

COVID-19 IN LAC COSTA RICA

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

April 2022

U N D P

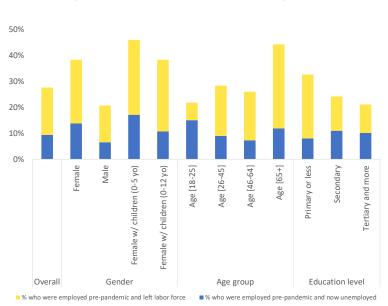
WORLD BANK GROUP

Costa Rica grew at an average annual rate of around 4 percent until 2017. The economy had already begun to decelerate when the pandemic broke out. Mobility restrictions and social distancing measures, combined with a collapse in the tourism industry, led to a 4.1 percent fall in GDP in 2020. The economic contraction led to a deterioration of labor market outcomes and resulted in reduced employment and income. Poverty (and to a lesser extent inequality) increased quickly.

The results of the High-Frequency Phone Surveys (HFPS) conducted in Costa Rica show the extent of the impact of the pandemic on labor outcomes around July of 2021. By then, 27.5 percent of those who were employed pre-pandemic had lost their jobs, two-thirds of them leaving the labor force altogether. Women were almost twice as likely to lose their pre-pandemic job as men (38.2 versus 20.6 percent) and job losses were especially high among those with lower education levels. At 42.5 percent, an extraordinary share of individuals who were inactive before the pandemic entered the labor force, suggesting that despite government efforts, emergency transfers were not sufficient to compensate for lost income and forced people into the labor force. While most previously inactive and unemployed individuals found jobs, these new jobs are often informal. In addition, 11.3 percent of the pre-pandemic formal workers transited to informal jobs during the pandemic.

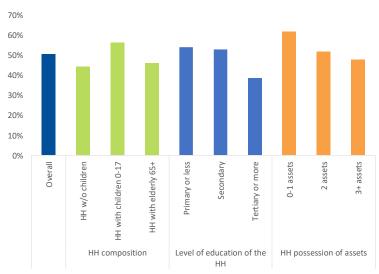
The disruptions in the labor market due to the pandemic caused a fall in household income: half of all households reported a reduction in total income since the start of the pandemic. The decrease in household income translated into increased food insecurity during the pandemic. Although Costa Rica is among the wealthiest countries in the region, 23.0 percent of households reported running out of food in the 30 days preceding the survey.

School attendance was just over the regional average, with 89.9 percent of children reportedly attending school either in person or virtually. By mid-2021, the lack of access to a working internet connection remained a challenge for delivering education services during school closures. Among households that had an internet connection at home in Costa Rica (64.5 percent of all households), more than half (57.6 percent) reported problems with service quality. Not unrelated and worrisome, only 27.8 percent of school-age children said having had direct interaction with a teacher, online or in person.



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)	
Overall	27.5%	42.5%	11.3%	37.5%	12.3%	3.7%
Females	38.2%	38.5%	15.2%	45.8%	15.2%	2.0%
Males	20.6%	52.7%	9.6%	23.9%	9.3%	5.4%
18 to 25 years old	21.7%	58.6%	18.1%	27.0%	17.3%	4.8%
26 to 45 years old	28.2%	57.8%	8.8%	45.4%	14.4%	4.4%
46 to 64 years old	25.9%	32.1%	14.8%	27.3%	8.1%	3.2%
65 and older	44.0%	8.5%	0.0%	0.0%	7.1%	0.6%
Primary or less	32.5%	32.4%	10.8%	33.5%	13.0%	1.4%
Secondary	24.1%	58.1%	17.6%	42.6%	13.1%	4.6%
Tertiary and more	21.0%	45.1%	4.7%	39.9%	8.7%	8.9%

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

KEY INDICATORS: HOUSEHOLDS AND CHILDREN

	Income		Food Insecurity	Education (6-17 yo)		Connectivity
Distribution among groups	% 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 o online classes)	% HHs that had problems with internet service due r to poor access quality / speed
Overall	50.5%	25.0%	23.0%	89.9%	27.8%	57.6%
HH w/o children (0-17)	44.5%	21.0%	17.2%	-	-	55.6%
HH with children (0-17)	56.3%	29.0%	28.6%	89.9%	27.8%	59.5%
HH with elderly (65+)	46.1%	18.3%	17.9%	93.2%	38.6%	56.0%
0-1 assets	61.9%	25.8%	54.0%	84.1%	21.3%	57.0%
2 assets	51.9%	23.2%	30.3%	88.9%	32.3%	60.4%
3+ assets	47.8%	26.2%	13.3%	91.1%	25.7%	56.0%
HH education - Primary or less	54.1%	28.5%	30.0%	86.1%	27.5%	62.4%
HH education - Secondary	52.9%	26.1%	22.3%	91.0%	21.8%	55.9%
HH education - Tertiary or more	38.5%	14.4%	6.4%	98.9%	39.5%	51.9%

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, 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 <u>COVID-19 monitoring global dashboard</u>, which provides 96 harmonized indicators across 50 countries in Latin America and the world. For further information, see <u>World Bank and UNDP (2021)</u>.



