



MONITORING THE SOCIO-ECONOMIC EFFECTS OF COVID-19 ON MAURITIAN HOUSEHOLDS

**BASED ON THE RAPID CONTINUOUS MULTI-
PURPOSE HOUSEHOLD SURVEY**

SEPTEMBER, 2020

December 2020

HIGHLIGHTS

- Total employment increased from 498,000 in July 2020 to 506,300 in September 2020, that is, an increase of 8,300.
- The number of unemployed increased by 4,900 from 57,300 in July to 62,200 in September.
- The unemployment rate (based on a labor force comprising individuals ages 16-64 not in full time education) is estimated at 10.9 percent in September compared to 10.3 percent in July.
- In September, the number of inactives was estimated to be 203,700 compared to 215,800 in July; a decrease of 12,100.
- Compared to income prior to lockdown of 20 March 2020, around 83 percent of self-employed/employers reported a decline in their business income in September 2020. Among employees, around 28 percent reported a decrease in income in September 2020.
- About 8 in 10 households reported having difficulty to meet their monthly household expenses with their actual income in September 2020.
- About 39 percent of households had difficulty in the payment of their electricity bills on time due to financial constraints while 30 percent had problems to pay their water bills.
- Approximately 1 in 4 households reported facing difficulties to meet their commitments for hire purchase goods.
- Around 34 percent of households surveyed in September reported a reduction in their income compared to income prior to the pandemic.

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INTRODUCTION

Statistics Mauritius (SM) publishes quarterly estimates of labour force, employment and unemployment, based on the results of the Continuous Multi-Purpose Household Survey (CMPHS). Data up to March 2020 was collected through face-to-face interviews at household level.

Following lockdown measures introduced by the Government on 20 March 2020, the face-to-face data collection had to be stopped and replaced by a telephone survey (Rapid CMPHS). The most important data items of the normal CMPHS and some additional information that would allow an impact analysis of the socio-economic effects of COVID-19 on the lives of Mauritian households are being collected through the telephone survey.

In September 2020, 713 households were successfully interviewed in the islands of Mauritius and Rodrigues.

The questionnaire of the RCMPHS consists of several modules soliciting information about economic activity of individuals ages 16-64 not in full-time education, access to basic goods and services, household income, shocks and coping strategies.

This note presents the results of the telephone surveys conducted in July and September 2020.

THE LABOR MARKET¹

EMPLOYMENT, UNEMPLOYMENT AND INACTIVITY

Employment

With the lifting of the lockdown in June, individuals who could not work remotely have gradually gone back to their workplace. This is reflected in the increase in employment level for September compared to July (Table 1)². Total employment increased from 498,000 in July to 506,300 in September, that is, an increase of 8,300.

Differences by formality status and type of employment. In September 2020, formal employment was estimated at about 396,600 or 78 percent of total employment, while the remaining 109,700 or 22 percent was informal (Table 2). Compared to July, formal employment increased by 17,800 while a decrease of 9,500 was observed in informal employment.

Out of an employed population of 506,300, 415,800 or 82 percent were wage earners in September (Table 2). The remaining 90,500 or 18 percent were in non-wage employment, that is, own-account workers, employers and contributing family workers. The increase of 8,300 in total employment in September was mainly attributable to wage employment (+17,400) partly offset by a decrease in non-wage employment (-9,100).

In September 2020, some 346,200 or 83 percent of wage workers were in formal employment and 69,600 or 17 percent in informal employment. Out of the 17,400 increase in wage employment from July to September, 61 percent occurred in formal employment and 39 percent in informal employment.

Around 50,400 or 56 percent of non-wage workers were formal and 40,100 or 44 percent informal in September 2020. Non-wage formal employment increased by 7,100 compared to July 2020, while informal non-wage employment declined by 16,200.

¹ All estimates given here refer to population comprising all individuals ages 16-64 not in full-time education. Estimates in other SM publications refer to all individuals aged 16 years and above.

² The employed population consists of Mauritians ages 16-64 not in full time education who have worked for pay, profit or family gain for at least one hour during the third week of the reference month. It includes individuals who are temporarily absent from work for reasons such as working time arrangements, nature of their work and paid leaves. It should be noted that, individuals absent for other reasons, including the Covid-19 pandemic, are classified as employed if they receive a remuneration (full or partial) paid by the employer.

Table 1: Employed, unemployed and economically inactive in population ages 16-64 not in fulltime education, by sex and for youth (16-24 years), July and September 2020

	July 2020	September 2020	Change July 2020 - September 2020
Men			
Employed	296,800	301,600	+4,800
Unemployed	32,200	32,000	-200
Inactive	53,800	50,500	-3,300
Population	382,800	384,100	+1,300
Labor force	329,000	333,600	+4,600
Activity Rate (%)	85.9	86.9	+1.0
Unemployment Rate (%)	9.8	9.6	-0.2
Women			
Employed	201,200	204,700	+3,500
Unemployed	25,100	30,200	+5,100
Inactive	162,000	153,200	-8,800
Population	388,300	388,100	-200
Labor force	226,300	234,900	+8,600
Activity Rate (%)	58.3	60.5	+2.2
Unemployment Rate (%)	11.1	12.9	+1.8
Both Sexes			
Employed	498,000	506,300	+8,300
Unemployed	57,300	62,200	+4,900
Inactive	215,800	203,700	-12,100
Population	771,100	772,200	+1,100
Labor force	555,300	568,500	+13,200
Activity Rate (%)	72.0	73.6	+1.6
Unemployment Rate (%)	10.3	10.9	+0.6
Youth (16 - 24)			
Employed	45,900	44,100	-1,800
Unemployed	20,600	20,500	-100
Inactive	25,300	25,400	+100
Population	91,800	90,000	-1,800
Labor force	66,500	64,600	-1,900
Activity Rate (%)	72.4	71.8	-0.6
Unemployment Rate (%)	31.0	31.7	+0.7

Note: Activity rate = labor force over population; Unemployment rate = unemployed over labor force.

Table 2: Employment in population ages 16-64 not in fulltime education, by type of employment, formality status, July and September 2020

	July 2020			September 2020			Change July 2020 - September 2020		
	Formal	Informal	Total	Formal	Informal	Total	Formal	Informal	Total
Wage Employment	335,500	62,900	398,400	346,200	69,600	415,800	+10,700	+6,700	+17,400
Non-Wage Employment	43,300	56,300	99,600	50,400	40,100	90,500	+7,100	-16,200	-9,100
Total	378,800	119,200	498,000	396,600	109,700	506,300	+17,800	-9,500	+8,300

Differences by sex. The number of women employed as at September 2020 was 204,700 compared to 201,200 in July, that is, an increase of 3,500. Likewise, male employment increased by 4,800 from 296,800 in July to 301,600 in September.

Unemployment

The number of unemployed increased by 4,900 or 9 percent from 57,300 in July to 62,200 in September while the labour force (employed + unemployed) increased by 13,200 from 555,300 to 568,500. Hence, the unemployment rate increased from 10.3 percent in July to 10.9 percent in September.

The number of unemployed women increased by about 5,100 from 25,100 in July to 30,200 in September, while the number of unemployed men decreased by 200 to around 32,000 in September. The unemployment rate among women increased from 11.1 percent in July to 12.9 percent in September 2020, while among men it decreased from 9.8 percent to 9.6 percent.

Population outside labour force (Economically Inactive)

In September, the number of economically inactives was estimated at 203,700 compared to 215,800 in July; a decrease of 12,100.

Among women, a decrease of 8,800 or 5.4 percent was noted in September relative to July, whereas the number of inactive men decreased by 3,300 or 6.1 percent.

Youth

The number of youth (ages 16-24 not full time students) in employment dropped by 1,800, from 45,900 in July to 44,100 in September, while the number of unemployed slightly decreased from 20,600 to 20,500. On the other hand, the number of inactives grew by 100 to reach 25,400.

Employment by sector

Employment in the primary sector increased by 1,100 from 29,000 in July to 30,100 in September and that in the tertiary sector increased by 11,100 units from 346,000 in July to 357,100 in September.

On the other hand, employment in the secondary sector decreased by 3,900 from 123,000 in July to 119,100 in September.

Table 3: Employment by industrial activity in population ages 16-64 not in fulltime education, July and September 2020

	July 2020	September 2020	Change July 2020 - September 2020
Primary Sector	29,000	30,100	+1,100
Secondary Sector	123,000	119,100	-3,900
Tertiary Sector	346,000	357,100	+11,100
Total	498,000	506,300	+8,300

INDIVIDUAL EARNINGS

In September, about 15 percent of employees worked less than their usual hours of work compared to 11 percent in July.

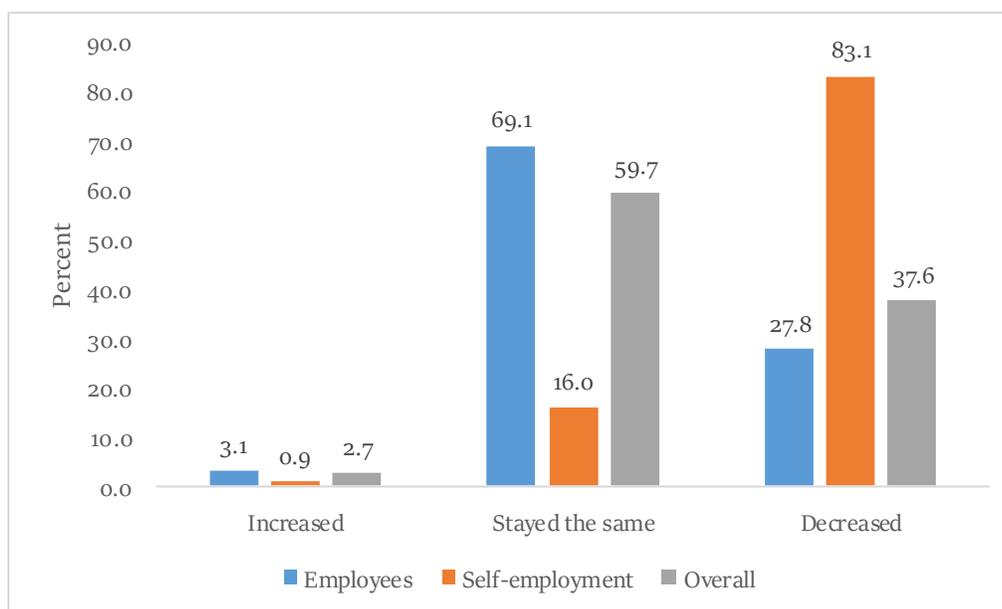
Average monthly salaries in September 2020 increased by about 6.7 percent compared to July 2020. The average monthly salaries increased by 8.9 percent in the secondary sector and by 5.3 percent in the tertiary sector while a decrease of 11.7 percent occurred in the primary sector.

Table 4: Monthly salary of employees ages 16-64 not in fulltime education, overall and by sector, July and September 2020

	July 2020	September 2020	Change July 2020 - September 2020 (%)
All Sectors			
Average Value	19,300	20,600	+6.7
Median Value	15,000	15,000	0.0
By Sectors (Average Value)			
Primary	14,500	12,800	-11.7
Secondary	15,700	17,100	+8.9
Tertiary	20,900	22,000	+5.3

Compared to income prior to lockdown of 20 March 2020, around 83 percent of self-employed/employers reported a decline in their business income in September 2020. Among employees, around 28 percent reported a decrease in income in September 2020.

Figure 1: Change in September income compared to income prior to the pandemic

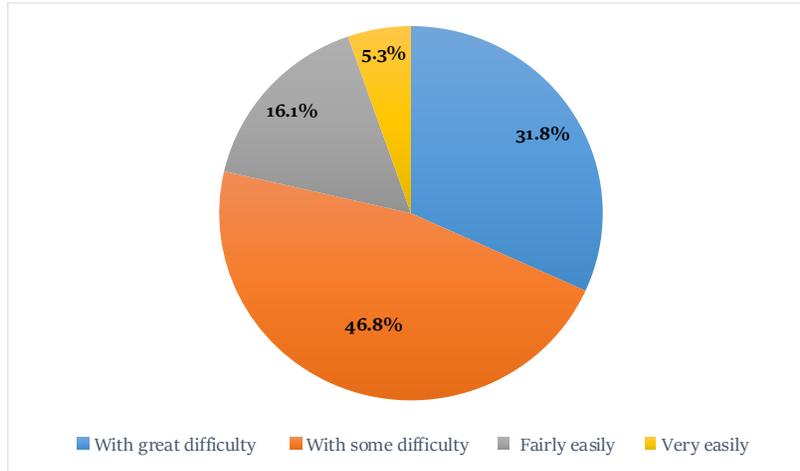


HOUSEHOLD BASIC NEEDS

FOOD SECURITY

During the September round of the survey, about 8 in 10 households reported having difficulty to meet their household expenses with their current monthly income.

Figure 2: Households able to meet their monthly household expenses, September 2020

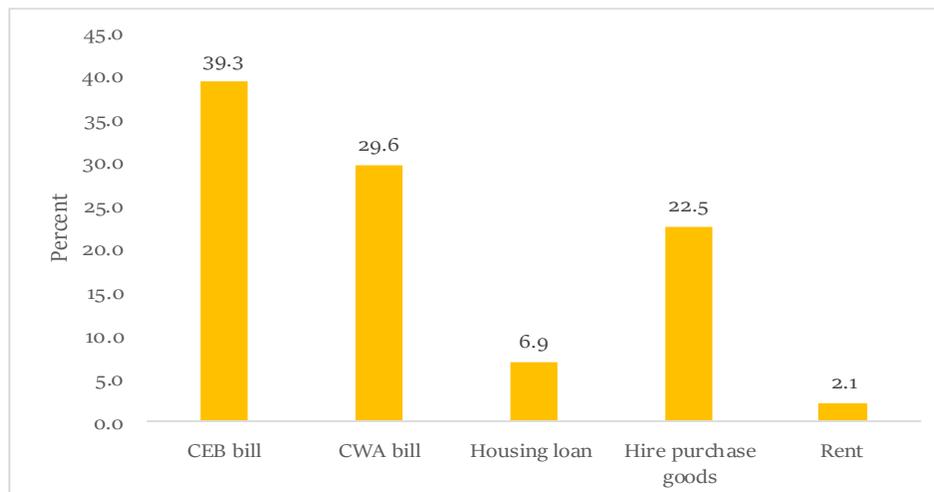


To face food needs, households might adopt negative coping strategies, whereby they skip a meal or go without eating for an entire day. The share of households where at least one member went without eating for a whole day was around 4 percent in September.

PAYMENT OF BILLS

About 39 percent of households had difficulty in the payment of their electricity bills on time due to financial constraints while 30 percent had problems to pay their water bills. Approximately 1 in 4 households reported facing difficulties to meet their commitments for hire purchase goods.

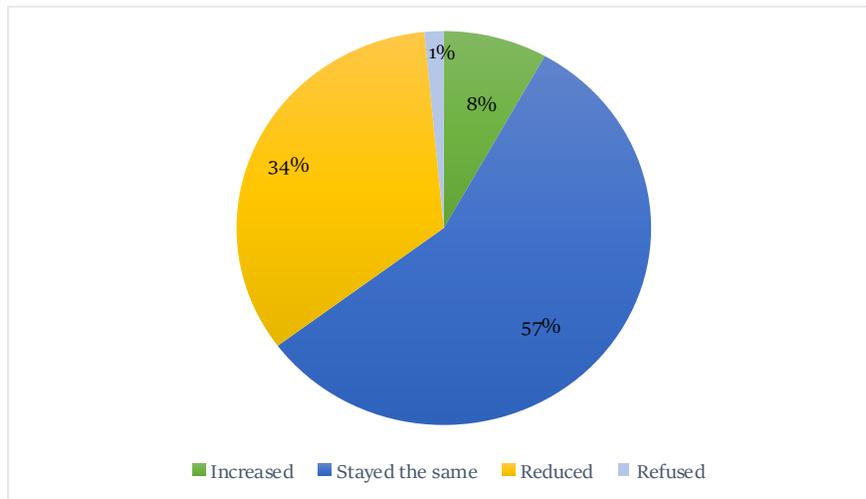
Figure 3: Households not able to pay bills/rent/other payment on time due to financial difficulties, September 2020



HOUSEHOLD SHOCKS AND HOUSEHOLD INCOME

As a result of the COVID 19 pandemic, Mauritian households have been affected by various types of shocks, mainly job loss, reduction in salary/income from business. Shocks translate into large changes in household income. Around 34 percent of households surveyed in September reported a reduction in their income prior to the pandemic (Figure 4).

Figure 4: Change in September household income compared to income prior to the pandemic



ANNEX A: METHODOLOGY

Data collection: Telephone interviews of household members. The observation unit is the household head or a knowledgeable person, except for the employment module where each individual is asked to respond personally to the extent he is available to do so at the time of the interview (response by proxy is otherwise accepted).

Frequency of data collection: Monthly. The reference period for data on labor force is the third week of the survey month.

Scope and coverage of collection: Mauritian households in the islands of Mauritius and Rodrigues.

Sampling methodology: A Stratified two-stage sampling design is used. At the first stage, Primary Sampling Units (PSUs) are selected in proportion to square root of the total number of households in the geographical district and at the second stage a fixed number of households is selected from each selected PSU. The Relative Development Index (RDI) is used as the spatial stratification factor. This index is based on 12 variables encompassing housing and living conditions, literacy and education, and employment derived from the 2011 Housing and Population Census to rank PSUs. A set of RDIs for administrative regions has been published in the series "Economic and Social Indicators" - Issue No. 977. The second stage stratification criteria are community, household size and average monthly expenditure of the household.

Sample size: The response rate for the September survey stands at 72 percent, with a total of 713 households that completed the interview.

Questionnaire: The September questionnaire comprises six modules. Module 1 covers the general characteristics of the population. Module 2 solicits information about economic activities on every household member ages 16-64. Module 3 covers access to household basic needs. Module 4 covers information regarding changes in household income, module 5 captures information regarding the type of strategies adopted by households to cope with shocks, and module 6 covers safety nets as to previous month.

Reliability of estimates: Estimates from the July and September surveys were based on samples of 803 and 713 households, respectively. Margin of error associated with the estimates are given in (Table 5).

ANNEX B: DEFINITIONS

Labor Market Status	
<i>Employment</i>	<p>The employed population consists of Mauritians ages 16-64 not in full time education who have worked for pay, profit or family gain for at least one hour during the reference week of a month.³ It includes individuals who are <u>temporarily absent</u> from work for reasons such as working time arrangements, nature of their work, public holidays, annual leave, sick leave, maternity/paternity leave.</p> <p>Individuals <u>absent for other reasons</u> such as parental leave, education leave, other personal leave, furlough, layoff, temporary disorganization or suspension of work, lack of clients, capital or materials, strike, government lockdown, quarantine, disaster, etc. are classified as employed if one of the following two conditions hold:</p> <ol style="list-style-type: none"> 1. total expected duration of absence is three months or less, 2. a worker continues to receive a remuneration (full or partial) paid by the employer.
<i>Unemployment</i>	The unemployed population comprises all Mauritians ages 16-64 not in full time education who were not employed and looked for work and were available for work during the reference week.
<i>Inactivity</i>	The inactive population includes persons who were neither employed nor unemployed during the reference week. This includes individuals who during the reference week were not employed because of the lockdown, did not have any job attachment, were not available for work and did not look for work.
Employment Type	
<i>Employer</i>	An employer is a person who operates his/her own business or trade and hires one or more employees.
<i>Own-account worker</i>	An own-account worker is a person who operates his/her own business or trade and does not hire employees. He/She may be working alone or with the help of contributing family workers.
<i>Employee</i>	An employee is a person who works for pay for someone else, even in a temporary capacity.
<i>Apprentice</i>	An apprentice is a person being trained for a job or trade. He/She may be paid or may receive some pocket money; a paid apprentice is considered in-employment.
<i>Contributing family worker</i>	A contributing family worker is a person who works without pay in a market-oriented enterprise operated by a family member.

³ Previously published estimates refer to all individuals aged 16 and above.

ANNEX C: TABLES

Table 5: Reliability of labor statistics estimates, July and September 2020

		Estimates	Standard Error	Coefficient of variation (%)
Both Sexes				
Labour force				
	Jul-20	555,300	34,300	6.2
	Sep-20	568,500	37,900	6.7
Employment				
	Jul-20	498,000	29,600	5.9
	Sep-20	506,300	34,700	6.9
Unemployment				
	Jul-20	57,300	7,400	12.9
	Sep-20	62,200	8,300	13.3
Unemployment rate, %				
	Jul-20	10.3	1.0	9.7
	Sep-20	10.9	1.3	11.9
Activity rate, %				
	Jul-20	72.0	1.3	1.8
	Sep-20	73.6	1.3	1.8
Male				
Labour force				
	Jul-20	329,000	21,400	6.5
	Sep-20	333,600	21,700	6.5
Employment				
	Jul-20	296,800	18,300	6.2
	Sep-20	301,600	20,300	6.7
Unemployment				
	Jul-20	32,200	5,200	16.1
	Sep-20	32,000	5,700	17.8
Unemployment rate, %				
	Jul-20	9.8	1.3	13.3
	Sep-20	9.6	1.6	16.7
Activity rate, %				
	Jul-20	85.9	1.4	1.6
	Sep-20	86.9	1.6	1.8

		Estimates	Standard Error	Coefficient of variation (%)
Female				
Labour force				
	Jul-20	226,300	14,900	6.6
	Sep-20	234,900	19,000	8.1
Employment				
	Jul-20	201,200	13,500	6.7
	Sep-20	204,700	17,700	8.6
Unemployment				
	Jul-20	25,100	4,100	16.3
	Sep-20	30,200	5,700	18.9
Unemployment rate, %				
	Jul-20	11.1	1.6	14.4
	Sep-20	12.9	2.3	17.8
Activity rate, %				
	Jul-20	58.3	1.9	3.3
	Sep-20	60.5	2.3	3.8

Reliability of estimates

High reliability	Less than 7.5
Medium reliability	7.5 - 15.0
Low reliability	Greater than 15.0

Note: Reliability of estimates based on coefficient of variation: below 7.5 percent high reliability; between 7.5 and 15 percent medium reliability; above 15 percent low reliability.