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## **DETERMINANTS OF INCOME AND JOB LOSSES DURING COVID-19 PANDEMIC IN ETHIOPIA: BIVARIATE PROBIT REGRESSION APPROACH**

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### **ABSTRACT**

COVID-19 remains a global economic shock that is affecting economic activities in many nations of the world. The impacts of the pandemic on households' welfare through income and job losses are alarming, depending on some socioeconomic and demographic attributes. In this study, the determinants of income and job losses during the pandemic in Ethiopia were studied. The data were the Ethiopia's first wave of COVID-19 High Frequency Phone Survey of Households in 2020 comprising 3249 households. The data were analyzed with Bivariate Probit regression model. The results showed that job losses were mostly experienced among respondents from Somali (34.13%), Addis Ababa (29.65%), Dire Dawa (26.14%) and Tigray (20.78%). Also, 20.92% of the respondents from rural area indicated loss of jobs, as against 12.7% for urban areas while nonfarm business income was mostly affected. The probability of income or job losses was among others significantly influenced by residence in Afar, Amhara, Benishangul-Gumuz, SNNPR, Gambela, Dire Dawa and Somali regions, age, engagement in farming, nonfarm business, wage employment, receipt of pension and restrictions in movement. It was recommended that efforts at reducing the impacts of the pandemic should target some vulnerable regions, younger people and those engaged in non-farm businesses, among others.

**Keywords:** COVID-19, Pandemic, Income losses, Job Losses, Ethiopia.