Overview

- South African government has from 27 March 2020 placed the country under a national lockdown to reduce the spread of the virus, resulting in the closure of many businesses.
- The rapid response survey aimed at determining the impact of the COVID-19 pandemic on businesses in the formal sector.
- The survey targets selected businesses that are registered for VAT.
- Two surveys:
  - First survey: 30 March 2020–13 April 2020 (707 businesses responded)
  - Second survey: 14 April 2020–30 April 2020 (2 182 businesses responded)
  - Third survey: 01 May 2020–31 May 2020 (collection underway, possible publication date is 18 June 2020)
- Data was collected on the pandemic’s impact on turnover, trading, workforce, imports and exports, purchases, prices, research and development and business survival.
Overview

• Limitations
  • Answers to the survey questions reflect the perceptions of respondents
  • Findings are based on limited responses
  • Excludes the informal business sector, financial intermediation, insurance, pension funding, government, education, and business services ‘not elsewhere classified’
  • Results cannot be estimated to represent a population
  • Difficulties targeting actual business owners, accountants complete surveys for various businesses

• Lessons Learnt
  • Providing a user friendly platform for survey completion
  • Collaboration and incorporating stakeholders feedback
  • Adequate IT platforms to process bulk sending of emails
  • Ensuring adequate response rates in a very constrained environment
Information Demand

Addressing the information gaps by collaborating with stakeholders, including but not limited to:

- Users need for different data during lockdown
- South African Revenue Service (SARS)
- Government (monitoring and policy making)
- Human Sciences and Research Council (HSRC)
- Standard Bank
- Department of Economic Development and Tourism
- Economic Research Institutions
- Universities and other educational institutions
- Southern African Labour and Development Research Unit data made available to conduct further analysis

Unit data made available to conduct further analysis
### Key results for second survey (14 April 2020–30 April 2020)

<table>
<thead>
<tr>
<th>Percentage</th>
<th>Description</th>
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<tbody>
<tr>
<td>89.6%</td>
<td>89.6% of responding businesses reported that turnover was below their normal range in the period, up from 85.4% in the first survey.</td>
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<tr>
<td>29.7%</td>
<td>29.7% indicated they can survive less than a month without any turnover, 55.3% can survive between 1 and 3 months, and 6.7% can survive greater than 3 months.</td>
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<td>47.9%</td>
<td>47.9% indicated temporary closure or paused trading activity, up from 46.4% in the first survey.</td>
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<td>36.4%</td>
<td>36.4% indicated that they are laying off staff in the short term.</td>
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<tr>
<td>45.6%</td>
<td>45.6% expected their workforce size to decrease.</td>
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<tr>
<td>50.4%</td>
<td>50.4% of the workforce were unable to meet business demands.</td>
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<tr>
<td>29.7%</td>
<td>29.7% indicated they can survive less than a month without any turnover.</td>
</tr>
<tr>
<td>38.3%</td>
<td>38.3% indicated a decrease in access to financial resources.</td>
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<tr>
<td>32.9%</td>
<td>32.9% indicated that prices of materials, goods or services increased more than normal.</td>
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<tr>
<td>56.3%</td>
<td>56.3% indicated that their businesses would be operating during the level 4 lockdown period.</td>
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<tr>
<td>30.0%</td>
<td>30.0% reported that they would use government relief schemes.</td>
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Long term impact of COVID-19 on the statistics programmes in Stats SA

Impact on private sector financial statistics (quarterly and annual financial statistics series)

• Detailed financial information required as a result data collection will certainly continue
• Impact on face-to-face interviews – Computer Assisted Personal Interviewing (CAPI) or Pen and Paper Interviewing (PAPI)
• Long-term Initiatives to be taken
  • real-time data collection and processing
  • telephone interviewing (limited to selected variables)
  • web interviewing (creating a virtual environment between respondent and data collector)
  • Increasing remote access and creating a virtual working environment (infrastructure dependent).
Long term impact of COVID-19 on the statistics programmes in Stats SA

- Long-term Initiatives to be taken
  - capital expenditure panel survey review: Methodology/Data collection
  - investigate the use of VAT records to estimate for small businesses
  - investigate the reduction in sample sizes/better imputations
  - Web scraping/financial statements/reports
  - use of administrative data, currently exploring the use of annual reports provided on the XBRL platform with Department of Trade and Industry
  - Develop a strategy for staff to work effectively from home to ensure continuity
Thank you