

Yet more job losses in January

Employment fell sharply last month, by an annualised rate of 3.2%, showing the economy shed 51,495 jobs during the month, the latest Adcorp employment index revealed on Monday (11 February).



The index is regarded as the most representative monthly barometer of employment trends in SA, although its figures do not usually tally with those from SA's official statistics agency, Statistics SA.

Job losses were recorded in all contract types, with permanent jobs declining most, by 5.3% or 40,232, representing nearly 80% of the job losses observed during the month.

Although all sectors experienced declines in employment, the highest levels were in the wholesale and retail trade, with - 8.8% or 13,000 jobs. Mining was down -17.4% equivalent to 4,000 jobs.

Adcorp's study of income taxes and tax evasion showed that households failed to declare 30% of their incomes to the revenue service and Statistics SA, suggesting growth in the informal sector.

"In order to stem the growth of informal economic activity, labour laws must be relaxed and income taxes reduced," Adcorp said.

The professional services group said that people appeared to be under-reporting their incomes in Stats SA surveys.

"As a whole, 4.5m people report to Stats SA enumerators that they earn income in the taxable range, whereas 6.2m are actually paying income tax to the South African Revenue Service (SARS) - an under-count by Stats SA of 27%. Or, stated differently, the average taxpayer's income is R266,641 a year according to SARS and R193,325 a year according to Stats SA - an under-count of 28%," Adcorp said.