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Results from Wave 2 survey on the impact of the COVID-19 pandemic on employment and income in South Africa

Embargoed until:
20 May 2020
12:00

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The South Africa I know, the home I understand



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1. Key Findings

The key findings of the Wave 2 survey on the impact of COVID-19 on employment, income and hunger conducted by Stats SA between 29 April and 6 May 2020 were:

On employment

- The majority of the respondents (almost 70%) indicated that they were in paid employment before the national lockdown, followed by those in self-employment at 15,3%.
- Almost nine in ten (89,5%) of those who were employed before the national lockdown, remained employed during the lockdown, 8,1% reported that they lost their jobs or had to close their businesses and 1,4% became unemployed.
- The national lockdown was the main reason most respondents (63,6%) were temporarily absent from work, while just over one-third (34,1%) indicated that they were not at work due to own ill-health and 2,3% were absent due to other reasons.
- Almost 70% of those who lost their jobs reported it was due to their place of work or business shutting down or due to the lack of customers.
- Before the national lockdown, the majority of respondents indicated that they had worked from non-residential buildings, while only 1,4% of those in employment worked from home. However, the COVID-19 pandemic brought about a change where 77,9% of those who worked during the national lockdown, did so from home compared to 15,1% who worked from non-residential buildings.
- Working from home during the national lockdown was more common for respondents who indicated that they lived in the suburbs (88,0%) compared to 5,4% in townships.
- The majority of the respondents who said their hours of work had been reduced were employed on a permanent basis and there was little change in the salary for most of them.
- Only 5,4% of respondents who reported owning a small registered business indicated that they received financial relief from government.

On income and hunger

- The percentage of respondents who reported no income increased from 5,2% before the lockdown to 15,4% by the sixth week of national lockdown.
- While the majority of respondents reported salary/wages as their primary source of income before and during the national lockdown, the percentage of respondents who received an income from salary/wages decreased from 76,6% before the national lockdown to 66,7% by the sixth week of the national lockdown.
- The decrease in the percentage of individuals reporting income from salary/wages and from own business seems to have been offset by increases in the percentage of individuals reporting utilising income from savings and investments (increasing from 4,8% prior to the lockdown to 6,0% during the lockdown), from UIF (increasing from 0,3% to 2,1%), and from taking loans from friends, family and/or businesses (increasing from 1,7% to 3,3%).

- More than half of respondents (56,2%) said that their income has stayed the same since the national lockdown started, while 25,8% of respondents reported a decrease in their income. About one in ten respondents (11,2%) indicated that it was too soon to tell what impact the pandemic would have on their income.
- For those respondents who had jobs during the lockdown, their income stayed the same as before the lockdown for 67,5% of them, while 21,3% indicated reduced income. Less than 1,0% indicated that their income increased
- The main reasons cited by respondents for the decrease in their income since the start of the national lockdown are: (1) they had to close their businesses due to the lockdown, (2) the business / company / organisation they work for closed due to the national lockdown, and (3) a decrease in the demand for their goods and services.
- The main coping mechanisms used to fill income gaps for respondents who reported a reduction in their income were: (1) reducing their spending, (2) accessing their savings, (3) relying on extended family members, friends and the community, and (4) claiming from the Unemployment Insurance Fund.
- Approximately one-third of respondents (33,4%) reported that COVID-19 and the national lockdown will have no impact on their ability to cover their financial obligations while 18,7% and 18,2% of respondents indicated that it would have a major or moderate impact, respectively.
- About two-thirds of respondents (67,7%) indicated that they are more concerned about the potential long-term impact of the COVID-19 pandemic on their financial situation compared to 12,3% of respondents who indicated being more concerned about the possible short-term impact. Roughly one in ten respondents (10,5%) reported that it was too soon to tell whether they were more concerned about the long- or short-term impact of the virus.
- Since the start of the national lockdown, the proportion of respondents who reported experiencing hunger increased from 4,3% to 7,0%.

2. Introduction

The COVID-19 pandemic has had a profound impact worldwide. The pandemic reached South Africa later than most of the world, but despite the delay, it has still had a wide-reaching impact on all South Africans. President Ramaphosa declared a state of national disaster on 23 March 2020 and indicated that there would be a total national lockdown of the country starting on 26 March 2020 to curb new infections and flatten the curve of the virus. This lockdown has in itself brought along certain implications for all citizens in the country.

Statistics South Africa (Stats SA) is embarking on a series of three online surveys to measure the impact of the COVID-19 pandemic on individuals in the country. This publication will be reporting on the second round of the survey (Wave 2), which focused on employment, income and hunger-related issues. The first round (Wave 1) focused on health-related issues, specifically on behaviour, knowledge and perceptions around COVID-19 and those results were published at the end of April 2020. The third survey (Wave 3), which is currently in development and will go live in the near future, will report on the impact that the COVID-19 pandemic has had on education and time-use of individuals.

The Wave 2 survey was an online web-based survey, housed on the Stats SA website. Any person aged 18 years and older and a South African resident during the national lockdown was able to participate and complete the survey. Data collection for Wave 2 occurred during the sixth week of the national lockdown between 29 April and 6 May 2020. As respondents had already experienced more than a month in lockdown, most would have a clear indication of the impact the pandemic was having on their income and employment situation.

3. Background

Table 3.1 below provides some general information about the Wave 2 survey, including details on the sample, collection period and number of respondents.

Table 3.1: General survey information

| | |
|-----------------------|---|
| Survey objective | To provide information on the impact the COVID-19 pandemic has had on employment, income and hunger |
| Sample | Non-probability, convenience sample |
| Selection criteria | Only residents of South Africa, aged 18 years and older were eligible to participate and respond |
| Number of respondents | 2 688 |
| Collection period | 29 April to 6 May 2020 |
| Limitations | This survey used a non-probability sample and respondents who chose to respond to this survey are not representative of the entire South African population. Therefore, the results cannot be generalised to the entire South African population. |

Table 3.2 shows the distribution and number of respondents by demographics, namely sex, population group, and age of the respondent. The survey had more female (57,6%) than male (41,6%) respondents. The largest proportion of participants were black African (57,6%), followed by white (35,2%), coloured (8,6%), and then Indian/Asian (4,4%). About a quarter of respondents (25,8%) were younger than 35 years of age.

Table 3.2: Details on the sample distribution by demographics

| Demographics | Number of respondents | Percentage |
|-------------------------|-----------------------|--------------|
| Sex | | |
| Male | 1 118 | 41,6 |
| Female | 1 547 | 57,6 |
| Other / Unspecified | 23 | 0,8 |
| Population group | | |
| Black African | 1 340 | 49,9 |
| Coloured | 232 | 8,6 |
| Indian/Asian | 119 | 4,4 |
| White | 945 | 35,2 |
| Other / Unspecified | 52 | 1,9 |
| Age cohort | | |
| 18–34 | 693 | 25,8 |
| 35–44 | 909 | 33,8 |
| 45–54 | 660 | 24,6 |
| 55–64 | 291 | 10,8 |
| 65–74 | 62 | 2,3 |
| 75 and older | 11 | 0,4 |
| Unspecified | 62 | 2,3 |
| South Africa | 2 688 | 100,0 |

Table 3.3 shows the distribution and number of respondents by province. The majority of respondents (52,2%) indicated that they were residing in Gauteng during the national lockdown, followed by 18,0% in Western Cape and 6,1% in KwaZulu-Natal.

Table 3.3: Details on the sample distribution by province

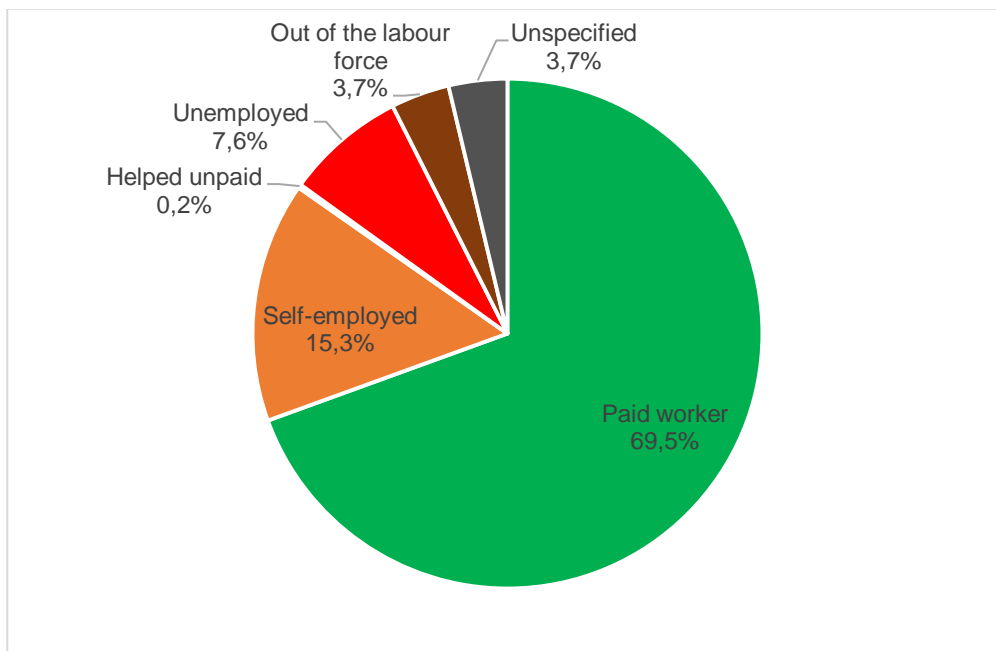
| Province | Number of respondents | Percentage |
|---------------------|-----------------------|--------------|
| Western Cape | 485 | 18,0 |
| Eastern Cape | 124 | 4,6 |
| Northern Cape | 32 | 1,2 |
| Free State | 78 | 2,9 |
| KwaZulu-Natal | 164 | 6,1 |
| North West | 90 | 3,3 |
| Gauteng | 1 404 | 52,2 |
| Mpumalanga | 103 | 3,8 |
| Limpopo | 153 | 5,7 |
| Unspecified | 55 | 2,0 |
| South Africa | 2 688 | 100,0 |

4. Findings on Employment

The global COVID-19 pandemic is having a huge impact on all citizens of the world in different areas of life. While the major impact is on the health of individuals, it is also affecting the economy and the labour market. The impact of the pandemic on the economy and the labour market is likely to continue for some time into the future. As a result of the restricted movement imposed during the national lockdown in South Africa, only some people are able to work, either at their usual places of work or from their homes, provided they have the tools of trade to facilitate work – especially those providing essential goods and services. Some of these people have seen a reduction in the hours of work and consequently a reduction in their wages, while for others the opposite is true. For many others it is not possible to work from home, thereby experiencing a reduction in wages or even losing their jobs or being forced to close down their businesses.

The aim of this section is to assess the impact of COVID-19 on some aspects of the labour market. It should be noted that this is not a scientific sample survey and therefore, the results presented here are not conclusive but indicative of what is happening in the South African labour market.

Figure 4.1: Percentage distribution of respondents' employment situation prior to the national lockdown



Of the 2 688 respondents who participated in the survey, 69,5% indicated that they were in paid employment, 15,3% had their own businesses, and 7,6% were unemployed before the national lockdown. About 0,2% had been helping unpaid in household businesses, while 3,7% were out of the labour force.

Figure 4.2: Employment situation during the national lockdown

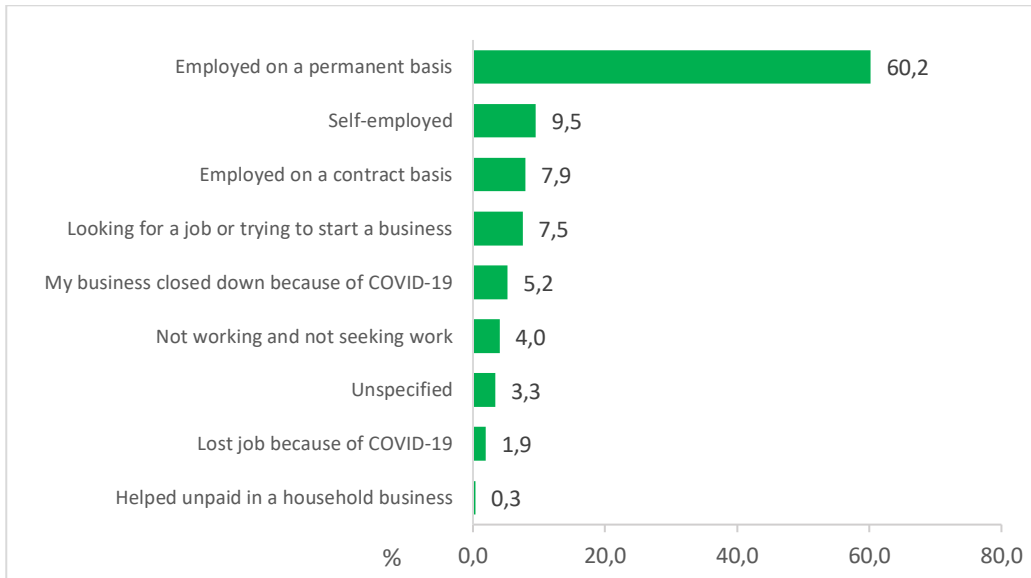


Figure 4.2 shows that 60,2% of the respondents were employed on a permanent basis during the national lockdown, followed by those in self-employment (9,5%) and those who were employed on contract basis (7,9%). About 7,5% of respondents were unemployed (looking for a job or trying to start a business) during the national lockdown. Just under 2,0% lost their jobs because of COVID-19 and 5,2% had to close their businesses due to the same reason.

Table 4.1: Labour market status before and during lockdown

| Before lockdown | During lockdown | | | | | |
|-----------------|-----------------|----------------------------------|------------|------|-------------|-------|
| | Employed | Lost jobs/ business closes | Unemployed | NEA | Unspecified | Total |
| Employed | 89,5 | 8,1 | 1,4 | 0,5 | 0,4 | 100,0 |
| Unemployed | 9,3 | | 84,4 | 5,9 | 0,5 | 100,0 |
| NEA | 15,0 | | 1,0 | 84,0 | | 100,0 |

Table 4.1 shows that 89,5% of those who were employed before the national lockdown, remained employed during the lockdown, 8,1% lost their jobs or had to close their businesses, 1,4% became unemployed and 0,5% were out of the labour force. Of those who were unemployed, 84,4% remained unemployed, 9,3% started working during the lockdown while 5,9% were no longer in the labour force.

Figure 4.3: Distribution of business ownership before lockdown and business closure during lockdown by population group

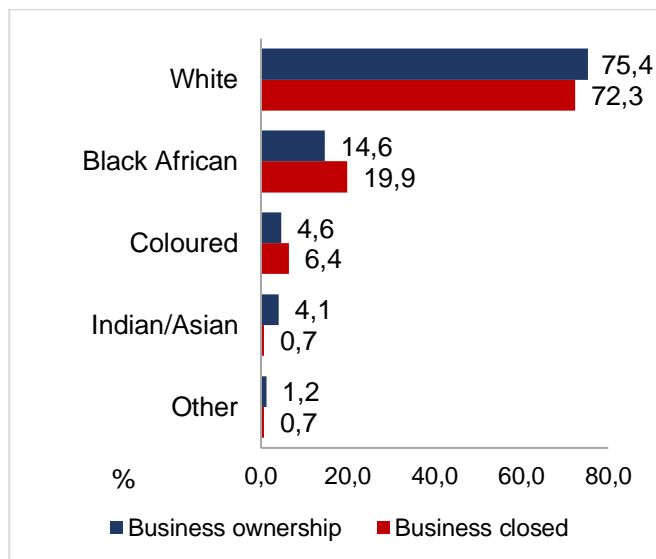
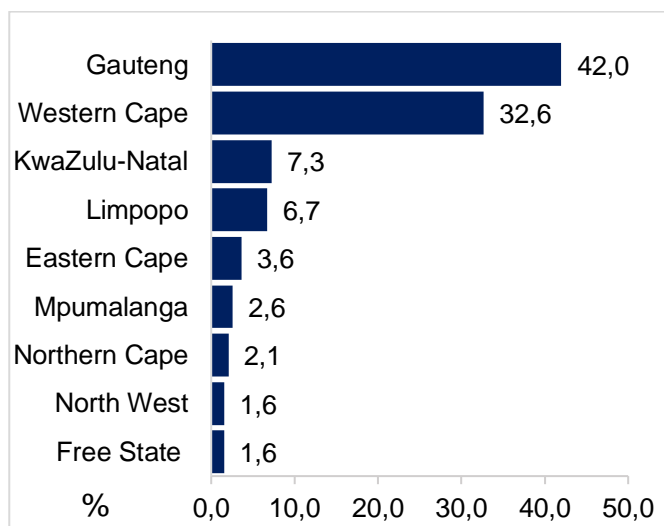


Figure 4.4: Distribution of those whose businesses closed down during lockdown by province



According to Figure 4.3, every three in four respondents (75,4%) who had businesses before national lockdown were white, 14,6% were black Africans, 4,6% were coloured, and 4,1% were Indian/Asian. Among those who had to close down their businesses as a result of the national lockdown, the white population still accounted for a bigger share, however, their share was lower than the share of business ownership. Indian/Asian share among those who had to close their businesses was also lower than the share among those who own businesses. For black Africans and the coloured population, the shares among those who had to close businesses are larger than their shares of business ownership. This reflects a bigger negative impact for these two population groups.

The majority of respondents whose businesses closed down as a result of the national lockdown were located in Gauteng (42,0%) during the lockdown, followed by Western Cape (32,6%) as depicted in Figure 4.4. The rest of the provinces accounted for shares below 10%, ranging from 7,3% for KwaZulu-Natal to 1,6% for both Free State and North West.

Figure 4.5: Proportion of employed respondents by change in income of the respondents

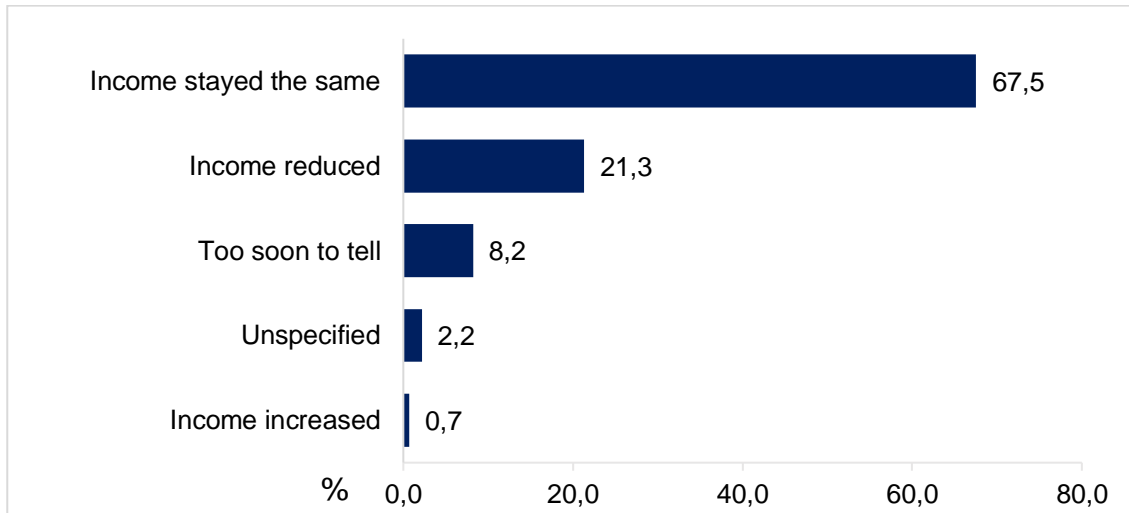
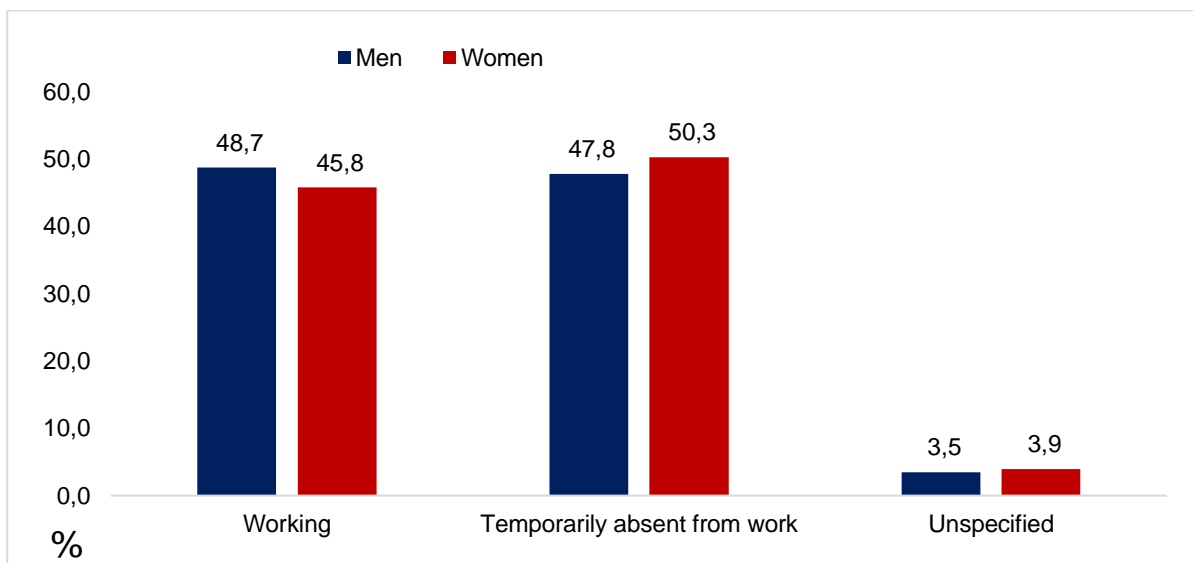


Figure 4.5 shows that for those who had jobs during the lockdown, income stayed the same as before the lockdown for 67,5% of them, 21,3% indicated reduced income. Less than 1,0% indicated that their income increased, while 8,2% highlighted that it was too soon to tell if their income was going to change or not.

Figure 4.6: Involvement in economic activities in the week preceding the interview by sex of the respondent



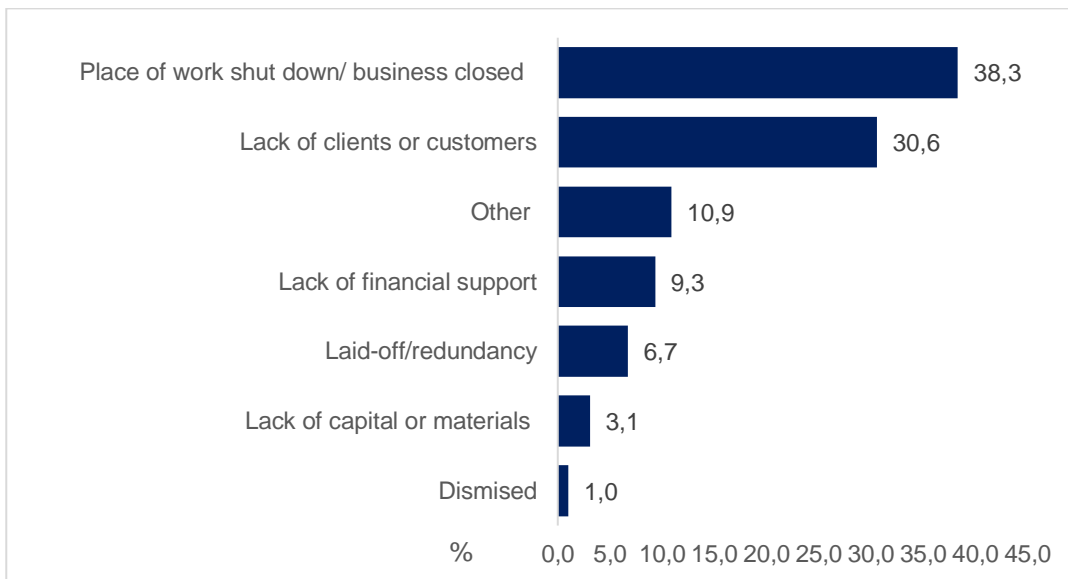
Even though some respondents indicated that they had jobs or businesses during the national lockdown, some were at work and some were temporarily absent from their economic activities in the week leading to the interview. Among men, 48,7% indicated that they worked in the week preceding the survey interview compared to 45,8% among women. Just over half of women indicated temporary absence from work compared to 47,8% of men.

Table 4.2: Reasons for temporary absence

| Reason absent | Percentage (%) |
|-------------------|----------------|
| National lockdown | 63,6 |
| Own illness | 34,1 |
| Other | 2,3 |

The majority of those who had jobs or businesses were temporarily absent from work due to the national lockdown (63,6%), just over a third (34,1%) indicated that they were not at work in the week preceding the survey interview due to own ill health and 2,3% were absent due to other reasons.

Figure 4.7: Main reason for job loss or business closure during national lockdown



For those who lost their jobs or had to close their businesses during the national lockdown, 38,3% cited the place of work shutting down or the business closing as the main reason for job loss or business closer; 30,6% indicated lack of clients as the main reason; and only 1,0% of them stated dismissal as the main reason.

Figure 4.8: Place of work before national lockdown

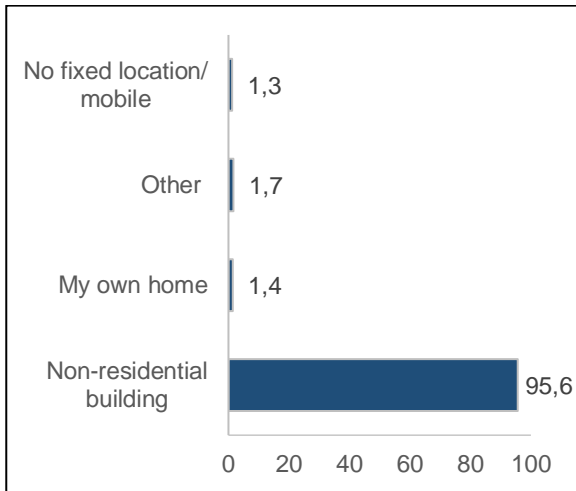
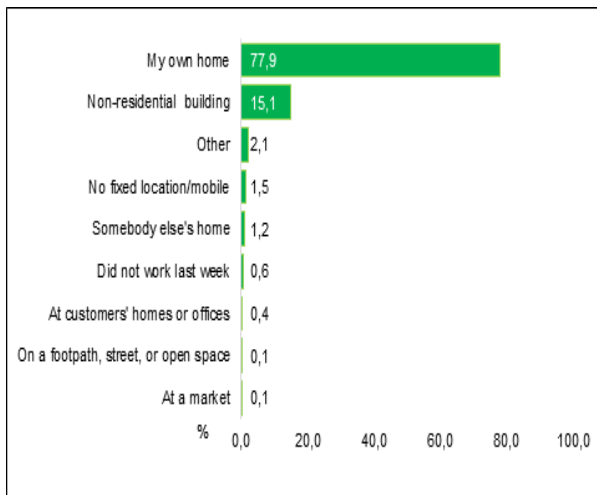


Figure 4.9: Place of work during national lockdown



According to Figure 4.8, the majority (95,6%) of respondents who were in employment during the national lockdown worked from non-residential buildings, factory or office blocks before the national lockdown was imposed and only 1,4% worked from home during this period. However, COVID-19 brought about a change in terms of place of work. During the national lockdown, most of those who worked did so from their own homes (77,9) and only 15,1% worked from non-residential buildings as depicted in Figure 4.9.

Figure 4.10: Proportion of those working from their own homes during the national lockdown, by current employment situation

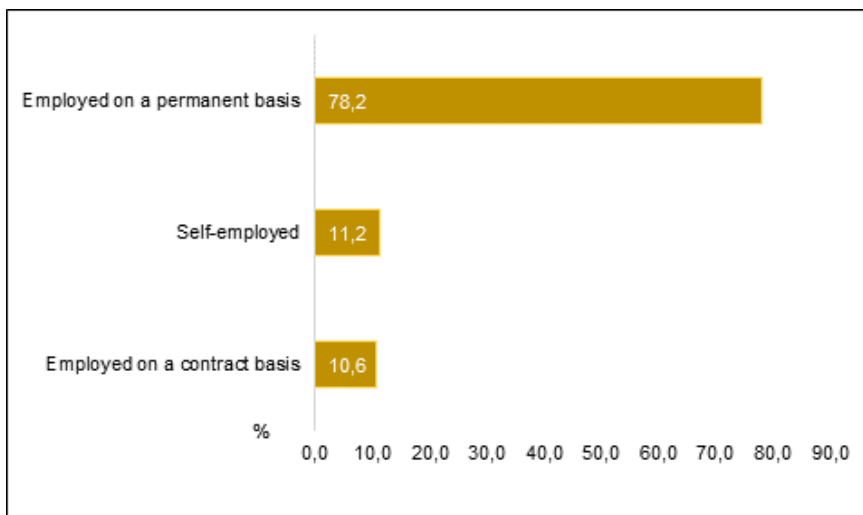


Figure 4.10 shows that a bigger share of respondents who worked from home during the national lockdown were employed on a permanent basis (78,2%), followed by those in self-employment (11,2%). Those employed on a contract basis accounted for 10,6% of respondents who worked from home during the national lockdown.

Figure 4.11: Distribution of those working from own home by province

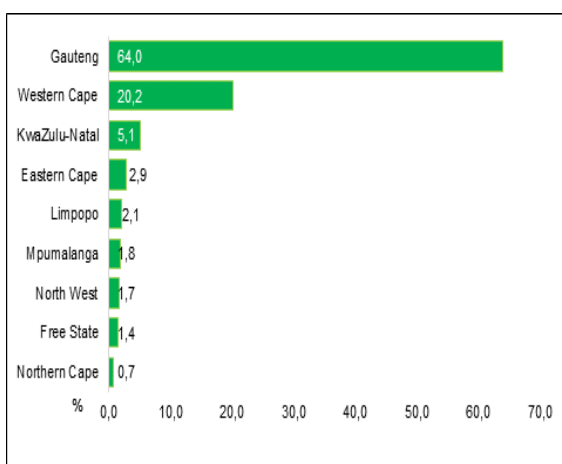
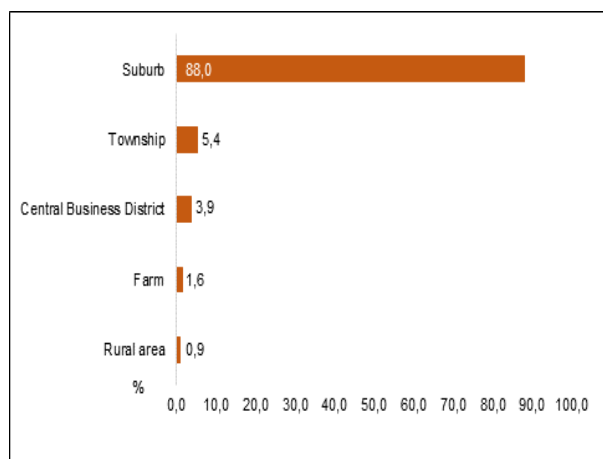


Figure 4.12: Distribution of those working from own home by geo-community



As shown in Figure 4.11, those who reported that they worked from their own home during lockdown, 64,0% of them were from Gauteng, while 20,2% of them were from Western Cape, the lowest proportion was reported in Northern Cape (0,7%). Out of those who worked from home, most of them were from the suburban areas (88,0%), followed by those from the township (5,4%), while those from the rural areas recorded the lowest percentage at 0,9%.

Table 4.3: Reduced hours of work since the implementation of lockdown

| Have hours of work been reduced since the implementation of the lockdown | Percentage (%) |
|--|----------------|
| Yes | 29,5 |
| No | 69,6 |
| Unspecified | 0,9 |
| Total | 100,0 |
| Employment status of those with reduced hours | |
| Employed on a permanent basis | 69,0 |
| Self employed | 22,4 |
| Employed on a contract basis | 8,3 |
| Help unpaid in a household business | 0,3 |
| Changes in their income since lockdown started | |
| Income stayed the same | 56,2 |
| Income reduced | 37,2 |
| Too soon to tell | 5,9 |
| Income increased | 0,3 |

Table 4.3 shows that of those who worked during the national lockdown, 29,5% had their hours of work reduced since the implementation of the national lockdown, and for 69,6% the hours of work have not been reduced. The majority of those who had their hours reduced (69,0%) were employed on a permanent basis, followed by those who were self-employed (22,4%), and those employed on a contract basis (8,3%). The table further indicates that although hours of work have been reduced for some as a result of the national lockdown, this did not affect income for some. For over half (56,2%) of them their income stayed the same as before the national lockdown, while for 37,2% of them their income reduced, while income increased for 0,3% of these

respondents, and 5,9% of them indicated that it was too soon to tell if there was going to be a change in their income or not.

Figure 4.13: Distribution of persons returning to the same job/business

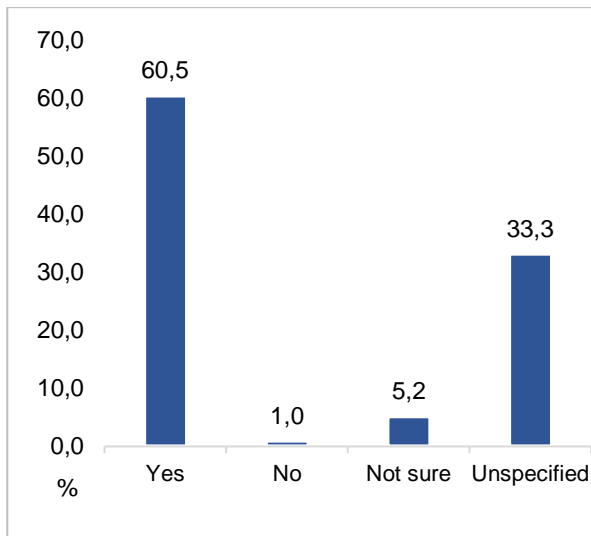
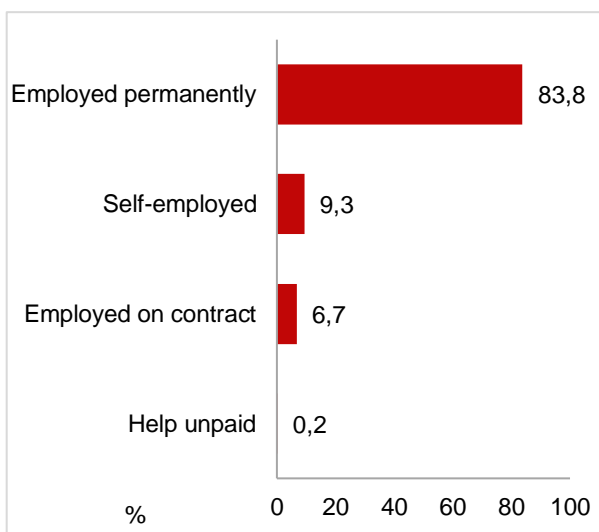


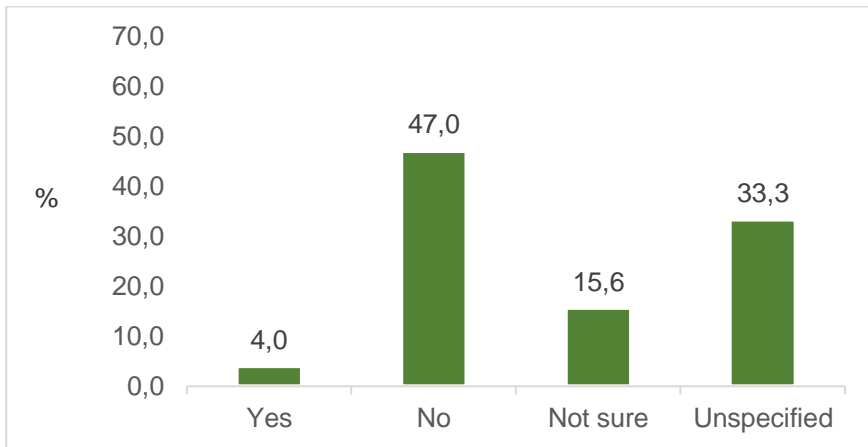
Figure 4.14: Distribution of those returning to the same work/business by current employment situation



The analysis above focuses on the respondents who indicated that they had worked for pay or ran their own businesses or were temporarily absent from work in the week preceding the survey interview. As depicted in Figure 4.13, the majority (60,5%) of those who had jobs during the lockdown, irrespective of whether they worked during the lockdown or were temporarily absent from their economic activities, indicated that they will be returning to the same job/business once the lockdown is lifted. Just over 5% indicated they are not sure and 1,0% were certain that they would not be returning to the same job/business. A third (33,3%) of the respondents did not specify whether they will be returning or not. The results further indicate that of those who indicated that they will be returning to the same job/business once the lockdown is lifted, the majority (83,8%) were in permanent employment, 9,3% were self-employed, and 6,7% were employed on a contract basis (see Figure 4.14).

For Figure 4.15, the analysis seeks to identify the persons who indicated that they think they might lose their jobs or close their businesses in the four weeks succeeding the survey interview due to COVID-19. The analysis will only focus on the respondents who had paid jobs or run their businesses during the lockdown and those who were temporarily absent from work during this period.

Figure 4.15: Percentage distribution of loss of job or business closure in the four weeks succeeding the survey interview due to COVID-19



The results in Figure 4.15 indicate that 47,0% of those who had paid jobs or businesses during the national lockdown do not think they will lose their jobs or close their businesses in the four weeks succeeding the survey interview due to COVID-19. About 4,0% of the respondents indicated that they might lose their jobs or close their businesses in the near future. About a third did not specify what they think will happen to their jobs or businesses in the near future as a result of COVID-19.

Figure 4.16: Distribution of employed persons by ownership of a registered small business

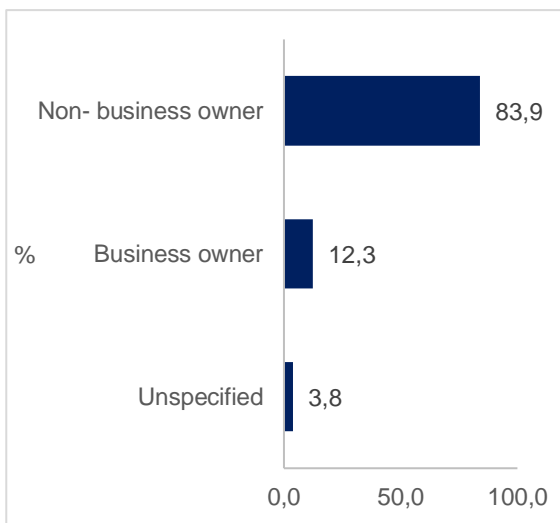


Figure 4.17: Owners of registered small businesses by government financial relief

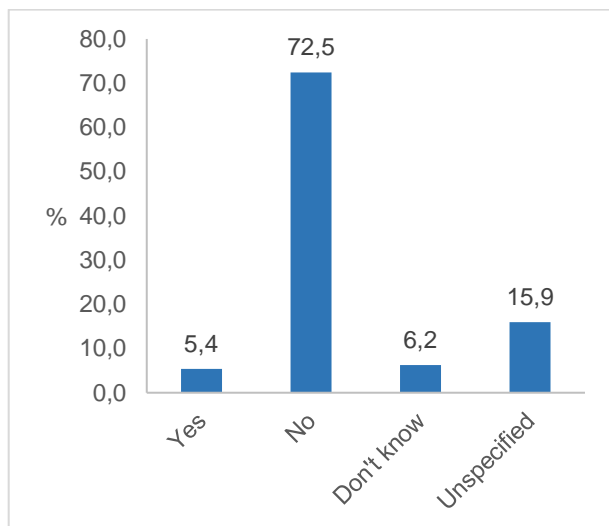
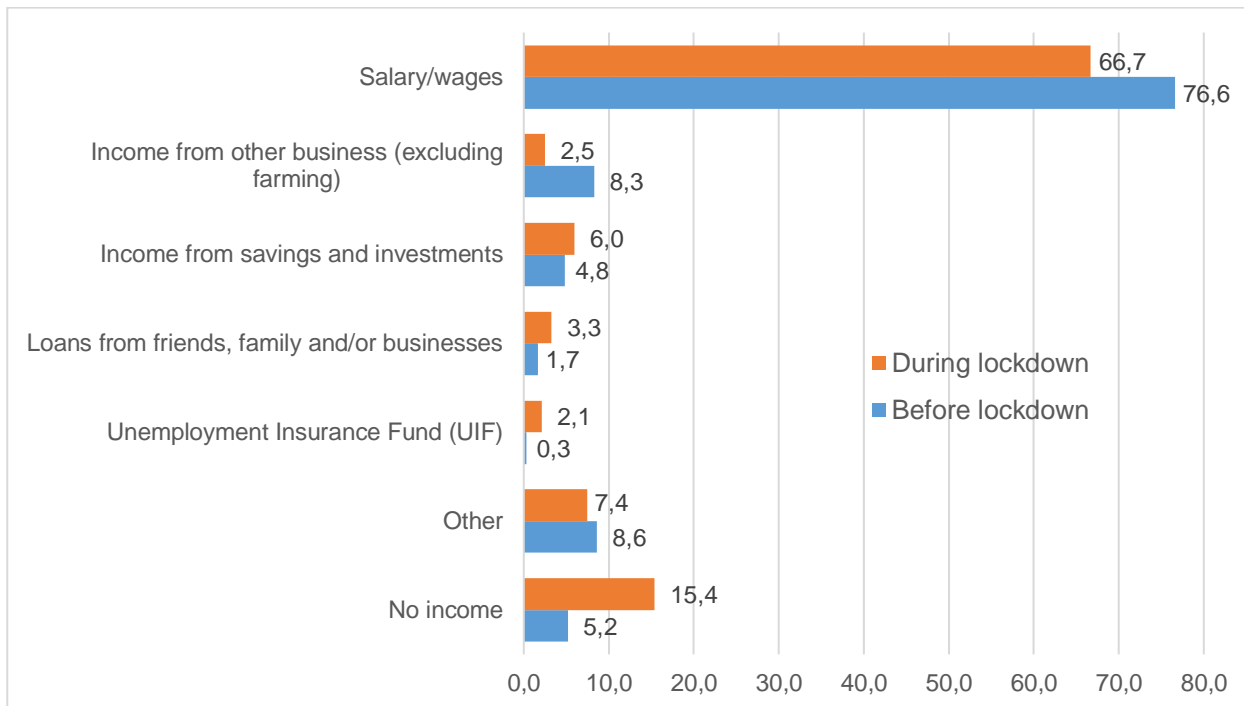


Figure 4.16 shows that, the majority (83,9%) of those who were in employment during the national lockdown did not own registered small businesses and about 12,3% did. Of those who owned such businesses, 5,4% benefited from the financial relief provided by government to assist small businesses during the COVID-19 pandemic (see Figure 4.17).

5. Findings on Income and Hunger

This section focuses on the impact that the COVID-19 pandemic and subsequent national lockdown has had on the income and food security of individual South Africans. The national lockdown did not only limit the movement of people, but also put new financial pressures on individuals in the country. Regulations put in place by government to limit the spread of the virus required that non-essential businesses and organisations temporarily close down during the national lockdown. As a result, economic activity in the country on non-essential goods and services came to a standstill which had a knock-on effect on the income generation ability of the population. This negative impact on income (combined with limitations on movement) could have also impacted on South Africans' ability to access food. Thus, understanding how the COVID-19 pandemic has impacted on income and hunger can help decision- and policy-makers better respond to the pandemic. Figure 5.1 shows the sources of income reported by respondents prior to, and during the national lockdown.

Figure 5.1: Proportion of respondents by income source before and during lockdown



The percentage of respondents who reported no income increased from 5,2% before the lockdown to 15,4% by the sixth week of the national lockdown. The majority of respondents reported salaries/wages as their primary source of income before and during the national lockdown. However, the percentage of respondents who received an income from salaries/wages decreased from 76,6% before the national lockdown to 66,7% by the sixth week of the national lockdown. A similar trend is observed with income from other own business which decreased from 8,3% to 2,5%. This decrease in income from salaries/wages and from own businesses seems to have been offset by increases in the percentage of individuals reporting income from savings and investments (increasing from 4,8% prior to the lockdown to 6,0% during the lockdown), from UIF (increasing from 0,3% to 2,1%), and from taking loans from friends, family and/or businesses (increasing from 1,7% to 3,3%).

Figure 5.2: Percentage distribution of respondents by whether or not their income was impacted during the national lockdown

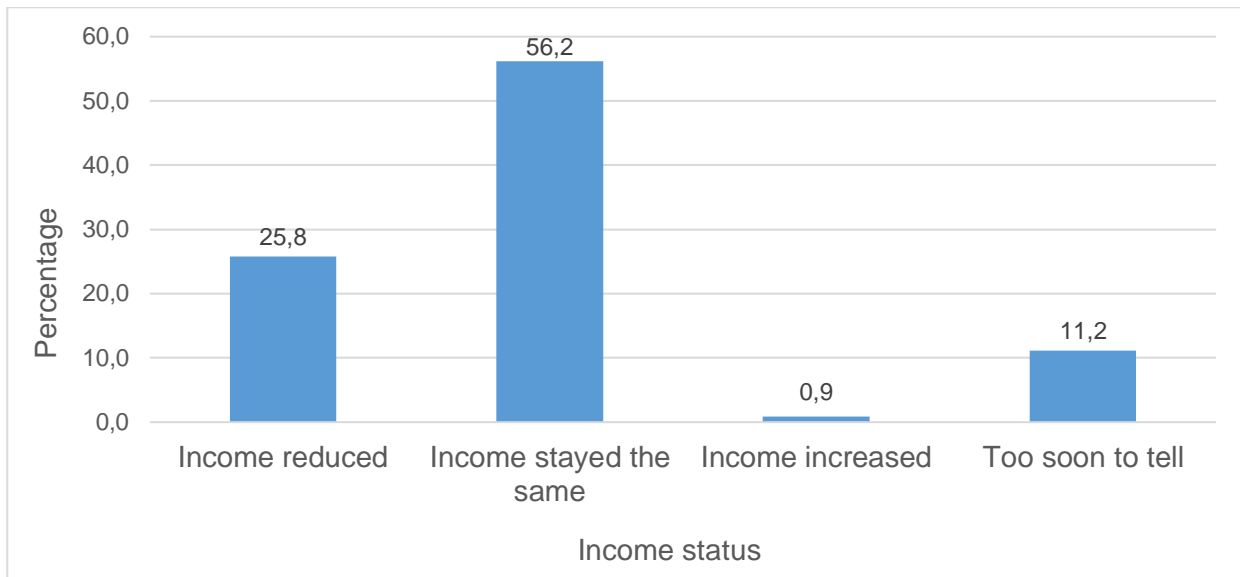


Figure 5.2 shows that 56,2% of respondents reported that their income has stayed the same since the national lockdown started at the end of March 2020 with an additional 11,2% of respondents indicating that it was too soon to tell what impact the pandemic would have on their incomes. Meanwhile, about one in four respondents (25,8%) reported that they saw a decrease in their income since the lockdown started. Less than one per cent of respondents (0,9%) reported an increase to their income.

Figure 5.3: Proportion of respondents whose income reduced since the lockdown started and the main reason for the reduction in income

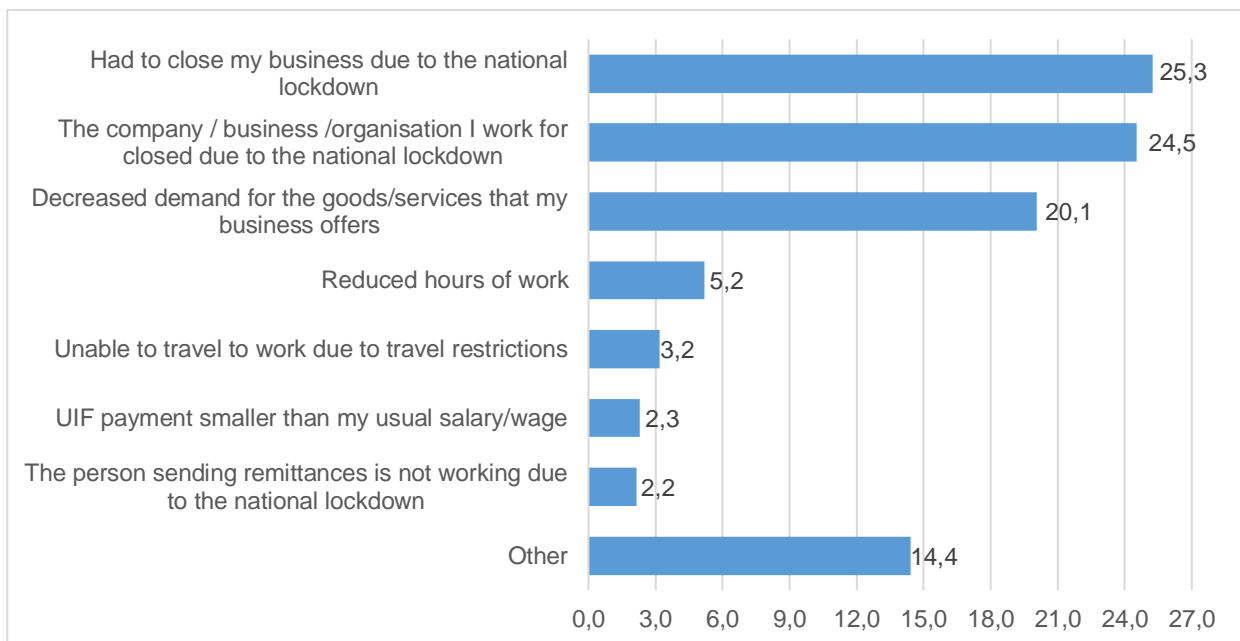


Figure 5.3 reveals the main reasons behind why individuals reported that their income has reduced since the start of the national lockdown. Approximately half of respondents (49,8%) indicated that their income was reduced as a result of either having to close their business (25,3%) or because the company / business / organisation they work for had to close (24,5%) due to the national lockdown. About one in five respondents

(20,1%) indicated that the loss of income stemmed from a decrease in demand for the goods and services they provide. Other reasons reported for the reduction in income included reduced working hours (5,2%), inability to travel due to the travel restrictions (3,2%), and receiving smaller UIF payments relative to their usual salaries/wages (2,3%).

Figure 5.4: Proportion of respondents whose income reduced by the coping strategies used to fill the income gap

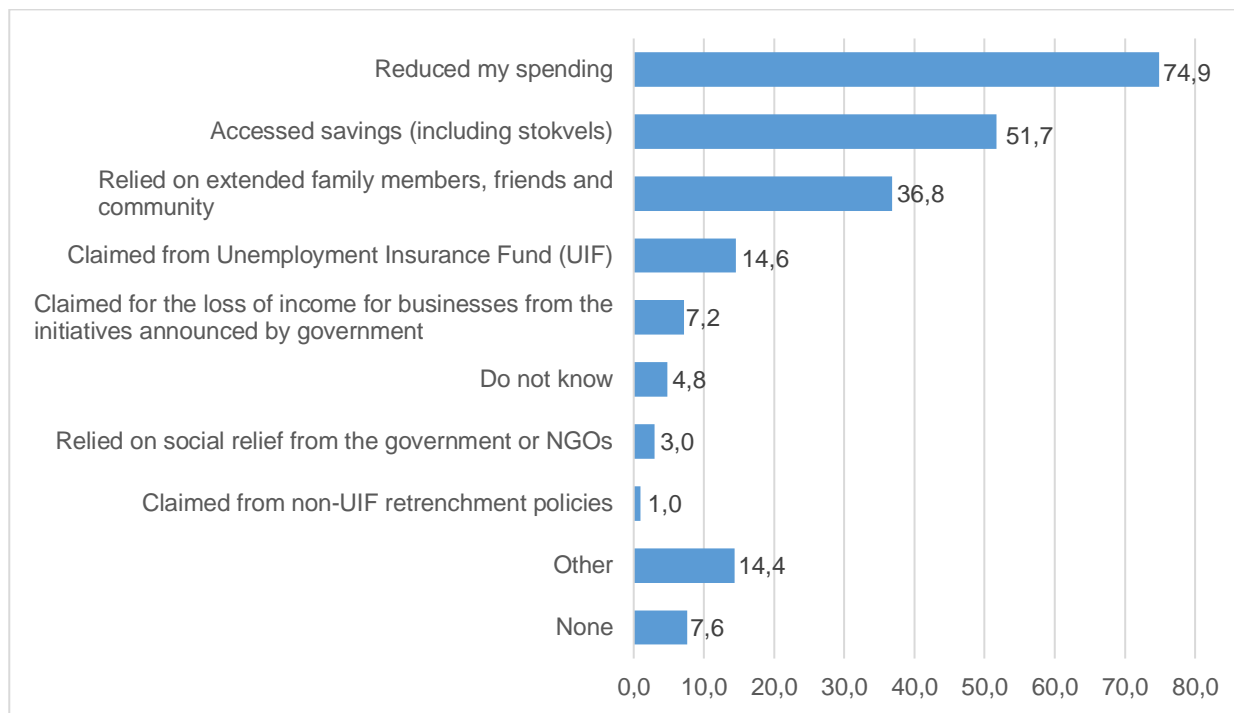


Figure 5.4 indicates the coping strategies used to fill the income gap by respondents whose income reduced during national lockdown. The majority of respondents (74,9%) reported that they reduced their spending to compensate for the loss of income, while about half of respondents (51,7%) indicated that they accessed their savings to close the income gap. Roughly one in three respondents (36,8%) also relied on extended family members, friends and/or their communities for support. Claims from the Unemployment Insurance Fund (UIF) was used by 14,6% of respondents as a coping strategy.

Figure 5.5: Percentage distribution of respondents who believe COVID-19 and the national lockdown will have an impact on their ability to cover their financial obligations by the type of impact

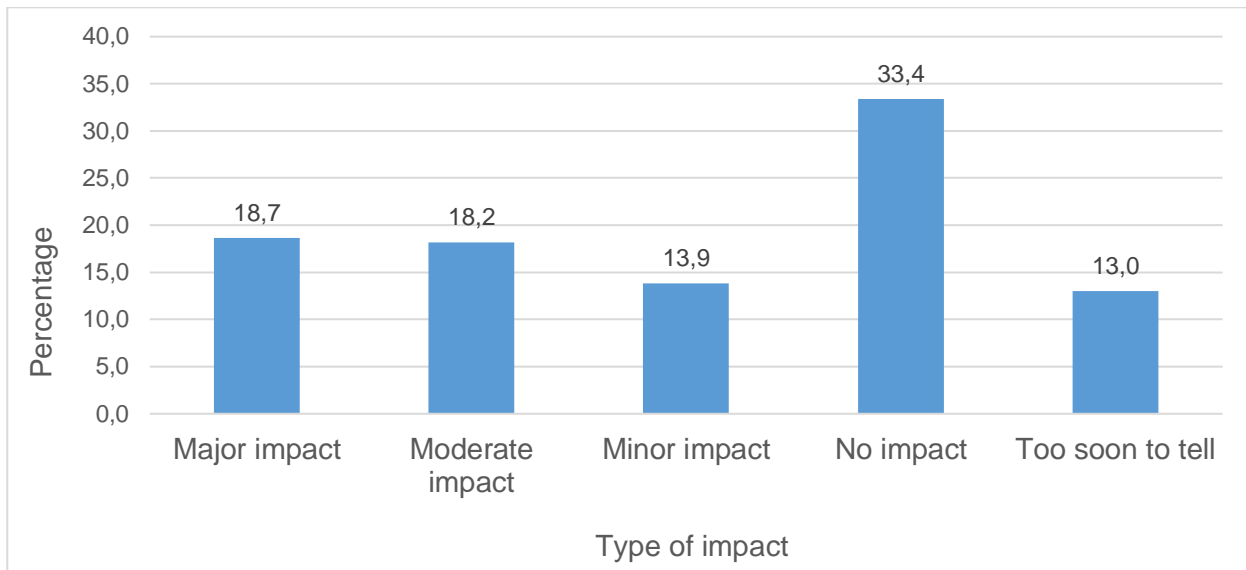


Figure 5.5 shows that 33,4% of respondents reported that COVID-19 and the national lockdown will have no impact on their ability to cover their financial obligations, while 13,0% of respondents said it was too soon to tell what the impact would be. However, more than half of respondents (50,8%) believed that COVID-19 and the national lockdown will have some sort of impact on their ability to cover their financial obligations. In total, 18,7% said the impact will be major, 18,2% indicated it would have a moderate impact, and 13,9% believed it would have a minor impact on their ability to cover their financial obligations.

Figure 5.6: Percentage distribution of respondents with a reduced income and whether or not they had to incur new debt to cover their expenses

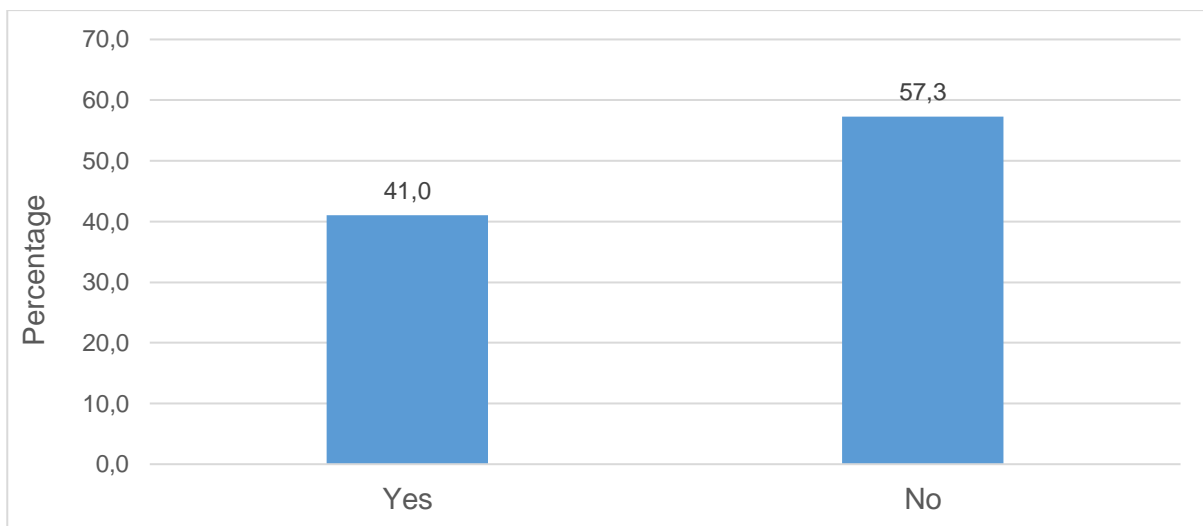
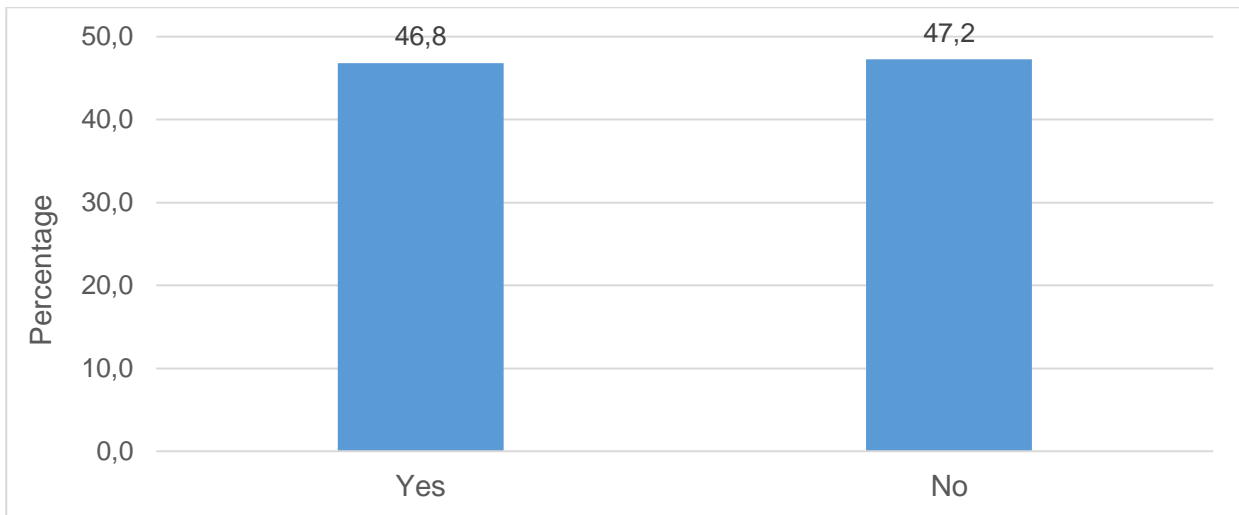


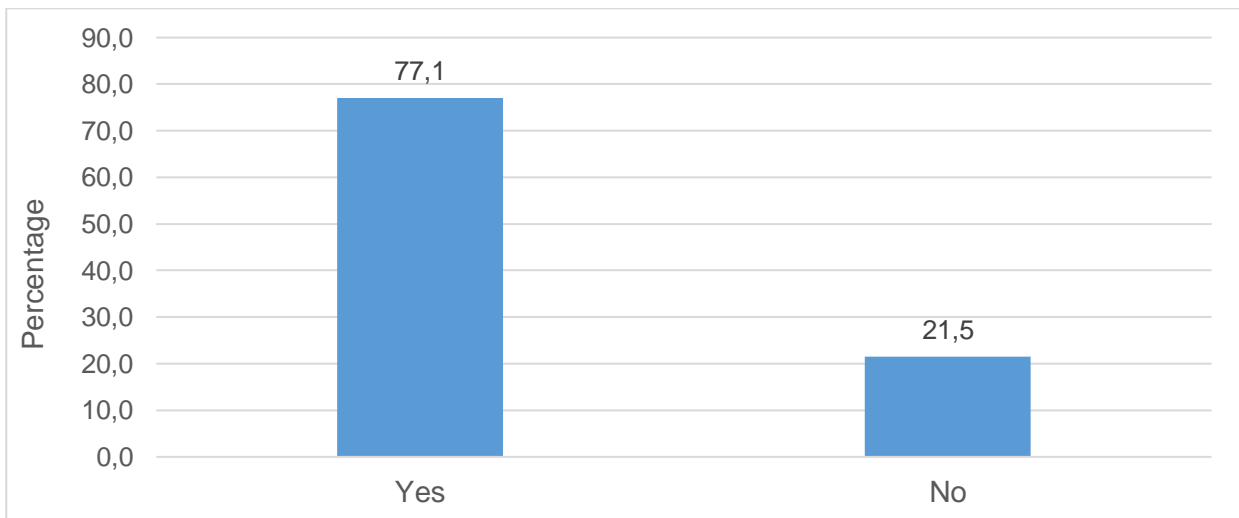
Figure 5.6 shows that approximately 41,0% of the respondents with reduced income incurred new debt to cover their living expenses during the national lockdown, while 57,3% did not. The incurrence of new debt is also reflected in Figure 5.1 which showed an increase in the proportion of respondents who reported new income sourced from loans from friends, family, and/or businesses during the national lockdown.

Figure 5.7: Percentage distribution of respondents who had to use their savings to cover living expenses during the national lockdown which they were saving to use for other purposes



According to Figure 5.7, there is almost an even split in respondents who did (46,8%) and did not (47,2%) have to use any of their savings meant for other purposes to cover their living expenses during the national lockdown.

Figure 5.8: Percentage distribution of respondents with a reduced income that had to use their savings to cover living expenses during the national lockdown they were saving to use for other purposes



As seen in Figure 5.4 earlier, approximately 52% of respondents whose income reduced reported using their savings as a coping strategy to bridge the income gap since the start of the national lockdown. The breakdown in Figure 5.8 of those with reduced incomes shows that almost four out of five (77,1%) of these respondents had to use their savings that were intended for some other purpose in order to cover their living expenses during the national lockdown. Only 21,5% reported not using savings meant for another purpose to cover their living expenses during this period.

Figure 5.9: Percentage distribution of respondents by the type of change in their weekly spending behaviour during the national lockdown as compared to before the lockdown

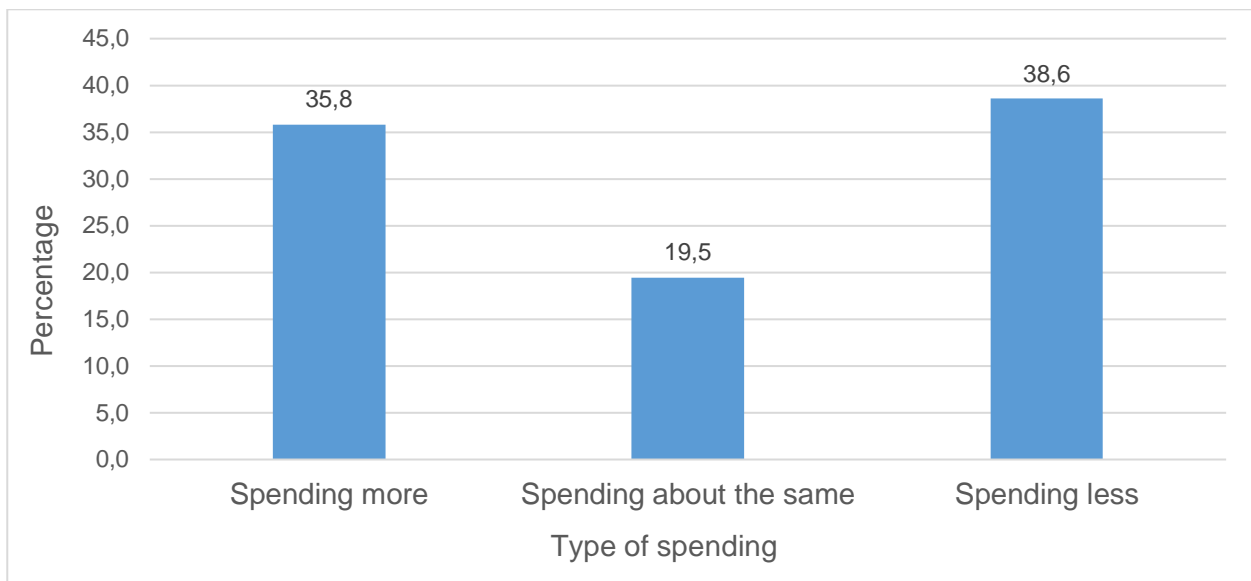
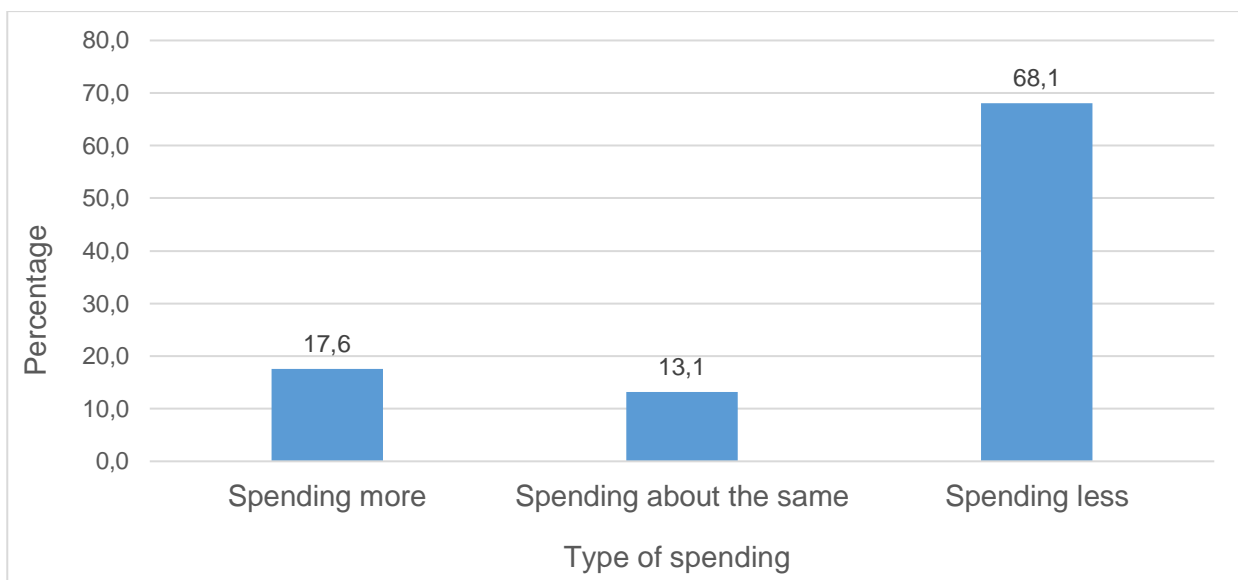


Figure 5.9 shows the percentage distribution of respondents by the type of change in their weekly spending patterns during the national lockdown as compared to their usual weekly spending prior to the lockdown. Around 19,5% of respondents said that their spending was about the same between these two periods. However, over one-third of respondents (38,6%) reported that they were spending less per week during the lockdown compared to before the national lockdown, while another one-third (35,8%) indicated that they were spending more per week.

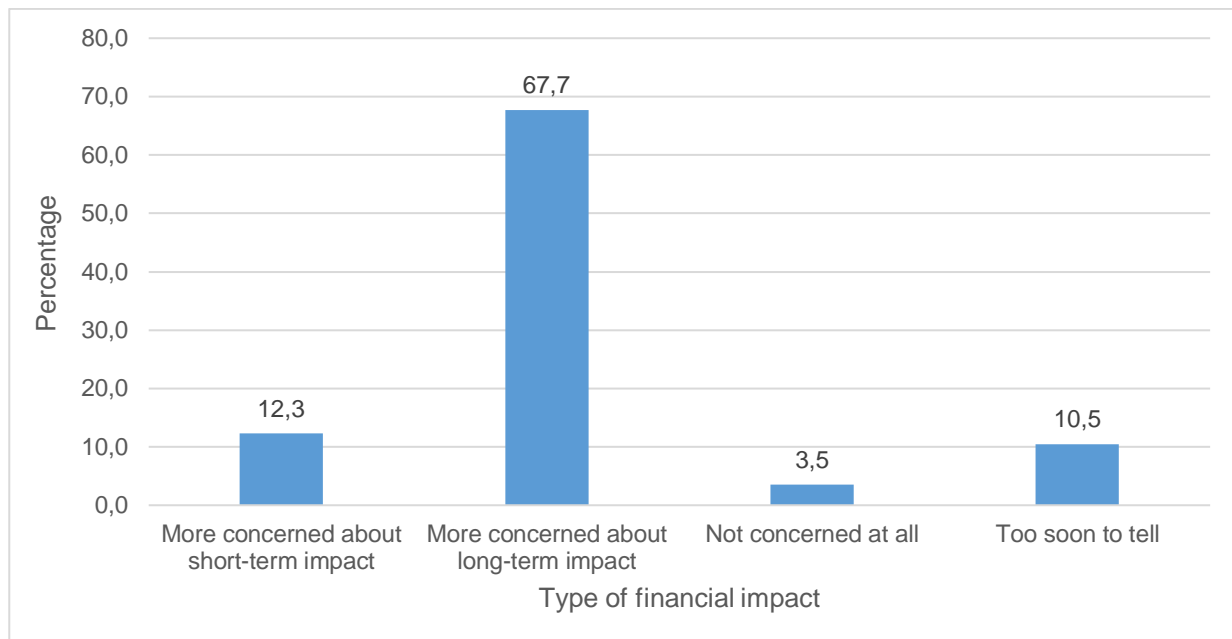
Figure 5.10: Percentage distribution of respondents whose income reduced by the type of change in their weekly spending behaviour during the lockdown as compared to before the lockdown



When examining only those whose income reduced since the lockdown started, significantly more respondents (68,1%) reported a decrease in their weekly spending compared to the rest of all respondents (38,6% shown in Figure 5.9). Figure 5.10 shows that almost seven out of ten (68,1%) respondents whose income reduced indicated that they were spending less per week during the national lockdown as compared to before the

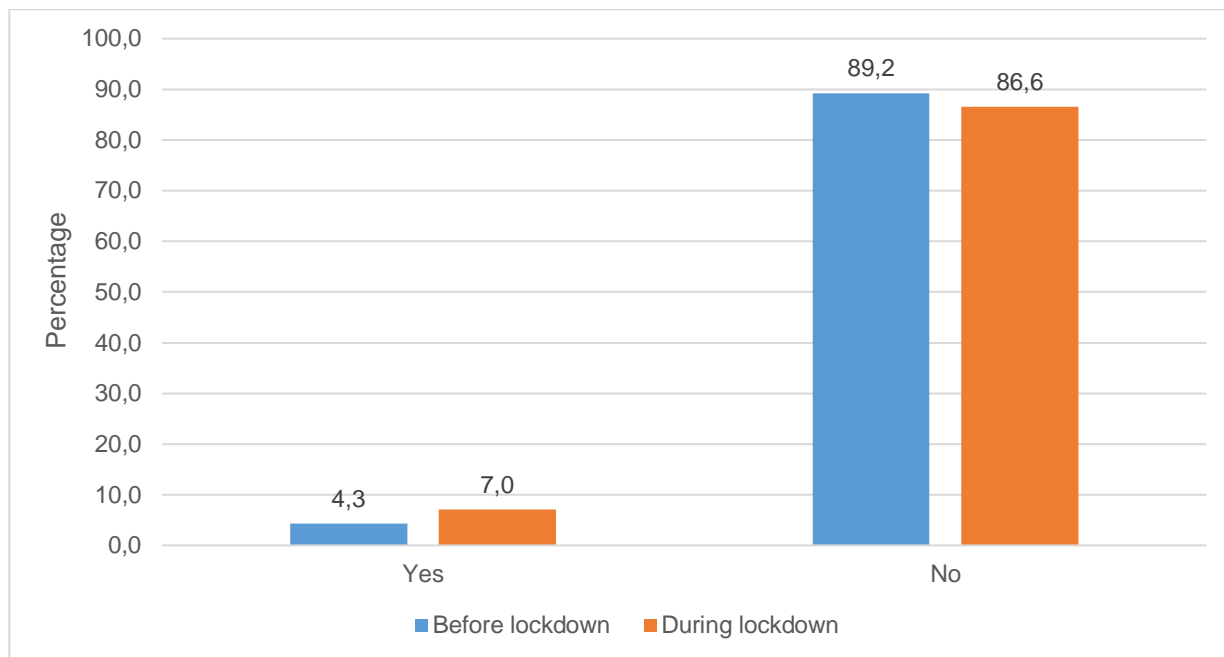
lockdown started; while 17,6% spent more per week and roughly 13,1% said that their spending was about the same between these two periods.

Figure 5.11: Percentage distribution of respondents by their concern regarding the impact COVID-19 will have on their financial situation in the short or long term



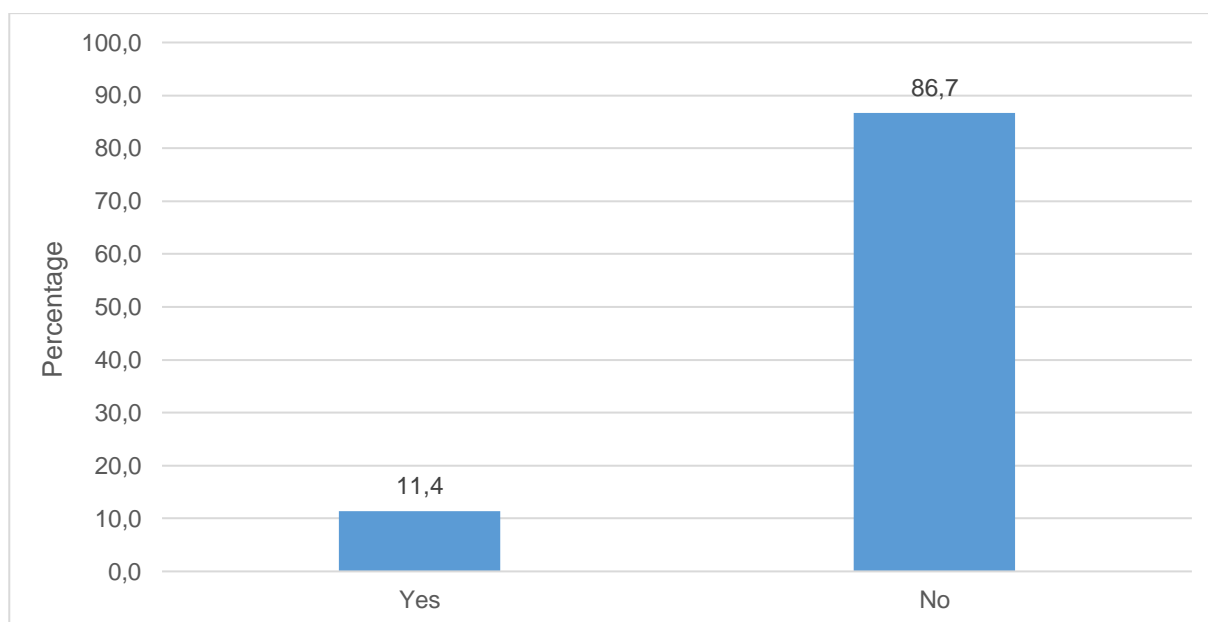
As shown in Figure 5.11, two-thirds of respondents (67,7%) indicated that they are more concerned about the potential long-term impact the COVID-19 pandemic will have on their financial situation, whilst approximately 12,3% of respondents indicated they are more worried about the short-term impact. Only 3,5% of respondents said that they are not concerned at all with the financial impact of the virus and roughly one out of ten people (10,5%) reported that it was too soon to tell whether they are more worried about the long-term or short-term impact.

Figure 5.12: Proportion of respondents who reported experiencing hunger before and during the national lockdown



Approximately 4,3% of respondents indicated that they experienced hunger during the month prior to the start of the national lockdown, with 89,2% saying they did not go hungry during that month. However, since the start of the national lockdown, the proportion of respondents who reported experiencing hunger during lockdown increased to 7,0% and the proportion that did not experience hunger decreased to 86,6%. Based on General Household Survey (GHS) data, we know that hunger in the country is notably higher than reported in the Wave 2 survey results which reflects the possible selection bias in Wave 2 respondents.

Figure 5.13: Proportion of respondents whose income had reduced and reported experiencing hunger during the national lockdown



According to Figure 5.13, if we examine the group of respondents who reported that their income has decreased since the start of the lockdown, we find higher levels of hunger with roughly 11,4% of those respondents (roughly one out of every ten) reporting that they have experienced hunger during the lockdown (compared to 7,0% as shown in Figure 5.12). This implies that individuals negatively impacted by the lockdown in terms of their income, will likely also be at higher risk of food insecurity.

6. Summary

The Wave 2 survey aimed to measure the impact that the COVID-19 pandemic and the subsequent national lockdown have had on the employment and income situation of individual South Africans aged 18 years and older. The survey is based on a non-probability, convenience sample and was implemented using a web-based collection method. Given the method of collection, respondents were required to have access to technology (e.g. smartphones or computers with access to the internet) to be able to participate in the survey. This makes the survey biased in the type of respondents that completed the survey. The number of valid responses obtained for the survey was 2 688 and are not representative of the general population of South Africa.

The survey found that the majority of those who were employed before the national lockdown, remained employed during the lockdown, while some people lost their jobs or had to close their businesses as a result of the national lockdown. Most of the people who reported having jobs were temporarily absent from their economic activities as a result of the lockdown. However, for the majority of the employed respondents there was no change in their incomes even if they worked fewer hours during the national lockdown relative to the number of hours they worked pre-lockdown. Working from home was not common before the national lockdown; however, the COVID-19 pandemic has changed the nature of work in South Africa as shown by the massive increase in the proportion of respondents who reported that they were working from home during the lockdown. Most of the respondents indicated that they will be returning to their jobs after the national lockdown; however, there is a small proportion of respondents that indicated that they might lose their jobs or close their businesses in a near future as a result of COVID-19.

The survey also found a decrease in the proportion of respondents who usually derive their income from salaries and wages, as well as from own business during the lockdown. On the other hand, the results indicated an increase in the proportion of those who derived their incomes from savings and investments, loans from friends, family and/or businesses, and claims from UIF. The survey further indicated that about a quarter of respondents reported that their incomes decreased during the national lockdown. Most persons who participated in the survey indicated that they reduced their spending during lockdown, especially as a coping mechanism for those respondents whose incomes reduced during lockdown. An overwhelming majority of respondents reported that they are more concerned about the long-term impact the COVID-19 pandemic would have on their financial situation compared to the short-term impact. A higher proportion of respondents reported experiencing hunger during lockdown as compared to the month prior to the lockdown.

7. Explanatory Notes

7.1 Purpose of the study

The purpose of the survey was to provide information that could be used by government and other stakeholders to better understand the impact of the COVID-19 pandemic and to devise interventions to assist the population. In particular, Wave 2 of the survey series aimed to better understand the impact COVID-19 has had on employment, income and hunger.

7.2 Statistical unit

The statistical unit for the collection and dissemination of information in this survey is the individual respondents who selected to complete the Stats SA COVID-19 Wave 2 online questionnaire.

7.3 Sample selection

The survey used a non-probability, convenience sample. The Wave 2 questionnaire was sent to individuals on the Stats SA stakeholder database and accessible to the general public via the Stats SA website and through various social media platforms. The survey was conducted over a one week period between 29 April and 6 May 2020.

Despite the limitations, convenience sampling was selected since it provides a quick, convenient and affordable way to gather data, particularly during a period where face-to-face visits are not possible.

7.4 Limitations

The survey is highly vulnerable to selection bias and influences beyond the control of the researcher. The respondents who chose to respond to this survey are not representative of the entire South African population and the results can therefore not be generalised to the entire South African population. It is important to understand that these findings only apply to this particular set of respondents and that it should not be generalised to other populations. Due to the nature of selection, it is more difficult to identify differences between subgroups.

7.5 Rounding off

Where figures have been rounded off, discrepancies may occur between the sums of the component items and totals.

7.6 Additional information

Unspecified responses were included during analysis, but excluded from some of the reported figures and tables for layout purposes which might result in those tables or figures totals not summing to 100%.