

# FreeFACTS

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## What lockdown means for SA

**This edition of *FreeFACTS* provides information on the lockdown that has been implemented to help combat the Covid-19 emergency. It looks at a number of surveys and economic forecasts to show that support among South Africans for the lockdown is declining rapidly and that the economic consequences are likely to be dire.**

A survey conducted by Victory Research showed that initially 77% of South Africans supported lockdown. However, less than 40% supported an extension of the lockdown past 30 April.

Part of the reason for the decline in support for the lockdown is likely people who are starting to feel the pinch as lockdown affects them economically. Over half of South Africans said they could only pay for essentials for three weeks or less during lockdown. Similar figures were recorded for the proportion of people who would be able to make rent or bond payments during this time. A survey conducted by the Human Sciences Research Council made similar findings.

At the same time there are dire economic forecasts for South Africa, as a result of the lockdown, which has been a blow to an already creaking economy. Unemployment is expected to increase to over 35% next year. Some 40% of companies surveyed by Statistics South Africa said they expected to lay off staff.

On top of that the economy is guaranteed to shrink, perhaps by as much as ten percent.

It is now clear that South Africa needs a way to end lockdown and start working again – safely. You can read the IRR's suggestions to around how we can emerge from lockdown safely, [here](#). Some people will argue that ending the lockdown too soon will cost lives, as people get infected with Covid-19. However, if South Africa suffers economic collapse because of an extended lockdown, many more people will die from starvation and the effects of economic destruction.

South Africa needs to be opened safely. — **Marius Roodt**

## JOIN US

The IRR is an advocacy group that fights for your right to make decisions about your life, family and business, free from unnecessary government, political, and bureaucratic interference. FreeFACTS publishes evidence that communities are better off when individuals are free to make decisions about how they want to live, be educated, work, access healthcare, think, speak, own property, and protect their communities. If you agree with the issues we stand for, welcome to the team. There are millions of people just like you who are tired of South African politicians, activists, and commentators attempting to rein in your freedom to decide. Take control and make sure your voice is heard by becoming a friend of the IRR.

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Ts and Cs apply.**

## Covid-19 Lockdown

### Public support for the lockdown

Support for lockdown				
	Support strongly	Support moderately	Oppose moderately	Oppose strongly
Support for the initial lockdown	77%	10%	3%	9%
Support extension to 30 April	70%	10%	4%	14%
Support extension past 30 April	38%	4%	11%	43%

Source: Victory Research poll commissioned by *City Press* and *Rapport*, published 26 April 2020

Support for Cyril Ramaphosa					
	Strong approval	Moderate approval	Neutral	Moderate disapproval	Strong disapproval
All South Africans	67%	7%	15%	2%	7%
Black South Africans	65%	5%	17%	3%	8%
Coloured, Indian, and white South Africans	73%	14%	10%	1%	2%

Source: Victory Research poll commissioned by *City Press* and *Rapport*, published 26 April 2020

Support for Bheki Cele					
	Strong approval	Moderate approval	Neutral	Moderate disapproval	Strong disapproval
Black South Africans	56%	10%	18%	2%	11%
Coloured, Indian, and white South Africans	29%	13%	26%	12%	15%

Source: Victory Research poll commissioned by *City Press* and *Rapport*, published 26 April 2020

Experience with law enforcement	
I have not been involved with them at all	74.8%
I have been treated badly and in a rough/rude manner	14.7%
I have been treated fairly well	7.0%
I have been treated very well and in a respectful manner	3.5%

Source: HSRC reports to the Covid-19 Outbreak, *Joint HSRC and Department of Science and Innovation Survey*, available at <http://www.hsrc.ac.za>

Support for Zweli Mkhize					
	Strong approval	Moderate approval	Neutral	Moderate disapproval	Strong disapproval
Black South Africans	67%	7%	11%	3%	7%
Coloured, Indian, and white South Africans	47%	20%	20%	5%	6%

Source: Victory Research poll commissioned by *City Press* and *Rapport*, published 26 April 2020

## Covid-19 Lockdown

### Income during lockdown

**If the current situation carries on how long will you be able to continue paying for essentials for you and your family?**

	Three weeks or fewer	One month	Three to six months	A year or more
All South Africans	53%	23%	8%	4%
Black South Africans	57%	23%	4%	1%
Coloured, Indian, and white South Africans	37%	24%	21%	8%

Source: Victory Research poll commissioned by *City Press* and *Rapport*, published 26 April 2020

**If the current situation carries on how many months will you be able to pay rent for?**

	None	One to three months	Four to six months	Seven months or more
All South Africans	45%	44%	6%	5%
Black South Africans	53%	40%	3%	3%
Coloured, Indian, and white South Africans	23%	60%	7%	10%

Source: Victory Research poll commissioned by *City Press* and *Rapport*, published 26 April 2020

**If the current situation carries on how many months will you be able to pay your bond for?**

	None	One to three months	Four to six months	Seven months or more
All South Africans	64%	24%	4%	8%
Black South Africans	90%	5%	0%	5%
Coloured, Indian, and white South Africans	12%	56%	12%	21%

Source: Victory Research poll commissioned by *City Press* and *Rapport*, published 26 April 2020

#### HSRC reponds to the Covid-19 Outbreak

	Agree	Neutral	Disagree
Covid-19 is making it hard for me to pay my bills	62.7%	14.3%	22.9%
Lockdown is making it hard for me to earn an income	60.3%	16.0%	23.7%
Lockdown will make it difficult for me to feed my family	57.5%	16.7%	25.7%
Lockdown will make it difficult for me to keep my job	45.1%	23.2%	31.7%

Source: HSRC reponds to the Covid-19 Outbreak, *Joint HSRC and Department of Science and Innovation Survey*, available at <http://www.hsrc.ac.za>

## Covid-19 Lockdown

# The economic impact of Covid

The table presents the performance in 2019, and forecasts for 2020, of selected countries on major indicators, measured against the Gross Domestic Product (GDP). For example, South Africa's economy grew at 0.2% in 2019 but is expected to contract by up to around 5.8% in 2020.

GDP, debt and the current account, 2019 and 2020								
Country	Change in GDP		Change in GDP per capita <sup>a</sup>		General government net lending/borrowing as a % of GDP		Current account balance as a % of GDP	
	2019	2020	2019	2020	2019	2020	2019	2020
Australia	1.8%	-6.7%	0.3%	-8.1%	-3.7%	-9.7%	0.5%	-0.6%
Botswana	3.0%	-5.4%	1.1%	-7.1%	-6.2%	-5.9%	-5.2%	-2.5%
Brazil	1.1%	-5.3%	0.3%	-5.9%	-6.0%	-9.3%	-2.7%	-1.8%
Chile	1.1%	-4.5%	-0.8%	-6.2%	-2.6%	-6.3%	-3.9%	-0.9%
China	6.1%	1.2%	5.8%	0.9%	-6.4%	-11.2%	1.0%	0.5%
Czech Republic	2.6%	-6.5%	2.2%	-6.6%	0.3%	-4.7%	0.0%	-2.1%
Denmark	2.4%	-6.5%	1.9%	-7.0%	2.5%	-7.0%	7.9%	4.8%
Egypt	5.6%	2.0%	3.2%	-0.3%	-7.4%	-7.7%	-3.6%	-4.3%
France	1.3%	-7.2%	1.2%	-7.4%	-3.0%	-9.2%	-0.8%	-0.7%
Germany	0.6%	-7.0%	0.3%	-7.0%	1.4%	-5.5%	7.1%	6.6%
Ghana	6.1%	1.5%	4.0%	-0.5%	-7.4%	-10.0%	-2.7%	-4.5%
Greece	1.9%	-10.0%	2.0%	-9.8%	0.4%	-9.0%	-2.1%	-6.5%
Hong Kong	-1.2%	-4.8%	-1.4%	-5.0%	-1.5%	-6.9%	6.3%	6.0%
India	4.2%	1.9%	2.9%	0.5%	-7.4%	-7.4%	1.1%	-0.6%
Indonesia	5.0%	0.5%	3.9%	-0.5%	-2.2%	-5.0%	-2.7%	-3.2%
Ireland	5.5%	-6.8%	4.2%	-7.9%	0.3%	-5.2%	-9.5%	6.3%
Israel	3.5%	-6.3%	1.5%	-8.1%	-3.9%	-10.2%	3.5%	3.5%
Italy	0.3%	-9.1%	0.5%	-8.9%	-1.6%	-8.3%	3.0%	3.1%
Japan	0.7%	-5.2%	0.9%	-4.8%	-2.8%	-7.1%	3.6%	1.7%
Kazakhstan	4.5%	-2.5%	3.2%	-3.8%	-0.6%	-5.3%	-3.6%	-6.8%
Lithuania	3.9%	-8.1%	4.6%	-7.6%	0.2%	-7.6%	4.3%	6.0%
Mexico	-0.1%	-6.6%	-1.2%	-7.6%	-2.3%	-4.2%	-0.2%	-0.3%
Mozambique	2.2%	2.2%	-0.5%	-0.5%	-0.2%	-7.7%	-42.2%	-68.8%
Nigeria	2.2%	-3.4%	-0.4%	-5.8%	-5.0%	-6.4%	-3.8%	-3.3%
Pakistan	3.3%	-1.5%	1.4%	-3.4%	-8.8%	-9.2%	-5.0%	-1.7%
Philippines	5.9%	0.6%	4.3%	-0.9%	-1.9%	-3.4%	-0.1%	-2.3%
Poland	4.1%	-4.6%	4.1%	-4.5%	-0.7%	-6.7%	0.5%	0.2%
Russia	1.3%	-5.5%	1.4%	-5.4%	1.9%	-4.8%	3.8%	0.7%
Saudi Arabia	0.3%	-2.3%	-1.6%	-4.2%	-4.5%	-12.6%	6.3%	-3.1%
South Africa	0.2%	-5.8%	-1.3%	-7.2%	-6.3%	-13.3%	-3.0%	0.2%
Spain	2.0%	-8.0%	1.9%	-8.4%	-2.6%	-9.5%	2.0%	2.2%
Switzerland	0.9%	-6.0%	0.2%	-7.1%	0.9%	-5.1%	12.2%	7.2%
Thailand	2.4%	-6.7%	2.2%	-6.8%	-0.8%	-3.4%	6.9%	5.2%
Turkey	0.9%	-5.0%	-0.5%	-6.1%	-5.3%	-7.5%	1.1%	0.4%
Uganda	4.9%	3.5%	2.3%	0.0%	-6.7%	-6.8%	-9.5%	-9.7%
United Kingdom	1.4%	-6.5%	0.8%	-7.0%	-2.1%	-8.3%	-3.8%	-4.4%
United States	2.3%	-5.9%	1.8%	-6.4%	-5.8%	-15.4%	-2.3%	-2.6%

Source: International Monetary Fund (IMF), *World Economic Outlook*, April 2020

a Purchasing Power Parity.

Gross domestic product (GDP) — the total value of all 'final' goods and services produced within the borders of the country in a year.

## Covid-19 Lockdown

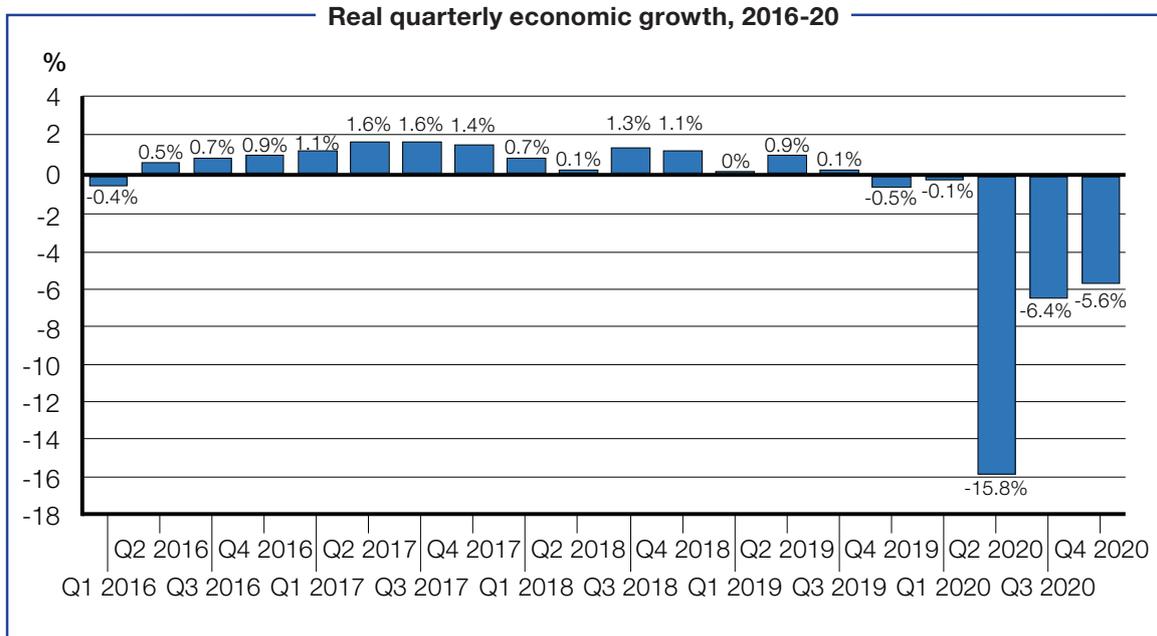
### Unemployment rate, selected countries, 2019-21

Country	2019	2020 <sup>a</sup>	2021 <sup>a</sup>
Australia	5.2%	7.6%	8.9%
Brazil	11.9%	14.7%	13.5%
Chile	7.3%	9.7%	8.9%
China	3.6%	4.3%	3.8%
Czech Republic	2.0%	7.5%	6.0%
Denmark	0.0%	6.5%	6.0%
Egypt	8.6%	10.3%	11.6%
France	8.5%	10.4%	10.4%
Germany	3.2%	3.9%	3.5%
Greece	17.3%	22.3%	19.0%
Hong Kong	3.0%	4.5%	3.9%
Indonesia	5.3%	7.5%	6.0%
Ireland	5.0%	12.1%	7.9%
Israel	3.8%	12.0%	7.6%
Italy	10.0%	12.7%	10.5%
Japan	2.4%	3.0%	2.3%
Kazakhstan	4.8%	7.8%	5.8%
Lithuania	6.3%	8.9%	8.1%
Mexico	3.3%	5.3%	3.5%
Pakistan	4.1%	4.5%	5.1%
Philippines	5.1%	6.2%	5.3%
Poland	3.3%	9.9%	8.0%
Russia	4.6%	4.9%	4.8%
South Africa	28.7%	35.3%	34.1%
Spain	14.1%	20.8%	17.5%
Switzerland	2.3%	2.7%	2.6%
Thailand	1.1%	1.1%	1.1%
Turkey	13.7%	17.2%	15.6%
United Kingdom	3.8%	4.8%	4.4%
United States	3.7%	10.4%	9.1%

Source: International Monetary Fund (IMF), *World Economic Outlook*, April 2020

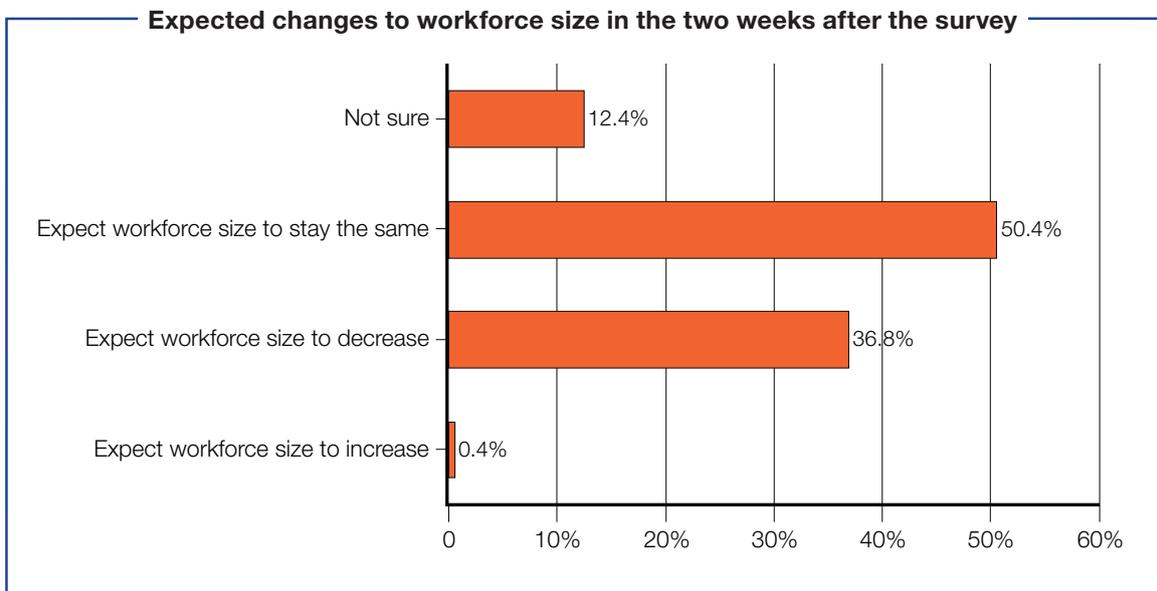
a Forecasts.

## Covid-19 Lockdown



## Covid-19's impact on business

Stats SA conducted a rapid response survey outlining the Covid-19 pandemic's impact between 30th March 2020 and 13th April 2020. Some 707 businesses in the formal sector responded to the survey. According to the survey report, a small proportion of businesses continued to trade at full capacity.



## Covid-19 Lockdown

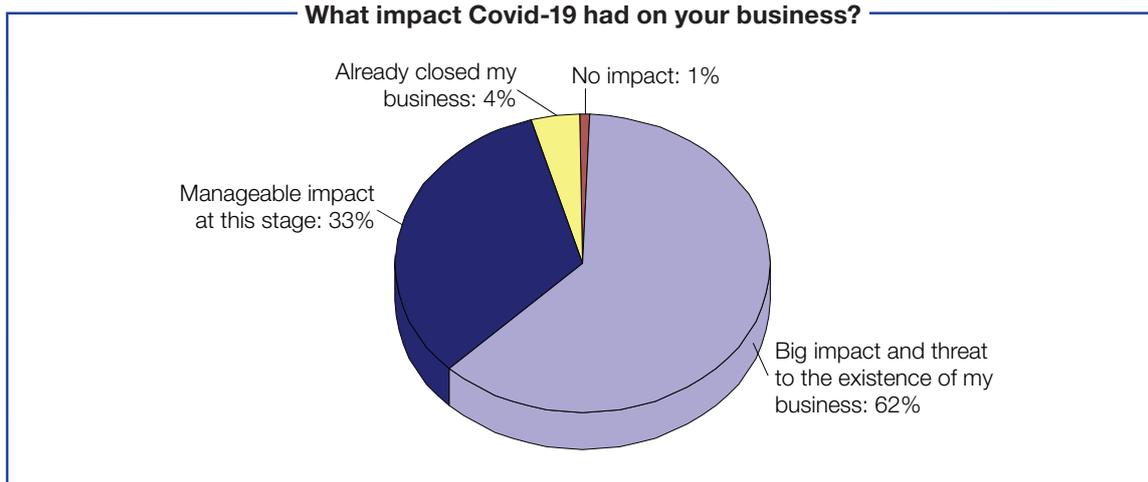
Employee working status					
Working type <sup>a</sup>	0%-20%	21%-40%	41%-60%	61%-80%	81%-100%
On vacation leave	66.1%	6.7%	5.7%	8.1%	13.3%
Off sick or in self-isolation due to coronavirus with statutory or company pay	87.8%	2.2%	0.5%	2.6%	6.9%
Made redundant	84.3%	3.0%	1.6%	3.5%	7.6%
Working as normal	38.9%	9.3%	10.1%	10.5%	31.2%
Other	67.5%	2.0%	5.1%	5.1%	20.3%

Source: Stats SA, *Business impact survey of the COVID-19 pandemic in South Africa, 2020*

a For example, 84.3% of businesses reported that 0%-20% of their employees had been made redundant, 3% reported that 21%-40% had been made redundant and so on.

Sasfin and sme.africa surveyed over 1000 SMEs, from a wide diversity of industries and well represented across the provinces, to gain insight into their current business reality. Of these SMEs, 71% have an annual turnover below R5m and 76% have 10 employees or less.

### What impact Covid-19 had on your business?



### Have you retrenched any staff since Covid-19 started?

