

POLICY BRIEF National Income Dynamics Study (NIDS) – Coronavirus Rapid Mobile Survey (CRAM)

The gendered effects of the ongoing lockdown and school closures in South Africa: Evidence from NIDS-CRAM Waves 1 and 2

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CORONAVIRUS RAPID MOBILE SURVEY 2020

The gendered effects of the ongoing lockdown and school closures in South Africa: Evidence from NIDS-CRAM Waves 1 and 2

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- In June, women remained well behind men in terms of catching up to pre-Covid employment levels: Between February and April 2020, women suffered much greater job losses than men. Between April and June 2020, women's employment improved marginally relative to men's, but the change was not substantial for women to catch up relative to men.
- Women are over-represented in the job losses that occurred between February and June, but under-represented in the income support provided: While women account for a larger share of the job losses compared to men, they make up a much smaller share of the beneficiaries of the UIF/UIF-TERS scheme and the new Covid-19 SRDG.
- Women continue to bear the brunt of the additional childcare load as a result of school and ECD centre closures: Among women and men living with children, men are returning to pre-Covid levels of childcare faster than women. More than twice as many women than men reported that childcare during lockdown was affecting their ability to work, work long enough hours, or search for work.

1. Introduction

This policy brief analyses the early effects of the Covid-19 crisis and the ongoing lockdown on women's and men's work in the paid and unpaid (care) economies in South Africa. One of the main reasons why women have felt the effects of this crisis more intensely than men is because women and men are concentrated in different parts of the economy, and many of the hardest-hit sectors have also been those that typically employ large numbers of women. For instance, tourism and hospitality, personal care services, retail trade, and domestic and childcare services have been severely affected by the crisis. Many of the jobs in these sectors cannot be performed remotely, and in many countries, activity in these sectors has been prohibited, or at least limited, under strict lockdown regulations. Another likely reason for the disproportionate effect on women is the crisis in childcare that has occurred concurrently. The closure of schools and childcare facilities has meant that few options are available for outsourcing care during lockdowns. Given that women were more likely to care for children pre-Covid, they have also borne the brunt of this additional unpaid care work, further limiting their ability to engage in paid work, or to work as many hours as before.

The data from Wave 1 of NIDS-CRAM showed that women were disproportionately affected by the Covid-19 crisis and the first month of the lockdown period in South Africa (Casale and Posel 2020).²

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² For more detail on the Wave 1 results, see: Casale, D. and Posel, D. (2020) "Gender and the early effects of the COVID-19 crisis in the paid and unpaid economies in South Africa." National Income Dynamics (NIDS)-Coronavirus Rapid Mobile Survey (CRAM) Wave 1 Working Paper No. 4, Available at https://cramsurvey.org/reports/

Not only were they much more likely than men to lose their jobs between February and April or to work fewer hours compared to the pre-crisis period, they also took on a greater share of the additional childcare work as a result of school closures and the suspension of all childcare services. In this policy brief, we use Waves 1 and 2 of NIDS-CRAM to explore how women and men have fared as the economy started to reopen and lockdown restrictions were relaxed.

How did lockdown regulations change between NIDS-CRAM Waves 1 and 2?

Wave 1 of NIDS-CRAM focussed on measuring outcomes in April, when South Africa was still in its first and strictest lockdown phase – Level 5 (L5). During this lockdown level (27 March to 30 April 2020) almost all activity was suspended except for the production of essential goods and services (mainly in the food, medical, and security sectors), although workers were encouraged to work from home if feasible. All schools, ECD centres and childcare facilities were closed, and domestic workers/ childminders were not allowed to work (although some living with their employers may have continued to work).

Wave 2 of NIDS-CRAM focusses on measuring outcomes in June, when South Africa was in a less restrictive lockdown phase - Level 3 (which ran from 1 June to 17 August 2020). While there was very little difference in the level of economic activity allowed under L5 and L4, the move to L3 meant that many businesses were allowed to reopen for the first time since 27 March. Instead of specifying which sectors could operate, as had previously been the case, the government transitioned to listing which sectors could not reopen under L3. These restrictions included personal care services (if social distancing was not possible); all on-site consumption of food and alcohol in restaurants and bars (until alcohol was banned for the second time from 13 July); hotels/accommodation for leisure; international and domestic air travel except for essential work; conferences, events and gatherings; entertainment venues; and fitness centres. On the childcare side, in addition to domestic workers/childminders being allowed to return to work, Grades 7 and 12 were allowed back to school at the beginning of June. Childcare work in households with children may have lessened somewhat, however ECD centres and most school grades remained closed in June.

2. Gendered effects of the crisis and ongoing lockdown in the labour market

Wave 1 of NIDS-CRAM showed that between February and April, women experienced much greater job losses than men in both absolute and relative terms. Female employment fell by 23% and male employment by 10% (See Figure 1). Of the roughly 3 million jobs lost between February and April, women accounted for 2 million or 67%, despite only accounting for 47% of total employment in February or pre-Covid.

Wave 2 of NIDS-CRAM suggests that with the move from Level 5 lockdown in April to Level 3 lockdown in June, there was hardly any change in employment levels. Overall, among those aged 18 and older, roughly 100 000 additional jobs were shed, although this change is not statistically significant.

Women gained slightly relative to men between April and June. Between April and June, women saw a 3.2% increase in employment or a roughly 220 000 net job gain, and men saw a further 3.5% decrease in employment or a 320 000 net job loss. See Figure 1.

Nonetheless, in June, women remained well behind men in terms of reaching their pre-Covid employment levels. The small relative recovery among women was nowhere near sufficient to make up the jobs lost since February. The employment rate for women in June was 37% (down from 46% in February 2020) and for men it was 52% (down from 59% in February 2020). Another way to state this disproportionate effect is that while women accounted for 47% of employment in February, they still accounted for 58% of net job losses over the whole period – i.e. February to June.

Figure 1: Levels of employment, and percentage changes between time points



Source: NIDS-CRAM, Wave 1 and Wave 2 (2020)

Notes: The sample is all employed adults 18 years or older. The unbalanced panel is used and data are weighted appropriately. 90 percent confidence intervals are shown.

"In June, women remained well behind men in reaching their pre-Covid employment levels."

Women are over-represented in unemployment and job losses, but under-represented in the income support provided. Women accounted for 57% of unemployment in June (using the broad definition) and 58% of those who lost their jobs over the entire period (February to June). However, only 41% of the UIF/UIF-TERS beneficiaries in June, and 34% of those who had been paid the new Covid-19 Social Relief of Distress Grant (SRDG) in June, were women (See Table 1). It is possible that women are less likely to be registered for UIF because of the kinds of jobs they are employed in relative to men, and therefore fewer would be able to claim. That fewer women have received the

SRDG is likely because it cannot be held concurrently with another social grant such as the CSG (and so fewer women are applying in the first place). Unemployed women are effectively being penalised if they are also the main caregiver to children.

	Women	Men
Numbers receiving UIF/UIF-TERS in June	1 013 848	1 488 337
	(127 400)	(180 384)
Numbers reporting having received the SRDG in June	896 862	1 486 120*
	(121 678)	(188 395)
Share of labour force in June women	49.9%	
Share of job losses between February and June women	57.5%	
Share of unemployed in June women	57.2%	
Share of UIF/UIF-TERS recipients in June women	40.5%	
Share of Covid-19 SRDG recipients in June women	34.4%	

Table 1. UIF/TERS and Covid-19 SRDG June beneficiaries

Source: NIDS-CRAM, Wave 2 (2020)

Notes: The sample is all adults 18 years or older. Data are weighted appropriately. Standard errors are in parentheses.

3. Care work and the effects of COVID-19

Women were disproportionately affected by the 'childcare shock' in April. Women took on more of the additional childcare work in April as schools and childcare facilities closed because: 1) women were much more likely to be living with children than men were (roughly 75% of women versus 60% of men); and, 2) among those living with children, women reported spending longer hours on additional childcare in April than men (see Casale and Posel 2020 for more detail).

By June, the gender gap in childcare had risen – men are reverting to pre-Covid childcare levels faster than women. Although the hours spent on childcare declined somewhat between April and June for both women and men (as Grades 7 and 12 reopened and domestic workers could return to work), they declined at a faster rate for men than for women (see Figure 2). Among those living with children, the gender gap in childcare hours therefore rose from 2.9 hours per day in April to 3.3 hours per day in June.

Women are bearing the brunt of ECD closures. Just over a third of men and women living with young children said at least one of these children had been attending an ECD centre/preschool before the crisis. When asked who was looking after these young children now at home, 67% of women versus 25% of men said they were looking after these children themselves.

Childcare is affecting women's labour market outcomes more than men's. More than twice the number of women than men (roughly 3.4 million women versus 1.7 million men) said that looking after children in June prevented them from going to work or made work very difficult. Similar numbers reported difficulty working the same hours as before lockdown or searching for work as a result of childcare responsibilities.

"The gender gap in hours spent on childcare is rising as lockdown levels are being relaxed. Men are reverting to pre-Covid childcare levels faster than women."





Source: NIDS-CRAM, Wave 2 (2020)

Notes: The sample is all adults 18 years or older living with children aged 0-17. Data are weighted. Standard errors are in parentheses. 90% confidence intervals are shown.

4. Conclusion

Wave 1 of NIDS-CRAM identified a large and disproportionate effect on women's labour market outcomes as a result of the Covid-19 crisis and strict lockdown in South Africa. Roughly 3 million jobs were lost between February and April, with women accounting for 2 million, or two-thirds, of these job losses (Casale and Posel 2020). In this policy paper, we used Waves 1 and 2 of NIDS-CRAM to track how women have fared as the economy started to reopen and some lockdown restrictions were relaxed. The data suggest that with the move from Level 5 lockdown in April to Level 3 lockdown in June, there was very little change in employment levels overall. However, women gained slightly relative to men. Women experienced a 3.2% or 220 000 net job gain, while men reported a 3.5% or 320 000 net job loss. Nonetheless, given how large the job losses were for women between February and April, women still remained well behind men in reaching their pre-Covid employment levels in June.

Of great concern is that even though women were over-represented among the unemployed in June (57% of the unemployed were women, using the broad definition), and among those who lost their jobs over the entire period from February to June (58%), they are under-represented in the income support provided. Only 41% of the UIF/UIF-TERS beneficiaries and 34% of those who had been paid the Covid-19 SRDG in June were women. That fewer women have received the SRDG is likely because it cannot be held concurrently with another social grant such as the CSG. Unemployed women are effectively being penalised if they are also the main caregiver to children.

Another noteworthy finding from the Wave 2 data is that men have benefitted more from the reopening of some school grades and childcare services in June. In earlier work which found that women and men were spending more time on childcare during the first phase of the lockdown, the question was raised whether this might result in a longer-term shift in the distribution of childcare (Casale and Posel 2020). In other words, this unprecedented 'social experiment' within households might have a transformative effect if men formed new attachments with their children or became more accustomed to childcare work. The results from Wave 2 cast doubt on this prediction, however.

Among those living with children, the hours men reported spending on childcare fell by more between April and June than the hours women reported spending on childcare. As a result, the gender gap in childcare hours grew between April and June. In June, women living with children were spending on average 3.3 more hours per day on childcare than men living with children, up from 2.9 more hours in April (and this gap would be even larger if we were to factor in that more women live with children). This suggests that as time passes men are reverting to pre-Covid childcare levels faster than women.

Finally, the Wave 2 data show that the self-reported effects of childcare on labour market outcomes during the lockdown were more severe for women. Twice as many women than men found childcare to negatively affect their ability to work, to work the same hours as before lockdown, and to search for work. Together, these findings suggest that the Covid-19 crisis and ongoing lockdown have disproportionately affected women and their prospects in the labour market.

5. Policy options: What can policymakers do about this?

Understanding who is affected more by the Covid-19 crisis is key to designing appropriate responses that are both effective and equitable. The Covid-19 crisis is undoing the gains in employment women have made over the last two decades in South Africa. Over the longer-term, appropriate policies will need to be put in place to grow employment, and to help women regain their jobs. Until then, women will need to be provided with income support to help compensate for earnings losses as a result of haemorrhaging in the labour market. In addition, because women are also the primary caregivers to most children in South Africa, and childcare responsibilities have risen during the lockdown, women should be adequately supported in caring for their children. Below are a number of short-term policy suggestions:

Policy options for the next 3 months (Sept-Dec 2020)

- Ensure the UIF system is operating fairly and efficiently: With the UIF-TERS scheme due to end soon, there is the possibility that more workers will be laid off as employers can no longer claim on their behalf. This will place additional pressure on the standard UIF scheme. Pay-outs will need to be paid timeously, as most workers will not have savings to tide them over until pay-outs are made.
- Extend the CSG top-up beyond October: Given the extent of the job losses recorded between February and April and the fact that the economy did not see any appreciable recovery in jobs between April and June, it is hard to imagine how households will cope when the additional income support is withdrawn after October. In April, 49% of women (compared to 44% of men) said their household had run out of money to buy food. By June, this had fallen to 38% for women (and 35% for men). The fall likely reflects that the UIF-TERS scheme was paying out by June, the grant top-ups had been received (they were only paid from May onwards), and some people previously outside of the social protection system were receiving the new Covid-19 SRDG (see Bridgman et al and Köhler and Bhorat in this policy paper series for more detail). With the imminent closure of the UIF-TERS scheme, and still over a third of households running out of money to buy food, the grants and the grant top-ups will be even more important. Given that women are responsible for the bulk of childcare in South Africa, they should be supported through the CSG to provide for their children while the labour market recovers.
- Allow the unemployed to hold the Covid-19 SRDG concurrently with the CSG: The child support grant is to support the child, and the top-up to the CSG, while paid per caregiver rather than per child, is presumably intended to support the child/children in the household (especially given the very low value of the standard CSG of R445 to begin with). Unemployed women (and men) should be supported in their own right. Because women are much more likely to receive a CSG on behalf of a child, unemployed women are being disadvantaged for caring for children.

The eligibility criteria should be revised so that the SRDG can be held concurrently with the CSG.

Support ECD centres to reopen urgently and safely: While all grades are back at school as at beginning of September, most ECD centres remain closed. These centres were grossly underfunded pre-Covid, and now with strict new regulations on operating under Covid-19 (and after months of receiving little or no income), they will be in an even more precarious position. Ramping up efforts to fund and support ECD centres will help women who rely on this form of childcare to return to work. It will also lead to improved job gains for women (as most ECD workers are female).

"Women have borne a disproportionate effect of the fallout in the labour market and in the home. We need to make sure that women are being adequately targeted in the income support measures provided."

For further information please see **<u>cramsurvey.org</u>**