



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

**BASED ON THE CONTINUOUS MULTI-PURPOSE  
HOUSEHOLD SURVEY (CMPHS PHONE SURVEY)**

**DECEMBER, 2020**

**31 March 2021**

## HIGHLIGHTS

- Total employment increased from 510,200 in October 2020 to 523,700 in December 2020, that is, an increase of 13,500.
- The number of unemployed increased by 300 from 60,700 in October to 61,000 in December.
- The unemployment rate (based on a labor force comprising individuals aged 16-64 years and not in full time education) is estimated at 10.4 percent in December compared to 10.6 percent in October.
- In December, the number of inactives was estimated to be 188,000 compared to 202,000 in October; a decrease of 14,000.
- Compared to income prior to lockdown of 20 March 2020, around 69 percent of self-employed/employers reported a decline in their business income in December 2020. Among employees, around 20 percent reported a decrease in income in December 2020.
- About 76 percent of households reported having difficulty to meet their household expenses with their current monthly income in December 2020; slightly higher than in October (75 percent).
- In December 2020, about 29 percent of households had difficulty in the payment of their electricity bills on time due to financial constraints compared to 33 percent in October.
- Households who had problems to pay their water bills was estimated at 20 percent in December compared to 23 percent in October.
- Around 29 percent of households surveyed in December and 30 percent of those surveyed in October reported a reduction in their income prior to the pandemic.
- The households who have been affected by a shock as a consequence of the pandemic rose from 40 percent in October to 46 percent in December. The shocks more commonly reported were reduction in salary/income from business and job loss.

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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. 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.

The number of households covered in the islands of Mauritius and Rodrigues for the months of October and December 2020 was 726 and 756 respectively.

The survey questionnaire 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 survey rounds conducted in October and December 2020.

## THE LABOR MARKET<sup>1</sup>

### 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 during the second semester of 2020: 498,000 in July, 506,300 in September, 510,200 in October to 523,700 in December.

#### Employment by formality status and type of employment, October and December 2020.

In December 2020, formal employment was estimated at about 401,300 or 77 percent of total employment, while the remaining 122,400 or 23 percent was informal (Table 2). Compared to October, employment increased by 13,500: 5,700 formal and 7,800 informal.

Out of the employed population of 523,700 in December, 428,500 or 82 percent were wage earners and the remaining 95,200 or 18 percent were in non-wage employment, that is, own-account workers, employers and contributing family workers. The increase of 13,500 in total employment from October to December was mainly attributable to non-wage employment (+15,300) partly offset by a decrease in wage employment (-1,800).

In December 2020, some 349,100 or 81 percent of the 428,500 wage workers were in formal employment and 79,400 or 19 percent in informal employment. Wage formal employment decreased by 5,800 compared to October, while wage informal employment increased by 4,000.

Around 52,200 or 55 percent of 95,200 non-wage workers in December 2020 were formal and 43,000 or 45 percent informal. Out of the 15,300 increase in non-wage employment from October to December, 11,500 or 75 percent occurred in formal employment and 3,800 or 25 percent in informal employment.

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

**Table 1: Employed, unemployed and economically inactives in population aged 16-64 years and not in fulltime education, by sex and for youth (16-24 years), October and December 2020**

	October 2020	December 2020	Change October 2020 - December 2020
<b>Men</b>			
Employed	304,600	317,300	+12,700
Unemployed	28,800	29,800	+1,000
Inactive	50,000	38,700	-11,300
Population	383,400	385,800	+2,400
Labor force	333,400	347,100	+13,700
Activity Rate (%)	87.0	90.0	+3.0
Unemployment Rate (%)	8.6	8.6	+0.0
<b>Women</b>			
Employed	205,600	206,400	+800
Unemployed	31,900	31,200	-700
Inactive	152,000	149,300	-2,700
Population	389,500	386,900	-2,600
Labor force	237,500	237,600	+100
Activity Rate (%)	61.0	61.4	+0.4
Unemployment Rate (%)	13.4	13.1	-0.3
<b>Both Sexes</b>			
Employed	510,200	523,700	+13,500
Unemployed	60,700	61,000	+300
Inactive	202,000	188,000	-14,000
Population	772,900	772,700	-200
Labor force	570,900	584,700	+13,800
Activity Rate (%)	73.9	75.7	+1.8
Unemployment Rate (%)	10.6	10.4	-0.2
<b>Youth (16 - 24)</b>			
Employed	46,400	55,000	+8,600
Unemployed	20,400	18,200	-2,200
Inactive	27,100	17,600	-9,500
Population	93,900	90,800	-3,100
Labor force	66,800	73,200	+6,400
Activity Rate (%)	71.1	80.6	+9.5
Unemployment Rate (%)	30.5	24.9	-5.6

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

**Table 2: Employment in population aged 16-64 and not in fulltime education, by type of employment and formality status - October and December 2020**

	October 2020			December 2020			Change October 2020 - December 2020		
	Formal	Informal	Total	Formal	Informal	Total	Formal	Informal	Total
Wage Employment	354,900	75,400	430,300	349,100	79,400	428,500	-5,800	+4,000	-1,800
Non-Wage Employment	40,700	39,200	79,900	52,200	43,000	95,200	+11,500	+3,800	+15,300
<b>Total</b>	<b>395,600</b>	<b>114,600</b>	<b>510,200</b>	<b>401,300</b>	<b>122,400</b>	<b>523,700</b>	<b>+5,700</b>	<b>+7,800</b>	<b>+13,500</b>

Differences by sex. Male employment increased by 12,700 from 304,600 in October to 317,300 in December while female employment increased by 800 from 205,600 in October to 206,400 in December.

### **Unemployment**

The number of unemployed increased by 300 or 0.5 percent from 60,700 in October to 61,000 in December while the labour force (employed + unemployed) increased by 13,800 from 570,900 to 584,700. Hence, the unemployment rate decreased from 10.6 percent in October to 10.4 percent in December.

The number of unemployed women decreased by 700 from 31,900 in October to 31,200 in December, while the number of unemployed men increased by 1,000 to around 29,800 in December. The unemployment rate among women decreased from 13.4 percent in October to 13.1 percent in December 2020, while among men it remained unchanged at 8.6 percent.

### **Population outside labour force (Economically Inactive)**

In December, the number of economically inactives was estimated at 188,000 compared to 202,000 in October, i.e., a decrease of 14,000.

Among women, a decrease of 2,700 or 1.8 percent was noted whereas the number of inactive men decreased by 11,300 or 22.6 percent.

### **Youth**

The number of youth (aged 16-24 years and not full time students) in employment rose by 8,600, from 46,400 in October to 55,000 in December, while the number of unemployed decreased from 20,400 to 18,200. The number of inactives fell by 9,500, from 27,100 in October to 17,600 in December.



## Employment by sector

Employment in the primary sector increased by 11,100 from 20,100 in October to 31,200 in December and that in the secondary sector increased by 15,000 from 108,600 in October to 123,600 in December (Table 3).

On the other hand, employment in the tertiary sector decreased by 12,600 from 381,500 in October to 368,900 in December.

**Table 3: Employment by industrial activity in population aged 16-64 years and not in fulltime education, October and December 2020**

	October 2020	December 2020	Change October 2020 - December 2020
Primary Sector	20,100	31,200	+11,100
Secondary Sector	108,600	123,600	+15,000
Tertiary Sector	381,500	368,900	-12,600
Total	510,200	523,700	+13,500

## INDIVIDUAL EARNINGS

In December 2020, about 21 percent of employees worked less than their usual hours of work compared to 18 percent in October.

Average monthly salaries reported in December round of the survey decreased by about 5.2 percent compared to the October round. It is to be noted that salaries reported are those of the month preceding the survey round (Table 4).

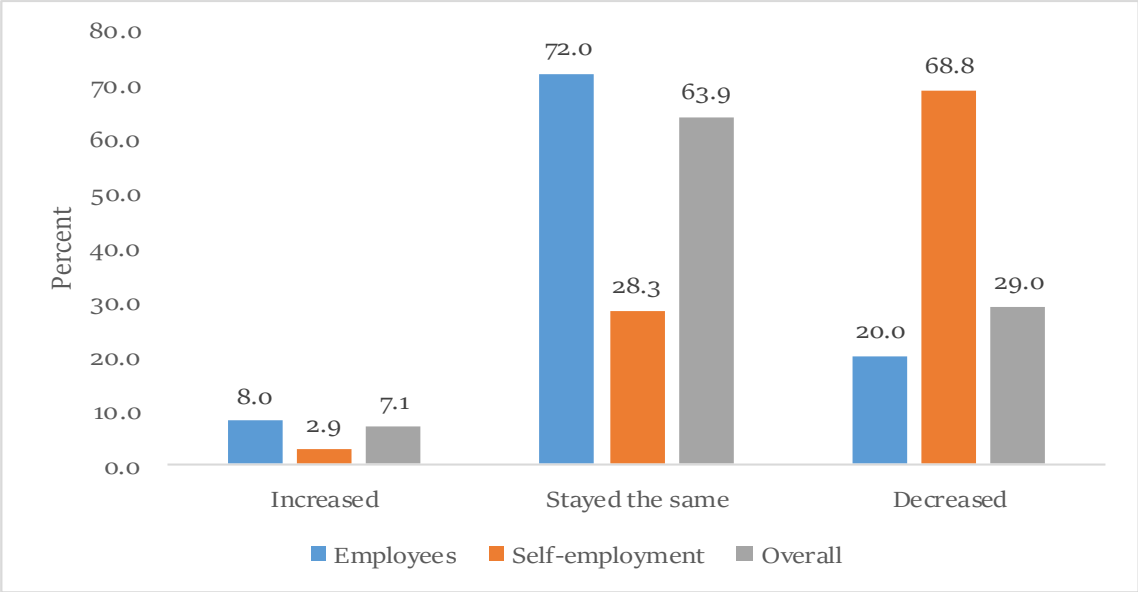
The average monthly salaries decreased in all three sectors; Primary (-22.2%), Secondary (-12.6%), Tertiary (-1.8%).

**Table 4: Monthly salary of employees aged 16-64 years by sector, October and December 2020 survey rounds**

	October 2020	December 2020	Change October 2020 - December 2020 (%)
<b>All Sectors</b>			
Average Value	21,000	19,900	-5.2
Median Value	16,000	15,000	-6.3
<b>By Sectors (Average Value)</b>			
Primary	15,300	11,900	-22.2
Secondary	19,000	16,600	-12.6
Tertiary	21,700	21,300	-1.8

Compared to income prior to lockdown of 20 March 2020, around 69 percent of self-employed/employers reported a decline in their business income in December 2020. Among employees, around 20 percent reported a decrease in income in December 2020.

**Figure 1: Change in December income compared to income prior to the pandemic**

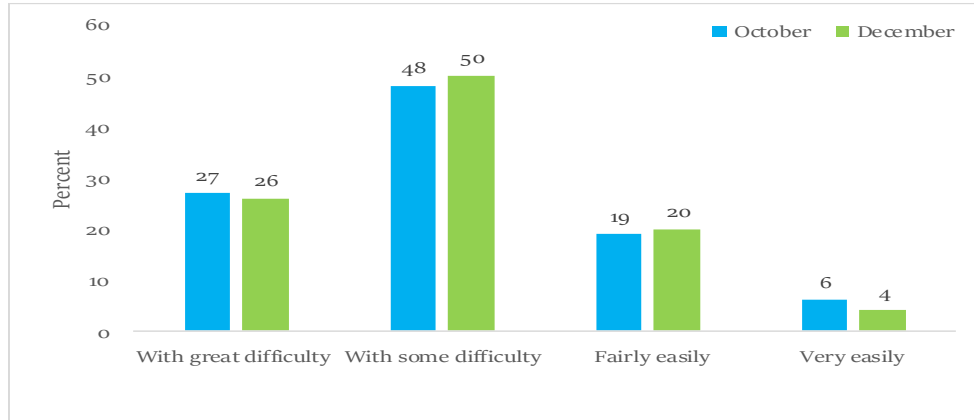


## HOUSEHOLD BASIC NEEDS

### FOOD SECURITY

About 75 percent of households reported having difficulty to meet their household expenses with their current monthly income in October 2020. This percentage rose slightly to 76 in December.

**Figure 2: Households able to meet their monthly household expenses, October and December 2020**

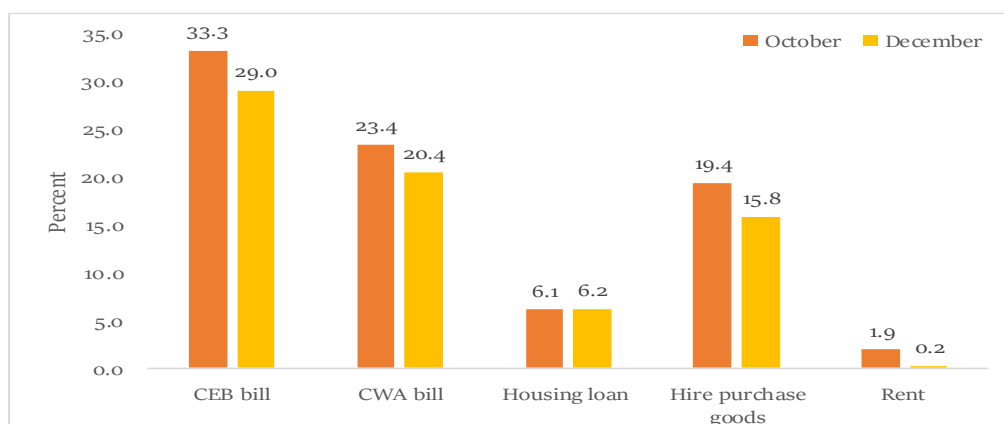


To face food needs, households might adopt negative coping strategies, whereby they skip a meal or go without eating for an entire day. The share of households where at least one member went without eating for a whole day was around 4 percent in December, compared to 3 percent in October.

### PAYMENT OF BILLS

In December 2020, about 29 percent of households had difficulty in the payment of their electricity bills on time due to financial constraints compared to 33 percent in October. Households who had problems to pay their water bills was estimated at 20 percent in December compared to 23 percent in October. Around 16 percent of households reported facing difficulties to meet their commitments for hire purchase goods in December compared to 19 percent in October.

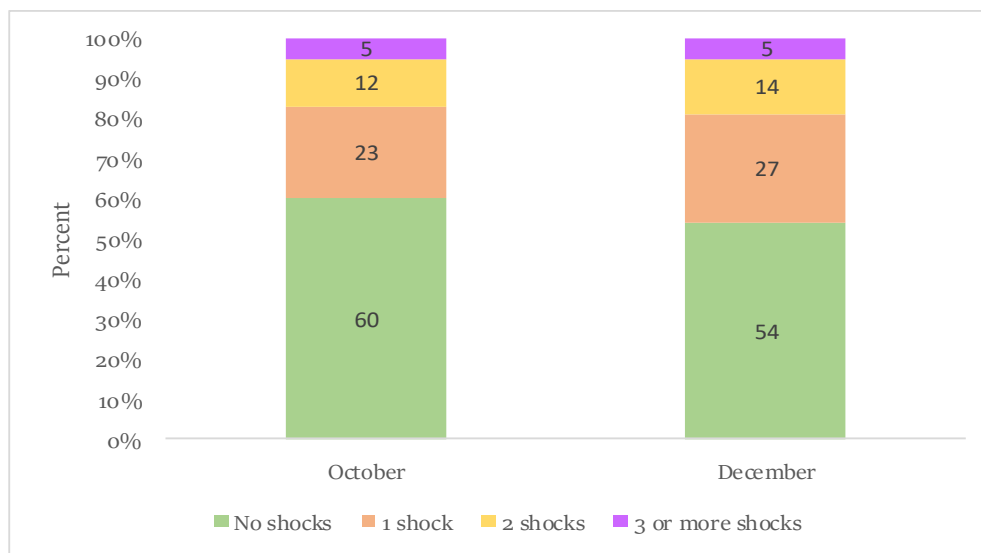
**Figure 3: Households not able to pay bills/rent/other payment on time due to financial difficulties, October and December 2020**



## HOUSEHOLD SHOCKS AND HOUSEHOLD INCOME

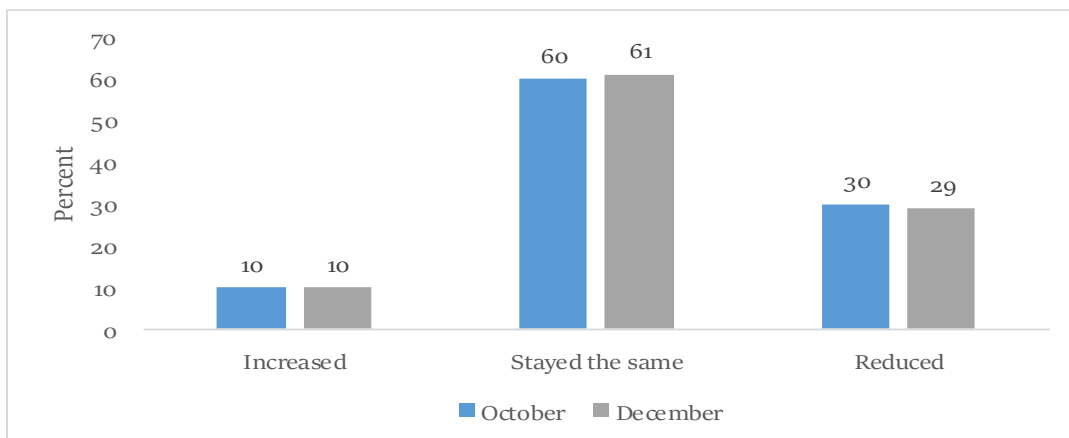
As a result of the COVID-19 pandemic, Mauritian households have been affected by various types of shocks. The households who have been affected by a shock as a consequence of the pandemic rose from 40 percent in October to 46 percent in December. The households reporting one shock was also on the rise (from 23 percent to 27 percent), likewise those who mentioned 2 shocks increased from 12 percent to 14 percent. But the households, who declared, three or more shocks, were 5 percent for both periods (Figure 4). The primary shocks more commonly reported were a reduction in salary or in income from business followed by job loss.

**Figure 4: Distribution of households by number of shocks in October and December 2020**



Shocks translate into large changes in household income. Around 29 percent of households surveyed reported a reduction in their income prior to the pandemic in December compared to 30 percent in October (Figure 5).

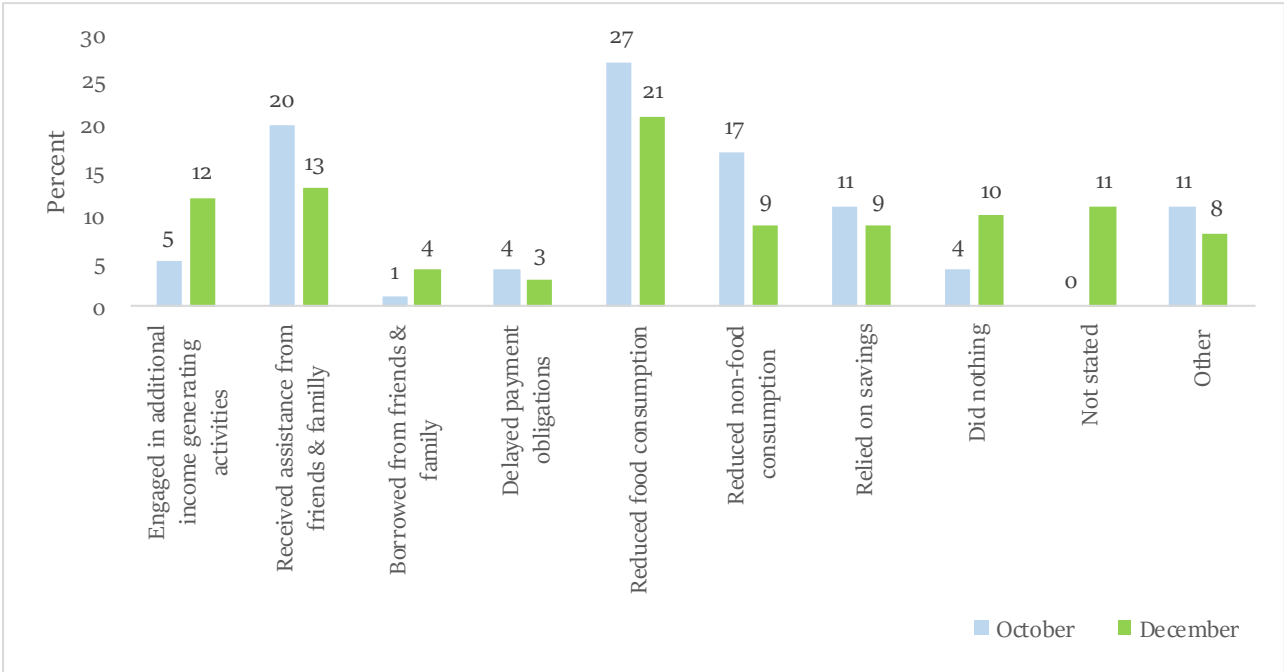
**Figure 5: Change in household income compared to income prior to the pandemic, October and December 2020**



In October, the households hit by shocks reduced their food consumption (27 percent), received assistance from family and friends (20 percent), reduced their non-food consumption (17 percent) and resorted to their savings (11 percent). While in December, the households hit by shocks adopted different strategies and they have reduced their food consumption (21 percent), received assistance from family and friends (13 percent), engaged in additional income generating activities (12 percent) and resorted to their savings (9 percent).

About 10 percent of households did not adopt any strategies to mitigate the negative effect of the shocks in December compared to 4 percent in October.

**Figure 6: Strategy adopted by households to cope with main shock since the pandemic, October and December 2020**



## 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 December survey stands at 74 percent, with a total of 756 households that completed the interview.

**Questionnaire:** The September to December 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 for October and December surveys were based on samples of 726 and 756 households, respectively. Margin of error associated with the estimates are given in (Table 5).

## ANNEX B: DEFINITIONS

<b>Labor Market Status</b>	
<i>Employment</i>	<p>The employed population consists of Mauritians aged 16-64 years and 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.<sup>2</sup> 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"> <li><b>1. total expected duration of absence is three months or less,</b></li> <li><b>2. a worker continues to receive a remuneration (full or partial) paid by the employer.</b></li> </ol>
<i>Unemployment</i>	The unemployed population comprises all Mauritians aged 16-64 years and 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.
<b>Employment Type</b>	
<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.

<sup>2</sup> Previously published estimates refer to all individuals aged 16 years and above.

## ANNEX C: TABLES

Table 5: Reliability of labor statistics estimates, October and December 2020

		Estimates	Standard Error	Coefficient of variation (%)
<b>Both Sexes</b>				
Labour force				
	Oct-20	570,900	34,700	6.1
	Dec-20	584,700	40,200	6.9
Employment				
	Oct-20	510,200	31,600	6.2
	Dec-20	523,700	36,900	7.0
Unemployment				
	Oct-20	60,700	7,600	12.5
	Dec-20	61,000	8,100	13.3
Unemployment rate, %				
	Oct-20	10.6	1.2	11.3
	Dec-20	10.4	1.2	11.5
Activity rate, %				
	Oct-20	73.9	1.2	1.6
	Dec-20	75.7	1.2	1.6
<b>Male</b>				
Labour force				
	Oct-20	333,400	19,700	5.9
	Dec-20	347,100	24,700	7.1
Employment				
	Oct-20	304,600	18,300	6.0
	Dec-20	317,300	23,000	7.2
Unemployment				
	Oct-20	28,800	4,900	17.0
	Dec-20	29,800	5,600	18.8
Unemployment rate, %				
	Oct-20	8.6	1.4	16.3
	Dec-20	8.6	1.5	17.4
Activity rate, %				
	Oct-20	87.0	1.6	1.8
	Dec-20	90.0	1.2	1.3



		Estimates	Standard Error	Coefficient of variation (%)
<b>Female</b>				
Labour force	Oct-20	237,500	17,900	7.5
	Dec-20	237,600	17,600	7.4
Employment	Oct-20	205,600	16,200	7.9
	Dec-20	206,400	16,000	7.8
Unemployment	Oct-20	31,900	4,800	15.0
	Dec-20	31,200	4,900	15.7
Unemployment rate, %	Oct-20	13.4	1.8	13.4
	Dec-20	13.1	1.8	13.7
Activity rate, %	Oct-20	61.0	2.0	3.3
	Dec-20	61.4	1.9	3.1

#### 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.