and sustainable economic growth, full and productive employrient and decent work for all". In recogniton of this, Government embarked on a job creation program which aims at reducing the levels of unemployment in the medium to long term. To achieve this goal, Government developed a National Job Creation Strategy to guide and support Government efforts to create more jobs and reduce the burden of unemployment in order to improve the livelihoods of Malawians.

In an effort to track the implementation of the program for the first six months of 2022/23 fiscal year, the Ministry embarked on the employment data collection exercise in the month of october, 2022. This report therefore provides a synopsis of the findings of the study. The study will therefore outline the following: Introduction, Objectives, Methodology, Key findings (Results and Discussion), Conclusion and Recommendations.

1.1 OBJECTIVES
The main objective of the exercise was to determine the number of jobs created and lost for the first six months of implementing the 2022/23 budget.

Specific objectives
The following were the specific objectives of the exercise

1) To ascertain the number of jobs created in the first six months of 2022/23 fiscal year; and
2) To establish the number of jobs lost in the first six months of 2022/23 fiscal year.

1.2 Methodology
Target Population and Sampling Technique
The study targeted workplaces in the public and private sector. Firstly, a questionanrier was developed and shared to all government ministries, departments and agencies. The same questionaire was also shared to Employers Consultative Associaition of Malawi and various private companies. Distirct Labour Officers coordinated data collection assignment at district council level. In undertaking the exercise, purposive sampling technique was used. According to Tongco 2007, purposive sampling technique also called judgement sampling is the deliberate choice of an informant due to the qualities the informant possesses. The researcher

decides to find people who can and are willing to provide the needed information. Therefore, this study is based on the sample size of 451 workplaces.

1.3 Limitation and challenges of the study
The limitation of the study was that the sample size was small. The major challenge which affected the study is mobility as many workplaces could not be followed up.

2.0 RESULTS AND DISCUSSION
A. BASIC INSTITUTIONAL INFORMATION

2.1.1 Distribution of sampled workplaces by districts
Table 1 below shows the distribution of workplaces by districts. It is observed that the total sample size of workplaces was 451 and this was drawn from both public and private sectors. Lilongwe had the highest response rate followed by Mchinji and Dedza. On the other hand, Rumphi, Neno and Likoma had the lowest response rate.

Table 1: Distribution of Sampled Workplaces by District

Serial #	District/ City	Number of Workplaces	Percentage
	Overall	**451**	**100.00**
1	Lilongwe	175	38.80
2	Mchinji	43	9.53
3	Dedza	36	7.98
4	Balaka	30	6.65
5	Mwanza	30	6.65
6	Zomba	16	3.55
7	Blantyre	14	3.10
8	Salima	13	2.88
9	Mzimba	11	2.44
10	Nkhotakota	11	2.44
11	Dowa	10	2.22
12	Mulanje	9	2.00
13	Kasungu	8	1.77
14	Machinga	6	1.33
15	Mzuzu	6	1.33
16	Chikwawa	4	0.89
17	Chiradzulu	4	0.89
18	Chitipa	4	0.89
19	Karonga	4	0.89
20	Thyolo	4	0.89
21	Mangochi	2	0.44
22	Nsanje	2	0.44
23	Ntcheu	2	0.44

Serial #		Number of Workplaces	Percentage (%)
24	Ntchisi	2	0.44
25	Phalombe	2	0.44
26	Likoma	1	0.22
27	Neno	1	0.22
28	Rumphi	1	0.22

2.1.2 Distribution of Sampled Workplaces by Economic Sector

Table 2 below shows distribution of sampled workplaces by economic sector. In the analysis; Retail and Wholesale, administrative and support activities and accommodation and food service had the highest shares in the sample size. Main responses were from Retail and Wholesale economic sector. The lowest response came from Real estates activities.

Table 2: Distribution of Sampled Workplaces by Economic Sector

Serial #	Economic Sector	Number of Workplaces	Percentage (%)
	Overall	451	100
1	Retail and Wholesale	152	33.7
2	Administrative and Support Activities	77	17.07
3	Accommodation and food service activiti	44	9.76
4	Agriculture, forestry and fishing	31	6.87
5	Education	28	6.21
6	Human Health and Social Work Activities	26	5.76
7	Information and Communication	14	3.1
8	Financial and Insurance Activities	14	3.1
9	Arts, Entertainment and Recreation	13	2.88
10	Transport	11	2.44
11	Electricity, Gas, Steam and Air Conditi	10	2.22
12	Construction	9	2
13	Mining and Quarrying	6	1.33
14	Water supply; sewerage, waste managemen	6	1.33
15	Other service activities	4	0.89
16	Manufacturing	3	0.67
17	Real estate activities	3	0.67

2.1.3 Distribution of Sampled Workplaces by sector and type of Economy

Table 3 below shows the distribution of sampled workplaces by sector and by type of economy. The analysis shows that (340) 75 percent of the sampled workplaces were from private sector. Therefore, more workplaces were from private sector as compared to the public (111) which was at 25 percent.

Table 3: Distribution of Sampled Workplaces by Sector and Type of Economy

Economy	Sector		Total (%)
	Private	**Public**	
Formal	270	111	**381 (84.48)**
Informal	70	0	**70 (15.52)**
Total (%)	**340 (75.39)**	**111 (24.61)**	**451 (100.00)**

B. Workforce

The total workforce of the sampled workplaces was 250, 762 with 93 percent (234,006) being from the public sector and 7 percent from the private sector. Though the sampled workplaces were more from the private sector (340) 75 percent, the public sector has more workforce than the private sector.
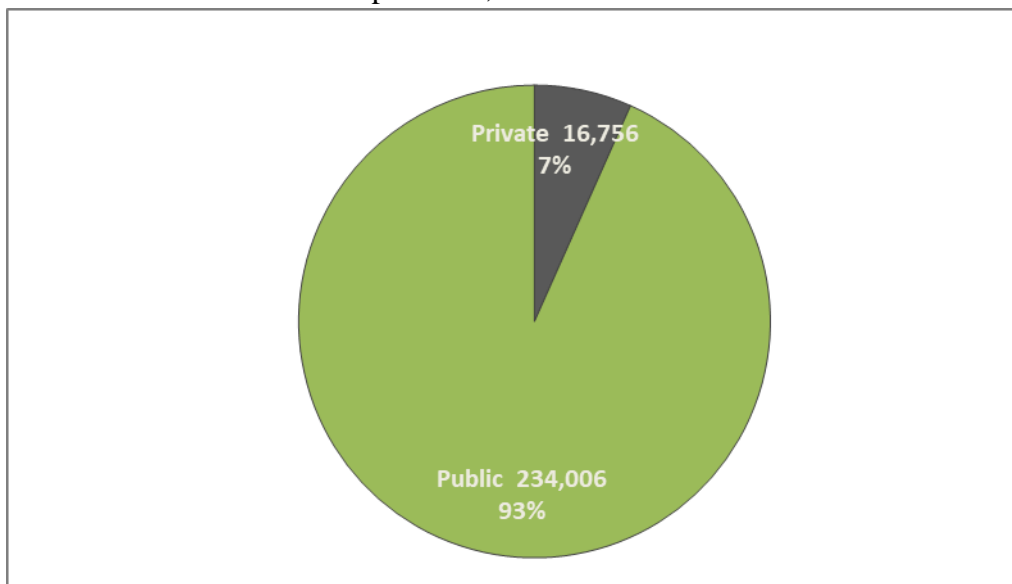
Total Workforce for the sample= 250,762

Figure 1: Distribution of Workforce by Sector

B. JOBS CREATED (APRIL – SEPTEMBER 2022)
2.1.4 New Jobs Created in the first half of 2022/23

The study has shown that the total number of jobs created from April to September 2022 is 12,762 and this is mainly based on 451 workplaces drawn from the formal economy. According to the Job Creation survey of 2020, it was revealed that once the impact of the COVID-19 decreases in 2020, there will be steady growth in new jobs created from 2021 to 2022, however with slowed growth from 2022 to 2024. Furthermore, as shown in the figure below, the survey projected 217, 560 jobs to be created in the year 2022. In the current study, the actual number of jobs created based on 451 workplaces is 12763 which is mainly based on the formal economy (11 percent). If the informal economy (89 percent) is accounted for, about 112,000 jobs are estimated to be created for the first six month of the fiscal year. The estimates in the current study are somehow in agreement with 2020 Job creation survey which projected 217,560 jobs to be created for the whole year of 2022.

According to TEVETA database, there are 2687 TEVET Levy Employers. If the jobs created by 451 workplaces are extrapolated to 2687 TEVET Levy Employers, the number of jobs created can be estimated at 76,804 and this is still in the formal sector.
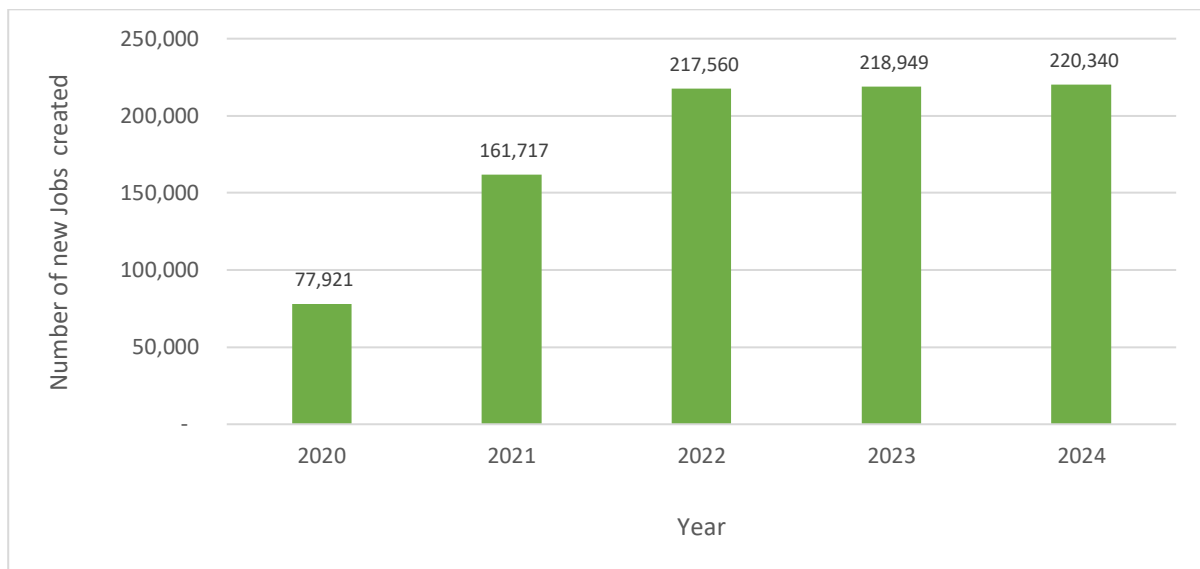

Figure 2: Distribution of projected new jobs from 2020 to 2024
Source: Ministry of Labour, Job creation survey 2020

2.1.5 Distribution of new jobs created by Gender
The bar chart below shows distribution of new jobs created by gender. It is therefore observed that 55 percent of the jobs created were occupied by males and 45 percent by females.
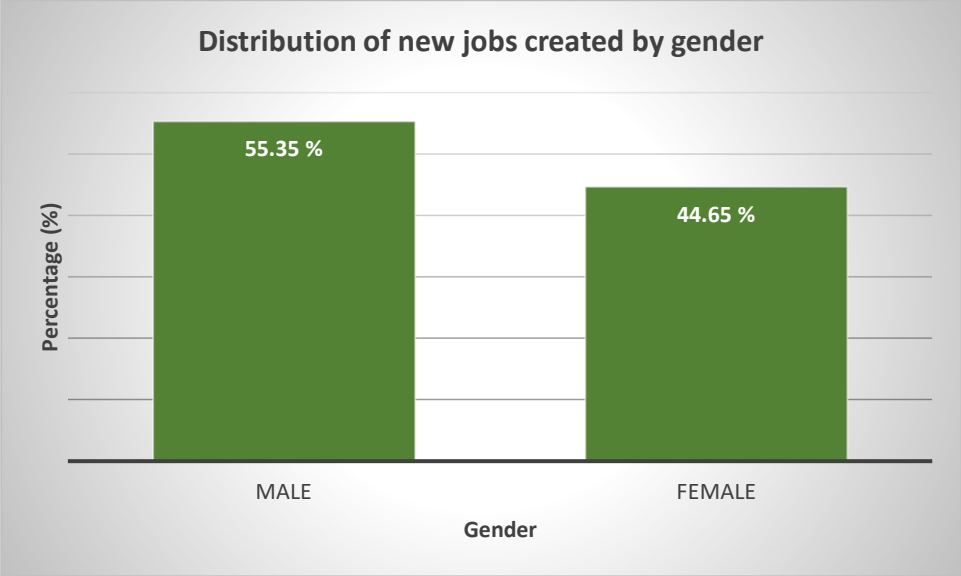
Figure 3: New jobs created by gender

2.1.6 Distribution of jobs created by economic sector

The figure below shows the distribution of jobs created by economic sector. As shown in the figure below, Administrative and support activities; Education; and Agriculture, forestry and fishing sectors had the highest contribution in job creation. Administrative and support activities basically involves jobs created in the public sector mainly by ministries, departments and agencies. No significant amount of jobs were reported to have been created by the manufacturing sector.
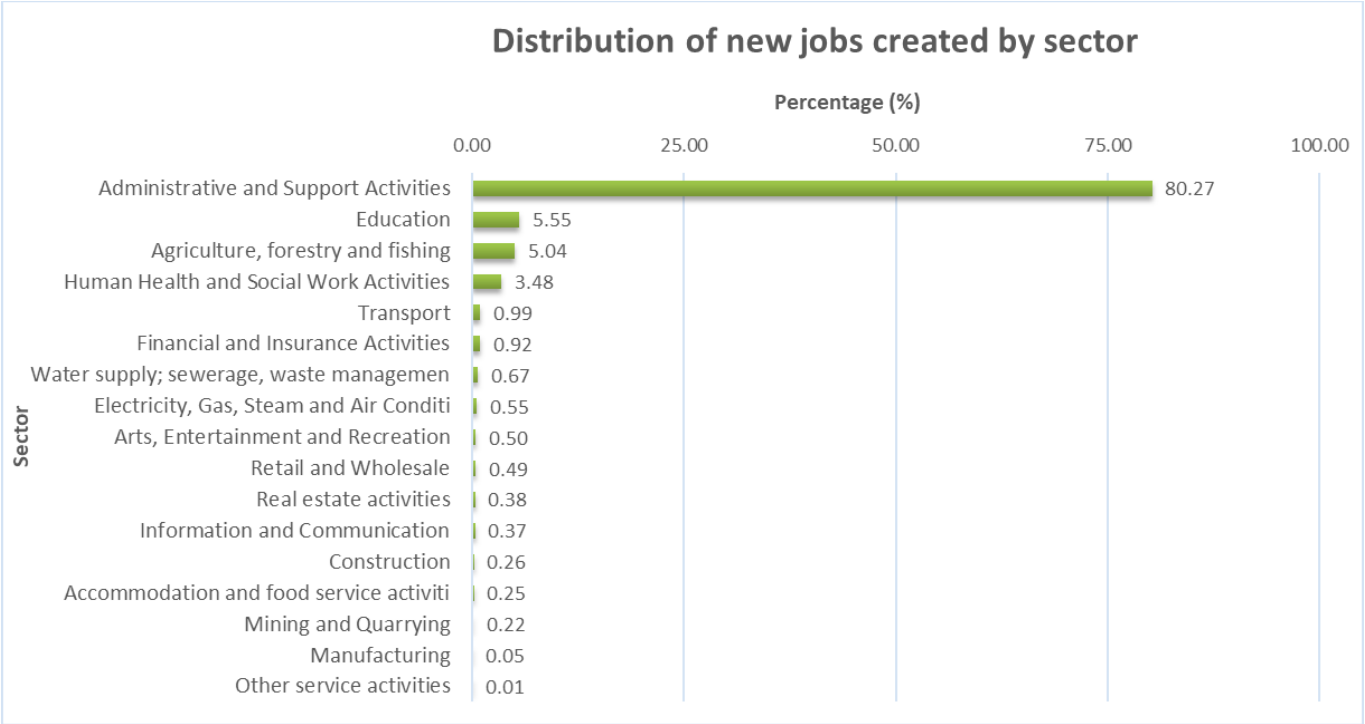

Figure 4: Proportion of new jobs created per sector
2.1.7 Proportion of workplaces and jobs created by economic sector

The figure below shows the proportion of workplaces and jobs created by economic sector. As shown in the figure below, more workplaces were sampled from Retail and wholesale (34 percent) seconded by Administrative and support activities (17 percent). Although retail and wholesale sector had large sample size, more jobs were created from administrative and support activities. Administrative and support activities basically involves jobs created in the public sector mainly by ministries, departments and agencies.

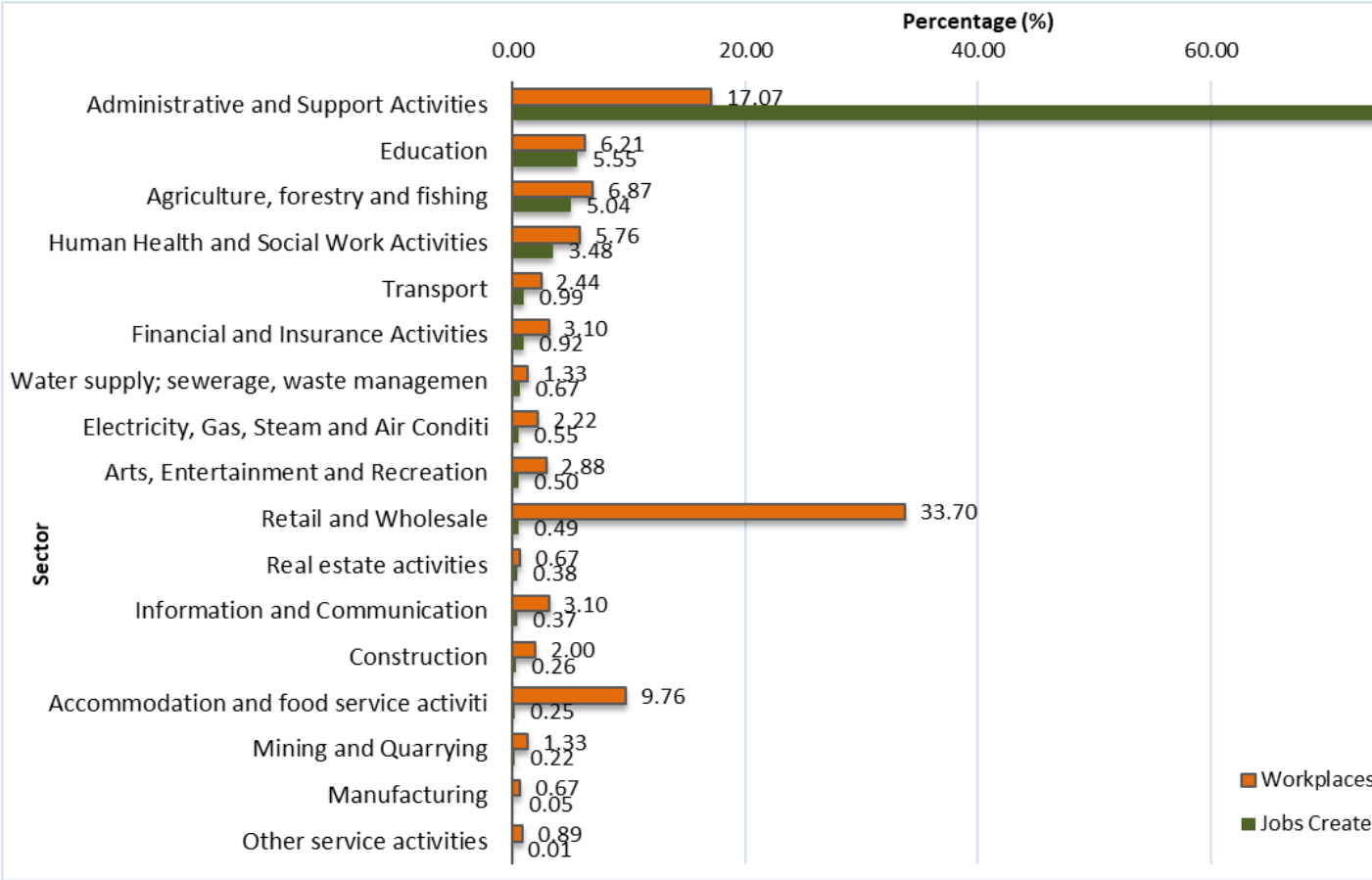**Proportion of Workplaces and Jobs Created per Sector**

Figure 5: Proportion of Workplaces and Jobs Created per Sector

C. JOB LOSSES (APRIL – SEPTEMBER 2022)

2.1.9 Number of jobs lost in the past six months

The Table below shows the number of Jobs lost during the first half of this fiscal year. It is therefore observed that 761 jobs were lost during the period under review. It is also noted that more permanent jobs were lost than temporary ones. The loss of jobs affected mostly females (427) more than males. Dismissal and retrenchment were the major factors that contributed to job loss.

Table 4: Number of job losses by job type and Gender

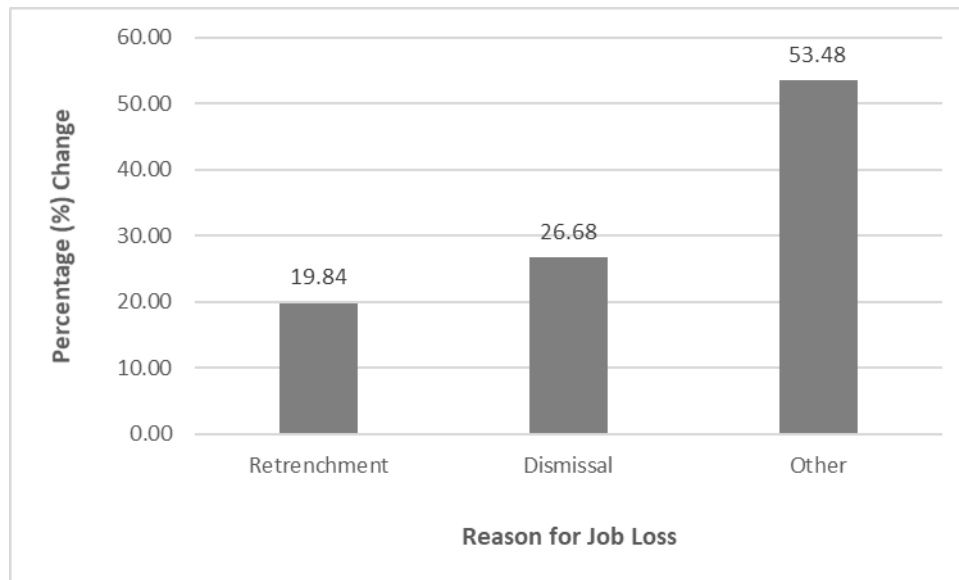| Category	Male	Female	Total
Permanent	216	229	**445**
Temporary	118	198	**316**
Total	**334**	**427**	**761**

Reasons for Job Lost

Figure 6: Reasons for Job Losses

3.0 Conclusion and Recommendations

The main aim of this study was to determine the number of jobs created and lost from april 2022 to september 2022. It has therefore been noted 12, 763 jobs were created in the past six months. The study had more focus on the formal sector of the economy which has 11 percent of the share of employment. The informal sector contribution to enployment is at 89 percent. If we account for the informal sector, 112,000 jobs are estimated to be created for the past six months. In terms of jobs lost in the period under review, 761 jobs were lost and the loss affected females more than males.The study has also shown that 451 institutions submitted the data which is not a big sample size as compared to 2687 TEVET Levy Employers. In order to improve the response rate, more follow ups and call backs are required to ensure that many workplaces are submitting employment data. It is important that a system of ensuring regular provision of employment data is instituted and this should be supported with the review of the employment laws to include a clause that enforces regular submission of employment data.

4.0 References

International Labour Organization (2017), Employment impact assessmentss: A review of methodologies. www.ilo.org/publns.

Ministry of Labour (2020), Job Creation Survey.

Tongco, M (2007). Ethnobotany Research and Applications. Department of Botany, University of Hawai at Mano, 3190 Maile Way, Honolulu, USA. http://hdl.handle.net/10125/227.