

# NOT THERE YET: SLOW RECOVERY AND MANY LEFT BEHIND AS LATIN AMERICA AND THE CARIBBEAN NAVIGATES THE RIPPLES OF THE PANDEMIC\*



WORLD BANK GROUP



## 2021 HIGH-FREQUENCY PHONE SURVEYS – WAVE 2

September 2022

### Main Messages

- Labor markets in Latin America and the Caribbean (LAC) continued to recover in the second semester of 2021, although at a slow pace and with considerable heterogeneity across countries. New jobs in self-employment largely explain the recovery.
- During the second half of 2021, household income dynamics reflected the sluggish recovery of the labor market, though more privileged groups had a more noticeable recovery. Most households (58 percent) reported no change in total household income, while 28 percent reported a deterioration.
- Around one in every two households reported having insufficient resources to cover their basic needs. While the proportion of households that experienced food insecurity in the region declined between the middle and the end of 2021, it was still above pre-pandemic levels. Vulnerable households were more likely to report income loss, financial stress, and food insecurity, and to display a slower recovery.
- Seven out of ten households in LAC had to resort to at least one coping mechanism to manage financial stress, and the proportion was even higher for vulnerable households. These coping mechanisms included the use of savings to cover basic needs, the cessation of rent payments or debt installments, the entry of inactive adult members into the labor force, and, in a few cases, the search for work by children.
- Government transfers reached the most vulnerable households but were insufficient to avoid widespread food insecurity. Further efficiency in targeting and higher transfers would have been required (in varying degrees by the different countries) to contain the economic impact of the pandemic.
- School attendance rates have improved since mid-2021 but are still lower than pre-pandemic levels. While there was an overall shift from virtual to in-person learning, schooling activities remained mostly virtual for several countries. The return to in-person classes was less common among children from vulnerable households, with severe potential effects for their learning.
- By the end of 2021, there was greater demand for preventive health services, and a smaller share of the population reported being unwilling to get vaccinated. However, service disruption for households needing healthcare increased slightly and there was little improvement in mental health indicators compared to mid-2021.
- Gender gaps in job loss and employment rates narrowed by the end of 2021, but job-loss rates remain higher and employment rates remain lower for women. Among entrants to the labor force, women were more likely to end up in informal employment.
- Domestic duties continue to represent a greater burden on women's time and by the end of 2021, women were more likely to report an increase in the time spent on household and care activities compared to the beginning of the pandemic. However, the higher involvement reported by men in domestic duties suggests that the pandemic may have disrupted conventional time-use arrangements at home.
- Minority households were more likely to experience a decline in income during the second half of 2021, and the pandemic seems to have widened the existing food insecurity gap between minority and non-minority households.

\* This note was prepared by Marcela Meléndez, Adriana Camacho, Laura Tenjo, and Pablo Hernández, from the United Nations Development Programme; and Carolina Mejía-Mantilla, Gabriel Lara Ibarra, and Carlos Alberto Castañeda from the World Bank. The team is grateful for comments and inputs from Ximena del Carpio (World Bank). The work was possible thanks to financial support from the World Bank Latin American and Caribbean Regional Vice Presidency, and the UNDP Rapid Financing Facility (RFF) initiative.

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To continue monitoring how the COVID-19 pandemic has affected the welfare of households in the region, the World Bank and the United Nations Development Programme (UNDP) joined forces in 2021 to implement a second phase of High-Frequency Phone Surveys (HFPS) in Latin America and the Caribbean (LAC).<sup>1</sup> A first wave was collected between May and July 2021, and a second between October 2021 and January 2022. This last wave takes the socio-economic pulse of households and measures the region's well-being almost two years into the pandemic.<sup>2</sup> This note presents the emerging results in the areas of labor markets, income, food security, coping mechanisms, education, health, and gender.

### **Labor markets**

**Labor market indicators continued to recover in the second semester of 2021, although at a slow pace and an uneven speed across countries.** While in mid-2021, 28.8 percent of individuals employed pre-pandemic had lost their jobs,<sup>3</sup> this number declined to 21.7 percent by the end of the year (Figure 1). However, among those affected by job loss, the proportion who exited the labor force decreased slightly between mid-2021 and end of 2021, from 63 to 62 percent. The speed of recovery from job loss with respect to mid-2021 was uneven across countries: while most countries experienced an improvement or little change, conditions worsened for Guatemala, Belize, Dominica, El Salvador, and the Dominican Republic (Figure 2).

**Recovery from job loss has been slower for young workers (between 18 and 25 years of age) and those with secondary education.** Women, the elderly and the young, and less-educated workers continued to be the most affected by job loss (Figure 3). By the end of 2021, women were twice as likely to have experienced job loss compared to men (30.2 percent versus 14.7 percent). Also, the share of women, primary-educated workers, and the elderly who became jobless after the onset of the pandemic decreased by more than 5 percentage points (pp) between mid-2021 and the end of the year; for those between 18 and 25 years of age and those with secondary education, the decrease was only 1.5 pp.

1 The collaboration builds on the efforts of the World Bank in a first phase, when three waves of data were collected in 13 countries in LAC during 2020 (May, June/July, and August).

2 The survey was collected in 22 countries (Argentina, Belize, Bolivia, Chile, Colombia, Costa Rica, Ecuador, Dominica, the Dominican Republic, El Salvador, Guatemala, Guyana, Haiti, Honduras, Jamaica, Mexico, Nicaragua, Panama, Paraguay, Peru, St. Lucia, and Uruguay) and is nationally representative of the adult population (18+) with a phone for each country.

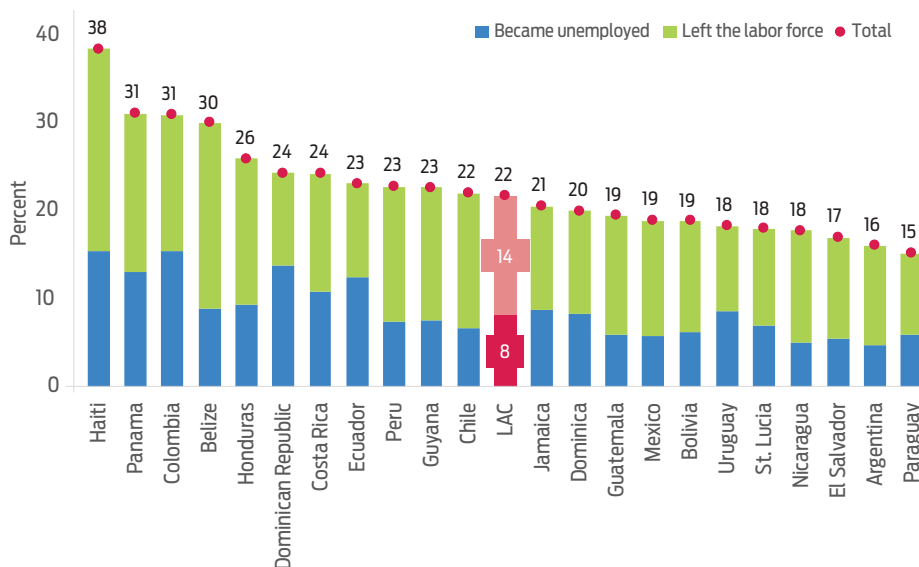
3 Unless otherwise stated, all indicators hereafter referred to as 'mid-2021' correspond to the data from the preceding wave of HFPS 2021 (PH2W1), carried out between May and July of 2021. For this note, the regional averages for PH2W1 exclude data for Brazil and for Antigua and Barbuda to make them comparable to the regional averages of the latest wave (PH2W2).

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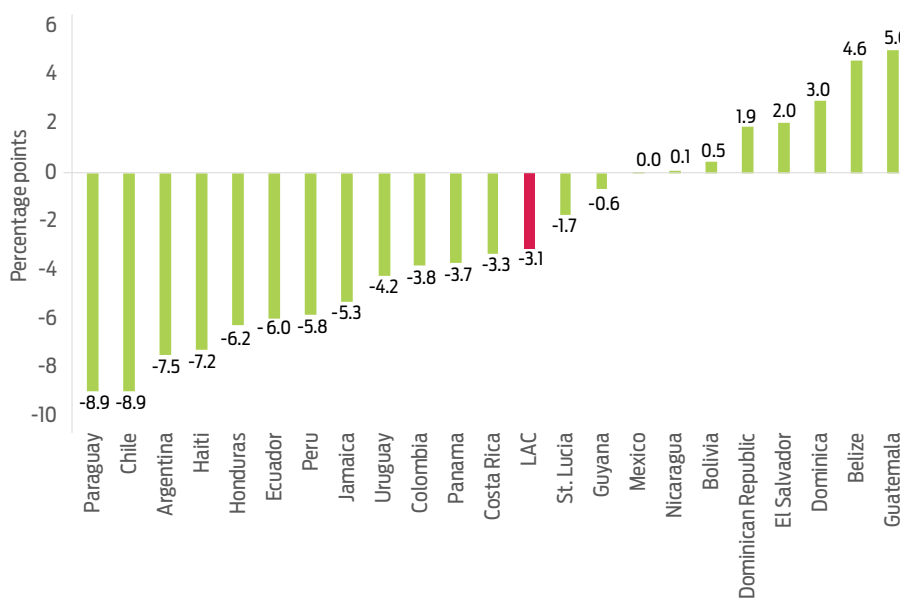
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**Figure 1: Share of people (18+) who were employed pre-pandemic and became unemployed or left the labor force by the end of 2021, by country**



Source: WB and UNDP LAC HPFS II (Wave 2), 2021.

**Figure 2: Change in the job-loss rate (compared to pre-pandemic) between mid-2021 and end of 2021**



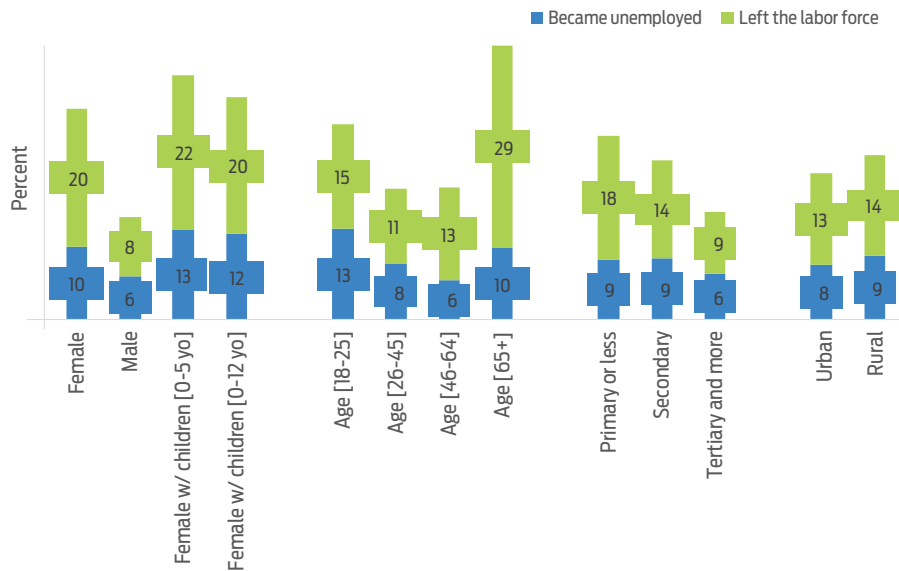
Source: WB and UNDP LAC HPFS II (Wave 2), 2021.

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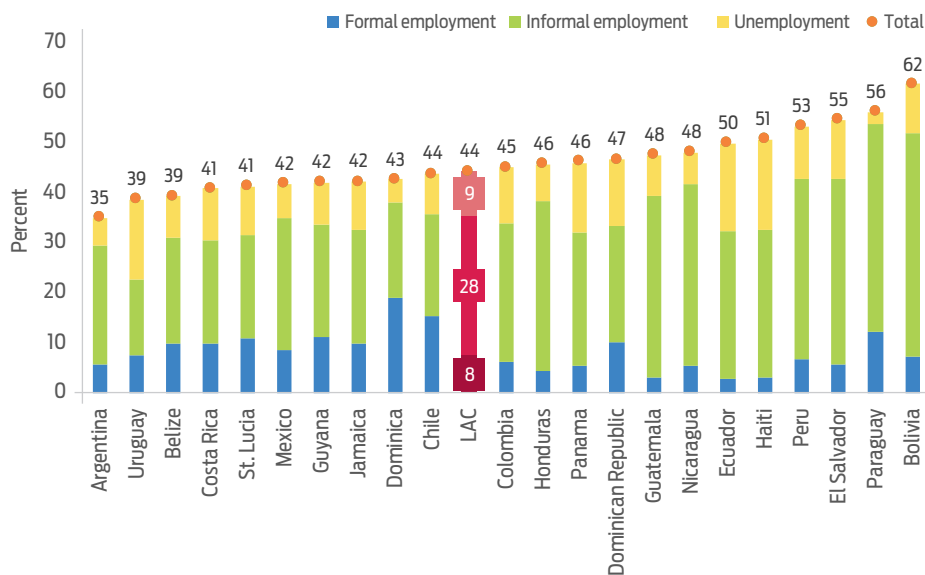
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**Figure 3: Share of people (18+) who were employed pre-pandemic and became unemployed or left the labor force by the end of 2021, LAC average by population group**



Source: WB and UNDP LAC HPFS II (Wave 2), 2021.

**Figure 4: Share of previously inactive people who entered the labor market, by activity status**



Source: WB and UNDP LAC HPFS II (Wave 2), 2021.

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**Unprecedented levels of entry into the labor force during the pandemic continued to be observed by the end of 2021.**<sup>4</sup> 44 percent of the pre-pandemic inactive population were working or looking for a job by the end of the year (Figure 4). About eight in every ten among them had found a job, mostly in the informal sector. Entry into the labor market was particularly high for Bolivia, where 62 percent of those previously inactive became active. Recent entrants to the labor market had a lower probability of finding jobs in Ecuador, Uruguay, and Haiti.

**While there was an improvement compared to mid-2021, employment rates and formality rates were still below pre-pandemic levels for most countries.** The average employment-to-population ratio was 4.6 pp lower at the end of 2021 than before the pandemic. However, this represented an improvement compared to mid-2021, when the ratio was 7.5 pp lower (Figure 5, Panel A). Two exceptions were El Salvador and Nicaragua, where the entry from inactivity into the labor force was high enough to compensate for job losses, resulting in employment rates rising above pre-pandemic levels by the end of 2021. Despite a modest improvement at the regional level, the quality of employment (proxied by formality rate) continued to deteriorate in one third of the countries (Figure 5, Panel B).

**New jobs in (informal) self-employment mostly explain the employment recovery observed almost two years after the beginning of the pandemic.** Before the pandemic, a disproportionate share of people worked in self-employment and small firms of less than five workers. The concentration of the workforce in low productivity jobs worsened during the pandemic with no signs of reversal; likely further contributing to high levels of income inequality and low growth in the region.<sup>5</sup> Self-employment increased by 6 pp by mid-2021 and 12 pp by the end of the year compared to its pre-pandemic level. Only Honduras experienced a slight recovery in the second semester of 2021 (Figure 6).

**Job destruction in the larger firms is still present at the end of 2021.** During the pandemic, jobs were lost in firms of all sizes, particularly medium-sized firms. By the end of 2021, employment declined the most in firms with five to 19 workers (5 pp) and 20 to 99 workers (4 pp, Figure 7). In most countries, even micro-firms (two to four workers) were forced to cut jobs. Salaried workers who switched jobs transited mostly into self-employment.

<sup>4</sup> Entry rates are much higher than those observed in National Household Surveys that allow to follow people's activity status over time.

<sup>5</sup> See: Marcela Eslava, Marcela Meléndez, and Nicolás Urdaneta. 2021. "Market Concentration, Market Fragmentation, and Inequality in Latin America." UNDP LAC Working Paper, 11, 2021, Background paper for the Regional Human Development Report for Latin America and the Caribbean 2021, UNDP LAC, New York.

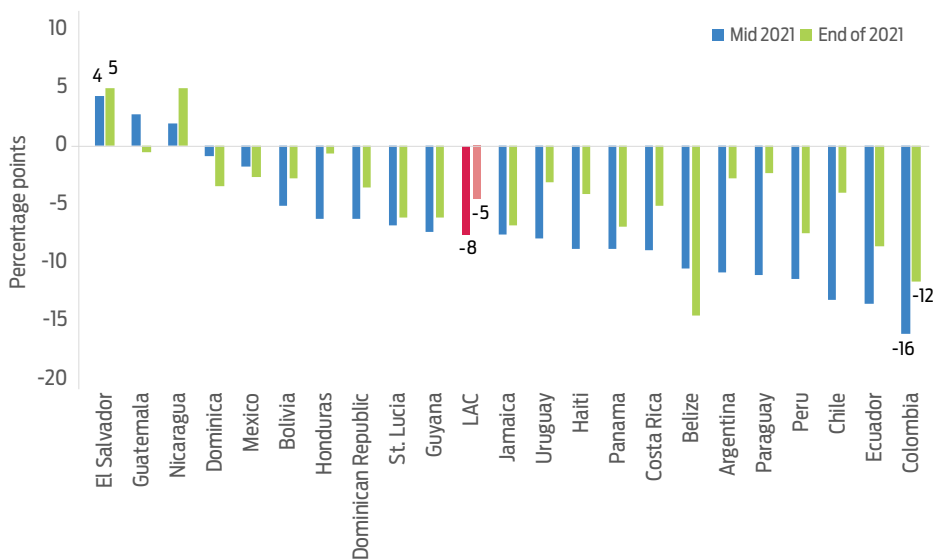
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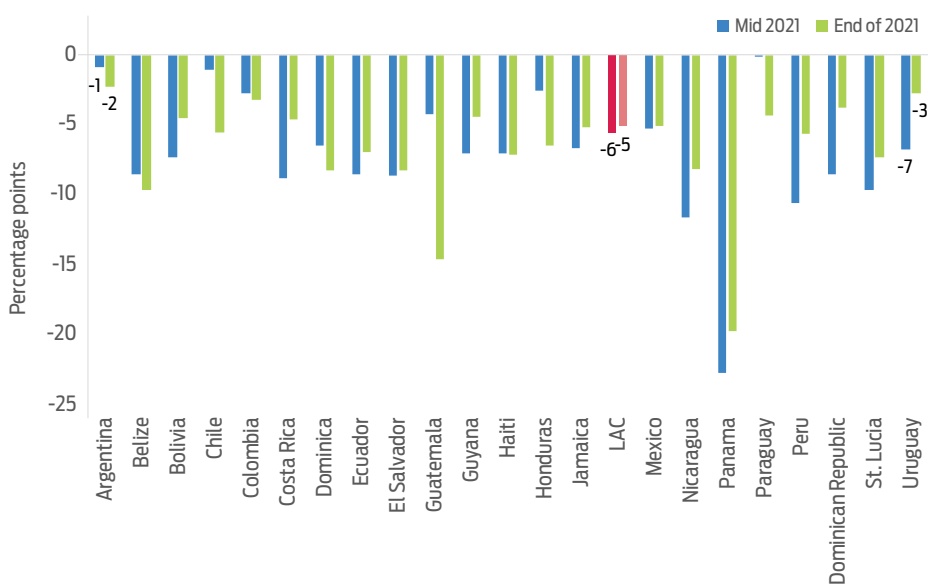
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**Figure 5: Changes in employment compared to pre-pandemic levels**

Panel A: Employment-to-population ratios



Panel B: Formal employment



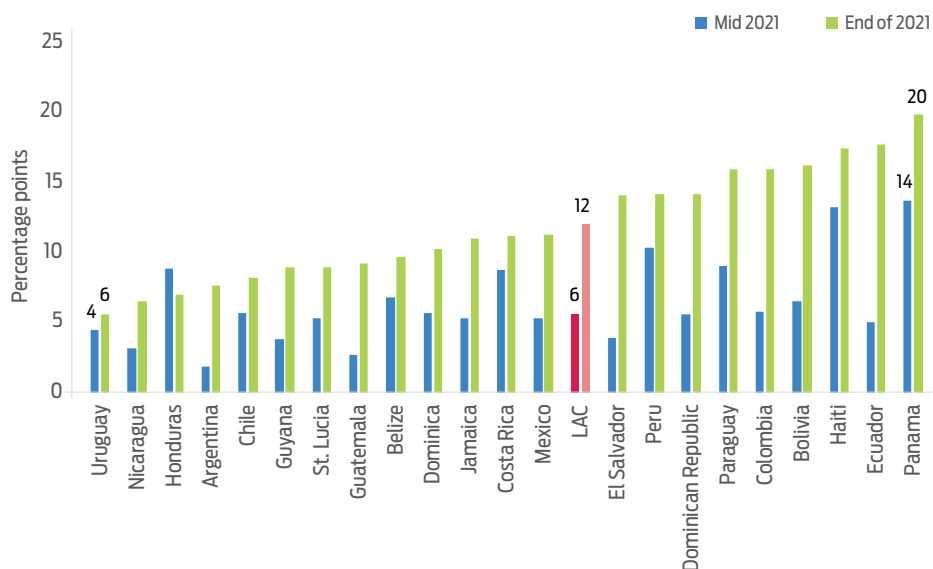
Source: WB and UNDP LAC HPFS II (Waves 1 and 2), 2021.

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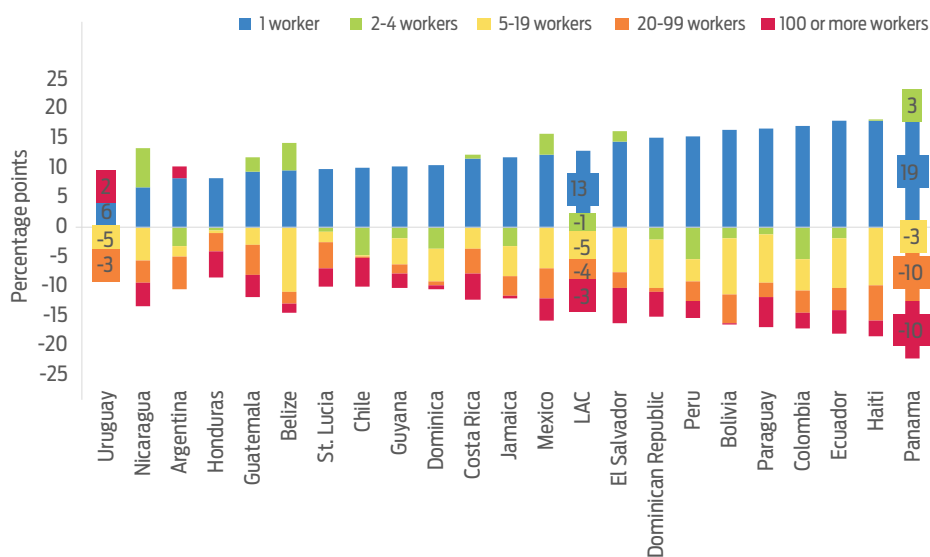
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**Figure 6: Changes in self-employment compared to pre-pandemic levels**



Source: WB and UNDP LAC HPFS II (Waves 1 and 2), 2021.

**Figure 7: Changes in employment (compared to pre-pandemic) by firm size**



Source: WB and UNDP LAC HPFS II (Wave 2), 2021.

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### *Income loss, financial stress, and food insecurity*

#### **Household income dynamics reflect the sluggish labor market recovery observed across the region.**

During the second half of 2021, only 14 percent of households reported an increase in total household income, 58 percent reported no change, and close to 30 percent reported a decline. For the most part, these numbers reflect a partial recovery in employment driven by increased informality and self-employment, where wages are usually lower. As with the labor market, the regional averages mask large differences across countries. While one third of Argentinians reported an increase in total household income, two-thirds of Haitians reported a decline (Figure 8, Panel A). However, in the case of Haiti, the context is complex, and income loss cannot be entirely attributed to the pandemic. Across the region, the path toward income recovery differs as to the degree of vulnerability of households. A decline in total household income was more prevalent among households that reside in rural areas (31 percent), in those less-educated household heads (primary and secondary, 30 and 31 percent respectively) and with no assets (39 percent; Figure 8, Panel B).

#### **By the end of 2021, approximately half the households in the region reported not having enough resources to cover their basic needs.**

Before the pandemic, income was insufficient to cover basic needs for a considerable proportion of households in the region: 22 percent were below the US\$5.50 per day 2011 PPP poverty line in 2019.<sup>6</sup> By the end of 2021, 54 percent of households reported not having enough resources to cover their basic needs, 32 pp above the pre-pandemic regional poverty rate (Figure 9, Panel A).<sup>7</sup> This type of financial stress was higher among the most vulnerable: households in rural areas, households with less-educated household heads, those with fewer assets, and those with dependent children (Figure 9, Panel B).

#### **Despite the recent decrease, food insecurity levels remain higher than before the pandemic in the LAC region.**

By the end of 2021, most countries in the region were on track to recover from the pandemic-induced food crisis. However, food insecurity levels were higher than in mid-2021 for several countries, including Haiti and the Dominican Republic.<sup>8</sup> Food insecurity among Haitian households was particularly severe, with more than three-quarters reporting this event. On the contrary, food insecurity levels in Chile, El Salvador, Bolivia, and Nicaragua are close to, or below, pre-pandemic levels (Figure 10).

**The recovery of food security has been slower for the most vulnerable households.** One quarter of households in the region ran out of food in the 30 days preceding the survey. Progress in food security has been slow for the most vulnerable households. For instance, households with no assets were 16 pp above their pre-pandemic food insecurity level, while households with three assets were just 3 pp above. Households with no assets and those with low-education household heads are still the most exposed to food insecurity (Figure 11).

6 World Bank. 2021. "The Gradual Rise and Rapid Decline of the Middle Class in Latin America and the Caribbean". World Bank, Washington, DC.

7 While these indicators are not strictly comparable, the numbers suggest the extent of the pandemic's effect on household well-being.

8 While food insecurity is also slightly higher in Dominica and Guyana, the difference is not statistically significant.



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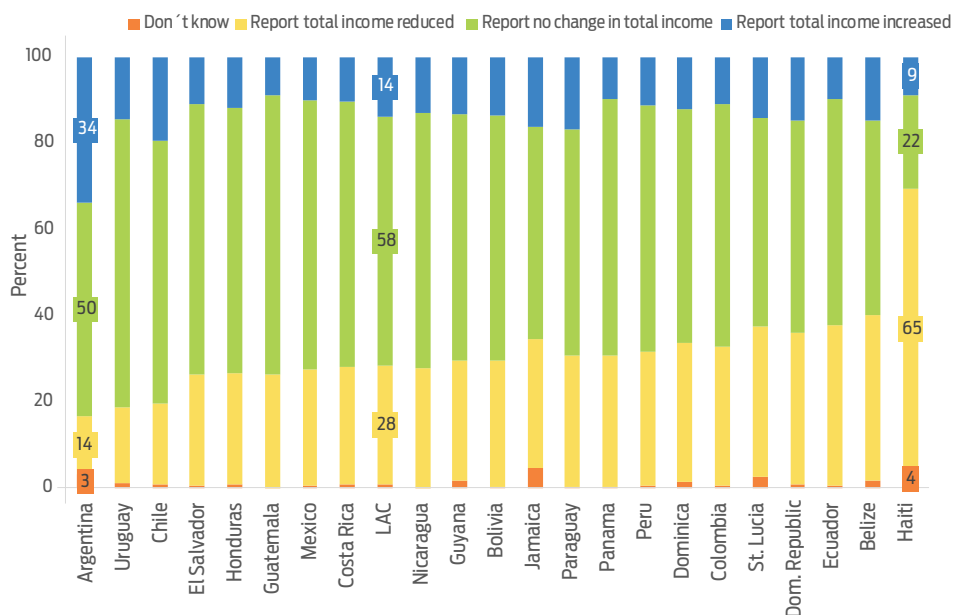


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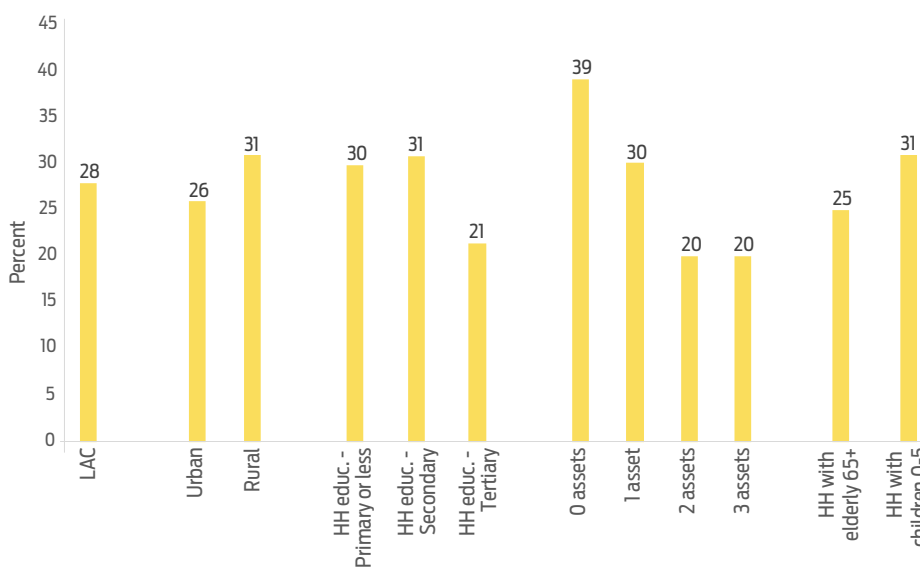
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**Figure 8: Share of household reporting a change in income by the end of 2021 compared to mid-2021**

Panel A: Change in income by country



Panel B: Decline in income by households characteristics (LAC average)



Source: WB and UNDP LAC HPFS II (Waves 1 and 2), 2021.

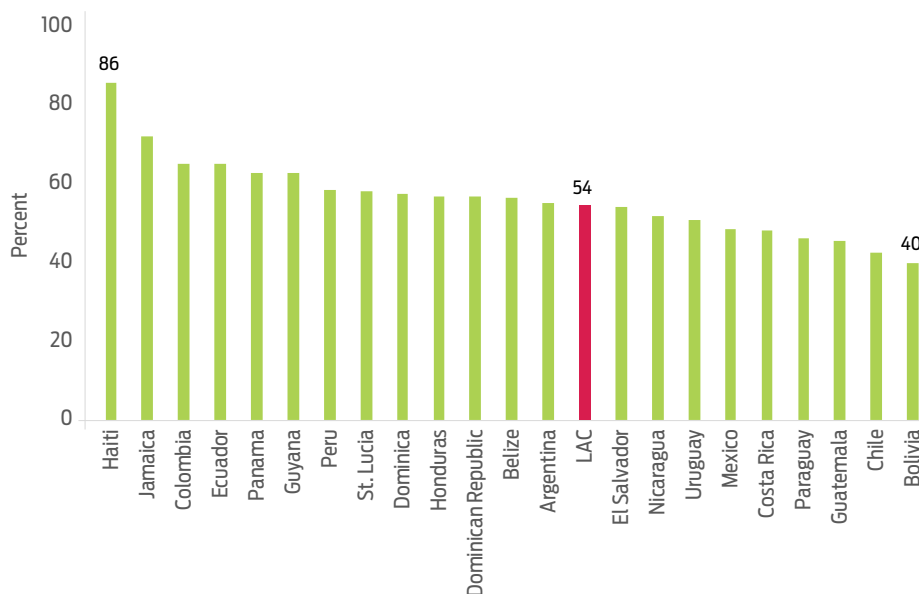
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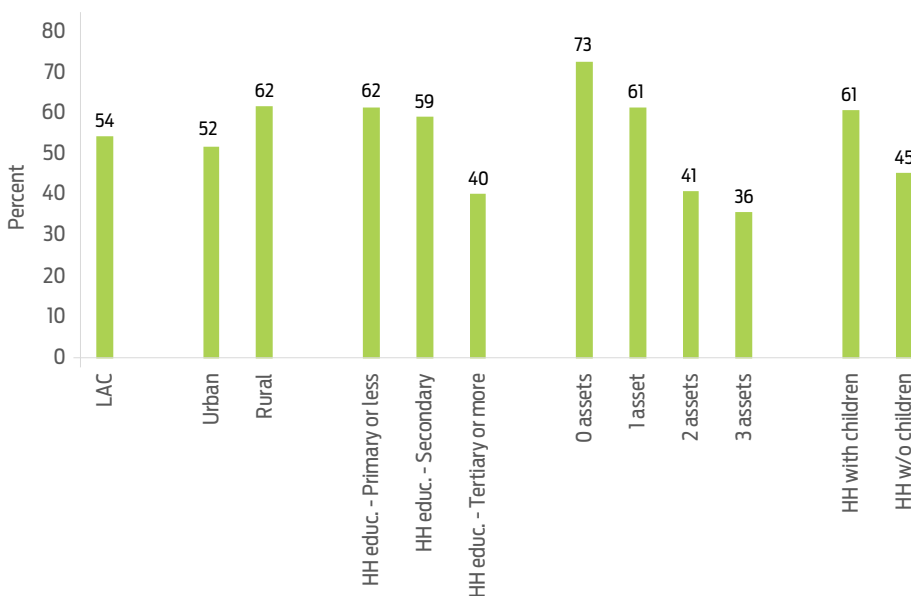
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**Figure 9: Share of households without enough resources to cover basic needs by the end of 2021**

Panel A: By country



Panel B: By household characteristics (LAC average)



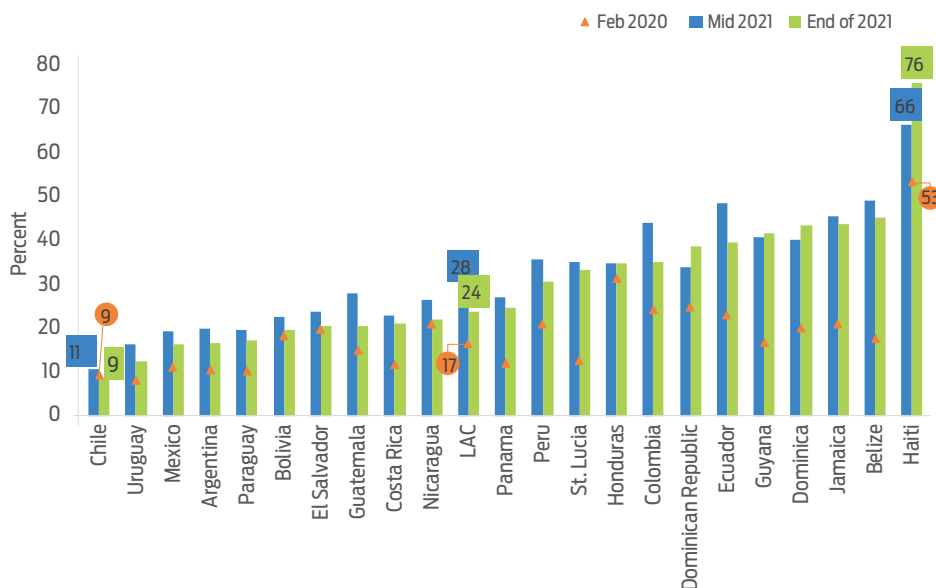
Source: WB and UNDP LAC HPFS II (Wave 2), 2021.

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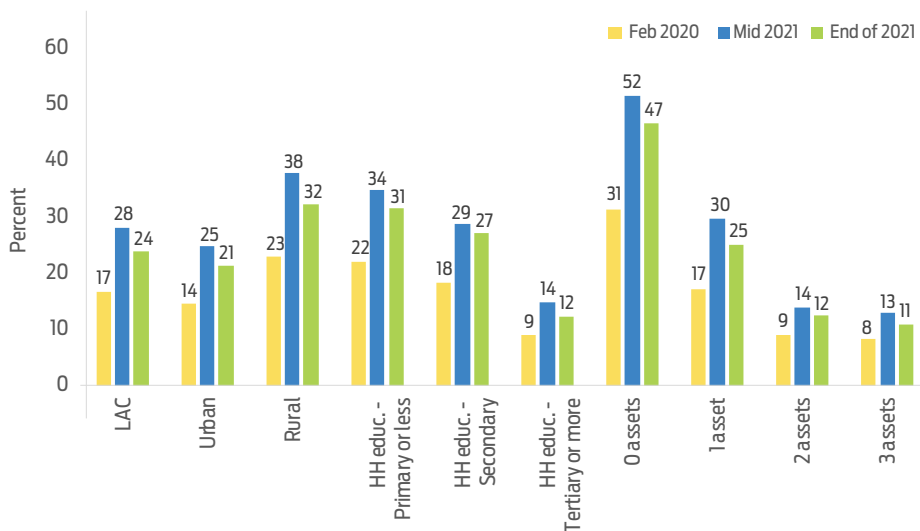
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**Figure 10: Share of households that ran out of food: pre-pandemic (Feb 2020), mid-2021, end of 2021**



Source: WB and UNDP LAC HPFS II (Waves 1 and 2), 2021.

**Figure 11: Share of households that ran out of food by household characteristics (LAC average)**



Source: WB and UNDP LAC HPFS II (Waves 1 and 2), 2021.

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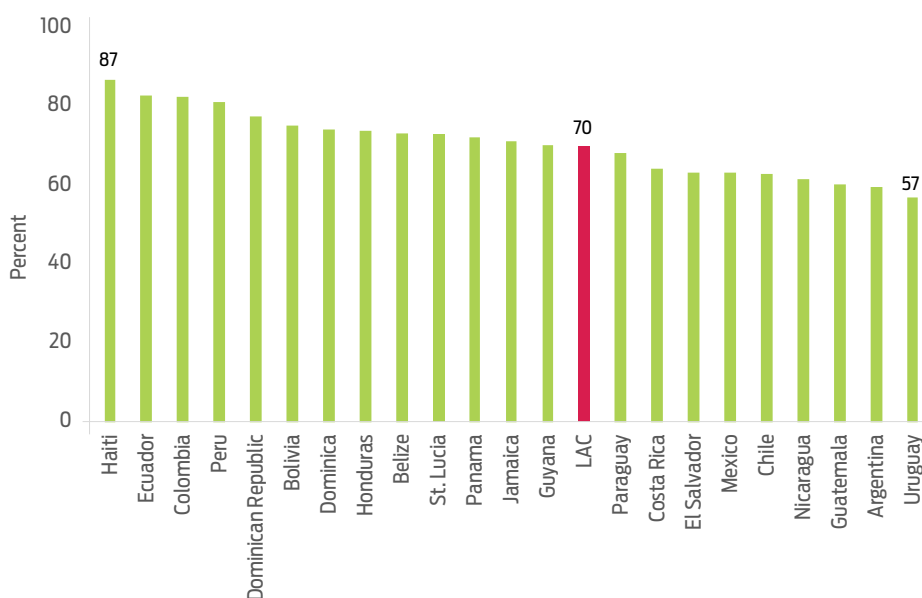
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### Coping mechanisms

**Households resorted to different coping mechanisms to manage hardship during 2021.** At the end of 2021, 70 percent of households in LAC reported having resorted to at least one coping mechanism to reduce the financial strain induced by the pandemic (Figure 12). These mechanisms included using savings to cover basic needs and halting rent payments or debt installments. In addition, previously inactive adults also entered the labor force in response. In some cases, even children sought work. In Haiti, Ecuador, Colombia, and Peru, the proportion of households that reported the use of at least one of these mechanisms was above 80 percent. The proportion is lower in Guatemala, Argentina, and Uruguay, although it remains above 55 percent.

**Figure 12: Share of households that resorted to at least one coping mechanism to manage financial stress in 2021**



Source: WB and UNDP LAC HPFS II (Wave 2), 2021.

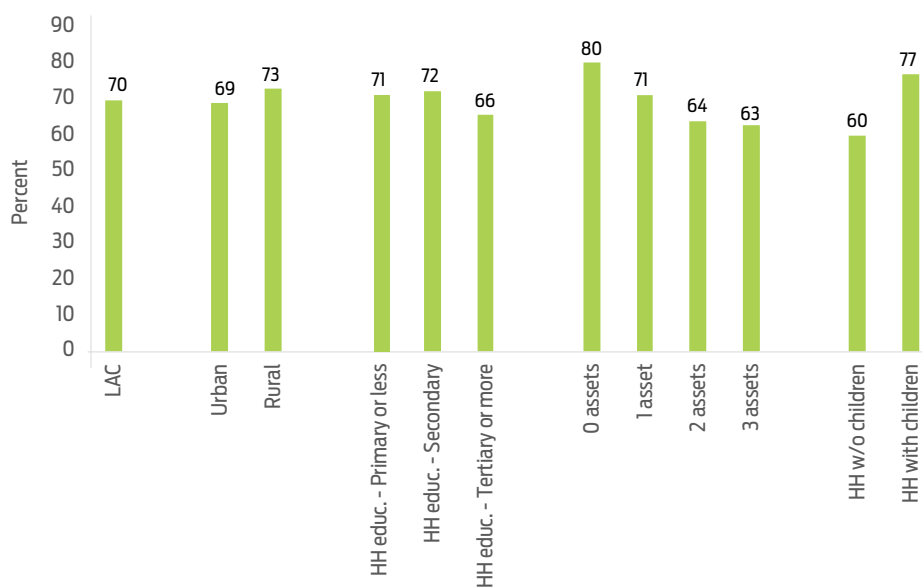
**The poorest households and those with dependent children were more likely to resort to coping mechanisms during the pandemic.** There is a clear inverse pattern between the need to use a coping mechanism and asset ownership – the measure used to proxy wealth. About 80 percent of households with no assets used at least one coping mechanism during the pandemic, compared to 62 percent for those with three assets. The proportion of households that had to resort to these coping mechanisms is also smaller among households whose head has tertiary education (Figure 13).

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**Figure 13: Share of households that resorted to at least one coping mechanism in 2021, by household characteristics (LAC average)**



Source: WB and UNDP LAC HPFS II (Wave 2), 2021.

**The pandemic eroded household savings and forced the entry of inactive members into the labor force to cope with financial stress.**

The most prevalent coping mechanism reported to cover basic needs during 2021 was the use of savings (60 percent overall).<sup>9</sup> This was followed by the entry of inactive adult household members into the labor force (38 percent), a finding consistent with the high rate of transitions between inactivity and labor markets reported above. Also, approximately 5 percent of households reported a child under 18 entering the labor force (among households with children under 18, this rate was 10 percent). The latter coping mechanism was more frequent for households with primary-educated heads and no assets (Figure 14).<sup>10</sup> As expected, and with potential devastating consequences for human capital accumulation, the share of school-age children entering the labor force is positively correlated with the school dropout rate (Figure 15).

<sup>9</sup> The high share of households reporting the use of savings as a coping mechanism is likely capturing the erosion of small cash savings kept at home - not necessarily equivalent to households saving through the financial system.

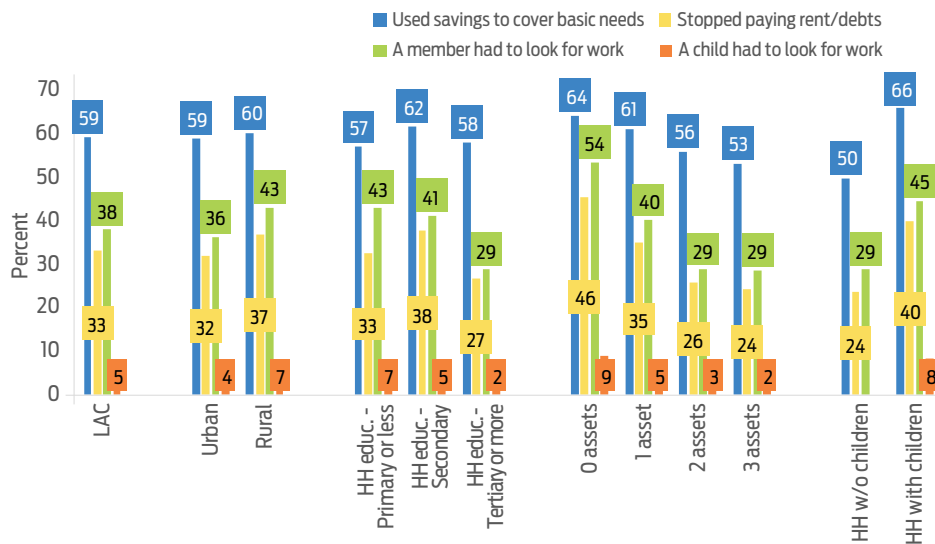
<sup>10</sup> Shares computed over all households.

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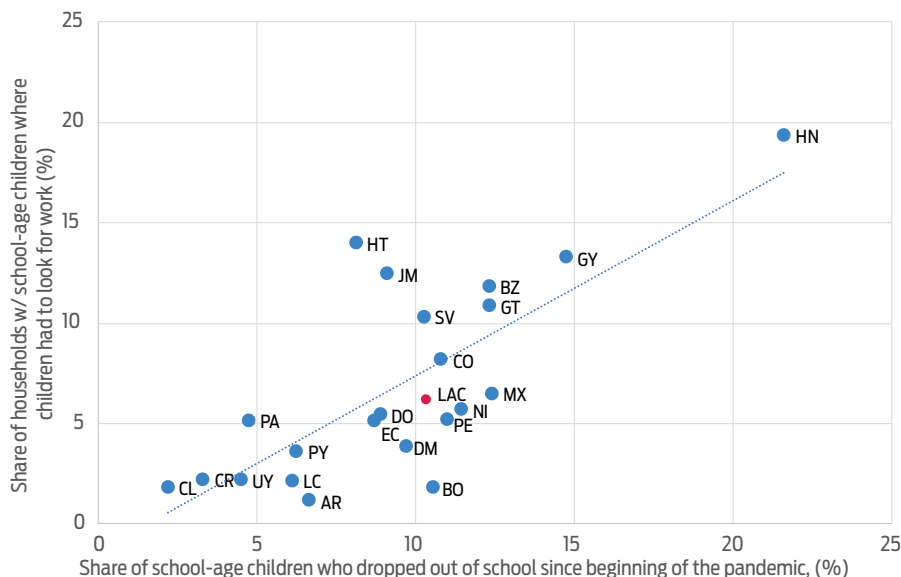
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**Figure 14: Share of households using each coping mechanism, by household characteristics (LAC average)**



Source: WB and UNDP LAC HPFS II (Wave 2), 2021.

**Figure 15: Share of households reporting school-age children entering the labor force and school dropout rate**



Source: WB and UNDP LAC HPFS II (Wave 2), 2021.

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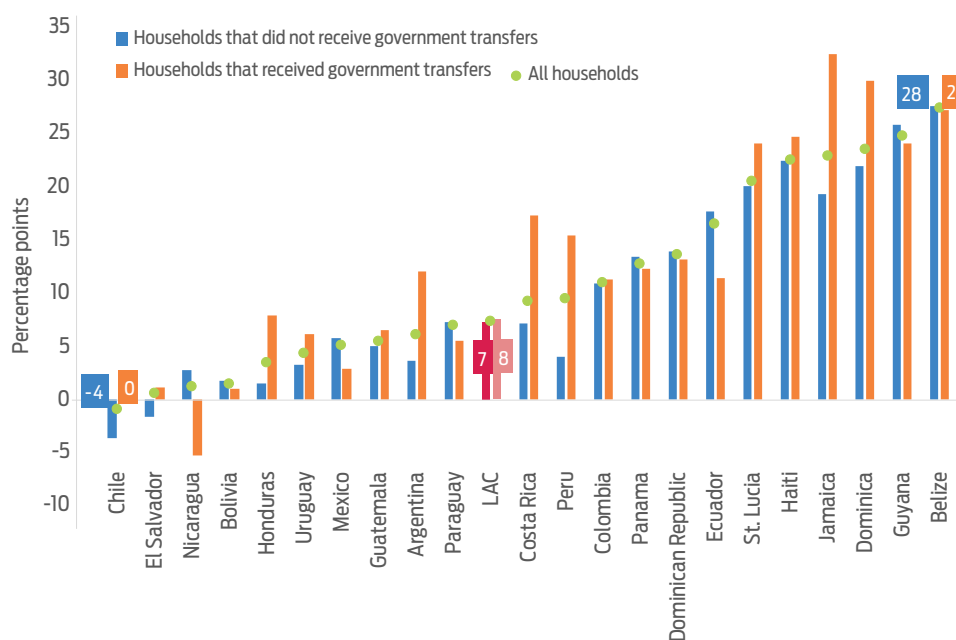
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### Government transfers

**While government transfers reached the most vulnerable households, they seemed to be insufficient to avoid hardship for all.** During the pandemic, governments across the region implemented programs to protect the well-being of households and to support businesses. Most of them did so under challenging pre-existing conditions, such as a tight fiscal space and high informality levels (which meant many individuals in need were invisible to government agencies). Thus, government efforts were only able to mitigate the effects of the pandemic partially. At the end of 2021, for example, food insecurity rates had improved compared to their levels in mid-2021 but were still above their starting values in most LAC countries. In addition, the results suggest that government programs were unable to target the entirety of the at-risk population (the food insecurity rate was 7 pp above the pre-pandemic average for non-beneficiary households) and the support may have been insufficient (the food insecurity rate was 8 pp above the pre-pandemic average for beneficiary households, Figure 16). The effectiveness of government transfers and the relative weight of these explanations vary significantly across countries.

**Figure 16: Changes in food insecurity rates compared to their pre-pandemic levels, by government transfers reception status**



Source: WB and UNDP LAC HPFS II (Wave 2), 2021.

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### Education

**School attendance rates improved and the return to in-person learning is underway.** Although still 6 pp below its pre-pandemic level, the average school attendance rate (virtual, in-person or hybrid) increased from 84 percent in mid-2021 to 92 percent during the second semester of 2021 (Figure 17). At the same time, online and non-classroom learning declined, and hybrid and in-person learning recovered substantially. By the end of 2021, 48 percent of children attending school participated in hybrid or in-person activities, compared to 14 percent in the middle of that same year.

**While the region appears to be on the path to recovery, there is significant cross-country variation.** In half of the countries in the survey, at least 50 percent of the students returned to in-person attendance. In the other half, meanwhile, virtual attendance was still predominant. The Dominican Republic, where hybrid and in-person engagement increased from 8 percent in mid-2021 to 94 percent at the end of 2021, led the region in the return to in-person education (Figure 18). Conversely, Dominica had the highest level of in-person attendance in mid-2021 but the lowest by the end of 2021, largely explained by a COVID-19 breakout that forced the government to close schools from mid-September 2021 until January 2022.

**Children from the most vulnerable households have lagged in terms of attendance rates and attendance types.** Throughout 2021, school attendance rates were consistently higher among children from wealthier households, proxied by asset ownership. Also, virtual and in-person school attendance appear to be associated with household wealth. In mid-2021, the share of children attending school virtually (which at the time was deemed safer) increased with asset ownership. By the end of the year, these same children were more likely to have returned to in-person schooling (including hybrid) compared to their peers from poorer households (which by then was deemed necessary given the evidence of learning losses). Also, the share of children attending school online was higher among those between 13 and 17 years old than among younger children (Figure 19), perhaps related to the fact that online education for younger children presents more challenges.



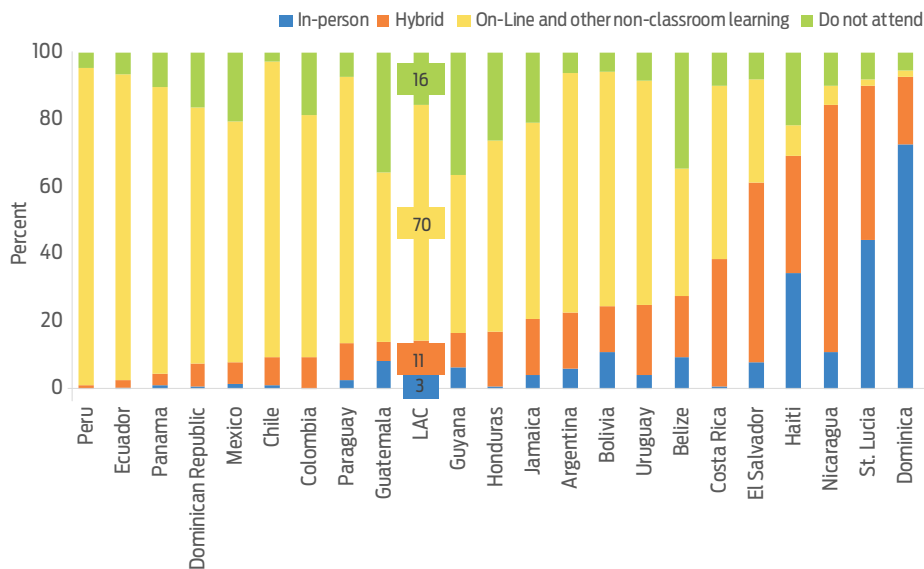
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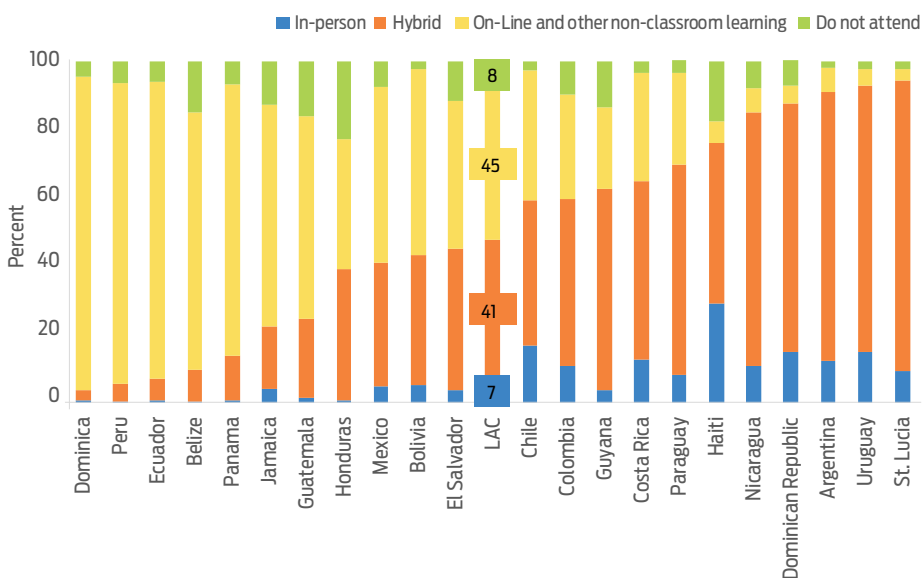
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**Figure 17: School attendance (share of school-age children<sup>11</sup>)**

Wave 1



Wave 2



Source: WB and UNDP LAC HPFS II (Waves 1 and 2), 2021.

<sup>11</sup> School age refers to 6-17 years of age. From the survey it is not possible to identify the type of enrollment for kids that are on vacation period, all these cases were assigned to hybrid attendance.

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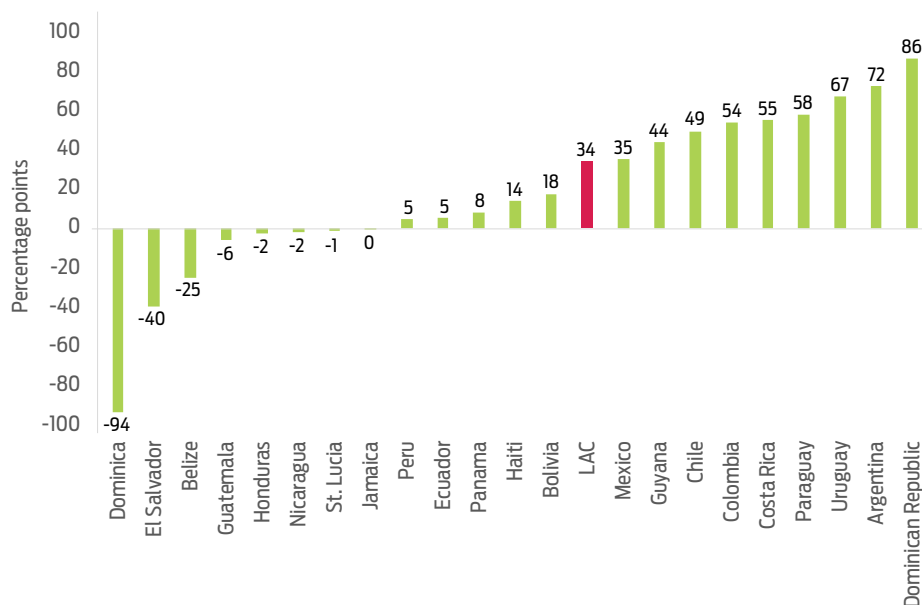
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**Figure 18: Change in-person attendance, between mid-2021 to the end of 2021**



Source: WB and UNDP LAC HPFS II (Waves 1 and 2), 2021.

Note: In-person attendance includes children that could have also participated in non-classroom activities.

**The share of children who had direct interactions with teachers increased in most countries.** The engagement rate in activities involving interaction with a teacher increased from 71 percent in mid-2021 to 82 percent at the end of 2021, with the exception of El Salvador, Honduras, Guatemala, and, to a lesser extent, Dominica and Peru (Figure 20). The share of children interacting with a teacher increased for all population groups, and gaps between children from the wealthier and the poorest households shrunk during the second semester of 2021. By mid-2021, direct engagement with teachers among children in households with no assets was 29 percent lower than for children in households with three assets; this difference was 22 percent by the end of 2021. Still, children from the most vulnerable families – i.e., those from rural households and households with primary-educated household heads or no assets – continue to lag behind (Figure 21). Notably, there are only small differences in interaction with teachers across gender or age groups.

**The extent of the impact of lockdowns and virtual education on the quality of children's learning is yet to be fully understood.** For LAC, there is a positive correlation between the share of school-age children who attended virtual classes during the second semester of 2021 and the percentage of respondents who perceived their children were learning less (Figure 22, Panel A). While virtual education is in many cases detrimental to the quality of learning, teacher involvement may mitigate the impact: the results from the survey show that the parental perception of diminished learning is slightly negatively correlated with direct interactions with a teacher (Figure 22, Panel B).

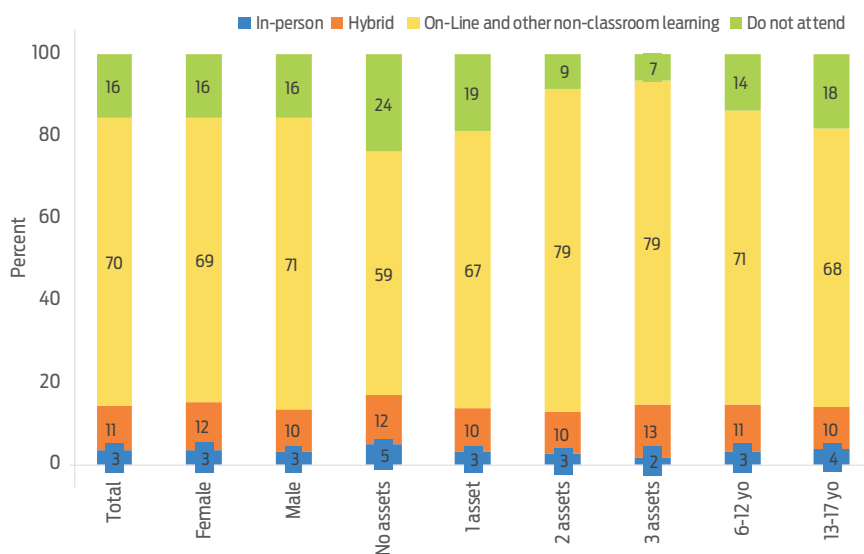
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## 2021 HIGH-FREQUENCY PHONE SURVEYS – WAVE 2

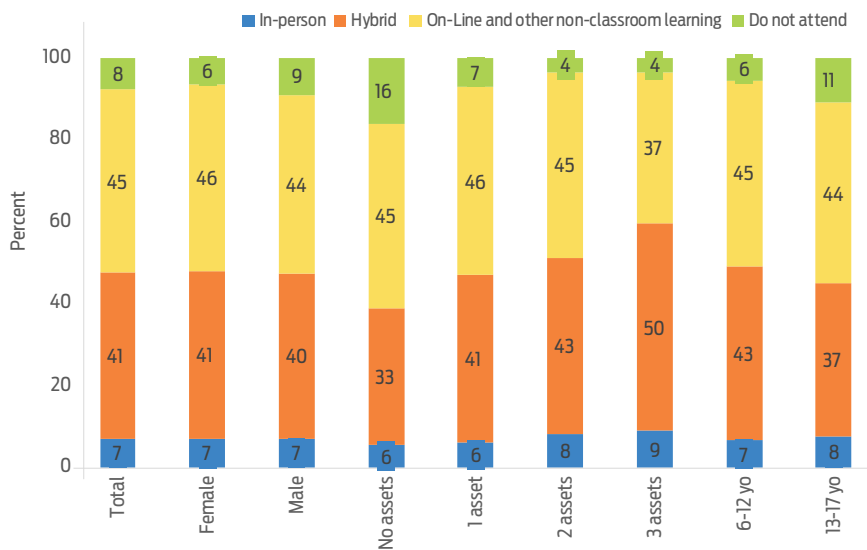
September 2022

**Figure 19: School attendance by type and population groups (LAC average)**

Panel A: Mid 2021



Panel B: End of 2021



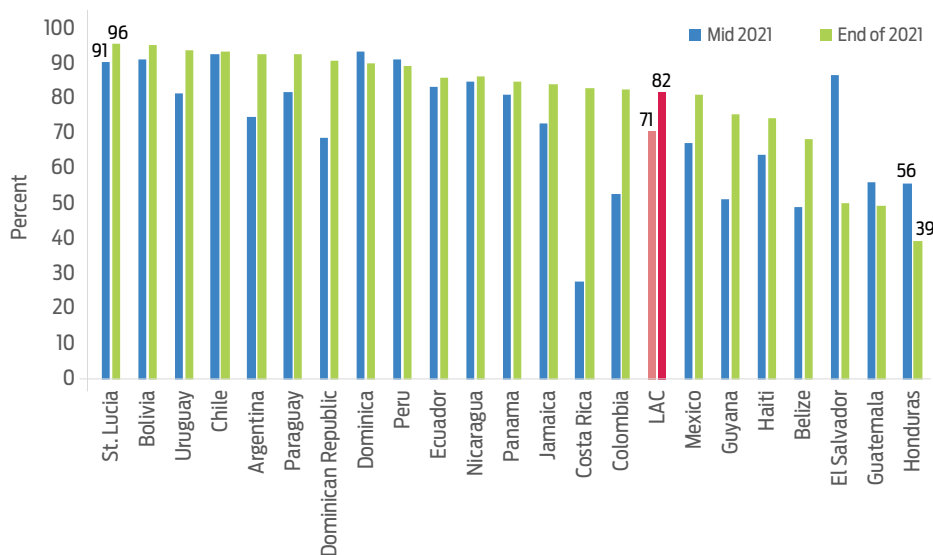
Source: WB and UNDP LAC HPFS II (Waves 1 and 2), 2021.

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## 2021 HIGH-FREQUENCY PHONE SURVEYS – WAVE 2

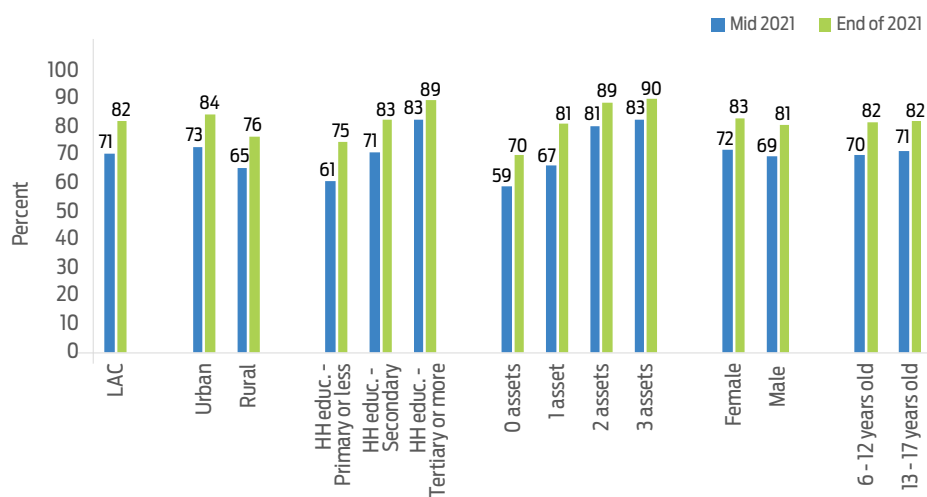
September 2022

**Figure 20: Share of school-age children who interacted with a teacher**



Source: WB and UNDP LAC HPFS II (Waves 1 and 2), 2021.

**Figure 21: Share of school-age children who interacted with a teacher, by population group (LAC average)**



Source: WB and UNDP LAC HPFS II (Waves 1 and 2), 2021.

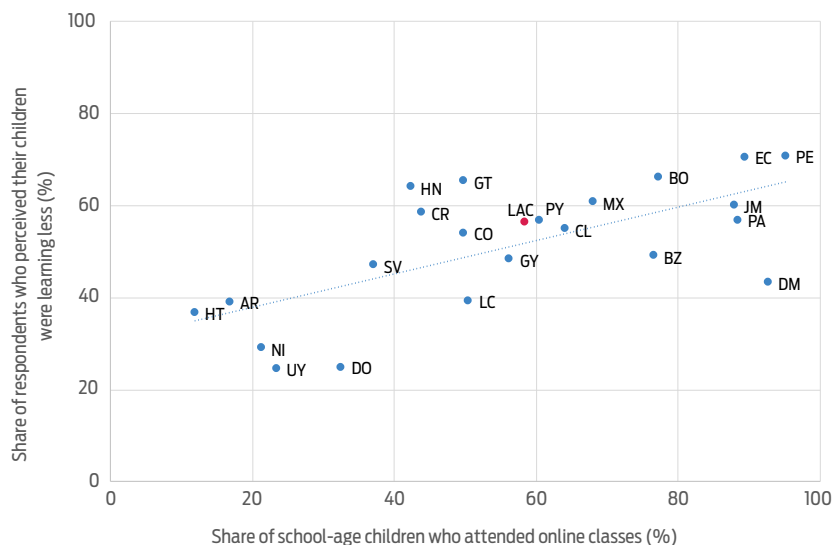
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## 2021 HIGH-FREQUENCY PHONE SURVEYS – WAVE 2

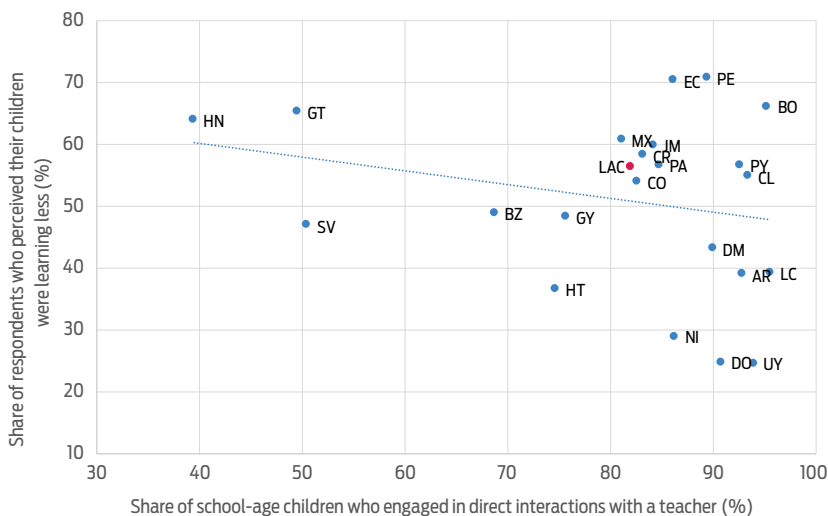
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**Figure 22: Perception of diminished learning and type of education**

Panel A: Online attendance



Panel B: Direct interaction with a teacher



Source: WB and UNDP LAC HPFS II (Wave 2), 2021.

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## 2021 HIGH-FREQUENCY PHONE SURVEYS – WAVE 2

September 2022

### Health

**Demand for preventive healthcare increased in the second semester of 2021.** By the end of 2021, 80 percent of the health services demanded by households in the region was preventive, compared to 71 percent in mid-2021 (Figure 23). This suggests that the impact of COVID-19 in disincentivizing this type of service declined throughout 2021,<sup>12</sup> with potentially positive consequences for future health outcomes in the region. Recovery in the demand for this type of service was particularly visible for Uruguay (43 versus 72 percent) and Guyana (44 versus 78 percent).

**For most countries, service disruption for households needing health services increased modestly in the second half of 2021.** The share of households unable to access health services increased from 3.7 percent in mid-2021 to 4.1 percent by the end of the year.<sup>13</sup> These averages hide substantial variation across countries, including the cases of Ecuador, Colombia, and Saint Lucia, where disruption rates decreased. Households in Ecuador and Haiti were the most affected by obstacles when trying to access healthcare services throughout 2021. Disruption rates in Paraguay and Argentina display the highest increases by the end of the year, even above what was observed in mid-2020 (Figure 24).

**The share of people not planning to get vaccinated fell during the second half of 2021 in all countries.** The percentage of people unwilling to get vaccinated decreased by 7 pp between mid-2021 and the end of the year (Figure 25). Still, in some countries of the Caribbean, there is a considerable proportion of the population who reported that they were not intending to get the vaccine: Haiti (45 percent), Jamaica (27 percent), St. Lucia (29 percent), and Dominica (28 percent). This is a concern, not only due to high personal health risks but because it may affect the full recovery of the tourism sector, which is important for these countries.

**Compared to mid-2021, there was a small decline in the prevalence of mental health issues in most countries, but levels remained high.** By the end of 2021, the share of respondents suffering from mental health issues reached 48 percent, a slight decrease of 3 pp compared to mid-2021. However, it is notable that almost half of the respondents reported being affected by mental health issues, and the indicator deteriorated among the populations of Haiti, the Dominican Republic, El Salvador, Guyana, and Jamaica (Figure 26).

<sup>12</sup> The pandemic could have also made households more aware of the importance of preventive care, leading to an increased demand for health services.

<sup>13</sup> These shares are based on the population that requested health services as reported in the survey. On average, 31.4 percent and 36.7 percent of households reported requesting health care in waves 1 and 2, respectively.

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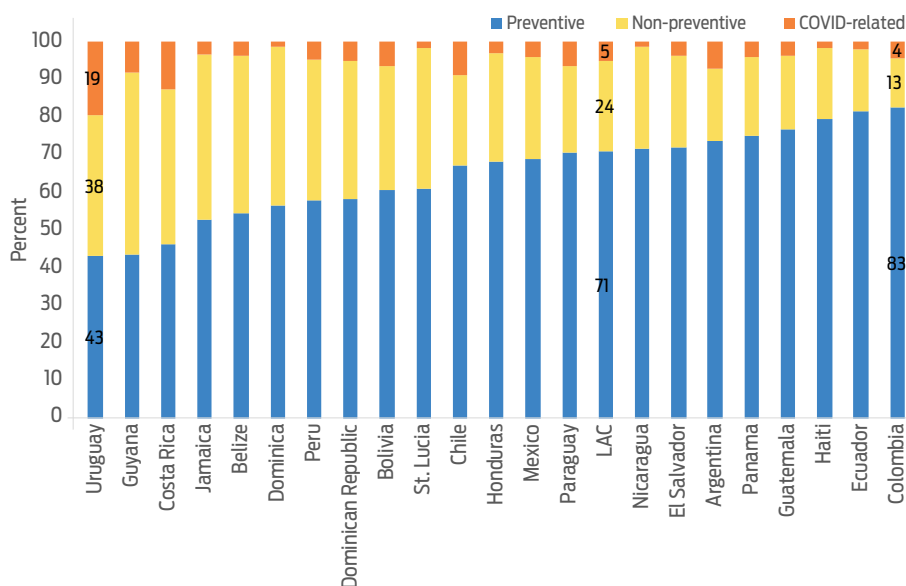


## 2021 HIGH-FREQUENCY PHONE SURVEYS – WAVE 2

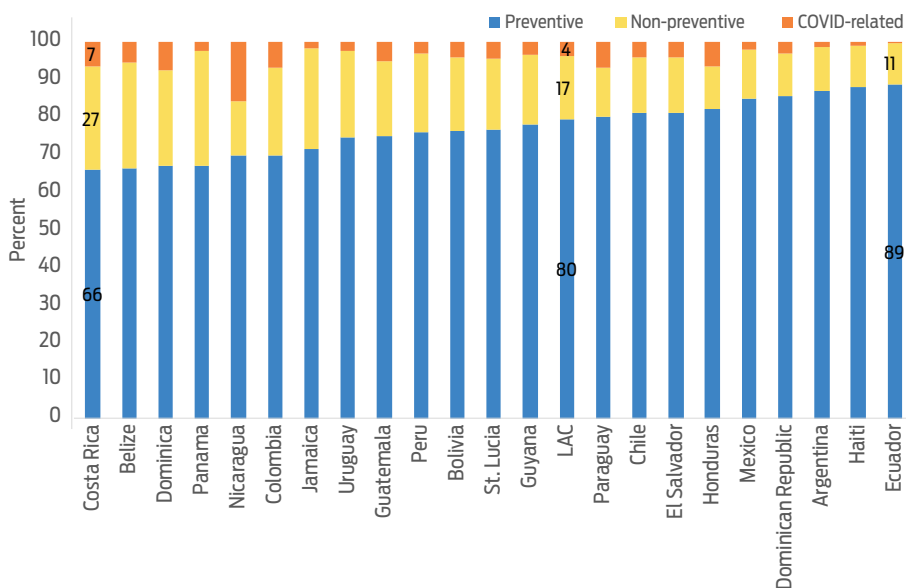
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**Figure 23: Type of medical assistance demanded by households who needed medical services**

Panel A: Mid 2021



Panel B: End of 2021



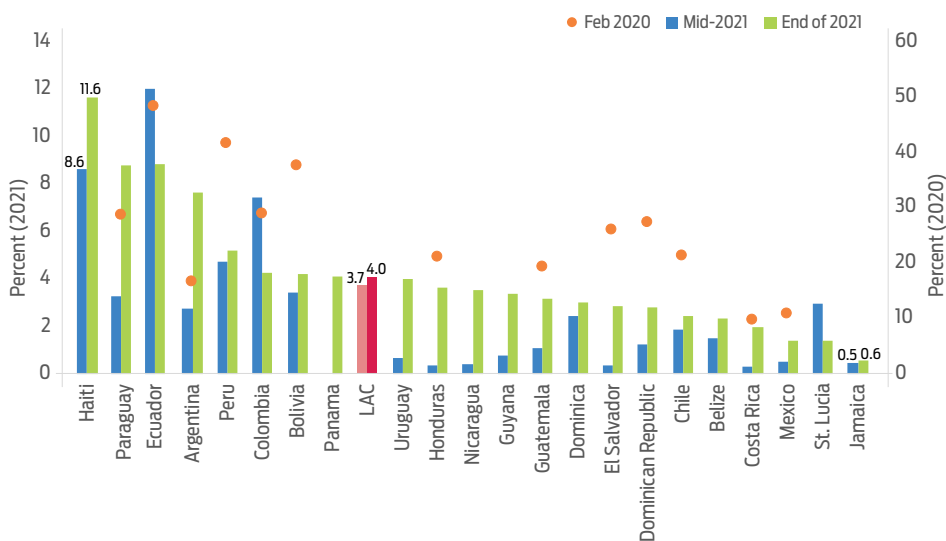
Source: WB and UNDP LAC HPFS II (Waves 1 and 2), 2021.

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## 2021 HIGH-FREQUENCY PHONE SURVEYS – WAVE 2

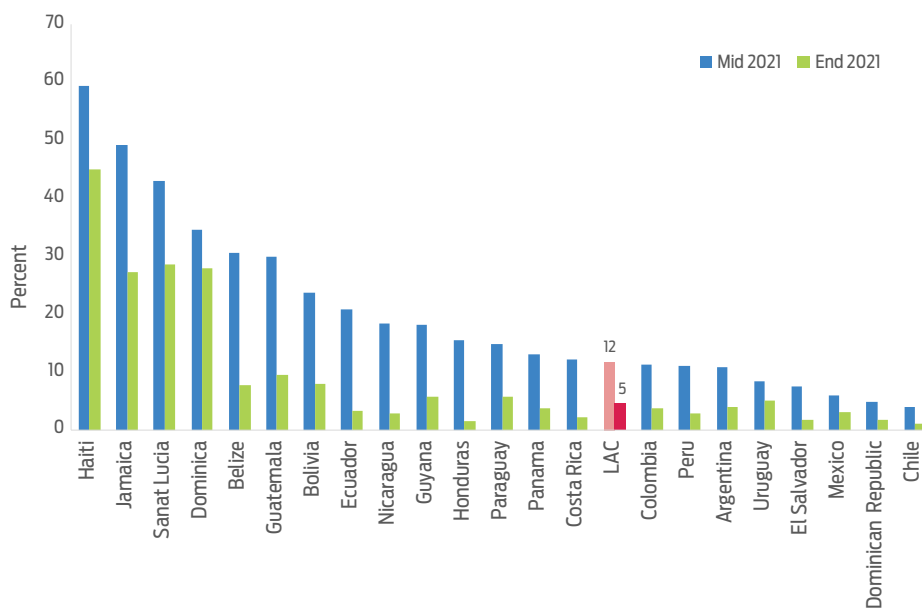
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**Figure 24: Share of households where someone could not access health services when needed**



Source: WB and UNDP LAC HPFS II (Waves 1 and 2), 2021; HPFS I (Wave 1), 2020.

**Figure 25: Share of people who are not planning to get the vaccine**



Source: WB and UNDP LAC HPFS II (Waves 1 and 2), 2021.



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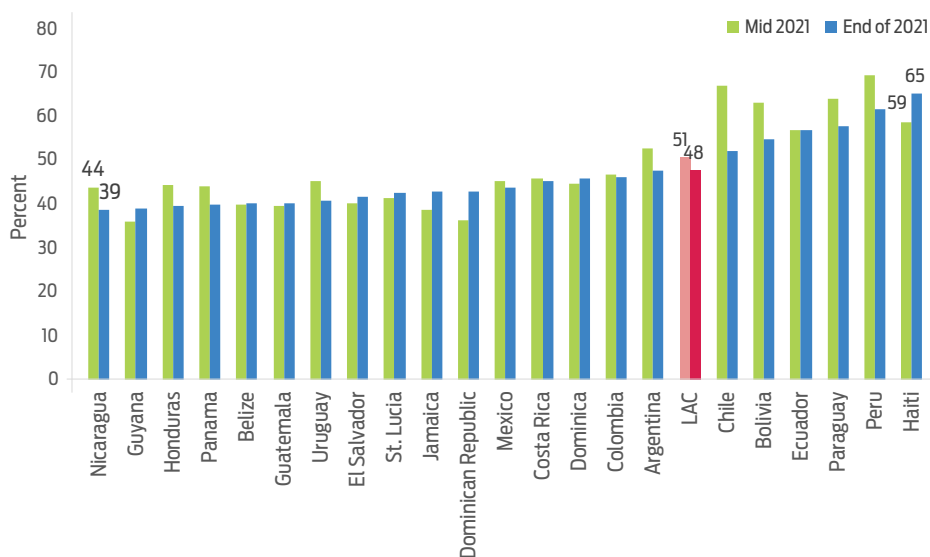
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## 2021 HIGH-FREQUENCY PHONE SURVEYS – WAVE 2

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**Figure 26: Share of respondents who report mental health problems in mid-2021 and at the end of 2021, by country**



Source: WB and UNDP LAC HPFS II (Waves 1 and 2), 2021.

### **Gender disparities in paid and unpaid work**

**Gender gaps in job loss have narrowed, but job-loss rates are still much higher for women.** The share of men and women who were employed before the pandemic and lost their jobs decreased between mid-2021 and the end of the year. Moreover, it declined more for women than for men (6 pp versus 2 pp), with the share of women who became unemployed and left the labor force decreasing by 3 pp each (Figure 27). By the end of 2021, job loss was twice as likely for women who were employed before the pandemic (30 percent) than for men (14 percent). Among those entering the labor force, women were also more likely to end in informality (Figure 28).

**Gender gaps in employment-to-population ratios decreased in the second semester of 2021, but employment for women remained much lower than for men.** Employment-to-population rates improved for both men and women compared to mid-2021, albeit more markedly for women. As a result, the gender gap in employment decreased from 34 percent in mid-2021 to 29 percent at the end of 2021. However, the female employment-to-population rate remains 6.6 pp below its pre-pandemic level, while it is only 2.5 pp below for men (Figure 29).

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## 2021 HIGH-FREQUENCY PHONE SURVEYS – WAVE 2

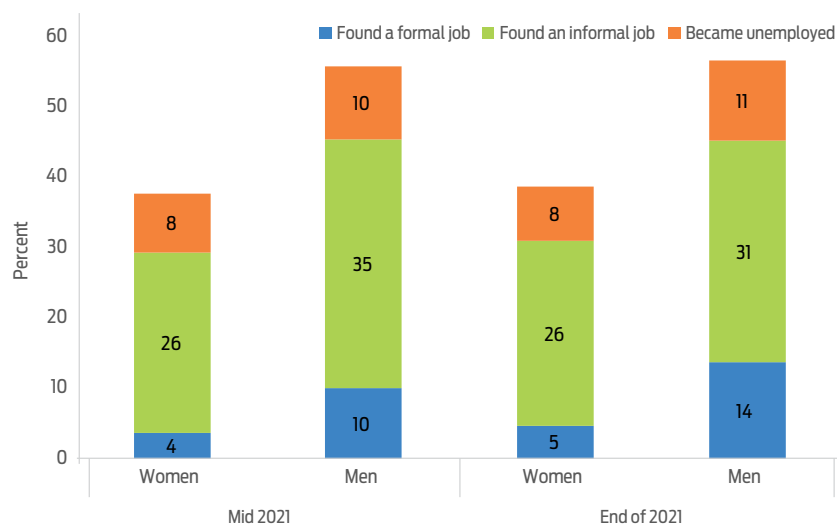
September 2022

**Figure 27: Share of previously employed who lost their job by gender (LAC average)**



Source: WB and UNDP LAC HPFS II (Waves 1 and 2), 2021.

**Figure 28: Share of previously inactive who entered the labor force by gender (LAC average)**



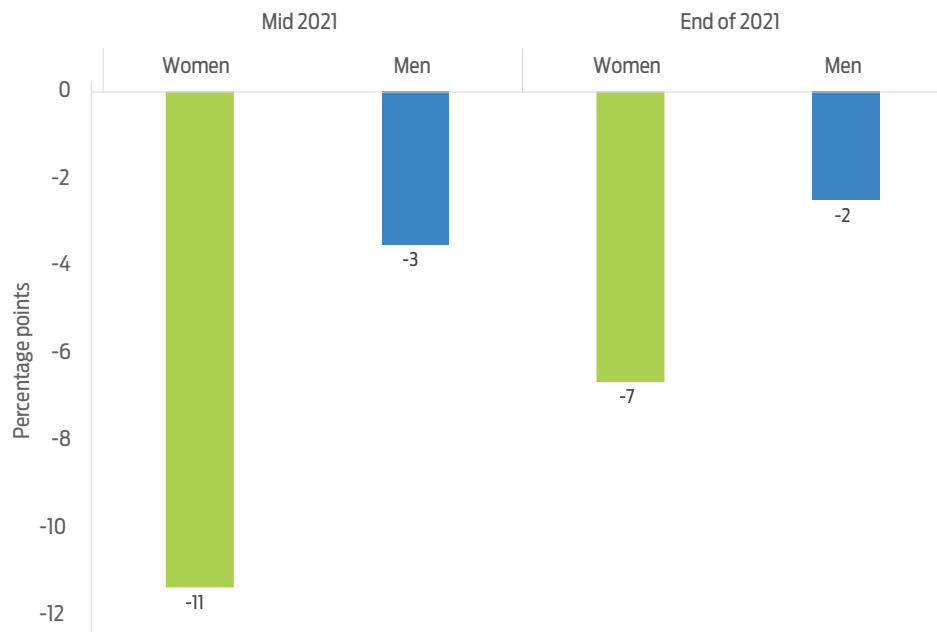
Source: WB and UNDP LAC HPFS II (Waves 1 and 2), 2021.

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## 2021 HIGH-FREQUENCY PHONE SURVEYS – WAVE 2

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**Figure 29: Change in employment-to-population ratios compared to February 2020, by gender (LAC average)**



Source: WB and UNDP LAC HPFS II (Waves 1 and 2), 2021.

**More women than men continue to report increased time spent in household and care activities compared to pre-pandemic.** Between mid-2021 and the end of the year, the share of people reporting more time spent on domestic work increased marginally, while the share of people more time spent on childcare and learning support declined slightly (Figure 30, 31, and 32). This is true for both women and men. The share of those that reported increased time spent supporting children's education was lower for countries where in-person schooling attendance was almost back to normal (such as the Dominican Republic, Argentina, and Nicaragua). On average, women were still more likely than men to report increases in the time spent on domestic work (32 versus 25 percent), childcare (43 versus 33 percent), and support for children's education (50 versus 37 percent). However, the share of men reporting more time spent on household and care responsibilities, especially among those with tertiary education, could suggest the pandemic may have closed disparities in conventional time-use arrangements at home.

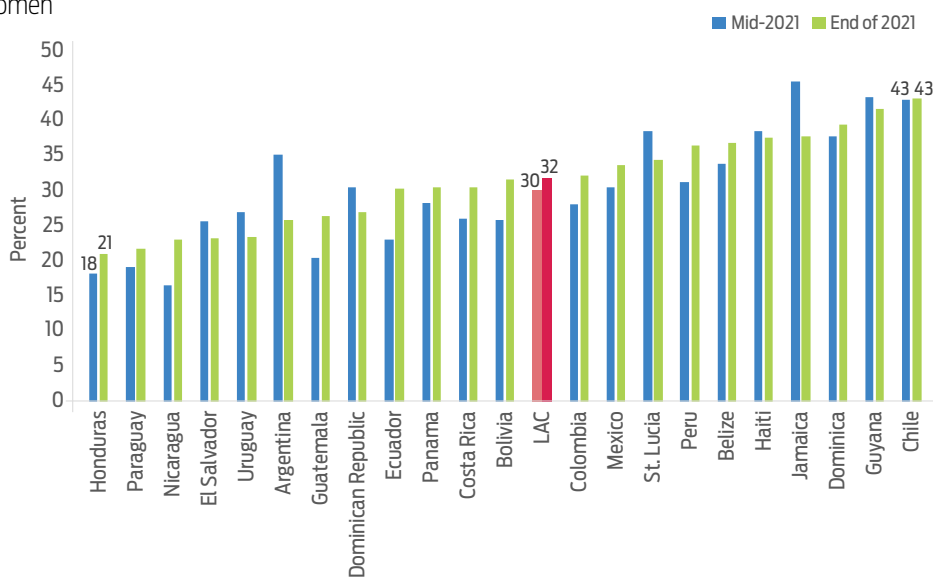
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## 2021 HIGH-FREQUENCY PHONE SURVEYS – WAVE 2

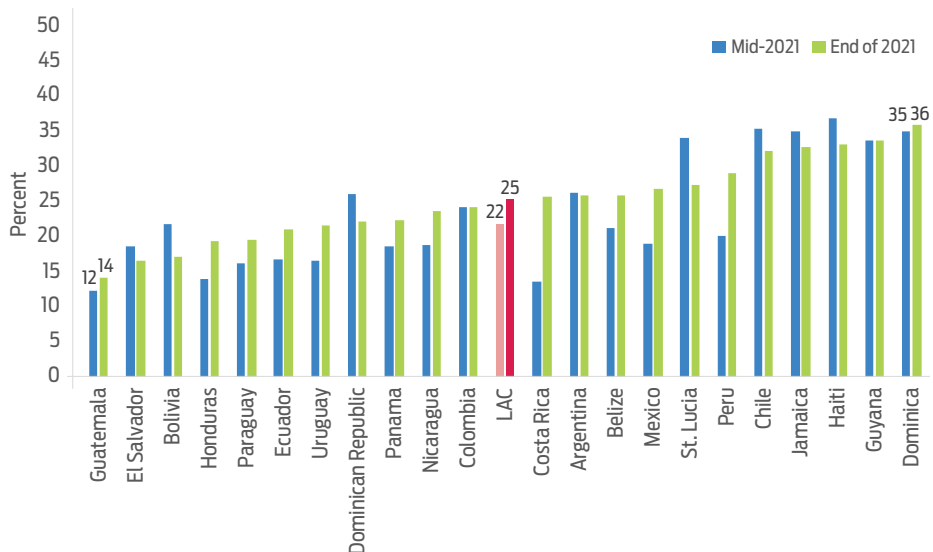
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**Figure 30: Share of population who reported increase in time spent on domestic work compared to pre-pandemic**

Panel A: Women



Panel B: Men



Source: WB and UNDP LAC HPFS II (Waves 1 and 2), 2021.

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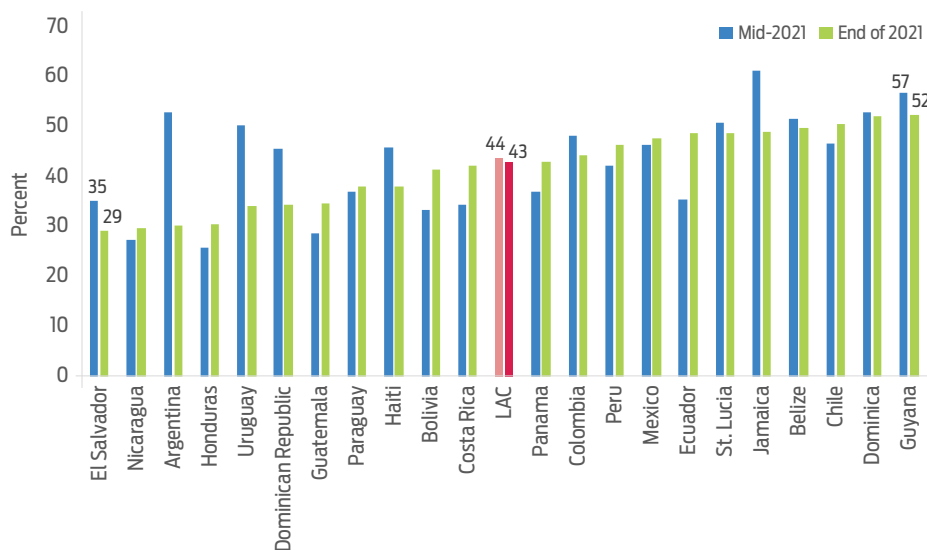


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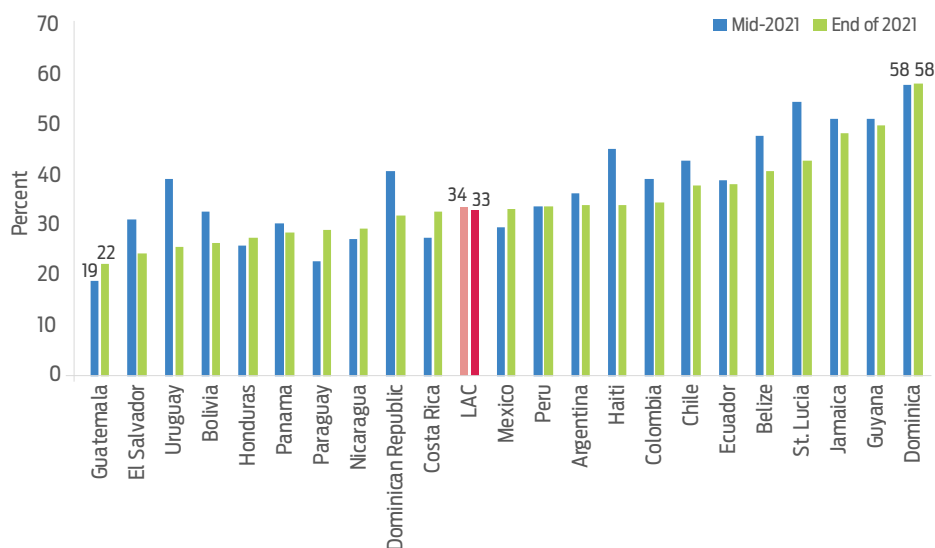
September 2022

**Figure 31: Share of the population who reported increase in time spent in childcare compared to pre-pandemic**

Panel A: Women



Panel B: Men



Source: WB and UNDP LAC HPFS II (Waves 1 and 2), 2021.

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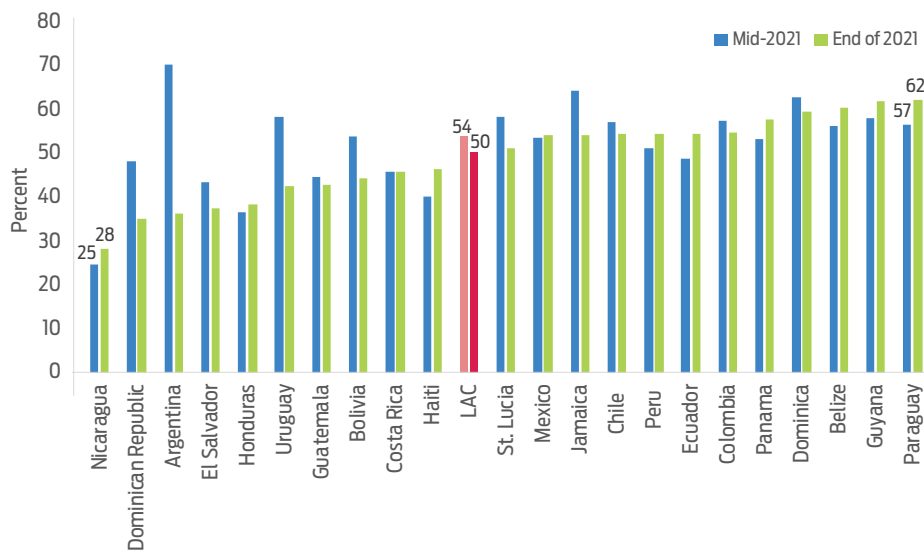


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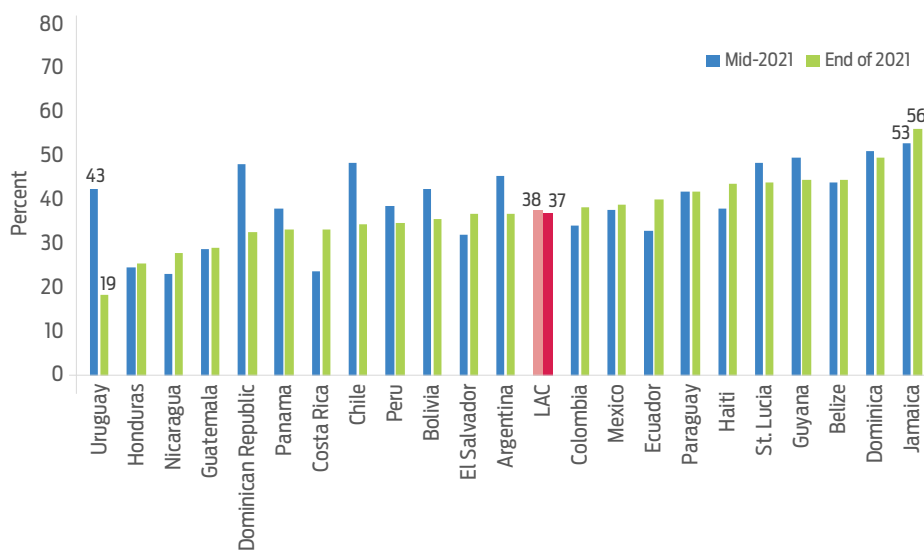
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**Figure 32: Share of the population who reported increase in time spent supporting children’s education activities compared to pre-pandemic**

Panel A: Women



Panel B: Men



Source: WB and UNDP LAC HPFS II (Waves 1 and 2), 2021.

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## 2021 HIGH-FREQUENCY PHONE SURVEYS – WAVE 2

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### Ethnic and racial minorities

#### Indigenous and Afro-descendants in LAC are among those groups left behind in the recovery observed across the region almost two years after the onset of the pandemic.

Regardless of their country of residence, Indigenous and Afro-descendants in LAC share a common history of social and economic exclusion. They are over-represented among the poor and have lower standards of living compared to other segments of the population.<sup>14</sup> Not surprisingly, households with a minority member were 1.3 times more likely to report a decline in total income in the second half of 2021 compared to households without a minority member for the countries where it is possible to calculate this (Figure 33).<sup>15</sup> The difference was particularly sizeable for Peru (16 pp), Mexico (9 pp), and Guatemala (8 pp).

#### While food insecurity levels were higher for minority households before the beginning of the pandemic, the gap widened by the end of 2021.

Before the pandemic, the gap between racial minority and non-minority households in terms of the proportion of households reporting running out of food in the last month was 7 pp on average. While the pandemic increased the food insecurity for both types of households, by the end of 2021, the gap had widened to 13 pp. This was particularly true for Peru (16 pp), Colombia (14 pp), and Mexico (13 pp). These results confirm that Indigenous and Afro-descendant groups in the region are more vulnerable to shocks and will likely require additional support to make a full recovery from the COVID-19 pandemic.

**Figure 33: Share of households reporting a decline in total income, by racial minority status**



Source: WB and UNDP LAC HPFS II (Wave 2), 2021.

<sup>14</sup> Freire, German et al. 2018. "Afro-descendants in Latin America: Toward a Framework of Inclusion." World Bank, Washington, DC; and, Freire, German et al. 2015. "Indigenous Latin America in the twenty-first century: the first decade". World Bank, Washington, D.C.

<sup>15</sup> For Wave 2, the surveys for Guatemala, Panama, Peru, Mexico, Colombia, Bolivia, and the Dominican Republic are representative of racial minorities residing in the country.

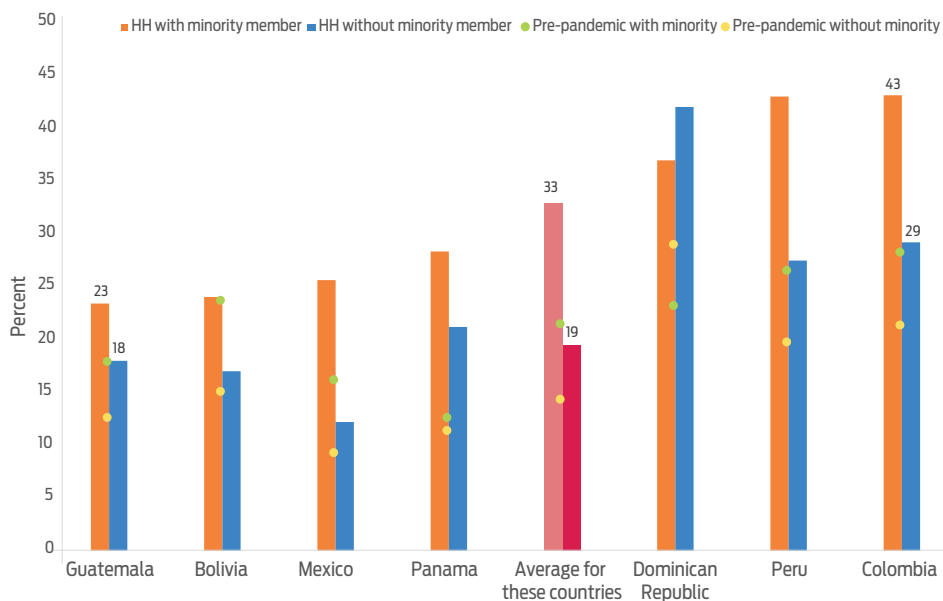
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**Figure 34: Share of households that ran out of food last 30 days**



Source: WB and UNDP LAC HPFS II (Waves 1 and 2), 2021.