An Uneven Recovery: Measuring the Pulse of the LAC Region following the Pandemic

Results from the LAC High Frequency Phone Surveys
Phase II, Round 1 - 2021

November 2021
Main Messages
Main messages (I)

• The average regional level of employment is still below pre-pandemic levels but the quality of jobs available has declined. On average, the number of hours worked per week is 14 percent lower than before the pandemic.

• Almost 50 percent of households are still unable to recover their pre-pandemic total income level, despite support from governments in the form of transfers (both regular and emergency one) and increases in private transfers.

• Declines in the availability of jobs affected all, but the recovery has been slower for women (especially mothers), younger workers and those with lower levels of education/skills.

• In fact, a year into the pandemic, women are twice as likely than men to have stopped working. This went hand in hand with an increase in domestic responsibilities, particularly the supervision of children’s educational activities.
Main messages (II)

• Food insecurity remains a concern. Even though access to food has improved compared to May/June 2020, large segments of the population in the region still face food related deprivations. The proportion of households that ran out of food in the last month is 12 pp higher compared to before the pandemic.

• Engagement in some form of educational activity in the region is 12 pp below the attendance rate before the pandemic. In addition, the level and type of engagement varies substantially between and within countries.

• Access to general health services has gone back to pre-pandemic levels, but vaccination hesitancy remains a cause for concern. This is particularly true for countries in the Caribbean, rural households across the entire region, and those with low education levels.

• The pandemic has incentivized the use of mobile wallets across the region, though usage rates are still low. The use of digital transactions (both mobile banking and e-commerce) also increased, signaling the importance of digital technologies to stay economically connected and/or to receive monetary support.
Latin America and the Caribbean
High Frequency Phone Surveys

Effort to Date
The LAC-HFPS is part of a global effort to better understand the effects of the pandemic

• Phase I: collected by the WB during 2020 in 3 waves (May, June/July and August). Included 13 countries, with an average of 800 obs. per wave per country.

• Phase II: implemented jointly with UNDP. Collected during 2021 in 2 waves. Includes 24 countries.

• First wave: collected between May and July (Brazil was collected in August/September)
  • Average of 1,200 obs. per country.
  • Average of 24 days in the field per country.

• Second wave: (underway) collected between October and December.
Follows a robust methodology to provide high quality data

- A Random Digital Dial (RDD) methodology was used to draw a representative sample by country of the population +18 with a phone.
- The survey was conducted over the phone, with a duration of 25 mins, and strict protocols guarantee the quality of the data.
- Phase II is revisiting a subset of the same households in 12 countries of Phase I: average response rate of about 30%.
- Financial contributions from several partners:
Phase II adds 11 countries, including Brazil and several Caribbean countries.

Phase I - 2020
13 countries (three rounds)

Phase II - 2021
24 countries (two rounds)
The LAC-HFPS gathers data to assess the impacts of COVID-19 along several dimensions of household welfare.

- Respondent’s characteristics
- Health
- Food security
- Education
- Labor market and income changes
- Household demographics
- Gender
- Digital and Finance
The LAC-HFPS is based on a new multipurpose tool that provides insights to internal and external users/audiences.

<table>
<thead>
<tr>
<th>1</th>
<th>Solid approach</th>
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<tbody>
<tr>
<td>Ability to analyze dynamics (pre-pandemic and current information)</td>
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<tr>
<td>Nationally representative of +18 population with phones</td>
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<table>
<thead>
<tr>
<th>2</th>
<th>Strong value added</th>
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<tbody>
<tr>
<td>Ability to monitor multiple dimension of pandemic impacts over time (multi-topic repeated cross sectional data)</td>
<td></td>
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<tr>
<td>Standardized and tailored questionnaire allow for both cross-country (harmonized) and country-specific analytics</td>
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<table>
<thead>
<tr>
<th>3</th>
<th>Cross-collaboration with other sectors</th>
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</thead>
<tbody>
<tr>
<td>Development economists/practitioners</td>
<td></td>
</tr>
<tr>
<td>Education</td>
<td></td>
</tr>
<tr>
<td>Health, Nutrition &amp; Population</td>
<td></td>
</tr>
<tr>
<td>Urban, Disaster Risk, Resilience and Land</td>
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<tr>
<td>Social Development</td>
<td></td>
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<tr>
<td>Digital and Finance</td>
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</tbody>
</table>
Latin America and the Caribbean
LAC High Frequency Phone Surveys
Phase II, Round 1 - 2021

Labor Markets
More than 1 in 4 people in the region did not recover employment by June 2021.

Source: LAC High-Frequency Phone Survey, Phase II, Round 1.
The pandemic brought less employment, more informality, and the current employees work fewer hours.

Source: LAC High-Frequency Phone Survey, Phase II, Round 1.
The average regional level of employment is still below pre-pandemic levels. With some notable exceptions of full recovery and higher levels than before.

**Employment to population ratio (18+ years old)**

<table>
<thead>
<tr>
<th>Country</th>
<th>Pre Pandemic</th>
<th>Current</th>
</tr>
</thead>
<tbody>
<tr>
<td>Colombia</td>
<td>73%</td>
<td>62%</td>
</tr>
<tr>
<td>Brazil</td>
<td>60%</td>
<td>50%</td>
</tr>
<tr>
<td>Ecuador</td>
<td>70%</td>
<td>60%</td>
</tr>
<tr>
<td>Chile</td>
<td>80%</td>
<td>70%</td>
</tr>
<tr>
<td>Peru</td>
<td>75%</td>
<td>65%</td>
</tr>
<tr>
<td>Paraguay</td>
<td>65%</td>
<td>55%</td>
</tr>
<tr>
<td>Belize</td>
<td>80%</td>
<td>70%</td>
</tr>
<tr>
<td>Antigua &amp; Barbuda</td>
<td>75%</td>
<td>65%</td>
</tr>
<tr>
<td>Costa Rica</td>
<td>80%</td>
<td>70%</td>
</tr>
<tr>
<td>Argentina</td>
<td>70%</td>
<td>60%</td>
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<tr>
<td>Uruguay</td>
<td>60%</td>
<td>50%</td>
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<tr>
<td>Panama</td>
<td>70%</td>
<td>60%</td>
</tr>
<tr>
<td>Haiti</td>
<td>50%</td>
<td>40%</td>
</tr>
<tr>
<td>Saint Lucia</td>
<td>73%</td>
<td>62%</td>
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<tr>
<td>Dominican Republic</td>
<td>70%</td>
<td>60%</td>
</tr>
<tr>
<td>LAC</td>
<td>73%</td>
<td>62%</td>
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<tr>
<td>Bolivia</td>
<td>70%</td>
<td>60%</td>
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<tr>
<td>Honduras</td>
<td>60%</td>
<td>50%</td>
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<tr>
<td>Guyana</td>
<td>70%</td>
<td>60%</td>
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<tr>
<td>Jamaica</td>
<td>65%</td>
<td>55%</td>
</tr>
<tr>
<td>Dominica</td>
<td>60%</td>
<td>50%</td>
</tr>
<tr>
<td>Mexico</td>
<td>70%</td>
<td>60%</td>
</tr>
<tr>
<td>Guatemala</td>
<td>60%</td>
<td>50%</td>
</tr>
<tr>
<td>Nicaragua</td>
<td>60%</td>
<td>50%</td>
</tr>
<tr>
<td>El Salvador</td>
<td>60%</td>
<td>50%</td>
</tr>
</tbody>
</table>

Source: LAC High-Frequency Phone Survey, Phase II, Round 1.
But this does not mean that workers went back/remained in the same jobs. In fact, the quality of jobs deteriorated...

Change in the share of formal employment (pp)
HFPS-II vs. pre pandemic

Source: LAC High-Frequency Phone Survey, Phase II, Round 1.
And many workers went back to the labor market to work in self-employment activities (mostly in the informal sector).

Change in the share of self-employment (pp)
HFPS-II vs. pre pandemic

Source: LAC High-Frequency Phone Survey, Phase II, Round 1.
Many workers left the labor force altogether after becoming unemployed, leading to reductions in the size of the available workforce.

Share of people that were employed pre-pandemic and became unemployed or left the labor force (18+)

Source: LAC High-Frequency Phone Survey, Phase II, Round 1.
A large segment of the workforce moved from working in larger firms to small and micro firms (with lower productivity).

Change in the share of employment by size of establishment (pp)
HFPS-II vs. pre-pandemic

Source: LAC High-Frequency Phone Survey, Phase II, Round 1.
There has also been a significant decline (14 percent) in the number of hours that people are working… whether it is a choice or a necessity.

Source: LAC High-Frequency Phone Survey, Phase II, Round 1.
Traditionally vulnerable groups: women, older workers and people with lower education levels have experienced an increase in self-employment.

Change in the share of formal employment and self-employment by population groups (pp)
HFPS-II vs. pre-pandemic

Source: LAC High-Frequency Phone Survey, Phase II, Round 1.
Women, older workers and people with lower educational attainment were most likely to lose their job.

Share of population who lost their job among those employed pre pandemic (18+) by population groups

LAC average

- Father of children 0-5: 12%
- Mother of children 0-5: 40%
- Women: 38%
- Men: 17%
- 18-29 years old: 29%
- 30-54 years old: 22%
- 55-64 years old: 31%
- Primary education or less: 35%
- Secondary education: 27%
- Tertiary education or more: 18%

Source: LAC High-Frequency Phone Survey, Phase II, Round 1.
Destruction and creation of new jobs are concentrated in small firms, with less than five employees.

Source: LAC High-Frequency Phone Survey, Phase II, Round 1.
Income and Food Insecurity
Close to 50 percent of households are still unable to recover pre-pandemic (total) income levels...

Share of households that report a reduction in total income since the onset of the pandemic (HFPS I and HFPS II)

Source: LAC High-Frequency Phone Survey, Phase II, Round 1.
...despite receiving government support in the form of regular and emergency government transfers.

Source: LAC High-Frequency Phone Survey, Phase II, Round 1.

Note: For Brazil, regular transfers include the Auxilio Emergencial transfer.
During the pandemic, food insecurity almost doubled, 24% of households ran out of food due to lack of money.

Share of households that ran out of food in the last 30 days, before 2020 and now

Source: LAC High-Frequency Phone Survey, Phase II, Round 1.
Countries with higher inequality and poverty experienced the largest increases in food insecurity.

Source: LAC High-Frequency Phone Survey, Phase II, Round 1.
Latin America and the Caribbean
LAC High Frequency Phone Surveys
Phase II, Round 1 - 2021

Education
Most children are engaged in some form of educational activity in the region, but the percentage varies considerably across countries.

Share of school-age children engaged in some form of education activities (in person or remotely)

Note: We define children engaged in school as those who: i. report they attend face-to-face classes; ii. carry out activities at home; iii. not attend face-to-face classes because they were on vacation, or it was not her/his turn; and iv. not carry out activities at home because they were on vacation, the teacher did not leave homework or participated in face-to-face classes.

Source: LAC High-Frequency Phone Survey, Phase II, Round 1.
Many countries are still lagging in having kids engaged in some form of schooling, compared to before the pandemic.

Share of kids in school age engaged in school and change in school engagement

Source: LAC High-Frequency Phone Survey, Phase II, Round 1.
More than a year into the pandemic, only one-fourth of students attend school in person. Others do so virtually or not at all.

Share of school-age children engaged in some form of education activities (in person/virtually)

Source: LAC High-Frequency Phone Survey, Phase II, Round 1.
Lack of access to the internet and/or IT equipment are among most important reasons for not being engaged in remote learning.

Reasons for not engaging in a learning activity at home (LAC average)

- Not access to internet/whatsapp
- Lack of interest child/adolescent
- Not access to a computer/laptop
- No contact with teachers
- Lack parent/mother illness child/parents
- Lack resources for materials
- Stress new form of education
- Lack interest parents

Source: LAC High-Frequency Phone Survey, Phase II, Round 1.
Children in wealthier households are more likely to be engaged in schooling, but their attendance is also mostly virtual. Is the quality of the content and delivery comparable?

**Attendance rate of school-age children by type of education and number of assets in the household**

Source: LAC High-Frequency Phone Survey, Phase II, Round 1.
Latin America and the Caribbean

LAC High Frequency Phone Surveys

Phase II, Round 1 - 2021

Gender
Gaps between men and women are observed for all countries in LAC

Population 18+ with pre-pandemic employment that report not having a job at the time of the survey, by country and gender

Source: LAC High-Frequency Phone Survey, Phase II, Round 1.
Women are twice as likely to have lost their jobs compared to men. And over half left the labor force altogether.

Population 18+ with pre-pandemic employment that reports not having a job at the time of the survey (LAC average)

Source: LAC High-Frequency Phone Survey, Phase II, Round 1.
During the pandemic, unpaid care and domestic work has increased more for women than for men.

Population 18+ that reports increases in domestic responsibilities, men and women

<table>
<thead>
<tr>
<th></th>
<th>Male</th>
<th>Female</th>
<th>Male</th>
<th>Female</th>
<th>Male</th>
<th>Female</th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>Domestic work</td>
<td>69</td>
<td>61</td>
<td>50</td>
<td>40</td>
<td>45</td>
<td>30</td>
<td>66</td>
<td>60</td>
</tr>
<tr>
<td>Child Care</td>
<td>27</td>
<td>34</td>
<td>44</td>
<td>45</td>
<td>44</td>
<td>40</td>
<td>27</td>
<td>32</td>
</tr>
<tr>
<td>Educational assistance</td>
<td>60</td>
<td>60</td>
<td>60</td>
<td>60</td>
<td>60</td>
<td>60</td>
<td>60</td>
<td>60</td>
</tr>
<tr>
<td>Elder and sick care</td>
<td>32</td>
<td>32</td>
<td>32</td>
<td>32</td>
<td>32</td>
<td>32</td>
<td>32</td>
<td>32</td>
</tr>
</tbody>
</table>

Source: LAC High-Frequency Phone Survey, Phase II, Round 1.
Particularly supervision to children’s educational activities.

Source: LAC High-Frequency Phone Survey, Phase II, Round 1.
Job losses and increased unpaid domestic work are associated with greater mental health problems.

Source: LAC High-Frequency Phone Survey, Phase II, Round 1.
Latin America and the Caribbean
LAC High Frequency Phone Surveys
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Health
A year into the pandemic, access to health services has been restored in most countries, though access remains more limited to some.

Percentage of Households where someone could not access health services when needed

Source: LAC High-Frequency Phone Survey, Phase II, Round 1.
Vaccination rates and willingness to get vaccinated is high in the region. However, hesitancy remains high in the Caribbean and parts of Central America.

Source: LAC High-Frequency Phone Survey, Phase II, Round 1.
Nearly 1/5 of the unvaccinated are not planning to get vaccinated: hesitancy rates higher among rural households, older and with lower levels of education.

Self-reported vaccination rates and share not vaccinated nor willing to get one, by population group (LAC average)

Source: LAC High-Frequency Phone Survey, Phase II, Round 1.
Current demand for preventive health services indicates that households are returning to the health system more broadly.

Type of medical assistance demanded by households who need medical services

Source: LAC High-Frequency Phone Survey, Phase II, Round 1.
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Clear increase in the use of digital services and transactions since the onset of the pandemic.

Share of users who indicate an increase in the use of mobile banking vs. the use of apps/webpage for transactions

Note: Only for respondents who have a bank account. Ecuador and Bolivia are not included because of the low number of observations.

Source: LAC High-Frequency Phone Survey, Phase II, Round 1.
Mobile wallets provide access to banking for segments with lower access to traditional banking: older, less educated and rural populations.

Share of digital wallet users: overall and new users, by population group (LAC average)

<table>
<thead>
<tr>
<th>LAC</th>
<th>Urban</th>
<th>Rural</th>
<th>Age: 18-29 years</th>
<th>Age: 30-54 years</th>
<th>Age: 55-64 years</th>
<th>Age: 65+ years</th>
<th>Education: Primary or less</th>
<th>Education: Secondary</th>
<th>Education: Tertiary or more</th>
</tr>
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<tbody>
<tr>
<td>26%</td>
<td>25%</td>
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Note: Antigua and Barbuda is not included in the averages. In addition, it must be noted that there was a low response rate in Ecuador, Bolivia, Costa Rica, El Salvador, Dominican Republic, Chile, Uruguay, Nicaragua, Colombia, Honduras, and Peru.

Source: LAC High-Frequency Phone Survey, Phase II, Round 1.
High cost to access digital services and regular power outages are important challenges for households when using internet.

Source: LAC High-Frequency Phone Survey, Phase II, Round 1.
Thank you!