



COVID-19 IN LAC

PANAMA

2021 LAC HIGH FREQUENCY PHONE SURVEYS: Results Phase II, Wave 1

With one of the highest per-capita infection rates in Latin America and the Caribbean, the COVID-19 crisis significantly disrupted Panama's leading economic sectors: construction, logistics, retail, and tourism. These sectors drove both economic growth and job creation before the pandemic. After a sharp contraction in GDP of 17.9 percent in 2020, the economy started to recover in 2021, but significant challenges remain ahead.

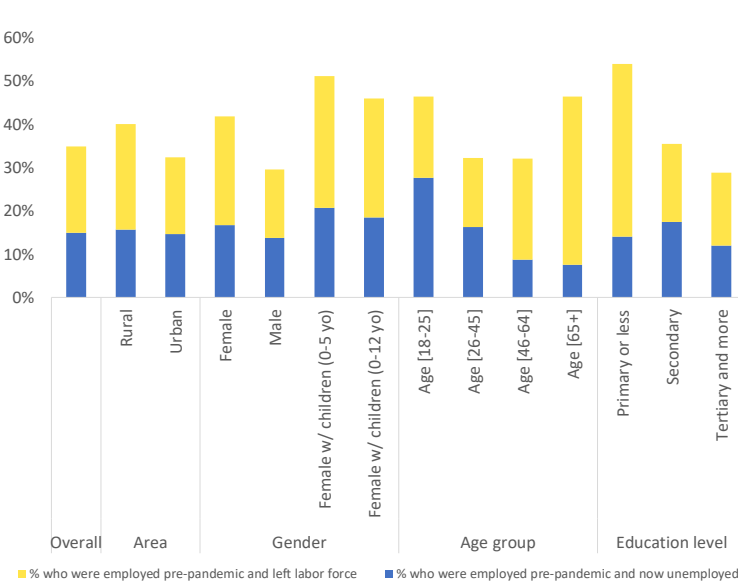
Labor markets continued to show signs of deterioration a year and a half into the pandemic. Over one in every three workers had lost their pre-pandemic jobs. Those with primary education, the elderly (65+), and women were the most affected. Moreover, 56.9 percent of those who lost their pre-pandemic jobs left the labor force altogether. The pandemic also deteriorated job quality. More than one out of five formal workers became informal. In addition, a large share of those previously inactive entered the labor force (51.5 percent), landing primarily in informal jobs or unemployment.

Moreover, Panama's emergency social assistance program (Panama Solidario) was insufficient to compensate for income losses. Even though nearly 70 percent of households reported receiving emergency transfers by mid-2021, household income remained below pre-pandemic levels for 58 percent of households. Unfortunately, income losses presented risks for food security: one-fourth of households reported running out of food.

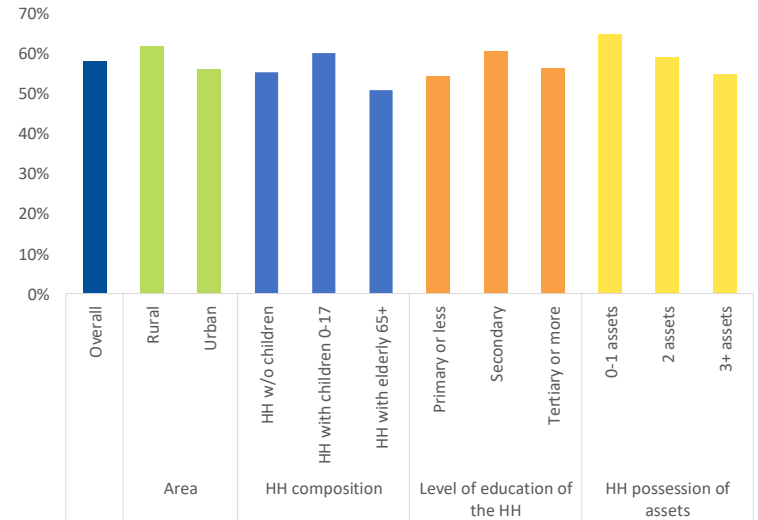
The pandemic also increased the risk of significant human capital losses and widening learning gaps across income profiles. For example, the gap in school attendance between children coming from high-educated and low-educated households was almost 20 percentage points, despite an overall attendance rate of 90 percent. In addition, limited access to a reliable internet connection diffculted virtual learning. Meanwhile, unequal intra-household arrangements resulted in 39.3 percent more women than men reporting an increase in the time spent supporting children's education during the pandemic. Even so, 38.2 percent of men reporting an increased burden is unprecedented.

As of March 2022, almost 7 out of 10 Panamanians are fully vaccinated. But addressing remaining vaccination hesitancy will be key. By mid-2021, 13.1 percent of the population were hesitant about getting vaccinated, with a slightly higher prevalence among the less educated (15.6 percent).

JOB LOSS (% OF PRE-PANDEMIC WORKERS)



HOUSEHOLDS (%) WITH REDUCED INCOME



Source: World Bank and UNDP LAC High Frequency Phone Surveys, Phase II, Wave 1.

KEY INDICATORS: INDIVIDUALS (18+ years old)

Distribution among groups	Labor		Childcare responsibilities		Health	Finance
	% of employed population (pre-pandemic) who lost their pre-pandemic job	% of inactive population (pre-pandemic) who became active (employed or unemployed)	% of formal workers (pre-pandemic) who became informal	% of population who spent more time accompanying children's education	% of population who is not planning to get vaccinated or unsure (vaccination hesitancy)	% of population using mobile wallets
Overall	34.8%	51.5%	20.2%	45.5%	13.1%	13.5%
Rural	39.9%	56.6%	27.0%	45.3%	14.7%	8.1%
Urban	32.3%	48.9%	17.4%	45.7%	12.3%	16.2%
Females	41.7%	43.7%	16.3%	53.2%	13.7%	12.6%
Males	29.4%	66.2%	22.6%	38.2%	12.5%	14.5%
18 to 25 years old	46.3%	67.4%	16.6%	37.2%	13.8%	22.3%
26 to 45 years old	32.1%	54.4%	24.3%	53.2%	16.1%	14.9%
46 to 64 years old	31.9%	41.2%	17.6%	46.2%	11.5%	9.1%
65 and older	46.2%	38.9%	0.0%	8.5%	4.5%	4.6%
Primary or less	53.7%	49.7%	19.3%	21.6%	15.6%	0.7%
Secondary	35.3%	54.2%	27.1%	45.0%	14.3%	10.8%
Tertiary and more	28.7%	48.4%	14.6%	55.7%	10.4%	21.8%

Source: World Bank and UNDP LAC High Frequency Phone Surveys, Phase II, Wave 1.

KEY INDICATORS: HOUSEHOLDS AND CHILDREN

Distribution among groups	Income	Food Insecurity		Education (6-17 yo)		Connectivity
	% HH that report a reduction in total income (current v. pre-pandemic)	% HH that received Emergency Government Transfers during the pandemic	% HHs that ran out of food (last 30 days)	% of children in school age who attended school (in person or virtually)	% of children in school age who interacted with teacher (in-person or online classes)	% HHs that had problems with internet service due to poor access quality / speed
Overall	58.0%	68.7%	27.0%	89.6%	81.2%	54.3%
Rural	61.9%	69.6%	31.9%	88.6%	79.2%	54.2%
Urban	56.0%	68.2%	24.5%	90.2%	82.5%	54.4%
HH w/o children (0-17)	55.2%	62.5%	19.2%	-	-	50.7%
HH with children (0-17)	60.0%	73.1%	32.7%	89.6%	81.2%	57.0%
HH with elderly (65+)	50.9%	63.7%	23.6%	88.7%	77.4%	57.7%
0-1 assets	64.9%	73.5%	48.7%	75.0%	58.3%	56.2%
2 assets	59.1%	74.5%	33.7%	88.9%	82.4%	42.6%
3+ assets	54.7%	61.7%	13.8%	96.0%	89.6%	58.9%
HH education - Primary or less	54.3%	72.9%	31.9%	75.9%	62.6%	46.4%
HH education - Secondary	60.5%	73.9%	31.3%	90.8%	82.5%	52.0%
HH education - Tertiary or more	56.3%	56.8%	15.9%	95.5%	90.3%	59.9%

Source: World Bank and UNDP LAC High Frequency Phone Surveys, Phase II, Wave 1.

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 first wave was collected between May and July 2021, and the data is nationally representative for 24 countries: Antigua & Barbuda, Argentina, Belize, Bolivia, Brazil, 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 data for Brazil was collected between July 26 and October 1. 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. Key indicators on socioeconomic effects are available at the [COVID-19 monitoring global dashboard](#), which provides 96 harmonized indicators across 50 countries in Latin America and the world. For further information, see [World Bank and UNDP \(2021\)](#).