The Role of Labor Market Panel Surveys in Assessing the COVID-19 Impact

Ibrahim Elbadawi
Yasmine Fahim
May Gadallah
Moheb Said

Economic Research Forum (ERF)
An Unprecedented Shock

-The outbreak of the COVID-19 pandemic represents an unprecedented shock for the world economy and a particular challenge for the MENA region.

-It’s both a supply and demand shock negatively and heterogeneously affecting economic growth, employment, income, and human development through various channels.

-The pandemic also triggered unmatched repercussions on firms around the world
  - many businesses were forced to close either temporarily or permanently due to lockdowns
  - global supply chains were massively disrupted
  - numerous firms have lost productivity gains and witnessed their sales and profits shrink

-Assessing the impact of COVID-19 on the households and firms in the MENA region is critically important to design and assess policy responses to the crisis and to formulate plans for an equitable and sustained recovery.

-With this respect, the ERF introduced the COVID-19 MENA Monitor Survey as a key tool to measure the COVID-19 repercussions on different groups.
The ERF COVID-19 MENA Monitor Survey is a wide-ranging, nationally representative panel survey.

It was conducted on a number of MENA countries: Egypt, Tunisia, Morocco, Jordan and Sudan.

<table>
<thead>
<tr>
<th></th>
<th>Household Survey</th>
<th>Enterprise Survey</th>
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</thead>
<tbody>
<tr>
<td>Tunisia</td>
<td>4 waves</td>
<td>3 waves</td>
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<tr>
<td>Morocco</td>
<td>4 waves</td>
<td>3 waves</td>
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<tr>
<td>Jordan</td>
<td>3 waves</td>
<td>3 waves</td>
</tr>
<tr>
<td>Egypt</td>
<td>2 waves</td>
<td>2 waves</td>
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<tr>
<td>Sudan</td>
<td>2 waves</td>
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The surveys collected retrospective data on the situation of individuals and their households as well as firms just prior to the pandemic in February 2020, which allows to compare their status at the time of the survey to their status prior to the pandemic.
COVID-19 MENA Monitor Surveys (Household Questionnaire)

**Main**
- Household Characteristics, Education and Children,
- Labor Market Status, Social Safety Net,
- Social Distancing, Mental Health,
- Food Security, Income

**Worker**
- Impact of COVID-19 on Employment,
- Work from Home, Job Formality,
- Occupation

**HH enterprises**
- Impact of COVID-19 on Business
- Sales/Revenue, Policy Response,
- Plans for Future Employment

**Farmers**
- Crops, Inputs,
- Harvest, Prices,
- Markets
COVID-19 MENA Monitor Surveys (Enterprise Questionnaire)

- Business Closure (temporary/permanent)
- Ability to Telework
- Supply Chain Disruptions
- Worker Layoffs
- Salary Adjustments
- Firms’ Coping Strategies
- Laws Constraining Goods' Delivery
- Government Support
# COVID-19 MENA Monitor Surveys

<table>
<thead>
<tr>
<th>Sample Universe</th>
<th>Household survey</th>
<th>Enterprise Survey</th>
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<tbody>
<tr>
<td>Mobile phone users aged 18-64</td>
<td>Firms with 6-199 workers pre-COVID-19</td>
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<table>
<thead>
<tr>
<th>Sample Size</th>
<th>Household survey</th>
<th>Enterprise Survey</th>
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<tbody>
<tr>
<td>At least 2,000 unique households and individuals</td>
<td>500 firms</td>
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<thead>
<tr>
<th>Interviews</th>
<th>Household survey</th>
<th>Enterprise Survey</th>
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<tbody>
<tr>
<td>Using Computer-Assisted Telephone Interviewing (CATI) techniques.</td>
<td>Stratified sampling from Yellow Pages at the countries/ Kinz in Jordan as frames</td>
<td></td>
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</table>

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<thead>
<tr>
<th>Panel</th>
<th>Household survey</th>
<th>Enterprise Survey</th>
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<tbody>
<tr>
<td>Followed up every two months up to a total of three call trials</td>
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<tr>
<th>Attrition</th>
<th>Household survey</th>
<th>Enterprise Survey</th>
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<tbody>
<tr>
<td>Adding refreshers in later waves to maintain the sample size</td>
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<th>Available on:</th>
<th>Household survey</th>
<th>Enterprise Survey</th>
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Navigating through data to assess the impact of COVID-19 on Workers, Firms and Households

The surveys’ questions allowed to extract insightful indicators and cross-tabulations using different variables related to workers, households and firms.

1) **For Workers**, two definitions of unemployment were used, the first is the standard definition of unemployment and the second adds to it the discouraged unemployed.

- Data also allowed to study the labour market transitions by status and formality between Pre-COVID-19 and the time of the survey.
- The analysis of the changes in wages and working hours and the ability to work from home.
- The challenges faced by workers due to COVID-19 restrictions, ex: temporary/permanent layoffs and delayed wage payments.

2) **For Households**, the data presents insights on the total monthly income change compared to Pre-COVID-19.

- In addition to changes in households’ food security due to COVID-19.
- Households’ coping strategies to deal with the economic challenges of COVID-19
3) **For Firms**, data allows to examine the changes in businesses’ status compared to Pre-COVID-19, ex: temporary/permanent shutdown, reduced working hours or open with no changes.

-Another aspect is the change in firms’ revenues compared to Pre-COVID-19 as well as their business outlook for 2021.

-Firms were also asked if they applied or currently received government support and what are their most needed policy support.

-Businesses' strategies to reduce physical proximity with customers, ex: the use of phone for marketing and business.
Among the employed in February 2020, across countries 9-19 per cent were unemployed in June 2021 and 3-7 percent were out of the labor force.

**Changes in labor market status in Feb 2021 and June 2021, by status in Feb 2020 and country**

Case Studies using the COVID-19 MENA Monitor Surveys

The share experiencing decreased revenues rose over time in Jordan (from 66 to 84 percent), Morocco (from 73 to 92 percent) and Egypt (from 74 to 83 percent) over February to June 2021. In Tunisia, the share with decreased revenues fell slightly, from 87 to 80 percent.

Revenue changes of enterprises, past 60 days compared to same season in 2019 (percentage)

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<tbody>
<tr>
<td>Jordan</td>
<td>27%</td>
<td>34%</td>
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<tr>
<td>Morocco</td>
<td>26%</td>
<td>8%</td>
</tr>
<tr>
<td>Tunisia</td>
<td>22%</td>
<td>13%</td>
</tr>
<tr>
<td>Egypt</td>
<td>28%</td>
<td>17%</td>
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The extent of income loss varies somewhat across countries, with 48 percent of households in Egypt and Tunisia, 51 percent in Jordan, and 65 percent in Morocco experiencing decreases in income as of June 2021 compared to pre-pandemic levels.

**Changes in household income from February 2020 to June 2021 (percentage of households)**


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**Income change as of June 2021**

- Decreased by more than 25%
- Decreased by 1-25%
- Stayed the same
- Increased by 1-25%
- Increased by more than 25%
The ERF COVID-19 MENA Monitor Surveys offered comprehensive microdata on the pandemic’s impact on several MENA countries.

- Researchers are already drafting papers and policy briefs using the rich dataset that the survey offers.
- The ERF published a series of Highlight reports presenting the COVID-19 impact on Households and Firms.

Among the Key Findings:

- Although labour market indicators saw some degree of recovery from February to June 2021, household welfare measures, such as income and food security, were slower to recover, especially in Morocco.
  - Income reductions were consistently higher the poorer the household was pre-pandemic, confirming the inequality-exacerbating effects of the pandemic.
  - As in the case of income, there was not much improvement in the food security situation of households from February to June 2021.

- Similarly, a higher fraction of households had to pursue coping strategies to address falling incomes over time.

- Small and medium enterprises experienced substantial recovery from the first to the second quarter of 2021, but microenterprises saw a continued deterioration of their situation from February to June 2021.
- The 25 reports produced after each wave for each country over the span of the panel survey period were used to inform the ministries of labor in the 5 countries.

- The data for Jordan and accompanying analysis report were used to guide the design of the newly FCDO funded social protection program in Jordan.
THANK YOU

iaelbadawi@erf.org.eg