



# COVID-19 IN LAC

## PARAGUAY

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

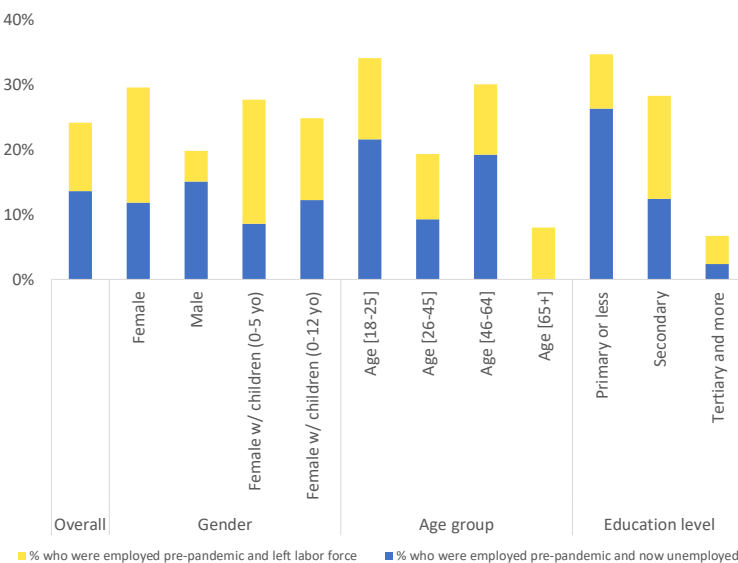
While Paraguay ended in December 2020 with fewer cases per million than the average South American country (14,949 compared with 30,394), suggesting that the initial shock of the COVID-19 pandemic was relatively well contained, numbers quickly deteriorated in 2021. The year closed with 64,650 cases per million, still below the sub-regional average of 91,586 cases per million. Similarly, the country suffered a slight economic contraction of 0.6 percent in 2020 and outperformed the LAC region, which experienced a much larger average GDP fall of 6.7 percent. However, Paraguay's economy grew at 4.3 percent in 2021, below the LAC average of 6.7 percent.

These developments affected the labor markets heterogeneously. One-quarter of workers lost their pre-pandemic jobs, and 43.6 percent of them had moved to inactivity by June 2021. Among the new inactive, 50.6 percent were women from the richest households (reporting three or more assets). The slowdown in demand and the restrictions imposed by the government also pushed workers into informality: almost 16.8 percent of previously formal workers moved into informality. In addition, 60 percent of the previously inactive workers entered the labor force during the pandemic, and most of them landed in informal jobs or unemployment. The previously inactive represented 12.9 percent of the informal workforce and 10.5 percent of the unemployed in June 2021. The share of the previously inactive that entered the labor force is much higher for men (88.2 percent) than women (50.1 percent). Interestingly, most entrants into the labor force -men and women- were also from the richest households.

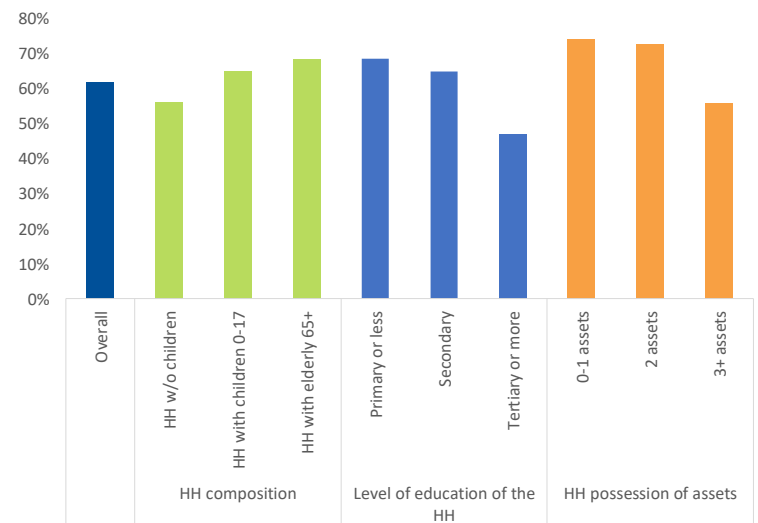
The survey evidenced the pandemic adverse effects on households' welfare. By June 2021, 61.7 percent of the households reported a reduction in their incomes compared to pre-pandemic levels. Income losses were more frequent among families with higher dependency rates, limited assets, and less educated heads. Also, the share of households experiencing food insecurity doubled compared with its pre-pandemic level (19.6 percent of households reported running out of food during the 30 days preceding the survey compared to 9.7 percent of households before the pandemic).

A significant change during the pandemic was the transition from in-person to online education. Most schools, children, and households were not prepared for this change, which is expected to take a toll on the education quality with long-run effects on poverty, inequality, and economic growth. Although overall school attendance was significantly high (92.8 percent by June 2021), only a small fraction of children attended classes in person (13.5 percent). And among those attending, 82.0 percent were interacting with teachers, either in person or by online sessions. The lack of interaction and digital resources particularly affected children from vulnerable households (households with fewer assets and low-educated household heads).

### 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	24.1%	60.0%	16.8%	51.1%	14.8%	60.9%
Females	29.4%	50.1%	22.5%	56.6%	16.3%	57.0%
Males	19.7%	88.2%	13.6%	41.9%	13.3%	64.8%
18 to 25 years old	34.0%	84.6%	8.9%	37.3%	18.5%	60.1%
26 to 45 years old	19.3%	64.0%	21.8%	56.1%	12.9%	69.7%
46 to 64 years old	29.9%	36.1%	10.2%	51.6%	14.2%	51.9%
65 and older	7.9%	0.0%	14.6%	38.9%	20.8%	40.5%
Primary or less	34.6%	46.8%	12.3%	45.3%	18.0%	53.3%
Secondary	28.2%	69.1%	19.4%	47.5%	13.1%	56.2%
Tertiary and more	6.7%	69.3%	16.1%	64.8%	13.8%	78.2%

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	61.7%	53.7%	19.6%	92.8%	82.0%	54.2%
HH w/o children (0-17)	56.2%	48.4%	15.3%	-	-	52.2%
HH with children (0-17)	65.1%	56.9%	22.2%	92.8%	82.0%	55.4%
HH with elderly (65+)	68.4%	49.4%	16.6%	92.5%	85.1%	52.7%
0-1 assets	74.0%	49.1%	53.2%	92.7%	70.8%	82.5%
2 assets	72.7%	57.7%	28.4%	90.1%	78.1%	29.4%
3+ assets	56.0%	52.8%	11.8%	93.6%	84.2%	58.6%
HH education - Primary or less	68.5%	61.2%	30.2%	88.9%	78.0%	46.7%
HH education - Secondary	64.7%	54.6%	19.2%	93.7%	81.1%	57.8%
HH education - Tertiary or more	47.0%	42.0%	4.4%	96.7%	87.8%	54.9%

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 \(2021\)](#).