



# COVID-19 IN LAC

## PERU

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



September 2022

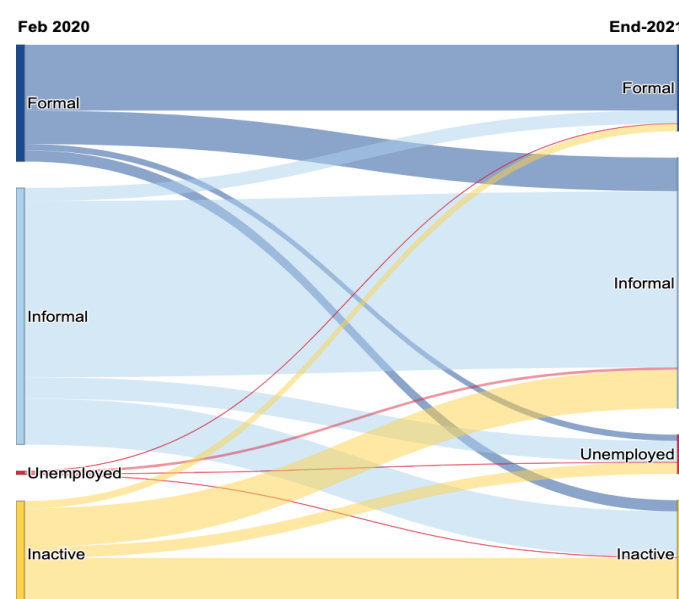
Peru was one of the countries that was hit hardest by the Covid-19 crisis, experiencing more deaths per million inhabitants than any other country in the world. The strict isolation measures imposed by the government to contain the spread of the virus affected labour-intensive sectors the most. These impacts were compounded by supply shocks and the drop in external demand, leading the economy to contract by more than 11.1 per cent of GDP in 2020, above the average downturn in the region. The government's efforts to mitigate the effects of the pandemic helped the economy to rally, but the recovery has been slow. By the end of 2021, 22.7 per cent of those who were employed before the pandemic had lost their jobs, 15.4 per cent of whom abandoned the workforce altogether. Job loss was more frequent among older adults, women and the less educated. Conversely, one out of every two people who were economically inactive before the pandemic joined the labour market. Some 70.1 per cent of young people and two-thirds of people in rural areas and with higher levels of education became economically active. Some 29.7 per cent of those who held formal jobs, were unemployed or were economically inactive before the pandemic moved into informal employment, as did 64.7 per cent of those entering the labour force, pointing to a decline in the quality of employment in the country. The pandemic also triggered significant changes in the time spent on care work, especially for women. By the end of 2021, 45.8 per cent of respondents reported that they were spending more time helping their children with schoolwork. At 54.4 per cent, this figure was higher for women (up 3.3 percentage points from mid-2021), but stood at 34.8 per cent for men (down 4.1 percentage points from mid-2021).

### 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	22.7%	53.3%	29.7%	0.3
Urban	23.2%	49.9%	33.2%	-0.9
Rural	21.5%	61.3%	22.7%	2.7
Females	31.0%	54.2%	34.9%	3.3
Males	15.5%	51.8%	24.8%	-4.1
18 to 25 years old	27.3%	70.1%	51.1%	7.0
26 to 45 years old	19.0%	55.4%	28.2%	-0.8
46 to 64 years old	20.3%	46.6%	22.9%	-0.7
65 and older	44.9%	19.5%	20.3%	7.9
Primary or less	29.6%	34.3%	17.2%	3.2
Secondary	25.7%	63.3%	30.1%	1.0
Tertiary and more	14.9%	60.2%	39.9%	-3.1

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

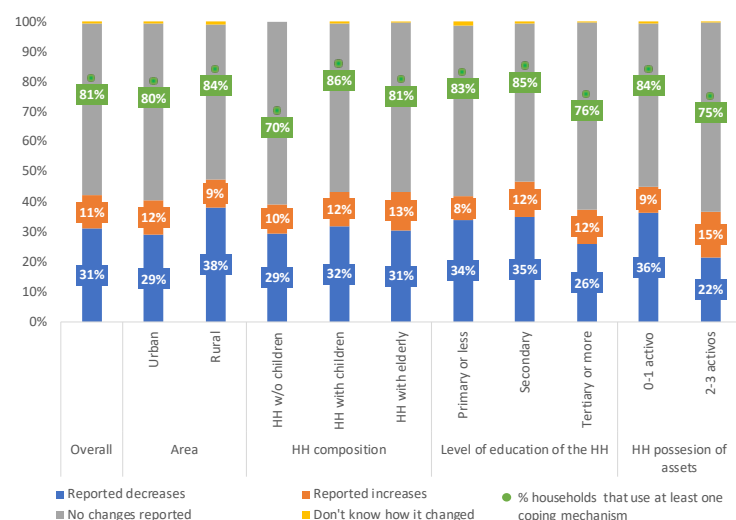
Figure 1: Transitions in the labour market



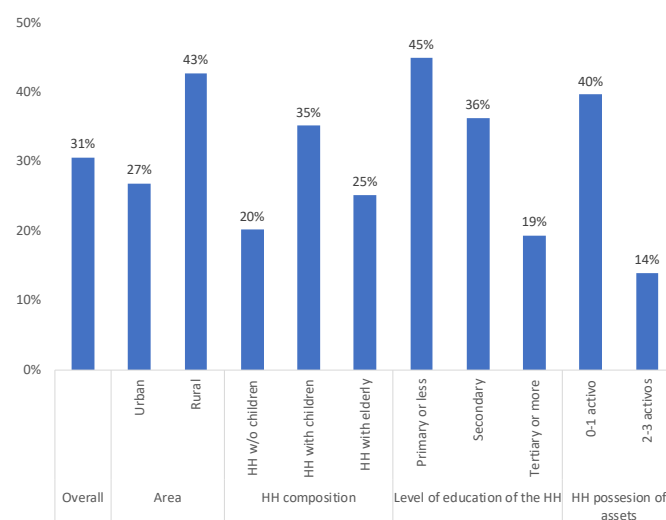
In late 2021, 31.1 per cent of households reported a drop in their income, while just one in ten households reported an increase compared to the middle of the year. These decreases were more frequent in rural households and households with less educated heads. Furthermore, 30.6 per cent of households reported having gone without food in the 30 days prior to the survey due to a lack of means—more than 10 percentage points above the pre-Covid level. Food insecurity rates were higher among households in rural areas and those with less educated heads. To cope with the adverse effects of the pandemic, four out of five households resorted to at least one of the following mechanisms: non-payment of financial obligations, use of savings and adults or children entering the labour force. Rural households, those with high dependency ratios and those with less educated heads had to resort to such mechanisms more frequently.

In 11.0 per cent of households with school-age children, a child had to seek work during the pandemic to offset these income reductions. This figure reached 19.8 per cent for households with less educated heads and 15.9 per cent for households in rural areas. Peruvian schools were partially closed for most of 2021. As a consequence, between the middle and the end of the year, the in-person attendance rate increased by just 4.5 percentage points to 5.5 per cent, placing it well below the regional average of 48.3 per cent. The slow return to in-person teaching and the other changes brought by the pandemic seem to have had a negative impact on the quality of education in the country: 70.7 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**



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



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

## 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	31.1%	81.1%	11.0%	30.6%	4.5	70.7%
Urban	29.0%	80.1%	9.5%	26.8%	2.8	70.9%
Rural	38.0%	84.3%	15.9%	42.8%	12.4	69.6%
HH w/o children (0-17)	29.3%	70.2%	-	20.2%	-	-
HH with children (0-17)	31.9%	85.9%	11.0%	35.2%	4.5	70.7%
HH with elderly (65+)	30.6%	80.6%	12.4%	25.2%	4.8	73.9%
HH with 0-1 asset	36.4%	84.3%	15.0%	39.7%	6.4	73.2%
HH with 2-3 assets	21.5%	75.2%	2.8%	14.0%	1.5	66.3%
HH education - Primary or less	34.1%	83.1%	19.8%	44.9%	12.9	73.3%
HH education - Secondary	34.9%	85.2%	13.4%	36.3%	2.7	66.4%
HH education - Tertiary or more	26.0%	75.7%	4.4%	19.4%	2.9	73.5%

\* 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](#).