Chile experienced an economic contraction of 5.8 percent of GDP in 2020. The economy quickly recovered and grew at an unprecedented rate of 12 percent in 2021, supported by private consumption, massive fiscal transfers, and pension fund withdrawals. Chile's successful vaccination campaign also contributed to the economic rebound. However, the job market recovery has been slow and uneven.
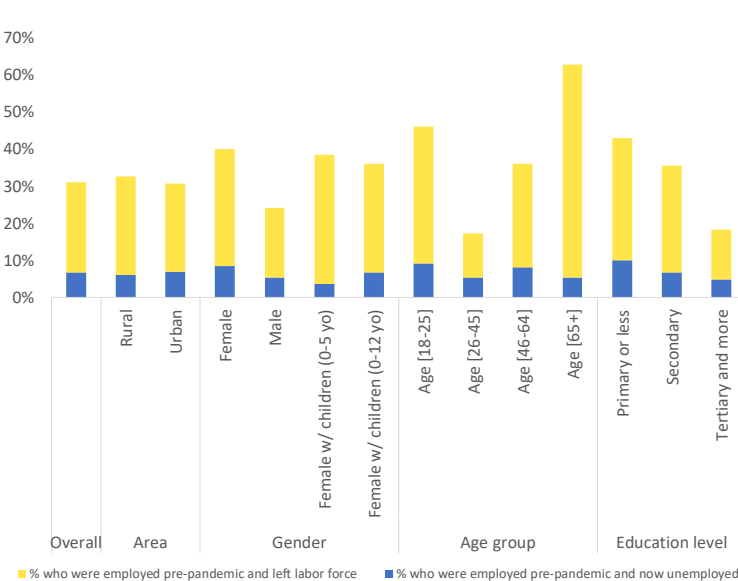
By mid-2021, the country still had not recovered its pre-pandemic employment levels. Three of every ten workers had lost their pre-pandemic job, and most of them had left the labor force entirely (78.3 percent). Among those who became inactive, 56.6 percent were women, most of them low-skilled and without children under 18. On the other hand, 39.3 percent of those inactive before the pandemic joined the labor force: 69.2 percent of them were low-skilled people with secondary education or less, and 61.2 percent were women, most of them without children under 18 (66.3 percent). Transitions in and out of the labor force have been less favorable for women than men. Indeed, women employed before the pandemic were more likely to lose their job than men (39.9 versus 24.0 percent, respectively). Moreover, 78.9 percent of previously inactive women who could find jobs landed in informality versus 54.1 percent of men.

Emergency social protection programs helped cushion some of the adverse impacts of the pandemic on household income and food security. The Chilean government laid out significant fiscal aid to smooth the effects of the crisis, increasing the coverage and generosity of pandemic-related measures in 2021. By mid-2021, nearly two-thirds of households in Chile had received emergency transfers. Still, 43.1 percent of households reported their income remained below pre-pandemic levels, and 10.8 percent of households reported running out of food in the 30 days preceding the survey (slightly above the 7.8 percent pre-pandemic level). This food insecurity indicator was the lowest in the region. Income losses and food insecurity were more prominent among rural and poor households.
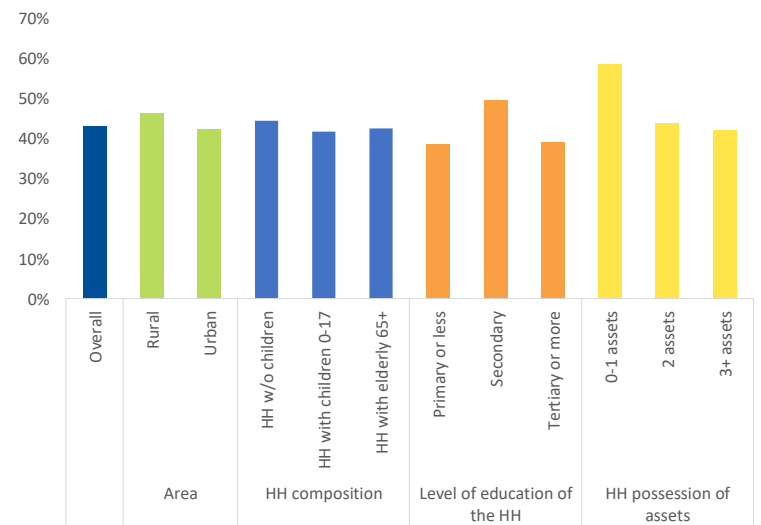
Although mainly virtual, Chile's school attendance rate (either in person or virtual) was the highest in the region (97.0 percent), and 95.6 percent of kids in school-age engaged in online learning activities supported by a teacher. The lack of access to a reliable internet connection undermined the quality of distance learning. Of 74.2 percent of households with an internet connection, 66.5 percent reported having problems with internet services due to poor access, quality, or speed, with higher incidence among households in rural areas (70.8 percent) or with one or no assets (76.3 percent). In addition, school closures increased the burden of household responsibilities on adult household members. Unequal intra-household arrangements resulted in 18.0 percent more women than men reporting an increase in the time spent supporting children's education during the pandemic. However, 48.6 percent of men reported an increased burden, which is unprecedented.

Chile presents the highest vaccination rate among LAC countries, well above the regional average. While the average vaccination hesitancy rate in the region was 8.1 percent by mid-2021, 4.0 percent of Chileans were not planning to get vaccinated in mid-2021.

JOB LOSS (% OF PRE-PANDEMIC WORKERS)

% who were employed pre-pandemic and left labor force   % who were employed pre-pandemic and now unemployed

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	30.9%	39.3%	7.0%	53.9%	4.0%	8.3%
Rural	32.4%	29.7%	6.3%	54.0%	3.8%	4.3%
Urban	30.6%	41.2%	7.1%	53.9%	4.1%	9.2%
Females	39.9%	33.9%	6.5%	57.4%	4.3%	6.3%
Males	24.0%	52.3%	7.3%	48.6%	3.8%	10.3%
18 to 25 years old	45.8%	46.1%	7.7%	40.0%	7.8%	24.8%
26 to 45 years old	17.3%	55.4%	7.3%	61.7%	4.8%	9.4%
46 to 64 years old	35.9%	42.3%	6.5%	56.6%	3.2%	3.0%
65 and older	62.5%	13.5%	6.0%	13.2%	0.0%	0.5%
Primary or less	42.8%	28.5%	5.9%	36.9%	2.0%	0.3%
Secondary	35.4%	38.3%	8.8%	54.2%	6.7%	9.0%
Tertiary and more	18.2%	57.6%	5.5%	68.8%	2.1%	13.5%

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	43.1%	64.0%	10.8%	97.0%	92.9%	66.5%
Rural	46.3%	69.4%	13.7%	93.2%	86.1%	70.8%
Urban	42.4%	62.8%	10.2%	97.9%	94.4%	65.7%
HH w/o children (0-17)	44.4%	57.4%	12.0%	-	-	64.3%
HH with children (0-17)	41.7%	71.3%	9.6%	97.0%	92.9%	68.9%
HH with elderly (65+)	42.5%	67.3%	9.2%	96.5%	93.3%	66.1%
0-1 assets	58.7%	51.1%	31.2%	100.0%	100.0%	76.3%
2 assets	43.9%	72.9%	18.3%	93.6%	87.8%	57.7%
3+ assets	42.0%	61.2%	7.0%	97.6%	93.7%	69.2%
HH education - Primary or less	38.7%	81.4%	14.3%	97.4%	88.4%	69.5%
HH education - Secondary	49.5%	79.0%	14.8%	94.1%	89.1%	66.4%
HH education - Tertiary or more	39.2%	43.1%	6.5%	99.5%	98.3%	65.8%

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).