



COVID-19 IN LAC

ECUADOR

2021 LAC HIGH FREQUENCY PHONE SURVEYS: Results Phase II, Wave 2



September 2022

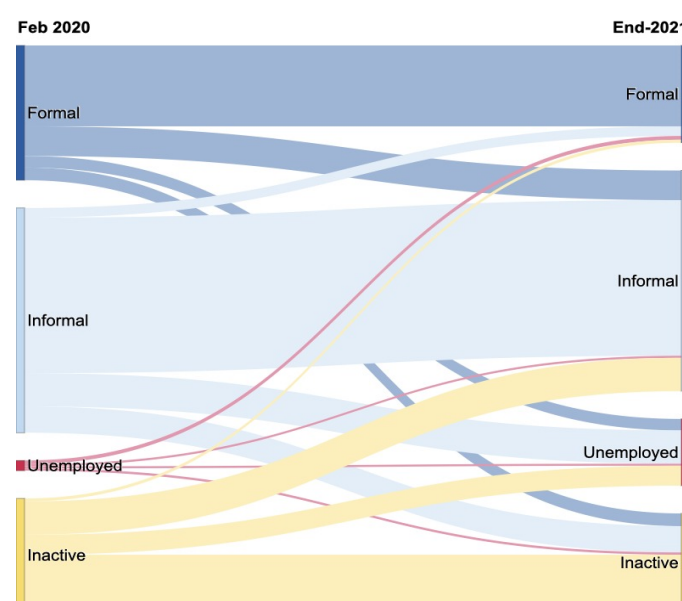
Ecuador was hit hard by the Covid-19 pandemic. The country's GDP fell by 7.8 per cent in 2020, outstripping the overall contraction in the region (6.7 per cent). The economy began to recover in 2021 when it grew by 4.2 per cent, but the labour market has been slower to do so. By the end of the year, 23.3 per cent of those who had been employed before the pandemic had lost their jobs. Of these, 10.8 per cent dropped out of the labour force altogether, and 12.5 per cent became unemployed. Job loss was more frequent among women, young people, and older adults. The numbers of people leaving the labour force were offset by the significant share of the economically inactive population that became active: one out of every two in this group entered the labour market by the end of 2021. This figure rose to three out of five among young people (those aged 26–45) and workers with higher education. Some 64.6 per cent of those entering the labour market found work: this was true for 72.1 per cent of men but only 61.7 per cent of women. A large share of the transitions that took place between February 2020 and the end of 2021 were into informal employment (figure 1). Likewise, 29.5 per cent of those who held formal jobs, were unemployed or were economically inactive before the pandemic moved into informal employment. Specifically, 47.8 per cent of young people and 42.3 per cent of the most educated held informal jobs. By late 2021, 27.3 per cent of respondents reported that the time they spent helping their children with school activities had increased. This increased care burden fell most notably on women (54.6 per cent compared to 40.4 per cent for men). This may have contributed to the fact that women's probability of losing their job was more than 20.0 percentage points higher than men's.

Key indicators: Individuals (18+ years old)

Distribution among groups	Labour			Childcare
	% of employed population (pre-pandemic) who lost their pre-pandemic job	% of inactive population (pre-pandemic) who entered the labour market	% of formal, unemployed or inactive (pre-pandemic) who were working and transited into informality	Change in % of population reporting an increase in time spent supporting children's education activities (compared to pre-pandemic) between mid-2021 and end of 2021(pp)
Overall	23.3%	49.7%	29.5%	6.6
Urban	23.2%	45.7%	27.4%	2.0
Rural	23.5%	57.1%	33.1%	13.9
Females	34.8%	50.5%	34.0%	6.0
Males	14.2%	47.7%	25.6%	7.4
18 to 25 years old	33.1%	57.7%	47.8%	8.5
26 to 45 years old	21.3%	62.8%	29.1%	6.5
46 to 64 years old	21.8%	38.0%	20.9%	0.7
65 and older	28.1%	28.2%	31.6%	26.8
Primary or less	22.2%	45.4%	21.9%	10.8
Secondary	24.7%	49.9%	33.2%	0.5
Tertiary and more	20.1%	60.1%	42.3%	3.4

Source: LAC High Frequency Phone Surveys, Phase II, Wave 2

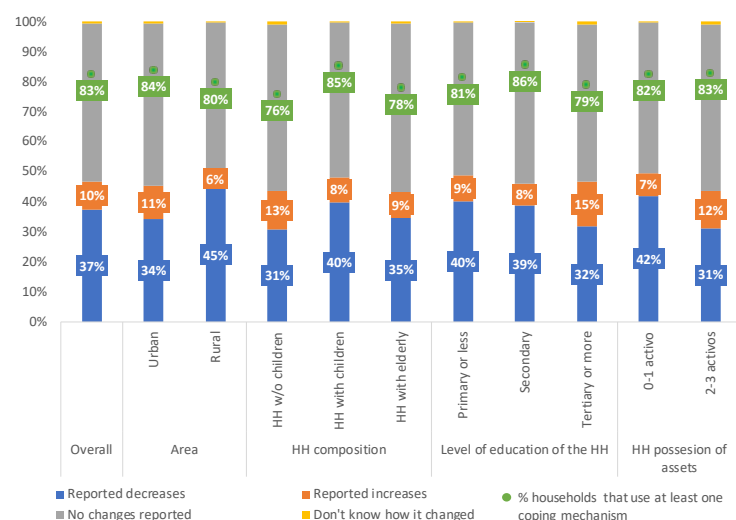
Figure 1: Transitions in the labour market



Public and private efforts to counteract the adverse effects of the pandemic have gradually improved household welfare. Despite this, 37.3 per cent of households reported that their income had decreased compared to mid-2021. Income loss was more frequent among rural households and those with fewer assets and less educated heads. In addition, 39.5 per cent of households reported having gone without food during the 30 days prior to the survey due to a lack of means. Some 49.2 per cent of rural households and 47.9 per cent of households with less educated heads reported experiencing food insecurity. Likewise, 82.5 per cent of households resorted to at least one coping mechanism to meet their basic needs during the pandemic. Households with dependent children and heads with secondary education had to resort to such strategies more frequently.

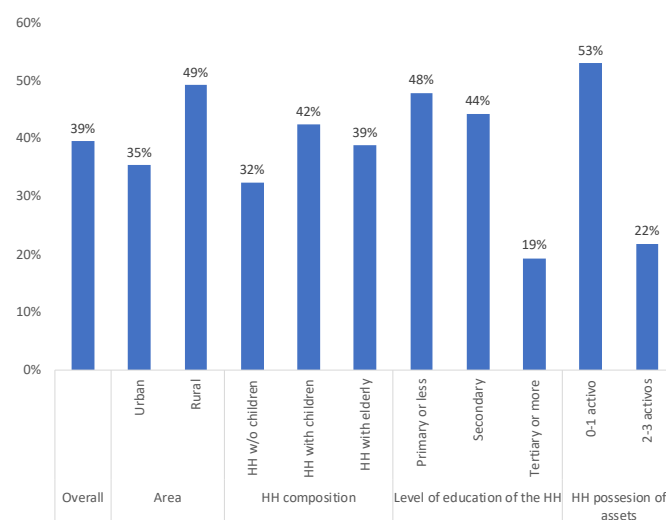
In 8.6 per cent of households with school-age children, these coping mechanisms included a child having to look for work. This strategy was more common among rural households, those with few assets, and less educated heads. Although Ecuadorian schools went from being fully closed in the first half of 2021 to being only partially closed in the second half, the in-person attendance rate increased by just 5.3 percentage points to 6.0 per cent. Although in-person school attendance rates were higher in rural households (10.2 per cent), and those with more educated heads (9.7 per cent), the overall in-person attendance rate in Ecuador is the third-lowest in the region and well below the average (48.3 per cent). The challenge facing the country's education system is not only increasing attendance but also improving the quality of education: 70.4 per cent of respondents believe that children are learning less than before the pandemic. This may imply significant losses for the development of human capital over time.

Figure 2: Households reporting a change in income (%)
End of 2021 vs. Mid 2021



Source: World Bank and UNDP LAC High Frequency Phone Surveys, Phase II, Wave 2

Figure 3: Household that ran out of food (%)
End of 2021



Key indicators: Households and children

Distribution among groups	Income	Coping	Food Insecurity		Education (6-17 yo)	
	% households that report a reduction in total income (End of 2021 vs. Mid 2021)	% of households that resorted to at least one mechanism to manage financial stress in 2021*	% of households reporting school-age children entering in the labour force	% households that ran out of food (last 30 days)	Change in the % of school-age children who attended face-to-face classes (End 2021 vs. Mid 2021) (pp)	% of enrolled children who are learning less than before the pandemic
Overall	37.3%	82.5%	8.6%	39.5%	5.3	70.4%
Urban	34.1%	83.7%	5.7%	35.4%	3.1	72.2%
Rural	44.8%	79.7%	14.5%	49.2%	9.6	66.7%
HH w/o children (0-17)	31.0%	75.8%	-	32.3%	-	-
HH with children (0-17)	39.9%	85.3%	8.6%	42.4%	5.3	70.4%
HH with elderly (65+)	34.6%	77.9%	10.4%	38.8%	2.6	66.2%
HH with 0-1 asset	42.1%	82.4%	11.9%	53.0%	3.9	69.0%
HH with 2-3 assets	31.1%	82.8%	4.5%	21.8%	7.1	72.1%
HH education - Primary or less	40.0%	81.3%	11.4%	47.9%	3.0	68.0%
HH education - Secondary	38.6%	85.6%	8.1%	44.3%	4.5	72.3%
HH education - Tertiary or more	31.7%	78.8%	5.7%	19.3%	9.5	72.2%

* Coping mechanisms are the strategies used to cope with the financial stress generated by the reduction in income during the pandemic. Particularly, non-payment of financial obligations, use of savings and entry into the labour force.

Source: World Bank and UNDP LAC High Frequency Phone Surveys, Phase II, Wave 2

HIGH FREQUENCY PHONE SURVEY

The World Bank and UNDP conducted a multi-wave High-Frequency Phone Survey (HFPS) in 2021 to assess the impact of the coronavirus pandemic on the welfare of Latin American and Caribbean households. The second wave was collected between November and December 2021, and the data is nationally representative for 22 countries: Argentina, Belize, Bolivia, Chile, Colombia, Costa Rica, Dominica, Dominican Republic, Ecuador, El Salvador, Guatemala, Guyana, Haiti, Honduras, Jamaica, Mexico, Nicaragua, Panama, Paraguay, Peru, Saint Lucia, and Uruguay. The HFPS provides information on the welfare impacts that households experienced with respect to food insecurity, changes in employment, income changes, access to health and education services, and coping mechanisms. For further information see [Chapeau Phase II, wave 2](#).

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