



# COVID-19 IN LAC

## EL SALVADOR

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



September 2022

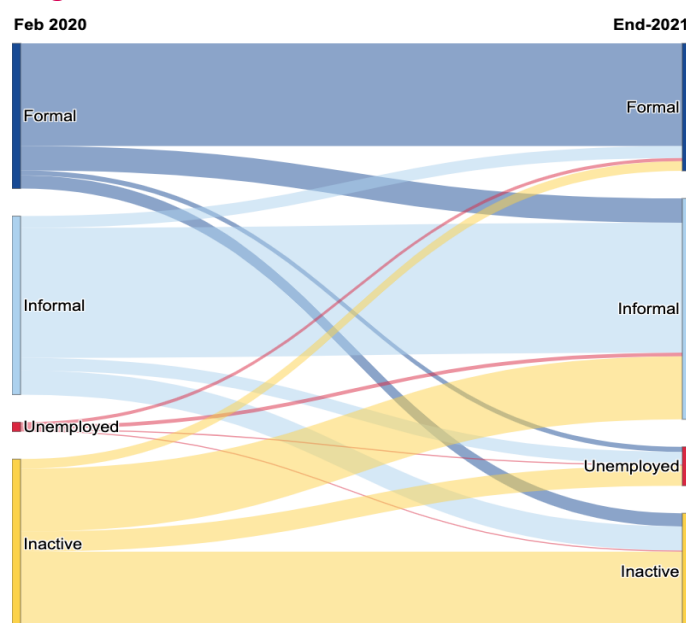
The Covid-19 crisis is expected to reverse the progress on poverty reduction, equality and prosperity that El Salvador has made in recent years. The country managed to enact one of the region's most generous fiscal response packages despite entering the Covid-19 crisis in fragile fiscal circumstances: El Salvador's debt levels were the highest in Central America in 2019 (73.6 per cent of GDP). At the end of 2021, the Salvadoran labour market was still recovering from the devastation caused by the pandemic. By then, 17.0 per cent of those who were employed before the pandemic had lost their jobs. Although this share had increased 2.9 percentage points since the middle of the year, it remains below the regional average (21.7 per cent). Some 5.4 per cent of those who lost their jobs remained unemployed, while the remaining 11.6 per cent dropped out of the labour force altogether. Women, older adults, and the less educated lost the jobs they had held before the pandemic more frequently. These outflows were offset by the fact that one out of every two people who were economically inactive pre-Covid joined the labour market. The shift to being economically active was most notable among men and the most educated, which were also the groups that were most jeopardised by job loss during the pandemic. However, much of the movement that took place within the labour market was towards informal employment. Some 41.2 per cent of those who held formal jobs, were unemployed or were economically inactive pre-Covid moved into informal employment by late 2021. This transition was more frequent among the young (53.4 per cent) and the more educated (53.8 per cent). One of the most widespread changes caused by the pandemic was the increase in time spent on unpaid care work. By the end of 2021, 38.7 per cent of respondents said that they were spending more time helping their children with school activities than in the middle of the year. By the end of that year, the figure had only decreased by 1.4 percentage points.

### 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	17.0%	54.5%	41.2%	-1.4
Females	24.7%	51.0%	47.3%	-5.9
Males	10.3%	63.5%	34.3%	4.8
18 to 25 years old	21.7%	59.6%	53.4%	-4.2
26 to 45 years old	10.5%	60.1%	39.4%	-5.5
46 to 64 years old	20.8%	51.9%	32.6%	10.8
65 and older	37.9%	33.8%	44.8%	-7.9
Primary or less	20.1%	55.2%	34.0%	5.4
Secondary	16.2%	51.5%	40.7%	-5.9
Tertiary and more	16.2%	63.5%	53.8%	2.9

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

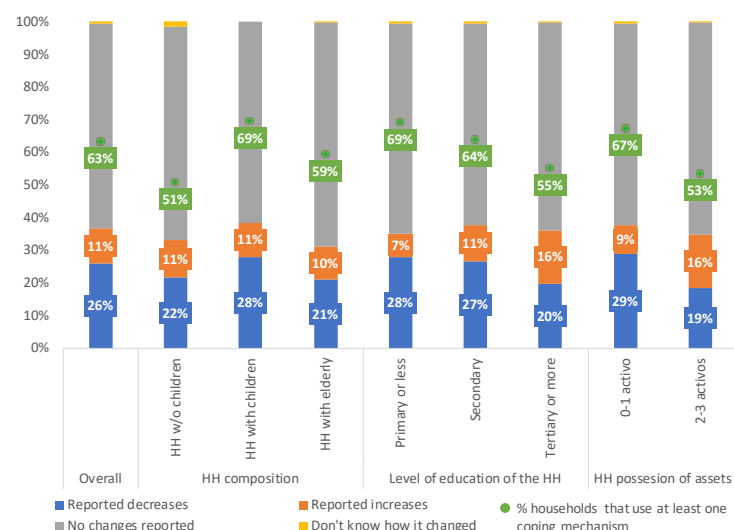
Figure 1: Transitions in the labour market



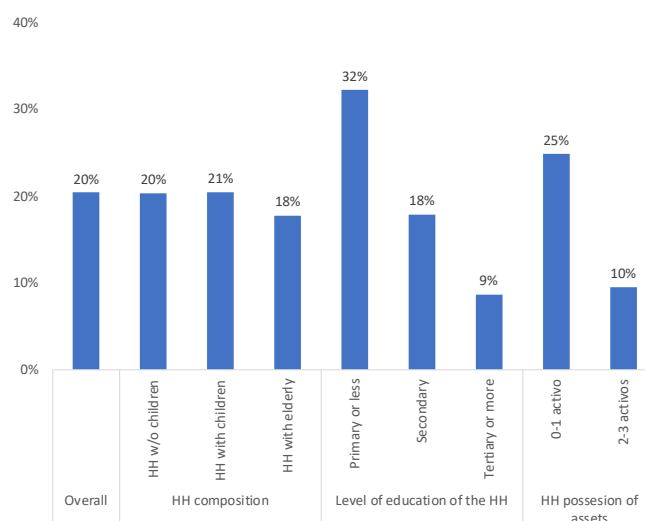
However, these efforts failed to mitigate the negative effects of the pandemic on household welfare entirely. Some 25.8 per cent of households reported that their income decreased between mid- and late 2021 while 11 per cent reported increases. Furthermore, some 20.5 per cent of households reported having gone without food during the 30 days prior to the survey due to a lack of means. This figure is 7.1 percentage points below the levels reported in mid-2021 and 19.0 percentage points above where they stood at the start of the pandemic. In both cases, the households that were most affected were households with lower asset availability and less educated heads. To cope with the financial stress caused by the pandemic and continue meeting their basic needs, households were forced to resort to coping strategies that included not paying financial obligations, using savings and both adults and children entering the workforce. According to the survey, 63.2 per cent of households used at least one of these mechanisms.

This figure increased to 69.0 per cent for households with less educated heads and to 69.4 per cent for those with underage children. Specifically, in 10.3 per cent of households with school-age children, a child entered the labour market during the pandemic to compensate for lost income. This figure increased to 13.1 per cent among households with older adults and 13.6 per cent among households with less educated heads (those with primary education or less). Between mid- and late 2021, the percentage of school-age children attending in-person classes dropped by 39.8 percentage points to 26.7 per cent (21.6 percentage points above the regional average). This decrease was 45.0 percentage points for households with less educated heads and low asset ownership. This highlights the quality-related challenges that the education system is facing, especially in connection with vulnerable households. Some 46.9 per cent of respondents said they thought that children are learning less than before the pandemic started. For respondents in households with more educated heads, this share increased to 56.3 per cent.

**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 coping mechanism to manage financial stress in 2021*	% of households reporting school-age children entering in the labour force as a coping mechanism	% 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	25.8%	63.2%	10.3%	20.5%	-39.8	46.9%
HH w/o children (0-17)	21.8%	50.9%	-	20.4%	-	-
HH with children (0-17)	27.9%	69.4%	10.3%	20.5%	-39.8	46.9%
HH with elderly (65+)	21.0%	59.4%	13.1%	17.8%	-29.4	47.4%
HH with 0-1 asset	28.8%	67.2%	11.0%	24.9%	-45.0	48.1%
HH with 2-3 assets	18.5%	53.5%	8.0%	9.6%	-22.2	43.8%
HH education - Primary or less	28.0%	69.0%	13.6%	32.3%	-45.8	48.8%
HH education - Secondary	26.7%	64.0%	11.0%	17.9%	-46.1	43.3%
HH education - Tertiary or more	19.8%	55.0%	2.9%	8.7%	-9.9	56.3%

\* 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](#).