



COVID-19 IN LAC

GUATEMALA

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



September 2022

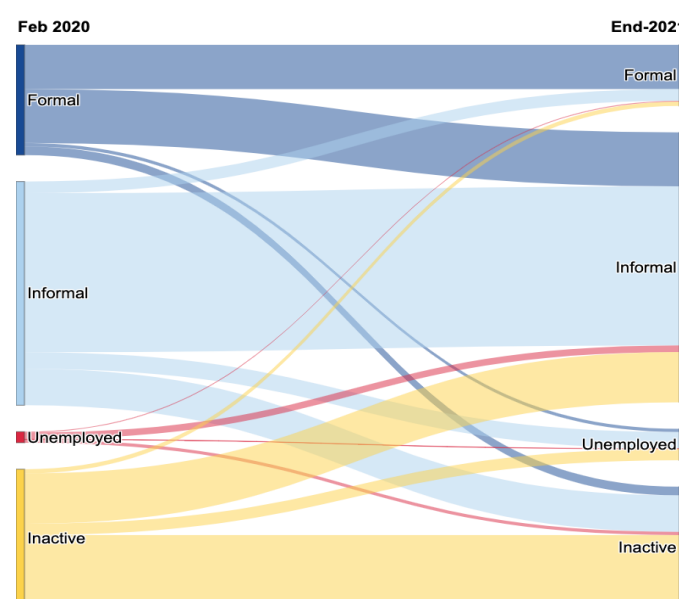
Despite the effectiveness of the government's response and the rapid economic recovery the country has experienced (including GDP growth of 7.5 per cent in 2021), the labour market has been slow to rally. In fact, by late 2021, its performance had declined compared to the middle of the year. By the end of 2021, 19.4 per cent of those who were employed before the pandemic had lost their jobs (5.0 percentage points more than the number for June 2021). This situation was even more detrimental for women and the elderly. Of those who lost their pre-Covid jobs, 5.6 per cent became unemployed, and the remaining 13.5 per cent dropped out of the labour force altogether. The number of people leaving the labour market was offset by 47.5 per cent of those who were previously economically inactive entering the labour market during the pandemic. Although 82.8 per cent of those entering the labour market found work, the jobs in question were only formal for 7.9 per cent. Likewise, 41.1 per cent of those who held formal jobs, were unemployed or were economically inactive before the pandemic moved into informal employment. The pandemic also brought changes in the distribution of time within households, notably by prompting an increase in the time spent on care work and other unpaid activities. By mid-2021, 37.7 per cent of respondents reported that they were spending more time helping their children with school activities, a figure that dropped just 1.1 percentage points by the end of the year. It increased by 26.7 percentage points for older adults, which may be associated with a significant drop in their labour force participation rates (they left more often and joined less frequently than the other groups).

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	19.4%	47.5%	41.1%	-1.1
Urban	21.3%	48.8%	45.7%	-1.7
Rural	17.8%	46.2%	37.2%	-0.1
Females	30.5%	39.8%	44.4%	-1.7
Males	11.5%	71.2%	38.5%	0.1
18 to 25 years old	20.3%	51.2%	50.2%	8.2
26 to 45 years old	16.7%	52.6%	37.4%	-6.7
46 to 64 years old	22.7%	40.0%	38.3%	-0.5
65 and older	29.0%	27.6%	44.9%	26.7
Primary or less	22.7%	48.0%	38.0%	-2.0
Secondary	15.0%	47.5%	44.7%	3.8
Tertiary and more	15.3%	45.1%	48.5%	-17.6

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

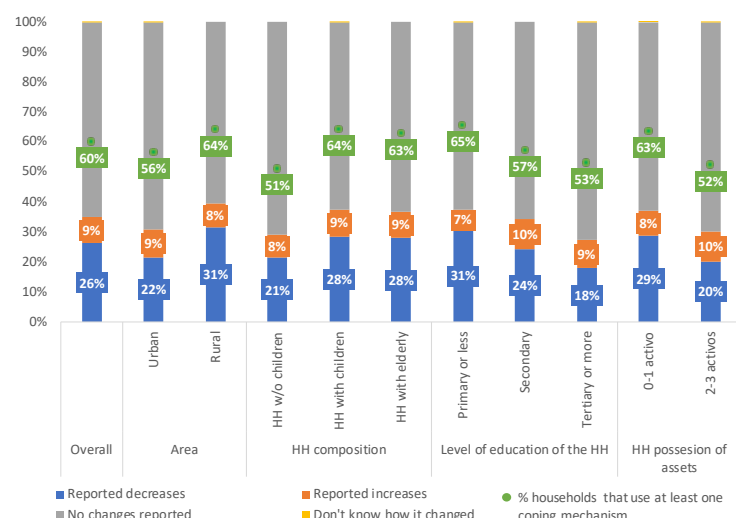
Figure 1: Transitions in the labour market



Despite the efforts made by the government and households to mitigate the impact of the pandemic, household welfare continued to be negatively affected by the end of 2021. By this point, 26.2 per cent of households reported that their total income had decreased compared to mid-2021. At the same time, 20.5 per cent of households reported having gone without food during the 30 days prior to the survey due to a lack of means. About one-third of rural households and households with less educated heads experienced drops in their income. This is associated with a higher probability of experiencing food insecurity (about 27.0 per cent for both groups). To cope with the financial stress caused by the pandemic and to ensure that their basic needs were met, two out of three households resorted to at least one of the following mechanisms: non-payment of financial obligations, using savings and entering the labour force. Households with less educated heads had to resort more frequently to these mechanisms (65.4 per cent).

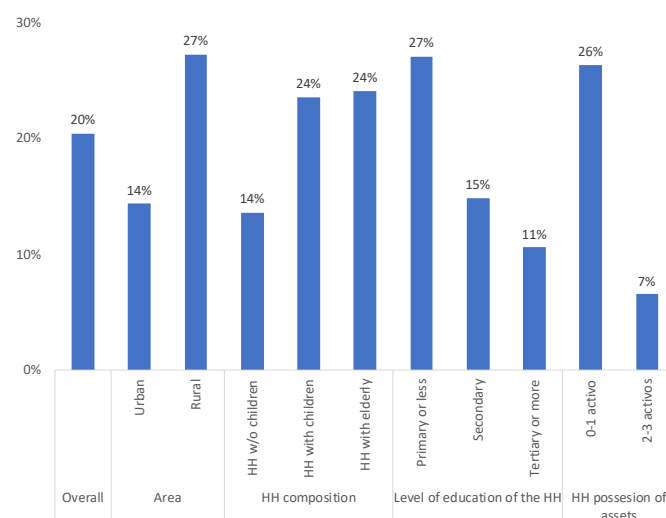
One of the coping strategies used was the entry of school-age children into the labour force—this was the case in 12.3 per cent of households. It was even higher for households with older adults (15.9 per cent) and those with limited assets (15.2 per cent). In the field of education, in-person class attendance rates fell from 20.6 per cent in the first half of 2021 to 14.8 per cent in the second half, well below the regional average (48.3 per cent). This drop was most evident in rural areas, where it fell by 12 percentage points, and in households whose heads had secondary or tertiary education, where it fell by 10.8 and 16.5 percentage points, respectively. Changes in school attendance have probably had a negative impact on the quality of education: 65.2 per cent of respondents believe that children are learning less than before the pandemic.

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	26.2%	60.0%	12.3%	20.5%	-5.8	65.2%
Urban	21.5%	56.5%	11.5%	14.3%	-2.6	66.6%
Rural	31.3%	64.0%	13.2%	27.3%	-12.0	63.7%
HH w/o children (0-17)	21.3%	51.1%	-	13.6%	-	-
HH with children (0-17)	28.4%	64.1%	12.3%	23.6%	-5.8	65.2%
HH with elderly (65+)	27.9%	62.7%	15.9%	24.1%	-7.3	65.6%
HH with 0-1 asset	28.8%	63.4%	15.2%	26.4%	-6.3	66.5%
HH with 2-3 assets	20.1%	52.2%	4.4%	6.5%	-5.5	61.8%
HH education - Primary or less	30.5%	65.4%	14.8%	27.1%	-0.4	64.4%
HH education - Secondary	24.3%	57.2%	8.2%	14.9%	-10.8	64.9%
HH education - Tertiary or more	17.9%	53.1%	7.9%	10.6%	-16.5	64.9%

* 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](#).