GCRO VIGNETTES #41

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Patterns of new work for those economically impacted during COVID-19

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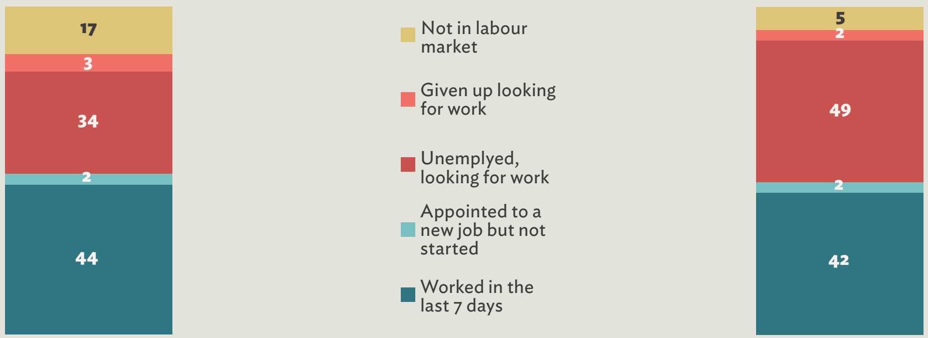
Source
Data source: Quality of life Survey 6 (2020/21)
Data note: Analysis constrained to the working age (18-64) population in QoL.
All figures are in percentages.

GCRO's Quality of life survey 6 (2020/21) shows that 11% of all respondents lost a job since March 2020, and 4% were forced to permanently close a business. Encouragingly, not all working age respondents who lost jobs or closed businesses during the COVID crisis stayed without work – at the point of interview 44% had regained employment. However, as discussed in more detail here and here, both the loss of livelihoods and the recovery of work have been unevenly experienced across race, sex, education levels and income groups. In this Vignette we dig deeper into the nature of employment of those who have recovered work after losing jobs or closing businesses, in comparison to those who were not impacted in the same way. This Vignette should be read together with Vignette #42 which looks at changing dynamics of entrepreneurship over the first year of COVID-19.

Related GCRO research project:
Responding to the COVID-19 pandemic in Gauteng

Labour market status at time of interview



Of those employed at time of interview:

	DID NOT LOSE JOB OR PERMANENTLY CLOSED BUSINESS	LOST JOB OR PERMANENTLY CLOSED BUSINESS
Self employed	28	57
Formal or informal sector	FORMAL 68 / INFORMAL 32	FORMAL 48 / INFORMAL 52
Full time or part time	FULL TIME 77 / PART TIME 23	FULL TIME 52 / PART TIME 48
Satisfaction with working conditions	SATISFIED 71 / NEUTRAL 8 / DISSATISFIED 21	SATISFIED 56 / NEUTRAL 9 / DISSATISFIED 35

Occupation

Occupation	DID NOT LOSE JOB OR PERMANENTLY CLOSED BUSINESS	LOST JOB OR PERMANENTLY CLOSED BUSINESS
Managers	8	5
Professionals	14	9
Technical Professionals	10	7
Clerical Workers	9	3
Service, Sales & Agri	22	24
Crafts & Trades	9	16
Machine Operators	7	6
Elementary Occupations	20	29

The data on the new employment of those who lost jobs or closed businesses after March 2020, compared to the employment of those not so impacted, needs careful interpretation. It is possible that new employment is aligned with the kind of work those impacted had before COVID-19, showing where the downturn hit the hardest.

For example, on the understanding of people having much the same jobs before and after, the higher proportion of those impacted who work in crafts & trades and elementary occupations, may mean that the shock affected these job categories more.

However, it is much more likely that the data reflects the kind of livelihoods that those impacted by job losses and closed businesses have since been able to find, regardless of what they did before.

This new work for those impacted by job losses and business closures is relatively much more precarious and low-skill than is typical for the rest of the labour market – with a much higher share being self-employed, informal, part time, and dissatisfied with their working conditions.