

June 2021  
Number 26

**ECLAC / ILO**

# **Employment Situation in Latin America and the Caribbean**

Real wages during the pandemic:  
trends and challenges



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Real wages during the pandemic:  
trends and challenges



*Employment Situation in Latin America and the Caribbean* is a twice-yearly report prepared jointly by the Economic Development Division of the Economic Commission for Latin America and the Caribbean (ECLAC) and the Office for the Southern Cone of Latin America of the International Labour Organization (ILO), headed by Daniel Titelman and Fabio Bertranou, respectively.

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United Nations publication

LC/TS.2022/71

Distribution: L

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Printed at United Nations, Santiago

S.22-00361

This publication should be cited as: Economic Commission for Latin America and the Caribbean (ECLAC)/International Labour Organization (ILO), "Real wages during the pandemic: trends and challenges", *Employment Situation in Latin America and the Caribbean*, No. 26 (LC/TS.2022/71), Santiago, 2022.

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## Foreword

The economies of Latin America and the Caribbean grew by 6.6% in 2021 and the region's main labour indicators also improved, including rises in employment and the labour force participation rate, and a decline in the unemployment rate. However, as the first section of this report highlights, the recovery has not only been slow, but also partial and uneven.

Following a historic fall of 8.2% in the number of employed in the region in 2020, from the fourth quarter through to the same quarter of 2021 there was significant growth of 6.8%. Despite this considerable increase in employment over 2021, the number of employed persons in the region did not regain the year-end 2019 level until the fourth quarter.

Furthermore, in the countries of the region, employment has lagged behind economic activity in terms of the return to pre-pandemic levels. By the end of 2021, the vast majority of countries' GDPs had recovered pre-crisis levels, but in many cases employment levels remained lower. As in other crisis situations, the relation between employment and economic activity is key to implementing better and more timely labour policies. In that regard, this lag in the employment recovery suggests that efforts must be made to strengthen instruments that facilitate people's return to the labour market.

The crisis triggered by the coronavirus disease (COVID-19) pandemic hit women's employment harder, leading to a reversal in their participation rate equivalent to more than 18 years of rises. The first part of this report explains how the labour market recovery has also been unequal, to the detriment of women; although employment and participation have recovered for both men and women, the improvements have been larger for men. This marked difference in the patterns for total participation rates are largely explained by the subdued recovery in activities that account for a larger share of female employment and the larger burden of care tasks shouldered by women in caring for the sick, children and older persons.

By categories of workers, the fastest year-on-year employment growth rate in 2021 was 9.9% for own-account workers, 4.2 percentage points ahead of the 5.7% for wage earners. Despite this, at year-end 2021, informal employment had not yet returned to pre-crisis levels, mainly owing to a slow recovery in activities that account for the bulk of such employment and the lower participation rate for women.

As the first section of this report describes, the pace of job creation is expected to slow in 2022, although progress with vaccinations, fewer movement restrictions and reopening of schools are expected to drive a recovery in participation, especially among women. However, the combined effect of higher labour force participation rates and slow job creation could drive the unemployment rate up over the year.

The second section of the report outlines how the health crisis caused by COVID-19 has severely affected wage trends in the region. Firstly, the impact of recent rises in inflation has been most clearly reflected in real minimum wages, with a decline in purchasing power in 2021. This situation may worsen in 2022, when inflation is expected to accelerate even further. Secondly, average real wages in the region in 2021 were 6.8% below pre-pandemic levels, a larger gap than for economic activity or employment. Moreover, it has been found that the real wages of the most vulnerable groups during the pandemic—such as women, young people, wage earners in service sectors and those with less schooling— have followed paradoxical patterns. Because job losses were more prevalent among the most vulnerable during the pandemic and because of the resulting employment structure effect,

although there were falls in the average real wages of the most vulnerable, they were less pronounced than those for other groups of wage earners. Another finding in this report is that those working in domestic service, mainly women, have been one of the most affected groups during the pandemic, both by job losses and by a proportionally larger fall in real wages compared to other wage earners.

The report stresses that it is vital to deploy institutional instruments, such as collective bargaining and minimum wages, to enable discussion of wage adjustments at the level of productive units and branches of activity, to meet the needs of both workers and companies. The document also underscores that policies aimed at the most vulnerable groups, which enable people to join the labour market as wage earners—such as hiring subsidies— will not only contribute to a faster recovery in their employment, but will also prevent wage conditions becoming more precarious than before the pandemic.

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# I. The employment situation in 2021

## Introduction

In 2021, the economies of the region grew by an average of 6.6% compared to 2020. This was a result of the global recovery in economic activity and, at the country level, progress with vaccination campaigns and easing of physical distancing measures to combat the spread of coronavirus disease (COVID-19), as well as sizeable fiscal and monetary stimulus packages implemented throughout the region to support the socioeconomic sectors most affected by the crisis.

In this situation, the region's key labour indicators also improved in 2021: there were rises in regional employment and the labour force participation rate, and a fall in the regional unemployment rate.

However, the recovery in employment was slower than the recovery in activity. While most countries had returned to pre-crisis gross domestic product (GDP) figures by the fourth quarter of 2021, in several economies employment was still at pre-pandemic levels. This sets the COVID-19 crisis apart from others, as in previous crisis periods employment generally recovered much earlier than economic activity.

The crisis has had a more severe impact on female employment, with a large drop in participation. What is more, labour market recoveries have also been unequal to the detriment of women; while employment and participation have improved for both men and women, the upswing has been greater for men. Similarly, the regional unemployment rate for men has fallen more than the rate for women. The greater burden of care work shouldered by women, together with limitations during the pandemic on in-person schooling and care services, have undoubtedly led to a widening of the enduring gender gaps in the region's labour markets. One contributing factor to the different recovery patterns for men and women has been the lag in improvement in activity in sectors such as commerce and services, which tend to account for a larger proportion of female employment.

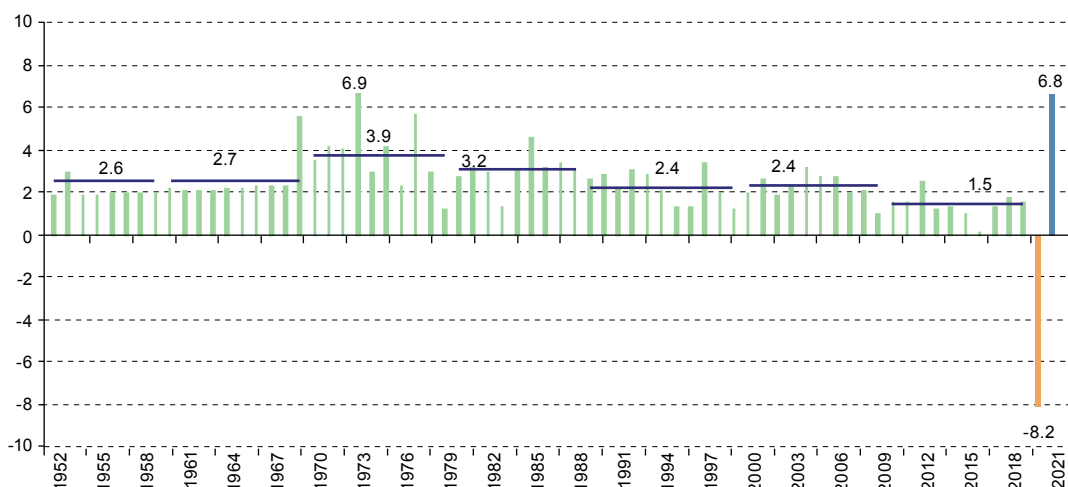
In 2021, growth in own-account work outpaced that in wage employment. However, by the end of 2021, informal work remained below pre-crisis levels, owing to a slow recovery in activities that account for the majority of such work. One last aspect highlighted in the first chapter of this report is the significant impact of rising inflation on workers' real wages, and especially on the wages of those with lower incomes, given the considerable hikes in food and energy prices.

## A. The region's labour markets showed signs of a recovery in 2021, albeit a slow and incomplete one

In 2021, the economies of Latin America and the Caribbean recorded significant increases in employment and in the total participation rate, and a fall in the unemployment rate, following a historic 8.2% decline in the number of employed in the region in 2020. From the fourth quarter of 2020 to the same quarter of 2021, there was an equally historic recovery of 6.8% in the number of employed in the region. This is the second highest annual rate of growth in employed people recorded since 1952, topped only by the rate in 1973 (6.9%) (see figure I.1). Despite the large rise in regional employment in 2021, and average quarter-on-quarter growth rates of 1.9%, the number of employed in the region only passed the level seen in 2019 in the fourth quarter of the year (see figure I.2).

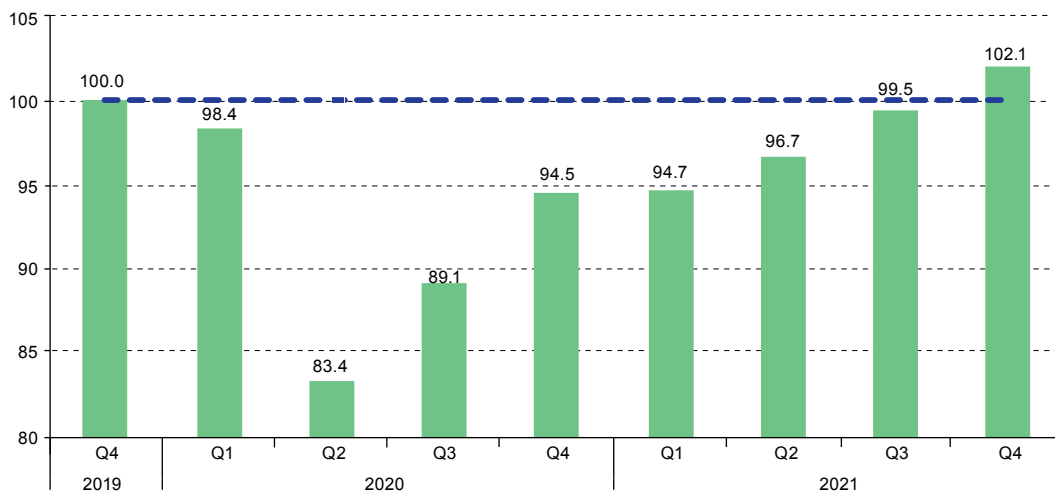


**Figure I.1**  
Latin America and the Caribbean: employment growth rates and averages by decade, 1952–2021  
(Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of University of Groningen, Penn World Tables 9.0 [online database] <https://www.rug.nl/ggdc/productivity/pwt/>, and official figures.

**Figure I.2**  
Latin America and the Caribbean (14 countries):<sup>a</sup> employment level with respect to that recorded in the fourth quarter of 2019, fourth quarter 2019 to fourth quarter 2021  
(Fourth quarter 2019=100)



Source: Economic Commission for Latin America and the Caribbean (ECLAC) and International Labour Organization (ILO), on the basis of official information from the countries.

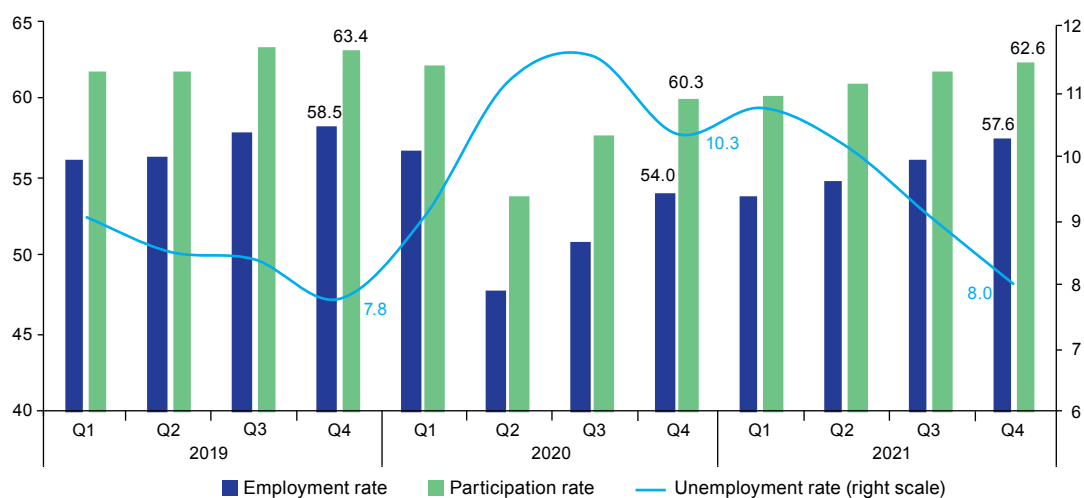
<sup>a</sup> Argentina, Brazil, Chile, Colombia, Costa Rica, the Dominican Republic, Ecuador, Jamaica, Mexico, Nicaragua, Paraguay, Peru, the Plurinational State of Bolivia and Uruguay.

One of the most notable effects of the pandemic on the region's labour markets was a substantial decline in the participation rate, by an average of 4.5 percentage points from December 2019 to December 2020. Although the participation rate rose by 2.4 percentage points in 2021, at year-end the rate was 62.6%, 0.8 percentage points lower than at the end of 2019 (63.4%) (see figure I.3). Despite progress with vaccination campaigns and tendency toward normalization of activities, many people, and especially women, are continuing to spend their time caring for the sick, children and older persons.

The employment rate also climbed in 2021 (3.6 percentage points) compared to year-end 2020. However, as in the case of the total participation rate, the recovery was insufficient to return to the employment rate seen at the end of 2019.

**Figure I.3**

Latin America and the Caribbean (14 countries):<sup>a</sup> participation rate, employment rate and unemployment rate, 2019–2021 (Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC) and International Labour Organization (ILO), on the basis of official information from the countries.

<sup>a</sup> Argentina, Brazil, Chile, Colombia, Costa Rica, the Dominican Republic, Ecuador, Jamaica, Mexico, Nicaragua, Paraguay, Peru, the Plurinational State of Bolivia and Uruguay.

From the fourth quarter of 2020 and to the same quarter of 2021 the regional unemployment rate fell by 2.3 percentage points. At year-end 2021, the rate stood at 8.0%, 0.2 percentage points higher than at the end of 2019 (7.8%), meaning that more than 25.2 million people were unemployed in the region at that time.

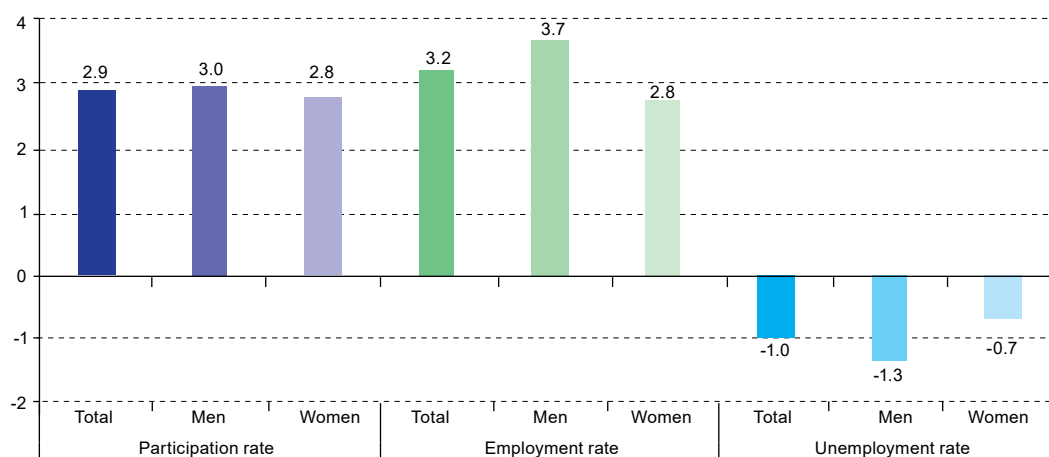
If the participation rate for 2021 had been similar to that recorded in 2019 (which is to say corrected for the fall in labour supply), the unemployment rate would have been 9.0% in 2021, equivalent to a total of 28.7 million unemployed.

## B. The recovery in employment has been uneven, with female employment recovering more slowly and less completely than male employment

Although the different indicators show signs of normalization, the significant differences that the crisis created in women's employment, unemployment and participation still remain. Thus, while the participation rate for men rose by 3.0 percentage points in 2021 with respect to 2020, the rate for women climbed by just 2.8 percentage points over the same period (see figure I.4). This trend meant that, while the regional participation rate for men reached 73.5% in 2021, the rate for women was 50.4%. Therefore, the gaps in participation rates with respect to 2019 were 2.0 percentage points for men and 3.9 percentage points for women. Once again, the slow recovery in activities that account for a larger proportion of female employment and the higher percentage of women performing caregiving activities for the sick, children and older persons go some way to explaining this marked difference in the trends of the participation rates.

Figure I.4

Latin America and the Caribbean (14 countries):<sup>a</sup> year-on-year variation in participation, employment and unemployment rates by sex, weighted averages, 2020–2021 (Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC) and International Labour Organization (ILO), on the basis of official information from the countries.

<sup>a</sup> Argentina, Brazil, Chile, Colombia, Costa Rica, the Dominican Republic, Ecuador, Jamaica, Mexico, Nicaragua, Paraguay, Peru, the Plurinational State of Bolivia and Uruguay.

In the case of the employment rate, there was a 3.7-percentage-point recovery for men in 2021 with respect to 2020, while in the case of women the recovery was by 2.8 percentage points. The average regional employment rate for men in 2021 (67.8%) was equivalent to 97.2% of the rate for 2019. For women, the average regional employment rate in 2021 (44.5%) was equivalent to 94.4% of the rate recorded in 2019.

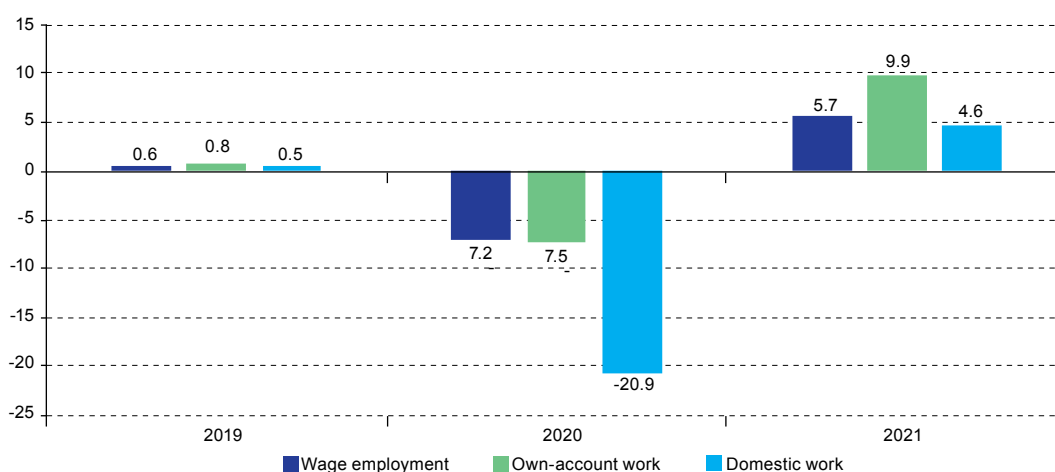
With regard to unemployment rates, yet again the improvements seen in 2021 were smaller for women; while the unemployment rate for men fell by 1.3 percentage points (from 9.3% in 2020 to 8.0% in 2021), the unemployment rate for women declined by just 0.7 percentage points (from 12.1% in 2020 to 11.4% in 2021).

## C. Own-account workers led the recovery in employment in 2021

In 2021, the highest rate of employment growth was that for own-account workers: a rise of 9.9% compared to 2020, 4.2 percentage points more than the rate for wage earners (5.7%). Notably, even though domestic work was the employment category most affected by the crisis —shrinking by 20.9% in 2020— in 2021, jobs in this category grew by 4.6%. As a result, at year-end 2021 the number of domestic workers was 14.6 percentage points below the level seen at the end of 2019, a drop of more than 1.3 million in the number of employed in this category (see figure I.5).

**Figure I.5**

Latin America and the Caribbean (11 countries):<sup>a</sup> year-on-year variation in employment by employment category, 2019, 2020 and 2021  
(Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC) and International Labour Organization (ILO), on the basis of official information from the countries.

<sup>a</sup> Argentina, Brazil, Chile, Colombia, Costa Rica, the Dominican Republic, Ecuador, Mexico, Paraguay, Peru and the Plurinational State of Bolivia.

Despite these trends, by the fourth quarter of 2021, the number of non-wage earners had not yet returned to the level recorded in the same quarter of 2019 (prior to the crisis), even though the number of wage earners in the fourth quarter of 2021 was higher than in that quarter of 2019.

Registered employment rose in 2021 in all the countries for which information is available, and in Brazil, Chile, El Salvador and Nicaragua growth with respect to 2020 exceeded 5.0%.

## D. The employment recovery has been uneven from country to country

Most economies in the region recorded an increase in the number of employed in 2021, and in some cases growth rates topped 9.0%. However, there were declines in the number of employed in the year in some economies, such as Nicaragua.

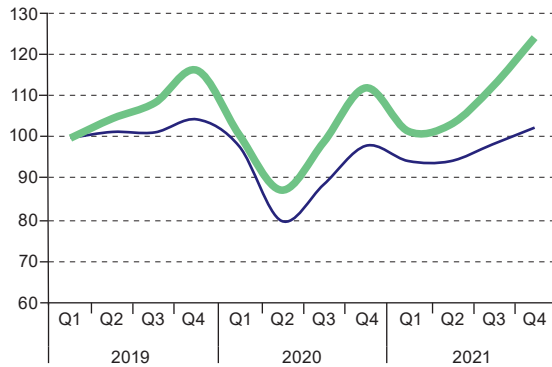
Owing to these differences in employment trends, in some countries employment did not grow sufficiently in 2021 to return to the number of employed recorded at year-end 2019. Such is the case in Chile, Colombia, Costa Rica, the Dominican Republic and Nicaragua, for example, where the employment gaps between the fourth quarter of 2019 and the fourth quarter of 2021 were 5.5%, 1.9%, 3.8%, 0.4% and 1.7%, respectively. In contrast, in other countries such as Argentina, Ecuador and the Plurinational State of Bolivia, employment rates meant that the number of employed at year-end 2021 was more than 4.0 percentage points higher than at year-end 2019 (see figure I.6).

**Figure I.6**  
Latin America and the Caribbean (14 countries): number of employed persons and GDP, by quarter, 2019–2021  
(First quarter 2019 = 100)

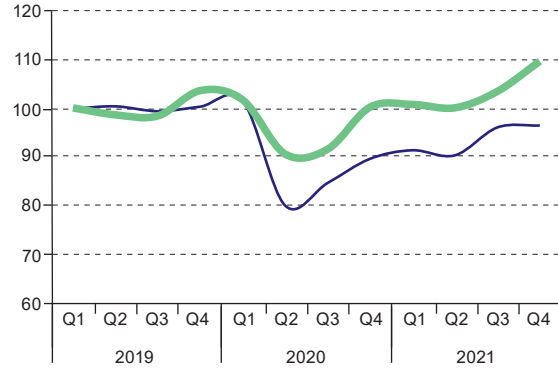


Figure I.6 (continued)

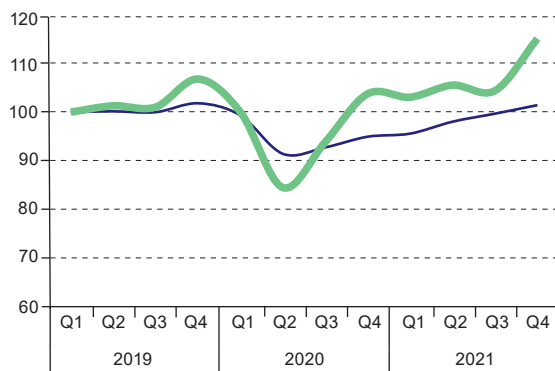
E. Colombia



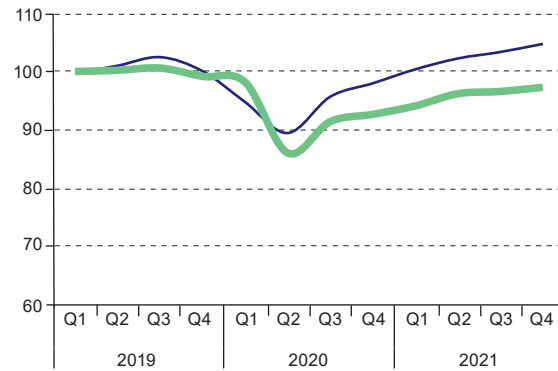
F. Costa Rica



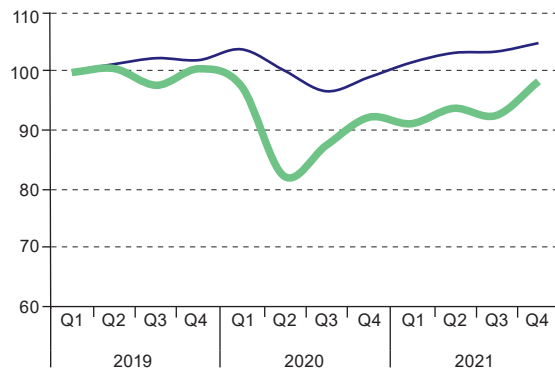
G. Dominican Republic



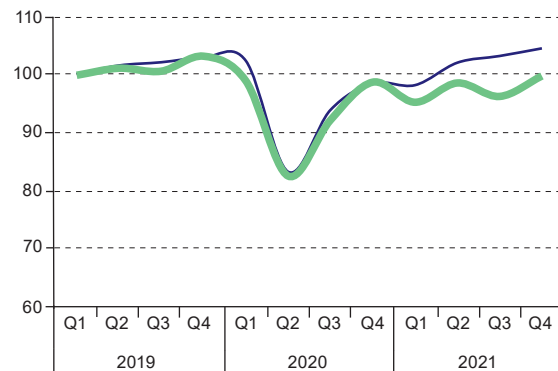
H. Ecuador



I. Jamaica



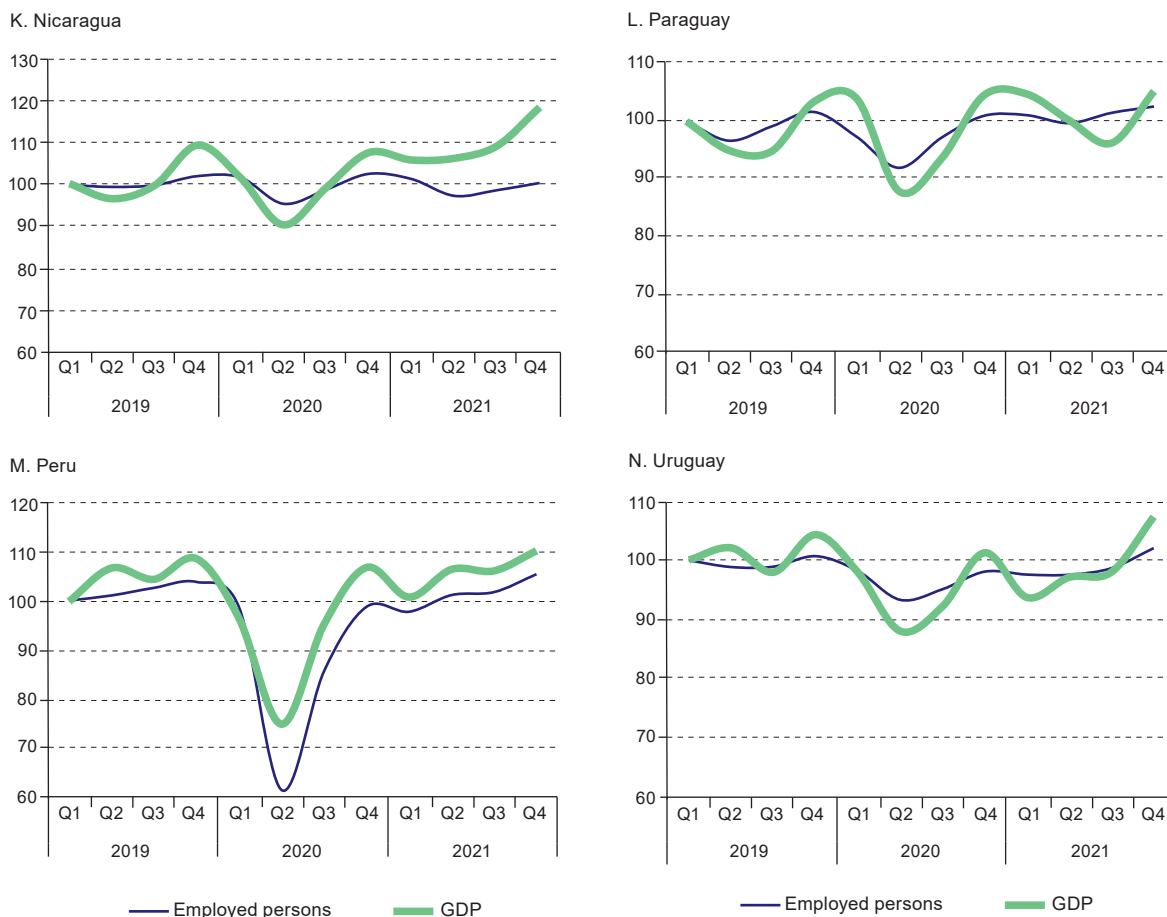
J. Mexico



— Employed persons — GDP

— Employed persons — GDP

Figure I.6 (concluded)



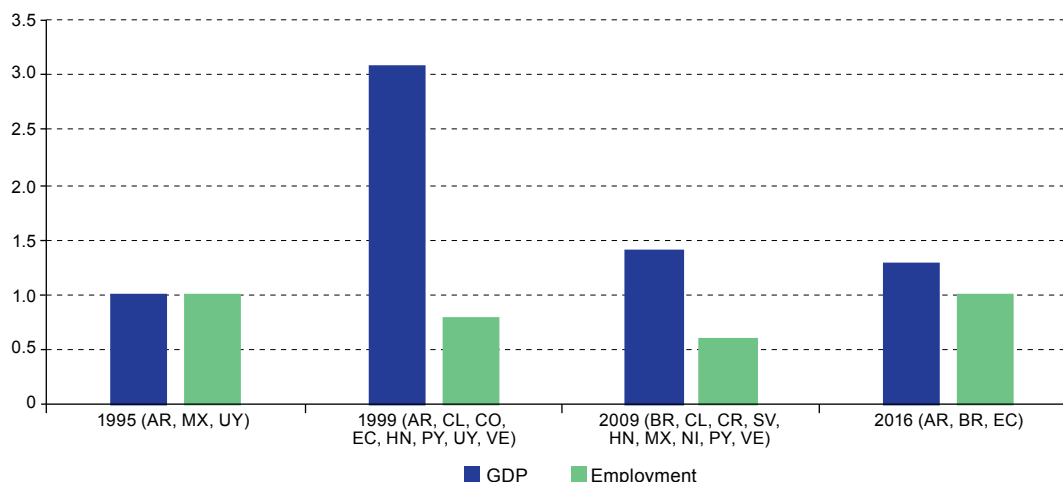
Source: Economic Commission for Latin America and the Caribbean (ECLAC) and International Labour Organization (ILO), on the basis of official information from the countries.

In terms of economic activity, by the fourth quarter of 2021 the vast majority of countries had returned to pre-crisis GDP levels, but in many this was not accompanied by a recovery to pre-crisis employment levels. Figure I.6 shows that the fall was more marked in the number of employed, and that in many countries the curve showing this variable is almost always below the curve for economic activity.

This lag in the recovery of employment as compared to activity sets this crisis apart from previous ones. Figure I.7 shows how long it took for economic activity and employment to recover to pre-crisis levels during past systemic crises. As the figure illustrates, countries experiencing a GDP contraction in 1995, 1999, 2009 or 2016 took 1.0, 3.1, 1.5 and 1.3 years, respectively, to regain the earlier level of economic activity, while employment levels recovered more quickly after the 1999, 2009 and 2016 episodes and simultaneously after that of 1995.

**Figure I.7**

Latin America (13 countries): time required for GDP and employment to return to pre-crisis levels after regional crises, 1995, 1999, 2009 and 2016 (Years)



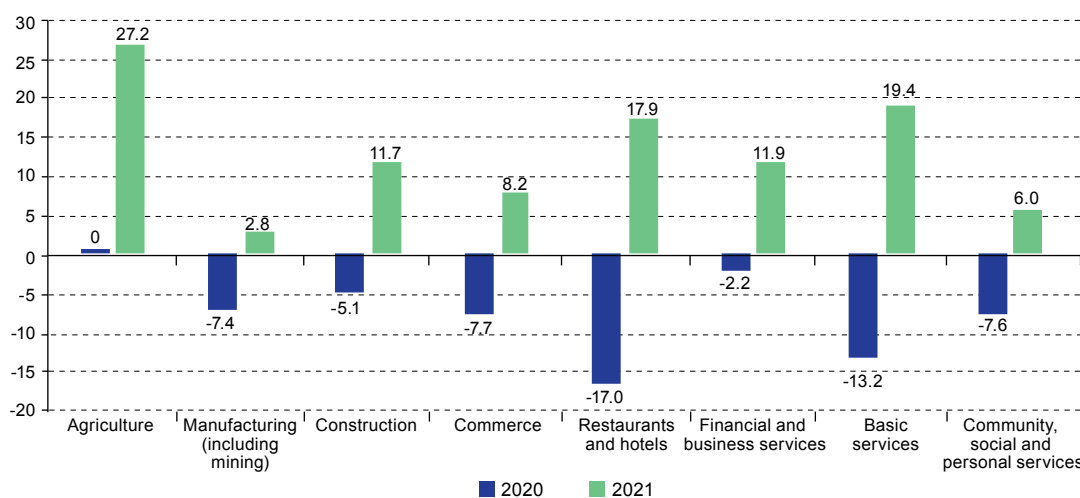
Source: Economic Commission for Latin America and the Caribbean (ECLAC), 2020.

## E. Employment has recovered at different rates in each sector

At the regional level, there were recoveries in the number of employed in all productive sectors during 2021. The rises in the agricultural sector (27.2%), basic services (19.4%), restaurants and hotels (17.9%), financial services (11.9%) and construction (11.7%) were particularly noteworthy. In contrast, the sectors that recorded the slowest growth in the number of employed persons were manufacturing (including mining) (2.8%), community services (6.0%) and commerce (8.0%) (see figure I.8).

**Figure I.8**

Latin America and the Caribbean (11 countries):<sup>a</sup> year-on-year variations in employment, by sectors of activity, 2020 and 2021 (Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC) and International Labour Organization (ILO), on the basis of official information from the countries.

<sup>a</sup> Argentina, Brazil, Chile, Colombia, Costa Rica, the Dominican Republic, Ecuador, Mexico, Paraguay, Peru and the Plurinational State of Bolivia.



Despite the increase in the number of employed persons in all productive sectors, in cases such as manufacturing, commerce, community services and the restaurant and hotel sector, the growth was insufficient to return to the level recorded at the end of 2019 by year-end 2021. At the end of 2019, these productive sectors together had accounted for more than 50% of the total number of employed persons.

Patterns in employment growth have been intricately linked to the recovery in economic activity. The economic sectors in which output grew the most were those with the largest increases in the number of employed (see figure I.9). The exception is the manufacturing industry, which, despite a strong rally in production in the second quarter of 2021, saw more moderate growth in people employed in the sector, as its workforce shrank less during the crisis.

**Figure I.9**  
Latin America and the Caribbean (14 countries):<sup>a</sup> year-on-year variations in employment and GDP, by sectors of activity, 2019–2021  
(Percentages)

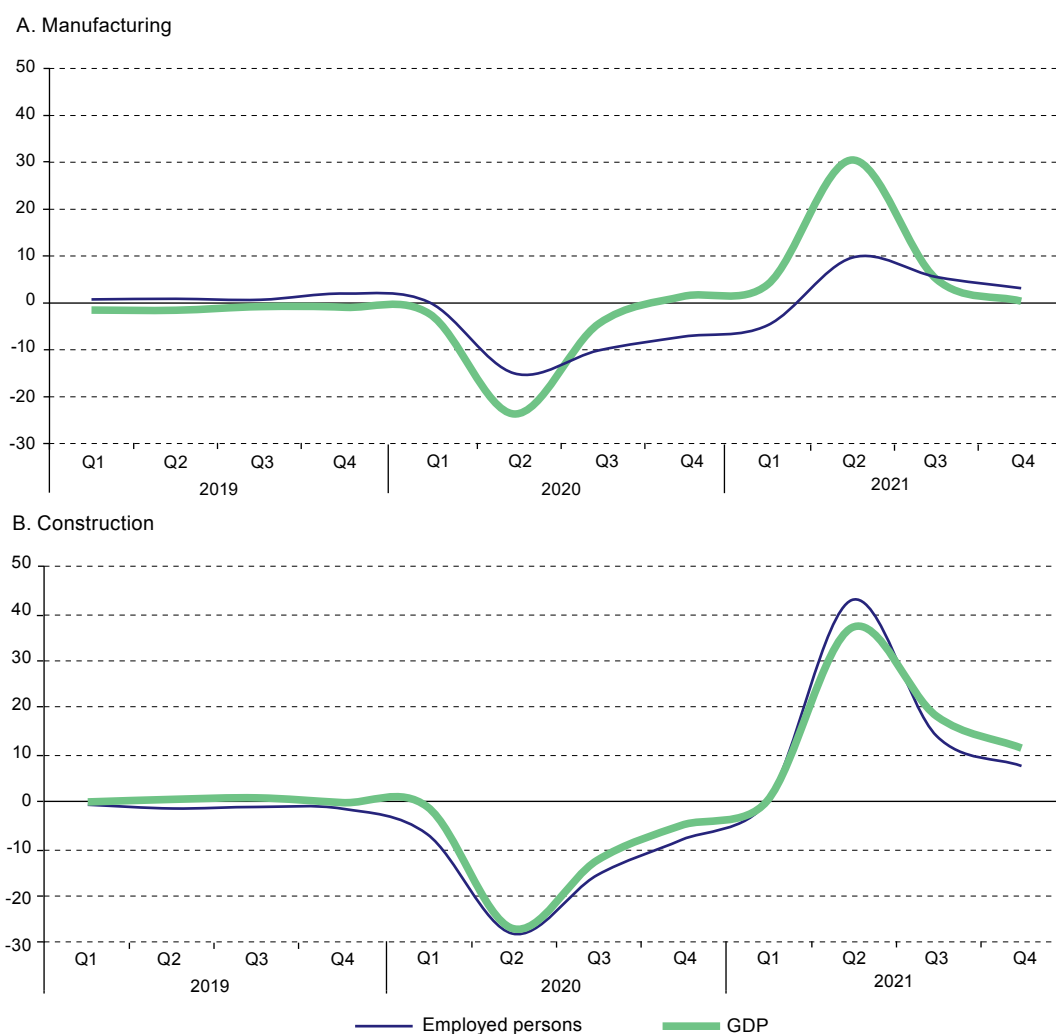


Figure I.9 (continued)

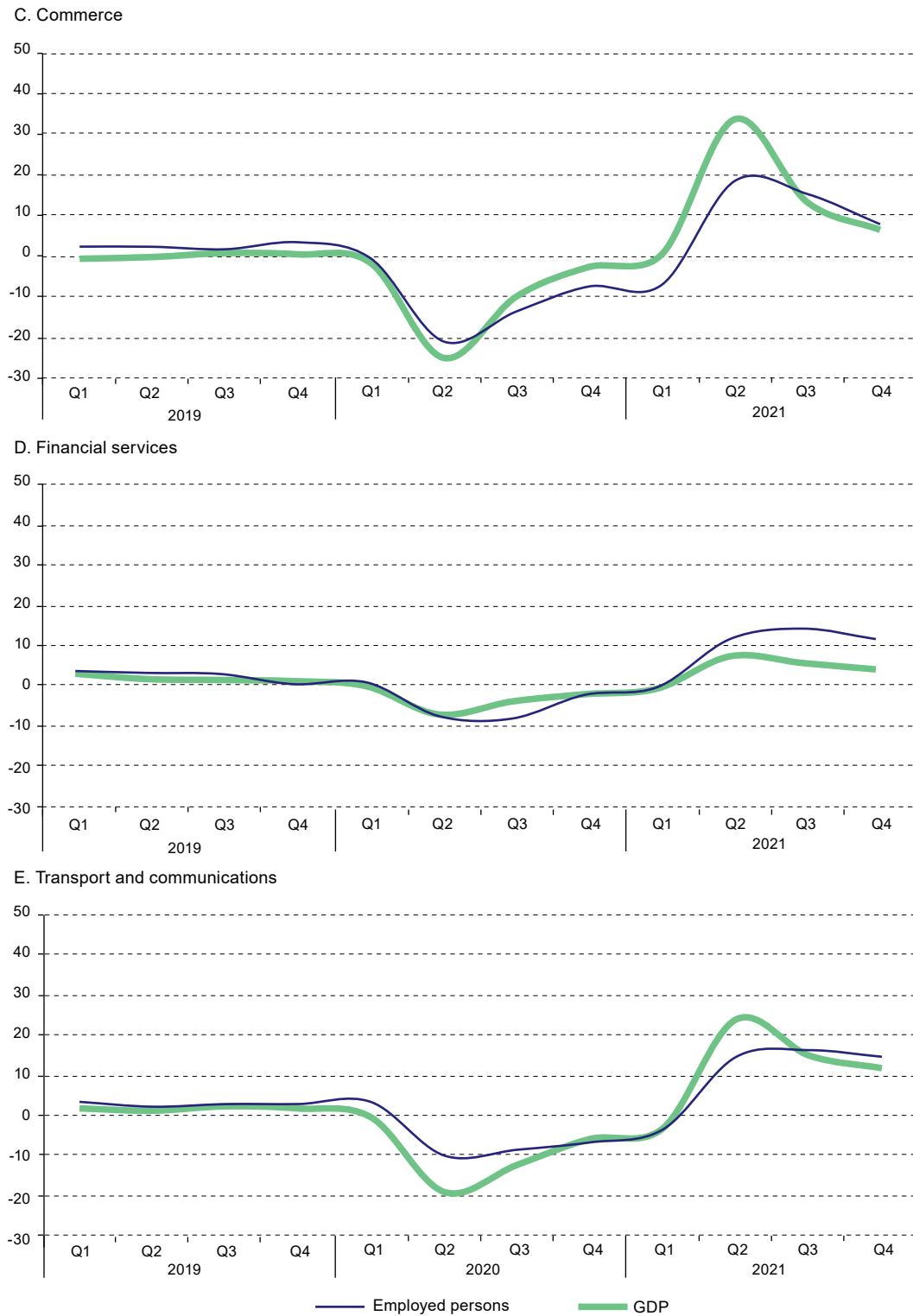
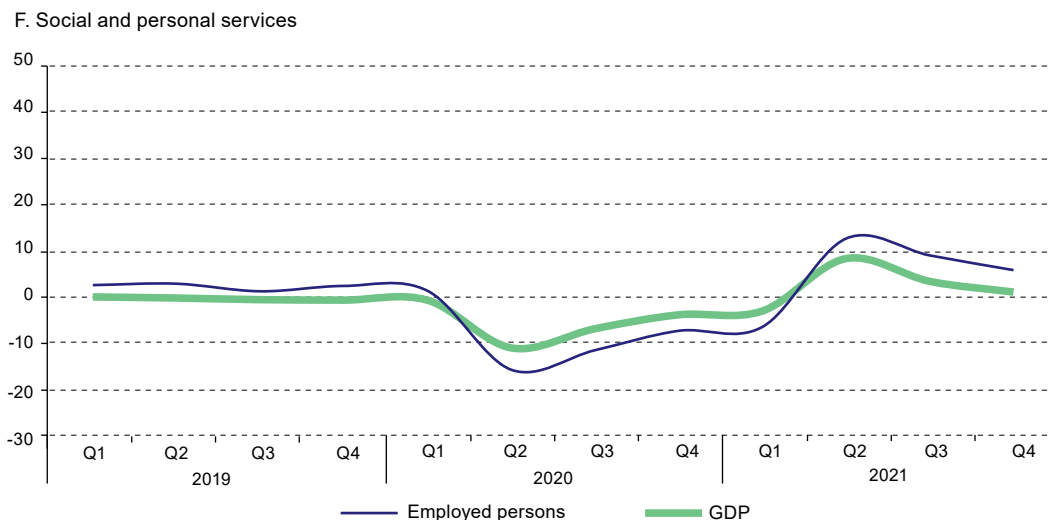


Figure I.9 (concluded)



Source: Economic Commission for Latin America and the Caribbean (ECLAC) and International Labour Organization (ILO), on the basis of official information from the countries.

<sup>a</sup> Argentina, Brazil, Chile, Colombia, Costa Rica, the Dominican Republic, Ecuador, Jamaica, Mexico, Nicaragua, Paraguay, Peru, the Plurinational State of Bolivia and Uruguay.

## F. Patterns in real minimum and average wages have varied throughout the region

In 2020, Argentina, Colombia, Costa Rica, El Salvador, Nicaragua, Panama, Paraguay, Peru, the Plurinational State of Bolivia and Uruguay all recorded falls in real average wages. Declines, which averaged 1.7%, occurred in 10 of the 13 countries for which information is available. In 2021, average wages contracted in six economies (Argentina, Brazil, Nicaragua, Paraguay, Peru and Uruguay), by an average of 2.5%. Five of those six economies had also recorded a contraction in 2020. On average, in those economies, real average wages are 2.8% lower than in 2019. Brazil is the only case in which the real average wage fell in 2021 after rising in 2020.

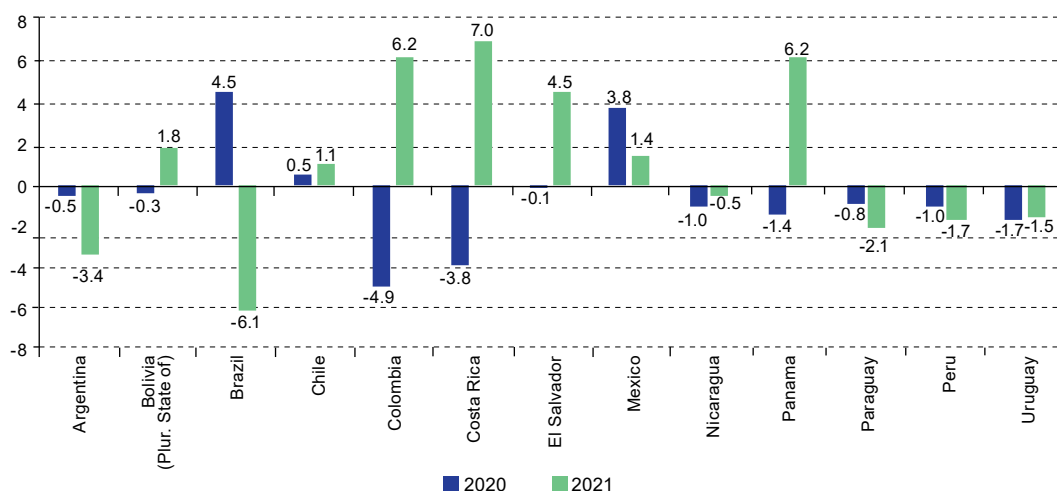
Real average wages improved in 2021 in Colombia, Chile, Costa Rica, El Salvador, Mexico, Panama and the Plurinational State of Bolivia, with an average growth rate of 4.0%. In the five economies where real average wages grew in 2021 after contracting in 2020 (Colombia, Costa Rica, El Salvador, Panama and the Plurinational State of Bolivia), the average increase was 5.2%, meaning that real average wages in those countries in 2021 topped the levels seen in 2019. In two economies in the region, Chile and Mexico, average real wages rose in both 2020 and 2021, growing an average of 2.2% in 2020 and 1.1% in 2021<sup>1</sup> (see figure I.10).

In contrast to the average wage, available data shows that falls in the minimum wage expressed in real terms were more widespread in 2021 than in 2020. In 2020, real minimum wages declined in 9 of the 20 economies for which information is available: Argentina, the Bolivarian Republic of Venezuela, Guatemala, Haiti, Jamaica, Nicaragua, Peru, the Plurinational State of Bolivia and Uruguay. In 2021, real minimum wages contracted in 15 countries: Argentina, the Bolivarian Republic of Venezuela, Brazil, Chile, Costa Rica, Dominican Republic, El Salvador, Guatemala, Haiti, Honduras, Jamaica, Nicaragua, Panama, Paraguay and Peru (see figure I.11).

<sup>1</sup> Wage trends are addressed in more detail in the second part of this report.

**Figure I.10**

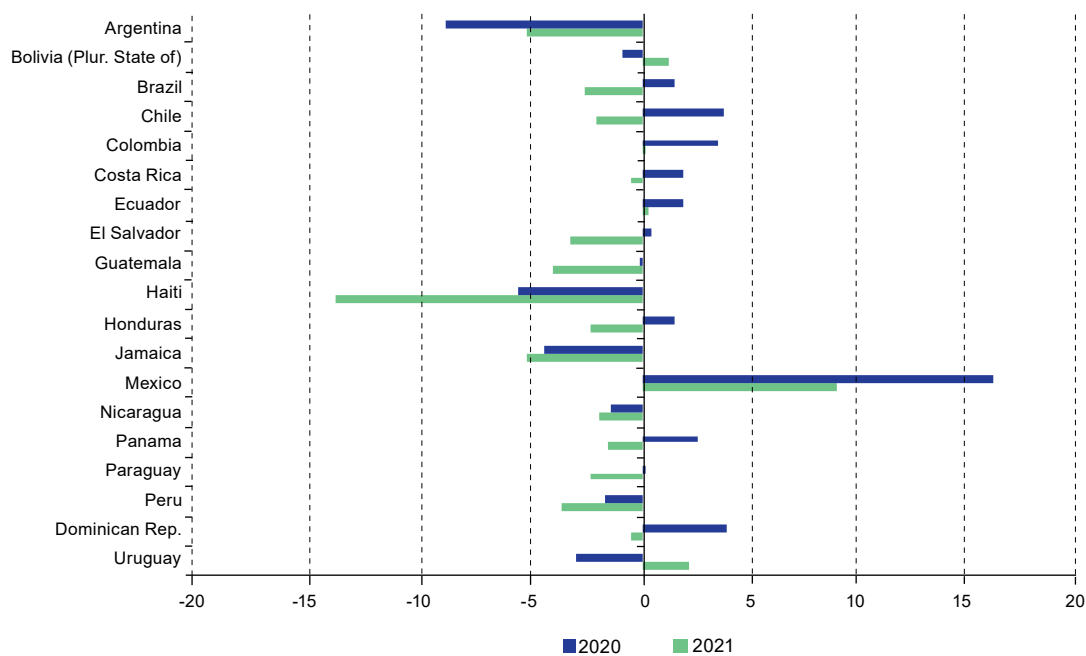
Latin America and the Caribbean (13 countries): year-on-year variations in real average wages, 2020 and 2021 (Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC) and International Labour Organization (ILO), on the basis of official information from the countries.

**Figure I.11**

Latin America and the Caribbean (19 countries): year-on-year variations in real minimum wages, 2020 and 2021 (Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC) and International Labour Organization (ILO), on the basis of official information from the countries.

Note: Data for the Bolivarian Republic of Venezuela were not included in the figure because of the scale.

Although during the initial stages of the crisis caused by COVID-19 in 2020 many governments in the region decided to increase the minimum wage to mitigate the impact on low-income workers, in 2021 this policy was not as widespread (see ECLAC/ILO (2021) and ECLAC (2021)).

Another factor that has undoubtedly affected patterns in real minimum wages in the region has been inflation over the last two years. Following a significant slowing of regional inflation during 2020 owing to a sharp decline in domestic aggregate demand and a fall in energy prices, regional inflation picked up significantly in 2021. At year-end 2021, the rate of inflation was 6.6%,<sup>2</sup> the highest since August 2008, at the time of the global financial crisis.

## G. Outlook

A significant slowdown in the region's growth is expected in 2022. ECLAC (2022) estimates that the economies of Latin America and the Caribbean will grow by 1.8% in 2022, less than half the growth of 2021. These estimates have been revised downward owing to the impact of the conflict between the Russian Federation and Ukraine on global economic growth, international trade and energy prices. In these circumstances, the pace of job creation is also expected to slow.

Progress with vaccination, fewer restrictions on movement and the reopening of schools will help drive a recovery in participation, especially for women. However, the combined effect of higher labour force participation and the slow pace of job creation could push unemployment rates up during the year.

Accelerating inflation will have various effects on labour markets: firstly, the increase in overall costs for companies could further slow job creation in the region and, secondly, the rise in inflation could lead to a further deterioration in workers' real income, which could hamper the recovery in participation, as well as weakening purchasing power and well-being. In addition, employment trends could be affected by monetary authorities' responses to the upturn in inflation, since a significant hike in interest rates could hinder the tentative recovery in economic activity.

In this context, it is essential to adopt measures to alleviate the impact of inflation on household income, in order to mitigate the combined effects on poverty and inequality of a slowdown in growth and a rise in inflation. Authorities should also pursue development of care systems that foster a recovery that includes women and young people in the labour market.

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<sup>2</sup> Economies with chronic inflation are excluded from the estimate: Argentina, the Bolivarian Republic of Venezuela, Haiti and Suriname.

## II. Real wages in Latin America and the Caribbean during the pandemic: data and challenges

### Introduction

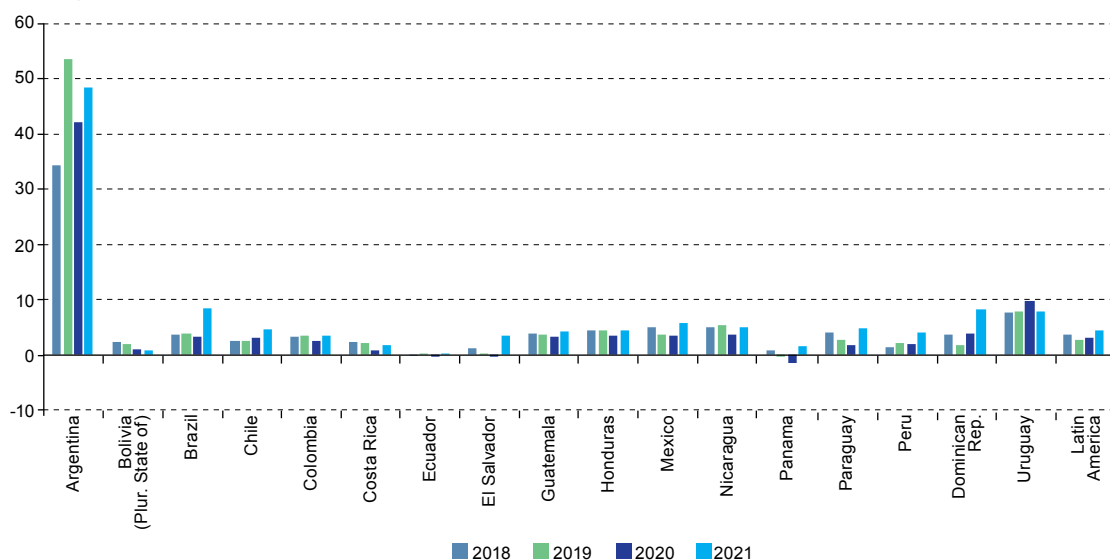
The health crisis caused by the coronavirus disease (COVID-19) pandemic has had a considerable impact on both economic activity and employment in the countries of Latin America and the Caribbean. After sharp contractions in gross domestic product (GDP) and the supply of and demand for labour in 2020, there was a rebound in 2021 involving a gradual recovery in the region's economic activity and labour market, although certain sectors and groups were clearly left behind. In parallel, there was a progressive acceleration of inflation during 2021, both globally and regionally, and this affected patterns in real wages, particularly minimum wages. As discussed below, an analysis of real wages at the regional level in 2021 reveals even poorer performance relative to the pre-pandemic level than in the cases of economic activity and employment.

### A. Higher inflation has affected real minimum wages most

Inflation levels in Latin America and the Caribbean have undergone changes in recent years, particularly in the context of the COVID-19 pandemic. Annual average regional inflation did not rise above 5% from 2018 onward and followed a downward trend until 2021, when it increased (see figure II.1). At the country level, while these trends broadly hold, there are differences in magnitude. Thus, inflation rates in dollarized countries such as Ecuador, El Salvador and Panama have been relatively low (and were even negative in 2020), while Argentina has had average annual inflation above 30%.

Figure II.1

Latin America and the Caribbean (17 countries): average annual inflation, 2018–2021 (Percentages)



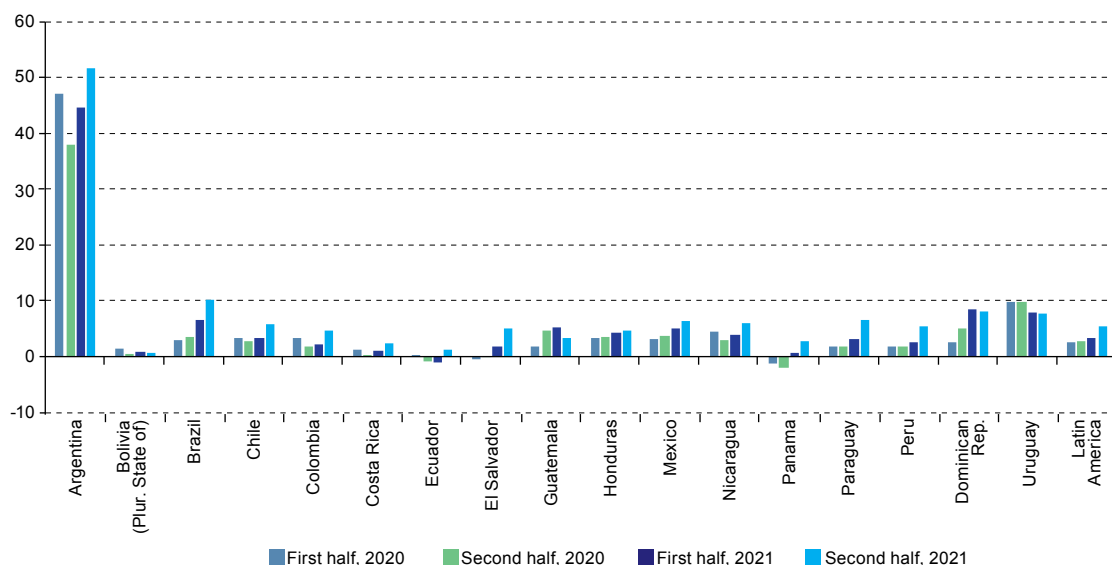
Source: Economic Commission for Latin America and the Caribbean (ECLAC) and International Labour Organization (ILO), on the basis of official information.

In 2020 and 2021, regional price indices reflected the effects of the health crisis on aggregate demand and supply. As figure II.2 shows, average regional inflation remained below 5% in both halves of 2020, in a context where lockdown and physical distancing measures caused regional GDP to fall as a result of substantial declines in output and aggregate demand and a sharp contraction in the labour market (ECLAC/ILO, 2021; ECLAC, 2022). While the combination of these factors meant lower price pressures in 2020, there were major efforts to stimulate demand through fiscal and monetary policy responses that took the form of both transfers and lower interest rates, and the effects of these started to come through from the last quarter of 2020 with the gradual recovery in economic activity (ECLAC, 2022; ILO, 2022a). This process continued in 2021 as vaccination programmes progressed, lockdowns were increasingly eased and transfer programmes were maintained or extended, the result being a recovery in economic activity and an increase in inflation (ECLAC/ILO, 2021). The rise in inflation over 2021 was also influenced by external factors such as problems with supply chains and international transport, as well as higher prices for a number of commodities, particularly fuels (ECLAC, 2022; ILO, 2022a). Thus, most countries recorded higher inflation during 2021, especially in the second half of the year, when the median regional inflation rate exceeded 5%.

**Figure II.2**

Latin America and the Caribbean (17 countries): average half-yearly inflation rates during the COVID-19 pandemic, 2020–2021

(Percentages)



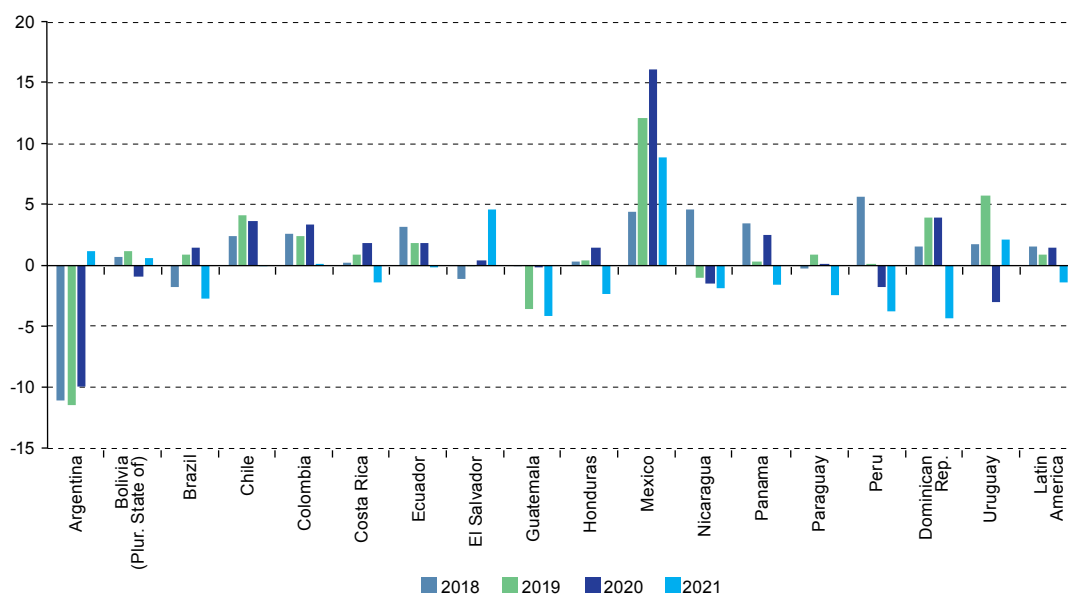
Source: Economic Commission for Latin America and the Caribbean (ECLAC) and International Labour Organization (ILO), on the basis of official information.

Note: Annualized inflation.

The increase in regional inflation had an impact on trends in real minimum wages. As figure II.3 shows, real minimum wages had been growing in the region since 2018, in a context of controlled inflation in which most countries made at least one periodic adjustment to the nominal minimum wage (ILO, 2022a). Indeed, with the exceptions of Argentina, El Salvador and Guatemala, real minimum wages were raised in all the countries between 2018 and 2020; in Mexico, most notably, the cumulative increase was 35.8% in the period. However, the rise in inflation in 2021 had a negative impact on real minimum wages in the region, in terms of both the number of countries where the indicator contracted (10 countries) and the size of the median regional contraction (-1.4%).

**Figure II.3**

Latin America and the Caribbean (17 countries): real minimum wages, annual averages, 2018–2021 (Percentages)



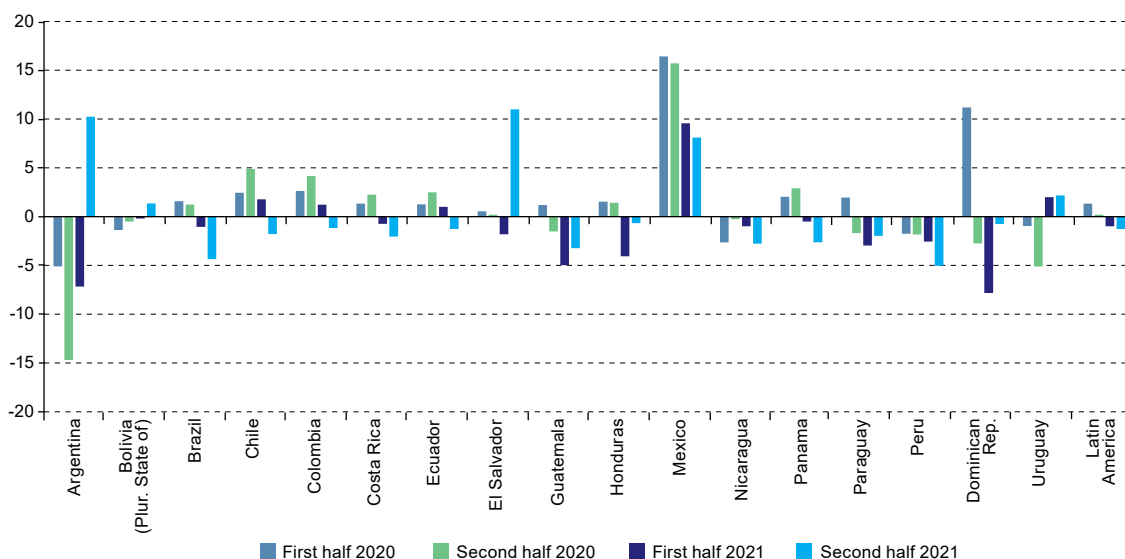
Source: Economic Commission for Latin America and the Caribbean (ECLAC) and International Labour Organization (ILO), on the basis of official information.

In particular, the fall in the purchasing power of minimum wages is linked to the upward trend in inflation, as adjustments are usually based on past inflation. As figure II.4 shows, the average change in real minimum wages at the regional level tended to decelerate in the second half of 2020 and to turn increasingly negative in 2021, as half-yearly inflation increased. With the exceptions of Mexico, El Salvador, Uruguay, Argentina and the Plurinational State of Bolivia (in order of magnitude), where the real minimum wage increased (especially in the second half of 2021), in most countries the indicator contracted as inflation accelerated, likewise mainly in the second half of 2021. As table II.1 shows, most countries continued to adjust their nominal minimum wage at least once a year between 2019 and 2021. The fact that most adjustments were made early in the year influenced the loss of purchasing power in 2021, in a context of rising inflation.



Figure II.4

Latin America and the Caribbean (17 countries): real minimum wages, six-monthly average changes during the COVID-19 pandemic, 2020–2021  
(Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC) and International Labour Organization (ILO), on the basis of official information.

Note: Annualized changes.

Table II.1

Latin America and the Caribbean (17 countries): annual adjustments in nominal minimum wages, 2019–2021

	2019	2020	2021
No adjustments	El Salvador, Guatemala, Nicaragua, Panama and Peru	Bolivia (Plurinational State of), Dominican Republic, El Salvador, Paraguay and Peru	Ecuador, Guatemala, Panama and Peru
One adjustment	Bolivia (Plurinational State of), Brazil, Chile, Colombia, Costa Rica, Dominican Republic, Ecuador, Honduras, Mexico, Paraguay and Uruguay	Brazil, Colombia, Costa Rica, Ecuador, Guatemala, Honduras, Mexico, Nicaragua, Panama and Uruguay	Bolivia (Plurinational State of), Brazil, Chile, Colombia, Costa Rica, Dominican Republic, El Salvador, Honduras, Mexico, Nicaragua, Paraguay and Uruguay
Two adjustments		Argentina, Chile	
More than two adjustments	Argentina		Argentina

Source: Economic Commission for Latin America and the Caribbean (ECLAC) and International Labour Organization (ILO), on the basis of official information.

## B. The impact of the pandemic on real wages in the region

Along with progressively rising inflation, there were a variety of factors in the region that, taken together, impacted average real wages during 2020 and 2021. One was the large-scale destruction of employment caused by the health crisis in 2020, particularly among sectors and groups with lower wage levels, such as women, youth, domestic workers and those living in poverty, as well as in the services sector (ILO, 2022a; ECLAC/ILO, 2021).

While employment did recover in 2021, as discussed in the first part of this report, it was still below pre-crisis levels in these groups and sectors. These factors generated a composition effect that influenced the average wage in most countries, since the wages of the most affected workers were no longer included in the average. Conversely, higher-income employees, who were less likely to lose their jobs in 2020 and experienced a faster recovery in 2021, had a larger weighting in the averages, even in the absence of any nominal increase in their wages.

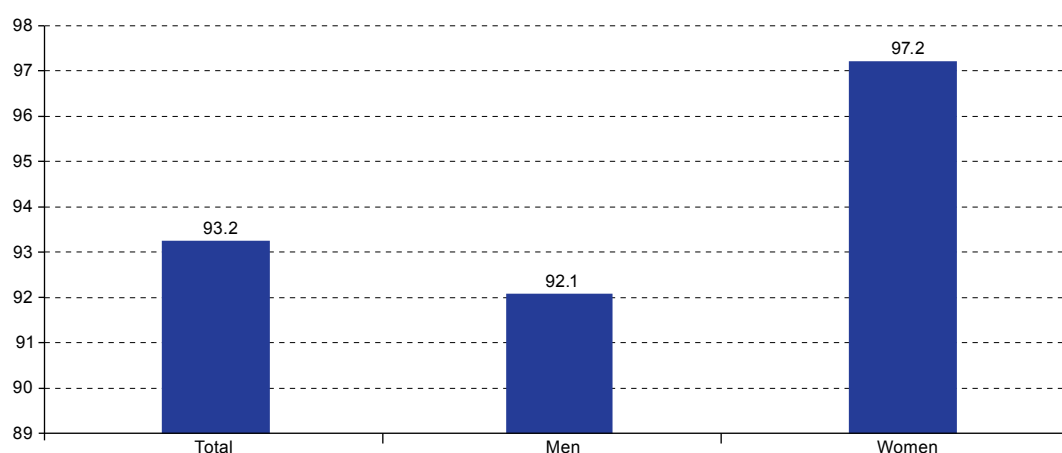
As a consequence, the smaller relative presence of lower-income groups and the larger relative presence of higher-income groups affected the measurement of both the average real wages of these groups and the regional average, in the case of measures based on the countries' household surveys, such as the data included in this report. This may mean that they differ from pay statistics, which are compiled at the national level on the basis of surveys of organizations that maintain stable samples (the same comparator group is followed), largely eliminating the employment recomposition effect.

Since it would not make much sense to present changes in average wages between 2019 and 2020 as increases, given that these data are distorted by the large-scale destruction of low-paid jobs, this report opted for a comparison between 2019 and 2021, since by the latter year most of the employment lost in 2020 had been recovered. Even so, the lagging recovery of employment in some countries and groups of people still affects the comparisons, as will be seen below.

By 2021, after two years of pandemic, average real wages in Latin America and the Caribbean were down 6.8% from their 2019 value. As figure II.5 shows, when the median urban real monthly wage index values for 12 countries are compared with the 2019 figure (taking this as a base of 100), the regional median index in 2021 was 93.2, and the contraction was larger for men (7.9%) than for women (2.8%). As mentioned above, the shallower decline in women's real wages during the years of the health crisis would appear to have been strongly influenced by composition effects related to the destruction of jobs and the slow recovery of women's employment, particularly in lower-paid occupational categories and sectors.

**Figure II.5**

Latin America and the Caribbean (12 countries):<sup>a</sup> median of average real monthly urban wages, in total and by sex, 2021  
(Index: 2019 = 100)

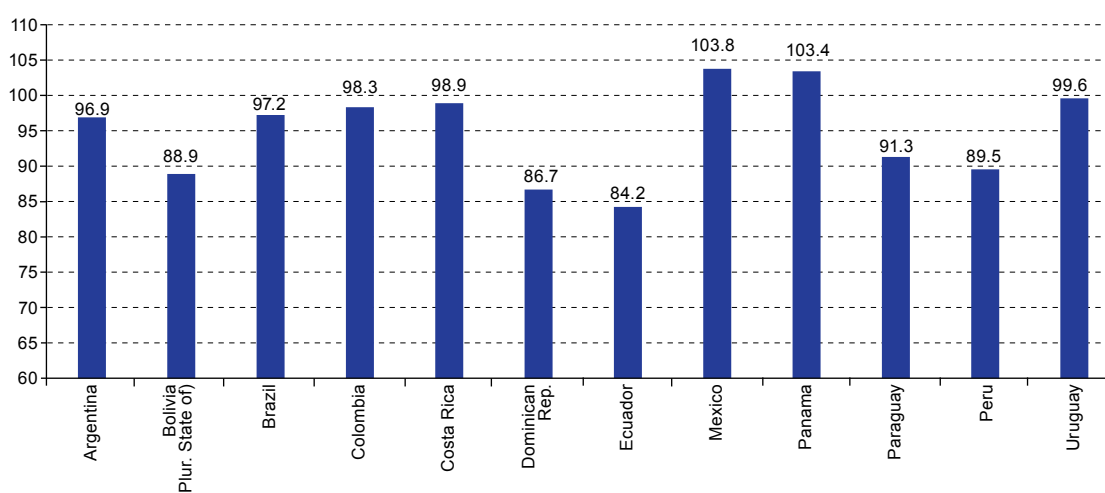


**Source:** Economic Commission for Latin America and the Caribbean (ECLAC) and International Labour Organization (ILO), on the basis of official information.

<sup>a</sup> Argentina, Brazil, Colombia, Costa Rica, the Dominican Republic, Ecuador, Mexico, Panama, Paraguay, Peru, the Plurinational State of Bolivia and Uruguay.

At the national level, there were differences in patterns in real wage indices during the pandemic. As figure II.6 shows, average real wages in Ecuador, the Dominican Republic, the Plurinational State of Bolivia and Peru (in order of magnitude) contracted by more than 10% in 2021 compared with 2019, while Paraguay experienced a fall of 8.7%. During the same period, Argentina, Brazil, Colombia, Costa Rica and Uruguay recorded contractions of between 0% and 5%, whereas in Mexico and Panama there were cumulative increases of more than 3%. While the data show that the health crisis had very different effects on real wages in the different countries (with the overall picture being one of decline), they also show that wages contracted by less in countries that implemented job retention policies (ECLAC/ILO, 2021).

**Figure II.6**  
Latin America and the Caribbean (12 countries): average real monthly urban wages, by country, 2021  
(Index: 2019 = 100)



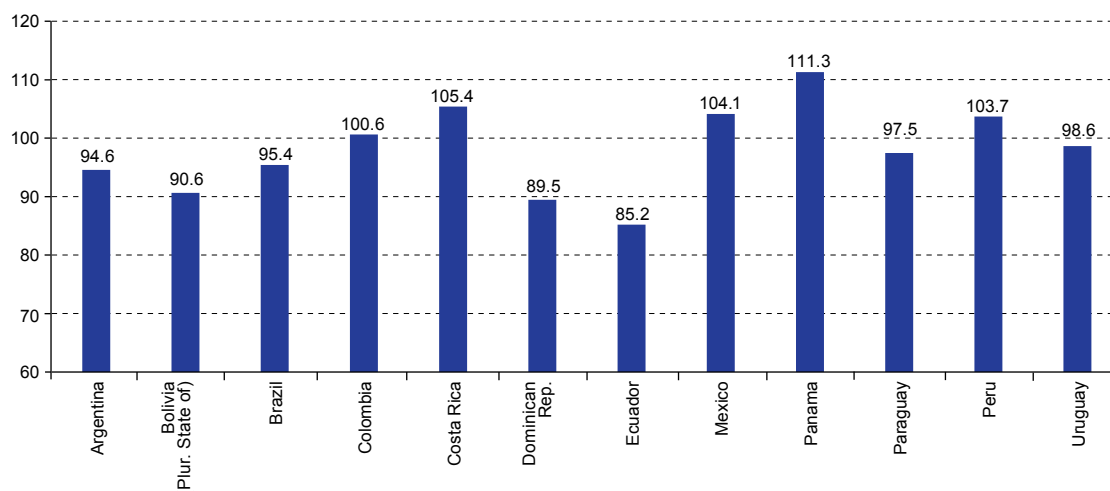
Source: Economic Commission for Latin America and the Caribbean (ECLAC) and International Labour Organization (ILO), on the basis of official information.

Differences are also found when the trend in women's average real wages is analysed by country (see figure II.7). Thus, in Ecuador and the Dominican Republic (in order of magnitude), women's average wages contracted by more than 10% in 2021 compared with 2019, while in the Plurinational State of Bolivia and Argentina they fell by between 5% and 10% over the same period. In Brazil, Paraguay and Uruguay, women's average real wages contracted by less than 5%; in Colombia, there was a slight improvement; in Peru, Mexico and Costa Rica, they increased by between 3% and 6%; and in Panama, there was an increase of 11.3%.

Average real hourly wages evolved similarly to average monthly wages (see figure II.8). In particular, when the median of urban real hourly wage index values in 2021 is compared with the 2019 figure, the regional median in 2021 was 8.4% lower, with a larger decline for men (9.3%) than women (1.4%). As already mentioned, the composition effect following the destruction of women's jobs and the slow recovery of women's employment was one of the reasons why their real hourly wages fell by less. At the same time, the decline in hours also affected women, so that their index value by hours worked, in the aggregate, appears to have improved relative to their average monthly index value.

**Figure II.7**

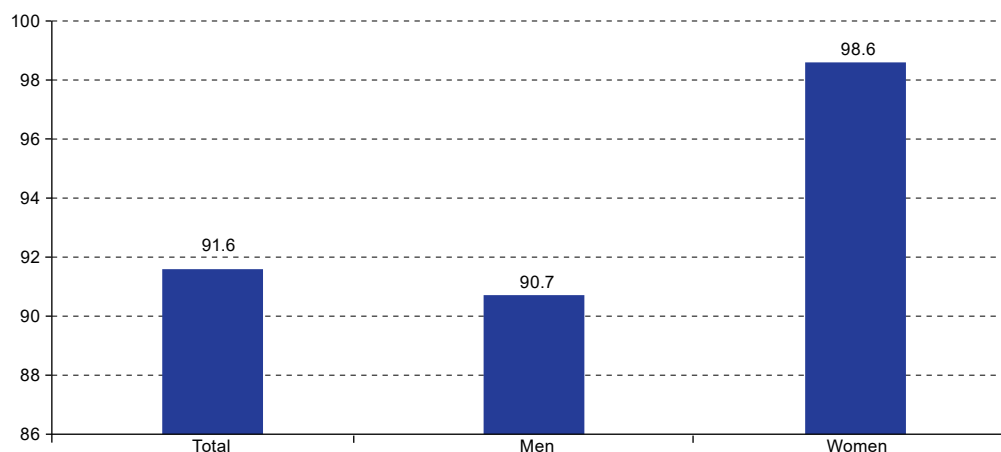
Latin America and the Caribbean (12 countries): women's average real urban monthly wages, by country, 2021  
(Index: 2019 = 100)



Source: Economic Commission for Latin America and the Caribbean (ECLAC) and International Labour Organization (ILO), on the basis of official information.

**Figure II.8**

Latin America and the Caribbean (12 countries):<sup>a</sup> median of average real urban hourly wages, in total and by sex, 2021  
(Index: 2019 = 100)



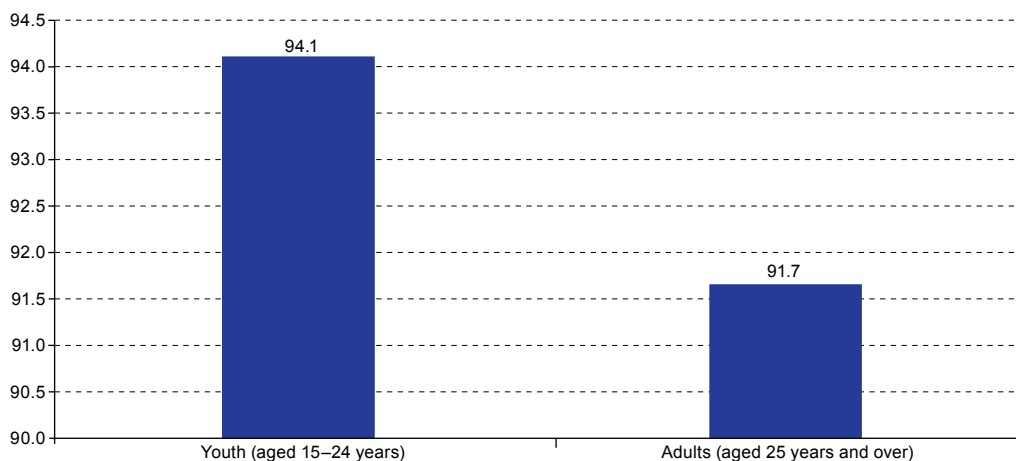
Source: Economic Commission for Latin America and the Caribbean (ECLAC) and International Labour Organization (ILO), on the basis of official information.

<sup>a</sup> Argentina, Brazil, Colombia, Costa Rica, the Dominican Republic, Ecuador, Mexico, Panama, Paraguay, Peru, the Plurinational State of Bolivia and Uruguay.

A differentiated pattern is also seen when average wages are analysed by age. As shown in figure II.9, while the real wages of persons aged 15–24 were down by 5.9% in 2021 compared with pre-pandemic levels, this was less of a drop than for those aged 25 and over (8.3%). Like women, then, the young experienced a smaller decline in real wages during the years of health crisis than older age groups, reflecting composition effects following the destruction of jobs and the slow recovery in employment that particularly affected youth (ILO, 2022a).

**Figure II.9**

Latin America and the Caribbean (12 countries):<sup>a</sup> median of average real monthly urban wages, by age group, 2021  
(Index: 2019 = 100)



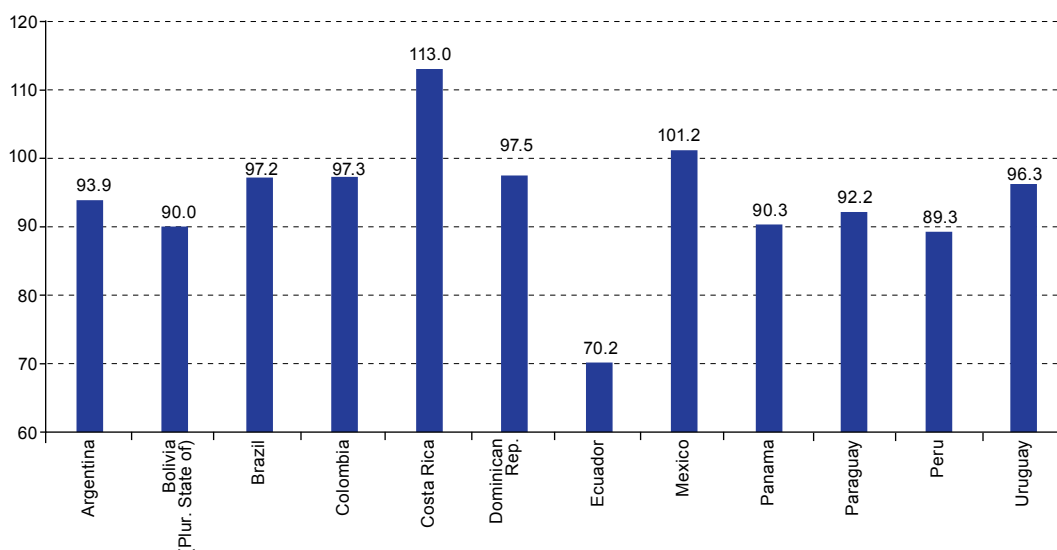
Source: Economic Commission for Latin America and the Caribbean (ECLAC) and International Labour Organization (ILO), on the basis of official information.

<sup>a</sup> Argentina, Brazil, Colombia, Costa Rica, the Dominican Republic, Ecuador, Mexico, Panama, Paraguay, Peru, the Plurinational State of Bolivia and Uruguay.

Patterns in average real youth wages also varied from country to country (see figure II.10). Thus, average real youth wages in Ecuador were around 30% lower in 2021 than in 2019, while in Peru, Panama and the Plurinational State of Bolivia (in order of magnitude), average wages fell by around 10% over the same period. In Paraguay and Argentina, wages fell by between 6% and 8%, while Uruguay, the Dominican Republic, Colombia and Brazil experienced contractions of less than 5%. Lastly, the average real youth wage increased modestly in Mexico, and robustly (13%) in Costa Rica.

**Figure II.10**

Latin America and the Caribbean (12 countries): average real monthly urban wages for youth aged 15–24 years, by country, 2021  
(Index: 2019 = 100)



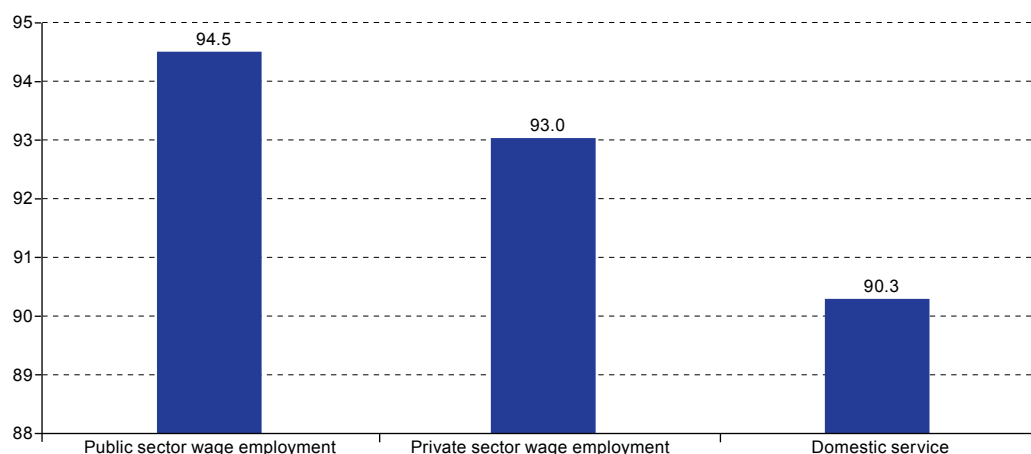
Source: Economic Commission for Latin America and the Caribbean (ECLAC) and International Labour Organization (ILO), on the basis of official information.

## C. Wages by occupational category, branch of activity and educational level

Wage adjustments by occupational category reflect differences associated with the characteristics of the employment arrangements of the region's wage earners. As figure II.11 shows, real monthly wages in occupational categories with more stable employment conditions, such as public sector employment, were down by 5.5% in 2021 from their pre-pandemic levels, but this was less of a drop than for private sector wage earners (7.0%) in the same period. Wages in domestic service fell by even more (9.7%), suggesting a worsening of the conditions of acute informality and insecurity characterizing employment conditions in this occupational category. The wage decline in 2020 was steepest for occupations of this type, and the recovery in 2021 was much slower than for other occupations, but the data on wage trends in domestic service indicate a sharp deterioration in wage conditions in a context where demand for this service was strongly impacted by the decline in household incomes during the health crisis.

**Figure II.11**

Latin America and the Caribbean (12 countries):<sup>a</sup> median of average real monthly urban wages, by occupational category, 2021  
(Index: 2019 = 100)



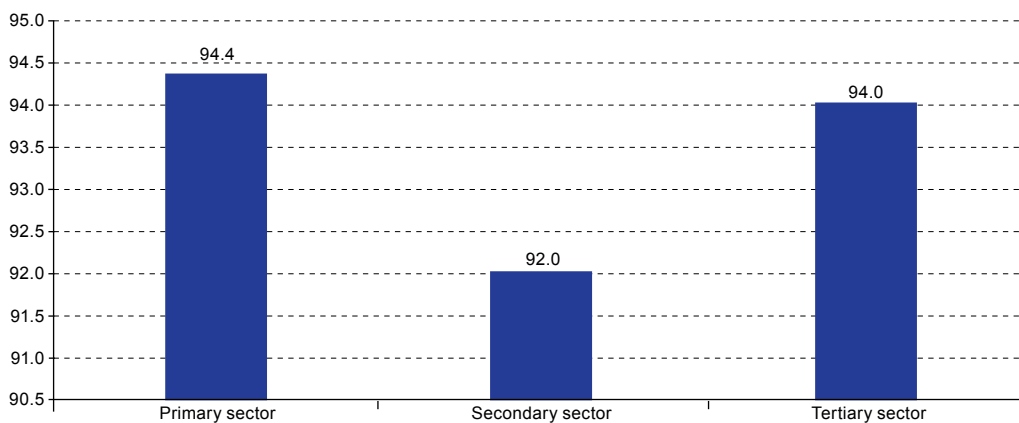
**Source:** Economic Commission for Latin America and the Caribbean (ECLAC) and International Labour Organization (ILO), on the basis of official information.

<sup>a</sup> Argentina, Brazil, Colombia, Costa Rica, the Dominican Republic, Ecuador, Mexico, Panama, Paraguay, Peru, the Plurinational State of Bolivia and Uruguay.

When the pattern in wages by branch of activity is considered, it can also be seen that it was affected by the composition effects seen during the health crisis. In the region, as figure II.12 shows, the average real wages that contracted most sharply in 2021 from pre-pandemic levels were those in the secondary sector (electricity, gas and water, manufacturing, construction), which fell by 8.0%, while the declines in the primary sector (agriculture, fishing and mining) and tertiary sector (services) were smaller, at 5.6% and 6.0%, respectively. In particular, employment patterns in the service sectors were similar to those for youth and women, which would explain the lower impact on their wages relative to the secondary sector.

Figure II.12

Latin America and the Caribbean (12 countries):<sup>a</sup> median of average real monthly urban wages, by sector of activity,<sup>b</sup> 2021  
(Index: 2019 = 100)



Source: Economic Commission for Latin America and the Caribbean (ECLAC) and International Labour Organization (ILO), on the basis of official information.

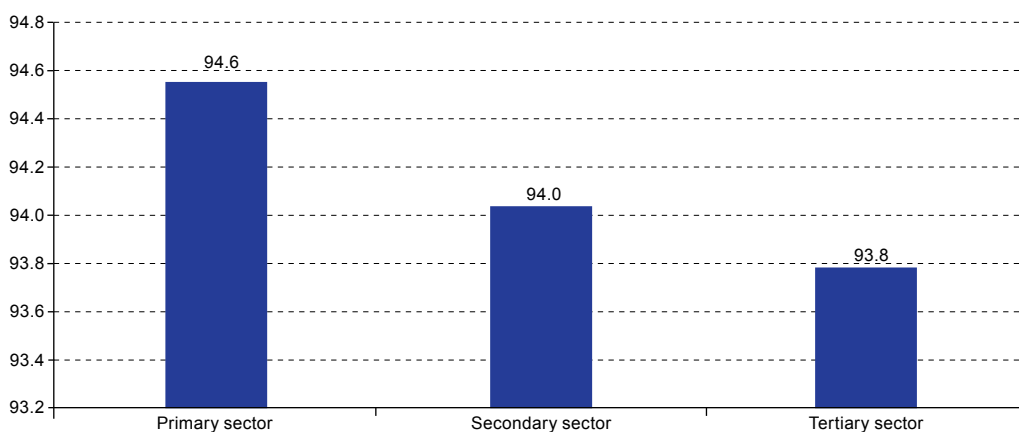
<sup>a</sup> Argentina, Brazil, Colombia, Costa Rica, the Dominican Republic, Ecuador, Mexico, Panama, Paraguay, Peru, the Plurinational State of Bolivia and Uruguay.

<sup>b</sup> The primary sector comprises agriculture, fishing and mining, the secondary sector electricity, gas and water, manufacturing, and construction, and the tertiary sector comprises trade, transport, storage and communications, financial establishments, and community, social and personal services. Unspecified activities are excluded.

Lastly, wages also followed different trends by level of education (see figure II.13). Regionally, wages were lower in 2021 than in 2019 for employees of every educational level, although the declines were larger for employees with tertiary education (6.2%) than for those with secondary education (6.0%) and primary education (5.4%). In particular, employees with lower levels of education seem to have experienced patterns similar to those of the groups that were the last to benefit from the recovery in employment during the pandemic.

Figure II.13

Latin America and the Caribbean (12 countries):<sup>a</sup> median of average real monthly urban wages, by educational level,<sup>b</sup> 2021  
(Index: 2019 = 100)



Source: Economic Commission for Latin America and the Caribbean (ECLAC) and International Labour Organization (ILO), on the basis of official information.

<sup>a</sup> Argentina, Brazil, Colombia, Costa Rica, the Dominican Republic, Ecuador, Mexico, Panama, Paraguay, Peru, the Plurinational State of Bolivia and Uruguay.

<sup>b</sup> Primary education comprises those who have completed the primary school level (as defined by each country); secondary education all those who have completed the secondary level (as defined by each country); and tertiary education all those who have studied at the tertiary level, regardless of whether they completed those studies.

## D. Reflections and lessons learned

As discussed throughout the second part of this report, a number of elements influenced the trends in regional wages during the pandemic. Inflation was stable in 2020, but from 2021 onward the context of recovering economic activity and demand, together with rising transport and input costs, progressively pushed up inflation, both at the country level and in the region as a whole. Price increases accelerated in each six-month period, with the largest rises in the second half of 2021.

Recent inflation developments have had the clearest impact on real minimum wages. Most countries in the region continued to raise nominal minimum wages during the pandemic, generally once a year (and usually at the beginning of each year), on the basis of past inflation. This procedure was appropriate to the low levels of inflation seen until 2020 and the sharp economic and employment contraction during the first year of the health crisis. However, the acceleration of inflation over 2021 negatively impacted the purchasing power of real minimum wages. The situation could actually worsen in 2022, when even larger increases in inflation are expected (ECLAC, 2022).

In a context in which there is still some way to go before employment recovers to pre-pandemic levels, the ability to raise the nominal minimum wage in order to compensate for the losses caused by rising inflation is crucial. The reactivation of mechanisms for dialogue between governments, workers and employers to set minimum wage increases has great potential as a way of reconciling the needs of labour market stakeholders, potentially serving to implement minimum wage increases that compensate for higher inflation while considering their impact both on production costs, especially for micro, small and medium-sized enterprises (MSMEs), and on the creation and recovery of employment.

Again, average real wages in the region in 2021 were found to be 6.8% below their 2019 levels. Wages were even slower to recover than economic activity, which was back to its pre-pandemic level, and employment, which was also close to pre-pandemic levels, as discussed in the first part of this report. Thus, given the economic environment of higher inflation and the uneven recovery of employment across different groups and sectors, it is essential to activate institutionalized instruments such as collective bargaining so that discussions can take place at the level of production units and branches of activity on the wage adjustments required to meet both workers' need to make up for the loss of real wages caused by inflation and the need of enterprises and sectors to match wage increases to productivity (ILO, 2022b).

The pattern in the real wages of employees who were in a more vulnerable situation during the pandemic, such as women, youth and those employed in service sectors or with less education, had paradoxical characteristics: although the real wages of these groups fell from pre-pandemic levels, they did so less sharply than those of the other groups. As discussed above, this is mainly due to employment composition effects, which impacted the average wages of these groups. However, as the scope for job recovery grows for them, average real wages will begin to reflect the wage gaps they face in the post-pandemic period. This being so, policies to assist people in finding wage employment (such as hiring subsidies), targeted at the most vulnerable groups, will not only help employment recover faster for these groups, but will also help to secure wage conditions no worse than those seen before the pandemic.

Lastly, there are groups, such as people working in domestic service, that were particularly hard hit during the pandemic, both by job losses and by disproportionate declines in their real wages. Given the greater informality that tends to characterize labour relations in domestic service and the effect the pandemic had on the income of households requiring these services, policies that promote both the formalization of domestic service employment and labour inspection mechanisms to enforce employment and wage conditions for this group of workers must be a priority.



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## Annex A1

Table A1.1

Latin America and the Caribbean: average annual national unemployment rates by year, by country and sex, 2010–2021  
(Percentages)

Country	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Latin America												
Argentina <sup>a</sup>	7.7	7.2	7.2	7.1	7.3	6.5	8.5	8.4	9.2	9.8	11.5	8.8
Men	6.7	6.3	6.1	6.1	6.5	5.7	7.8	7.5	8.2	9.2	10.8	7.9
Women	9.2	8.5	8.8	8.5	8.4	7.6	9.4	9.5	10.5	10.7	12.4	9.9
Bolivia (Plurinational State of) <sup>b</sup>	...	2.7	2.3	2.9	2.3	3.5	3.5	3.6	3.5	3.7	8.3	5.1
Men	...	2.2	1.6	2.3	1.7	3.0	3.1	3.3	3.4	3.4	7.9	4.6
Women	...	3.2	3.1	3.5	3.1	4.2	4.0	4.0	3.6	4.0	8.7	5.6
Brazil <sup>c</sup>	...	6.7	7.4	7.2	6.9	8.6	11.6	12.8	12.4	12.0	13.8	13.2
Men	...	4.9	6.0	5.8	5.8	7.3	10.1	11.2	10.8	10.1	11.8	10.7
Women	...	9.1	9.4	9.1	8.5	10.4	13.7	14.9	14.5	14.4	16.3	16.5
Chile <sup>d</sup>	8.4	7.3	6.6	6.1	6.5	6.3	6.7	7.0	7.4	7.2	10.8	8.9
Men	7.3	6.2	5.6	5.4	6.1	5.8	6.3	6.5	6.7	6.7	10.6	8.6
Women	9.9	8.9	8.1	7.1	7.1	7.0	7.2	7.5	8.3	8.0	11.0	9.2
Colombia <sup>e</sup>	11.0	10.1	9.7	9.0	8.5	8.3	8.6	8.8	9.1	9.9	15.1	13.4
Men	8.6	7.9	7.5	7.0	6.7	6.4	6.8	6.9	7.1	7.8	12.3	10.6
Women	14.2	13.1	12.7	11.7	11.0	10.8	11.1	11.4	11.6	12.6	19.2	17.3
Costa Rica <sup>f</sup>	8.9	10.3	10.2	9.4	9.6	9.6	9.5	9.1	10.3	11.8	19.6	16.4
Men	7.6	8.7	8.9	8.3	8.1	8.0	8.0	7.5	8.4	9.3	15.6	12.7
Women	11.0	13.0	12.2	11.1	11.9	12.2	12.1	11.6	13.2	15.3	25.7	22.0
Ecuador <sup>g</sup>	4.0	3.4	3.2	3.0	3.4	3.6	4.5	3.8	3.5	3.8	6.2	4.5
Men	3.5	2.9	2.8	2.7	3.0	3.0	3.7	3.0	2.9	3.2	5.3	3.6
Women	4.9	4.2	3.8	3.7	4.1	4.5	5.8	4.9	4.4	4.6	7.6	5.7
El Salvador	7.0	6.6	6.1	5.9	7.0	7.0	7.1	7.0	6.3	6.3	6.9	...
Men	8.4	8.2	7.3	6.8	8.6	8.4	8.1	8.3	7.3	7.0	7.1	...
Women	5.1	4.4	4.3	4.7	4.7	5.0	5.3	5.2	4.9	5.4	6.6	...
Guatemala <sup>h</sup>	3.7	4.1	2.9	3.1	2.9	2.6	2.7	2.5	2.4	2.2	...	2.2
Men	3.2	2.9	2.4	2.7	2.6	2.0	2.2	2.0	2.1	1.8	...	1.8
Women	4.0	6.6	3.6	3.7	3.5	3.6	3.5	3.5	2.9	3.0	...	2.9
Honduras <sup>i</sup>	3.9	4.3	3.6	3.9	5.3	7.3	7.4	6.7	5.7	5.7	10.9	8.6
Men	3.2	3.3	2.9	3.3	4.5	4.4	5.1	4.0	4.5	4.2	8.7	7.0
Women	5.2	6.1	5.0	4.9	6.7	11.8	10.7	10.8	7.4	8.1	13.7	10.7
Mexico <sup>j</sup>	5.3	5.2	4.9	4.9	4.8	4.3	3.9	3.4	3.3	3.5	4.4	4.1
Men	5.4	5.2	4.9	4.9	4.8	4.3	3.8	3.3	3.2	3.5	4.7	4.2
Women	5.2	5.2	4.9	5.0	4.9	4.5	3.9	3.6	3.4	3.5	4.1	3.6
Nicaragua	7.9	6.0	5.9	5.8	6.6	5.9	4.5	3.7	5.5	5.4	5.0	4.5
Men	7.3	5.5	5.4	5.6	6.2	5.6	4.2	3.5	5.4	5.4	5.2	4.6
Women	8.7	6.6	6.6	6.0	7.0	6.3	4.8	3.8	5.5	5.5	4.7	4.4
Panama <sup>k</sup>	4.8	3.0	3.1	3.2	3.5	3.9	4.4	4.9	4.9	5.8	18.6	8.8
Men	3.7	2.6	2.5	2.5	2.7	3.1	3.7	3.8	3.9	4.8	13.6	8.3
Women	6.5	3.6	3.9	4.1	4.6	5.0	5.4	6.4	6.4	7.3	24.7	9.6
Paraguay <sup>l</sup>	5.7	5.5	4.6	5.0	6.0	5.4	6.0	6.1	6.2	6.6	7.7	7.5
Men	4.6	4.3	3.7	4.5	4.6	4.9	5.0	5.0	5.4	5.5	5.9	5.9
Women	7.4	7.3	5.8	5.7	8.1	6.1	7.5	7.6	7.4	8.0	10.2	9.7
Peru <sup>m</sup>	4.1	4.0	3.7	4.0	3.7	3.5	4.2	4.1	3.9	3.9	7.7	5.7
Men	3.6	3.7	3.2	3.4	3.4	3.4	3.9	3.8	3.5	3.5	7.6	5.1
Women	4.7	4.4	4.4	4.7	4.0	3.6	4.6	4.4	4.4	4.5	7.7	6.4
Uruguay <sup>n</sup>	7.2	6.3	6.5	6.5	6.6	7.5	7.8	7.9	8.3	8.9	10.1	9.4
Men	5.3	4.8	4.9	5.0	5.1	6.4	6.5	6.6	6.9	7.3	8.7	8.0
Women	9.4	8.1	8.3	8.2	8.3	8.9	9.4	9.5	10.1	10.7	12.4	10.9
Venezuela (Bolivarian Republic of)	8.7	8.3	8.1	7.8	7.2	7.1	7.3	7.3	7.3	6.8	...	...
Men	8.5	7.7	7.4	7.1	6.7	6.7	7.0	6.4	6.4	6.4	...	...
Women	9.0	9.2	9.0	8.8	8.1	7.8	7.7	8.6	8.6	7.5	...	...
Spanish-speaking Caribbean												
Cuba	2.5	3.2	3.5	3.3	2.7	2.5	2.0	1.7	1.7	1.3	1.4	...
Men	2.4	3.0	3.4	3.1	2.4	2.4	1.9	1.7	1.6	1.2	1.3	...
Women	2.7	3.5	3.6	3.5	3.1	2.6	2.2	1.6	1.8	1.2	1.6	...

Table A1.1 (concluded)

Country	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Dominican Republic <sup>a</sup>	5.2	6.1	6.7	7.4	6.7	7.3	7.1	5.5	5.7	6.2	5.8	7.4
Men	4.1	4.7	5.1	5.3	4.8	5.2	4.8	4.0	3.5	3.9	3.9	4.0
Women	7.0	8.3	9.2	10.5	9.7	10.5	10.5	7.8	8.8	9.3	8.6	12.1
English-speaking Caribbean												
Bahamas <sup>a</sup>	...	15.9	14.4	15.8	14.6	13.4	12.2	10.0	10.3	9.5	...	...
Men	...	...	15.0	15.6	13.5	11.8	10.3	9.0	10.1	9.2	...	...
Women	...	...	13.7	16.0	15.8	15.0	14.2	11.0	10.6	9.9	...	...
Barbados <sup>a</sup>	10.7	11.2	11.6	11.6	12.3	11.3	9.7	10.0	10.1	9.6	15.6	14.1
Men	10.9	9.8	10.9	11.7	11.8	12.3	9.3	9.8	9.9	11.0	15.6	13.7
Women	10.6	12.6	12.3	11.6	12.8	10.3	10.1	10.1	10.3	8.1	15.7	14.5
Belize <sup>e</sup>	12.5	...	15.3	14.3	11.6	10.1	9.5	9.3	9.4	9.1	13.7	21.1
Men	...	...	10.5	10.6	6.3	6.8	5.6	5.9	5.6	5.9	11.6	21.1
Women	...	...	22.3	20.0	19.9	15.4	15.6	14.6	14.9	13.5	17.0	21.1
Granada	...	26.2	...	32.2	29.3	29.0	28.2	23.6	19.2	...	...	...
Men	...	24.8	...	27.0	28.0	26.0	25.6	20.6	15.2	...	...	...
Women	...	27.9	...	38.1	30.9	32.3	31.2	26.8	23.4	...	...	...
Jamaica <sup>a</sup>	12.4	12.6	9.3	10.3	9.5	9.8	9.0	7.7	5.6	5.0	6.6	5.2
Men	9.2	9.3	7.0	7.8	7.2	7.2	6.6	5.6	4.2	3.8	5.8	4.2
Women	16.2	16.7	12.3	13.6	12.4	12.5	12.0	10.2	7.2	6.5	7.6	6.5
Saint Lucia	...	...	21.2	23.3	24.5	24.1	21.3	20.2	20.2	16.8	21.7	23.1
Men	...	...	19.1	21.3	21.1	21.3	19.4	18.1	18.5	14.9	18.5	21.4
Women	...	...	23.5	25.5	28.4	27.4	23.5	22.4	22.1	18.9	25.0	24.9
Trinidad and Tobago <sup>d</sup>	5.9	5.0	4.9	3.7	3.3	3.4	4.0	4.8	3.9	4.3	4.7	...
Men	5.2	3.9	4.1	3.0	2.8	2.9	3.9	4.2	3.2	3.7	4.6	...
Women	7.0	6.3	6.2	4.6	4.0	4.2	4.0	5.6	5.0	5.1	4.8	...
Latin America and the Caribbean <sup>g</sup>	6.5	6.4	6.4	6.3	6.1	6.6	7.8	8.1	7.9	7.9	10.3	9.2
Latin America and the Caribbean-Men <sup>g</sup>	5.8	5.3	5.4	5.4	5.3	5.7	6.8	6.9	6.8	6.8	9.1	7.7
Latin America and the Caribbean-Women <sup>g</sup>	7.5	7.9	7.8	7.6	7.3	7.9	9.2	9.6	9.5	9.5	12.1	11.3

Source: International Labour Organization (ILO), on the basis of information from the countries' household surveys.

Note: Data for 2020 and 2021 may present comparability problems with respect to the data for 2019, owing to adjustments to statistical processes made by national statistical offices in response to the COVID-19 pandemic. Preliminary data.

<sup>a</sup> Data refer to 31 urban areas. The National Institute of Statistics and Censuses (INDEC), owing to the statistical emergency declared in 2016, recommends disregarding the series published between 2007 and 2015 for the purposes of comparison and analysis of the labour market in Argentina. The 2016 annual figure is the average of the second, third and fourth quarters.

<sup>b</sup> New measurement from 2016 onward, through the Continuous Employment Survey (ECE); data not comparable with previous years. Data for 2020 and 2021 are with urban coverage.

<sup>c</sup> New measurement from 2012 onward through the Continuous National Household Sample Survey (PNADC); data not comparable with previous years.

<sup>d</sup> Series based on projections from the 2017 census.

<sup>e</sup> Does not include hidden unemployment.

<sup>f</sup> The 2010 figure is the average of the third and fourth quarters.

<sup>g</sup> Does not include hidden unemployment. The average for the second quarter of 2020 corresponds to May and June; the average for the third quarter of 2020 corresponds to September.

<sup>h</sup> From 2011 onward, the bottom threshold for the working-age population changed from 10 to 15 years, which may affect the comparability of the data.

<sup>i</sup> The 2020 data are preliminary and correspond to the telephone survey conducted in November and December.

<sup>j</sup> The average data for the second and third quarters of 2019 are from the National Occupation and Employment Survey (ENOE), those for the second quarter of 2020 are from the Telephone Survey of Occupation and Employment (ETOE), and those for the third and fourth quarters of 2020 are from the new version of ENOE.

<sup>k</sup> Does not include hidden unemployment, except in the case of 2020. The figure for 2020 corresponds to a telephone survey conducted between September and October. The figure for 2021 corresponds to October.

<sup>l</sup> New measurement from 2017 onward through the Continuous Permanent Household Survey (EPHC); data not comparable with previous years.

<sup>m</sup> Data for 2020 and 2021 are preliminary.

<sup>n</sup> In the case of 2020, average data for the first quarter are from the Continuous Household Survey (ECH) for January and February; for March the data are from the ECH conducted by telephone; the average data for the second quarter, third quarter and fourth quarter are from the telephone ECH. The annual average is preliminary.

<sup>o</sup> 2010–2014 series based on reweighted National Labour Force Survey (ENFT). New measurement from 2015 onward through the Continuous National Labour Force Survey (ENCFT); data not comparable with previous years.

<sup>p</sup> Data for 2019 are preliminary and refer to May.

<sup>q</sup> The 2020 figures correspond to the average of the third and fourth quarters.

<sup>r</sup> Data for 2018 refer to April; data for 2019 refer to the average for April and September and, for 2020, to September.

<sup>s</sup> Does not include hidden unemployment. The survey was not conducted in the second quarter (April) of 2020; the 2020 annual average corresponds to data from the first, third and fourth quarters.

<sup>t</sup> The 2019 figure corresponds to the average of March, June and December; the 2020 figure corresponds to the average for March and June.

<sup>u</sup> Weighted average. Does not include hidden unemployment in Colombia, Ecuador, Jamaica and Panama.

<sup>v</sup> Years in which, in a country, there is a revision of the survey or of key variables that may lead to a break in the comparability of the data.



Table A1.2 (concluded)

Country	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Dominican Republic <sup>a</sup>	56.7	58.2	59.4	59.3	59.5	61.8	62.3	62.2	63.6	65.1	60.2	63.0
Men	72.1	73.1	74.1	73.9	74.2	76.3	76.6	76.1	77.8	78.4	74.0	75.7
Women	41.7	43.7	45.3	45.1	45.4	48.1	48.9	49.0	50.4	52.6	47.6	51.2
English-speaking Caribbean												
Bahamas	...	72.1	72.5	73.2	73.7	74.3	77.1	80.5	82.8	80.3	...	...
Men	...	...	75.8	76.9	77.8	79.5	81.7	83.6	85.5	83.0	...	...
Women	...	...	69.5	70.1	70.1	71.7	73.1	75.1	76.7	75.5	...	...
Barbados <sup>a</sup>	66.6	67.6	66.2	66.7	63.9	65.1	66.5	65.4	64.8	63.7	60.6	61.2
Men	71.8	72.7	71.9	72.0	67.7	68.7	70.4	69.7	69.4	68.0	64.8	65.3
Women	62.0	63.0	61.0	62.0	60.4	61.7	62.8	61.5	60.6	59.7	56.7	57.6
Belize <sup>b</sup>	...	...	65.8	64.2	63.6	63.2	64.0	64.1	65.5	68.1	55.1	59.7
Men	...	...	79.2	78.4	78.2	77.8	78.0	78.2	78.3	80.5	68.7	72.9
Women	...	...	52.6	50.1	49.2	48.8	50.2	50.2	52.9	55.9	42.4	47.0
Granada	...	69.5	...	66.7	67.8	68.8	68.2	65.8	67.6	68.4	65.1	...
Men	...	75.0	...	70.9	71.5	74.5	73.3	71.3	73.1	74.6	71.8	...
Women	...	63.9	...	62.6	64.1	63.4	63.1	60.6	62.5	62.6	59.0	...
Jamaica <sup>c</sup>	...	58.7	58.8	59.5	59.9	60.4	61.8	62.3	61.5	62.8	62.5	63.2
Men	...	67.1	66.6	67.4	67.9	68.2	68.8	69.1	68.5	69.6	69.2	69.7
Women	...	50.6	51.2	52.0	52.2	52.8	55.0	55.7	55.0	56.3	56.0	57.0
Saint Lucia <sup>d</sup>	...	...	70.6	71.0	72.2	72.2	72.8	71.4	71.4	71.0	68.8	69.9
Men	...	...	75.3	76.2	77.1	78.3	78.3	76.5	77.8	75.7	74.1	...
Women	...	...	66.1	66.0	67.4	66.0	67.4	66.8	65.2	66.5	64.3	...
Trinidad and Tobago <sup>e</sup>	62.1	61.3	61.9	61.4	61.9	60.6	59.7	59.2	59.1	57.4	56.6	...
Men	73.5	72.3	72.1	71.6	72.2	71.2	69.5	68.9	68.4	66.1	65.4	...
Women	50.9	49.4	51.7	51.1	51.8	50.0	50.1	49.5	49.9	48.7	47.8	...
Latin America and the Caribbean <sup>f</sup>	62.8	61.9	63.2	62.7	62.5	62.5	62.6	62.9	63.0	63.3	58.6	61.4
Latin America and the Caribbean-Men <sup>f</sup>	78.3	75.3	76.8	76.2	76.0	75.8	75.6	75.8	75.7	75.5	70.6	73.7
Latin America and the Caribbean-Women <sup>f</sup>	48.2	49.3	50.3	50.1	49.8	50.0	50.4	50.9	51.3	51.8	47.6	50.0

Source: International Labour Organization (ILO), on the basis of information from the countries' household surveys.

Note: Data for 2020 and 2021 may present comparability problems with respect to the data for 2019, owing to adjustments to statistical processes made by national statistical offices in response to the COVID-19 pandemic. Preliminary data.

<sup>a</sup> Data refer to 31 urban areas. The National Institute of Statistics and Censuses (INDEC), owing to the statistical emergency declared in 2016, recommends disregarding the series published between 2007 and 2015 for the purposes of comparison and analysis of the labour market in Argentina. The 2016 annual figure is the average of the second, third and fourth quarters.

<sup>b</sup> New measurement from 2016 onward, through the Continuous Employment Survey (ECE); data not comparable with previous years. Quarterly data for 2019 and 2020 are with urban coverage.

<sup>c</sup> New measurement from 2012 onward through the Continuous National Household Sample Survey (PNADC); data not comparable with previous years.

<sup>d</sup> Series based on projections from the 2017 census.

<sup>e</sup> Does not include hidden unemployment.

<sup>f</sup> The 2010 figure is the average of the third and fourth quarters.

<sup>g</sup> Does not include hidden unemployment. The average for the second quarter of 2020 corresponds to May and June; the averages for the third and fourth quarters of 2020 correspond to September and December, respectively.

<sup>h</sup> From 2011 onward, the bottom threshold for the working-age population changed from 10 to 15 years, which may affect the comparability of the data.

<sup>i</sup> The 2020 data are preliminary and correspond to the telephone survey conducted in November and December.

<sup>j</sup> The average figures for the second and third quarters of 2019 come from the National Occupation and Employment Survey (ENOE); the figures for the second quarter of 2020 come from the Occupation and Employment Telephone Survey (ETOE). The figures for the third and fourth quarters of 2020 come from the new version of ENOE.

<sup>k</sup> Does not include hidden unemployment, except in the case of 2020, so the data are not comparable with the rest of the series. The figure for the third quarter of 2020 corresponds to a telephone survey conducted between September and October. The figure for 2021 corresponds to October.

<sup>l</sup> New measurement from 2017 onward through the Continuous Permanent Household Survey (EPHC); data not comparable with previous years.

<sup>m</sup> In the case of 2020, average data for the first quarter are from the Continuous Household Survey (ECH) for January and February; for March the data are from the ECH conducted by telephone; the average data for the second quarter, third quarter and fourth quarter are from the telephone ECH. The annual average is preliminary.

<sup>n</sup> 2010–2014 series based on reweighted National Labour Force Survey (ENFT). New measurement from 2015 onward through the Continuous National Labour Force Survey (ENCFT); data not comparable with previous years.

<sup>o</sup> Data for 2019 are preliminary and are being reviewed.

<sup>p</sup> The figure for 2018 corresponds to April. Data for the third quarters of 2019 and 2020 are from the September survey and for 2020 from the telephone survey.

<sup>q</sup> Does not include hidden unemployment.

<sup>r</sup> The figure for the first half of 2020 corresponds to data for the first quarter.

<sup>s</sup> The 2020 annual average corresponds to the first quarter.

<sup>t</sup> Weighted average. Does not include hidden unemployment in Colombia, Ecuador and Panama.

<sup>†</sup> Years in which, in a country, there is a revision of the survey or of key variables that may lead to a break in the comparability of the data.



Table A1.3 (concluded)

Country	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
English-speaking Caribbean												
Bahamas	...	60.6	62.0	61.6	62.9	64.4	67.7	72.5	74.2	...	...	...
Men	...	...	64.4	64.9	67.2	70.1	73.3	76.0	76.9	...	...	...
Women	...	...	59.9	58.8	59.0	61.0	62.7	66.8	68.5	...	...	...
Barbados <sup>a</sup>	59.5	60.1	58.5	58.9	56.0	57.7	60.0	58.9	58.3	57.6	51.1	52.6
Men	64.0	65.6	64.1	63.6	59.7	60.2	63.9	62.9	62.5	60.6	54.7	56.4
Women	55.4	55.1	53.5	54.8	52.6	55.3	56.5	55.3	54.4	54.9	47.8	49.2
Belize <sup>a</sup>	...	...	55.7	56.7	56.3	56.8	57.9	58.1	59.4	62.0	47.6	53.0
Men	...	...	70.9	72.3	73.3	72.5	73.6	73.6	73.9	75.7	60.7	62.5
Women	...	...	40.9	39.6	39.4	41.2	42.4	42.9	45.1	48.3	35.2	37.5
Granada	...	51.3	...	45.3	47.9	48.9	49.0	50.3	54.8	57.9	50.5	...
Men	...	56.4	...	51.8	51.5	55.2	54.5	56.6	61.6	64.4	58.5	...
Women	...	46.1	...	38.7	44.3	42.9	43.4	44.3	48.4	54.0	43.1	...
Jamaica <sup>a</sup>	54.7	54.3	53.3	53.4	54.2	54.6	56.2	57.5	58.2	59.7	56.6	57.9
Men	63.9	63.6	61.9	62.1	62.9	63.3	64.3	65.2	65.6	66.9	63.5	65.0
Women	45.9	45.8	45.0	45.0	45.8	46.2	48.4	50.0	51.0	52.7	49.9	51.1
Saint Lucia <sup>a</sup>	...	...	55.6	54.4	54.5	54.8	57.4	57.0	57.0	59.0	53.9	53.7
Men	...	...	60.9	60.0	60.9	61.6	63.1	62.9	63.4	64.4	59.4	...
Women	...	...	50.6	49.1	48.3	47.9	51.6	51.4	50.8	53.9	48.7	...
Trinidad and Tobago <sup>c</sup>	58.4	...	58.8	59.1	59.9	58.5	57.4	56.3	56.8	54.9	53.9	...
Men	69.7	69.5	69.2	69.5	70.1	69.2	66.8	66.0	66.2	63.6	62.4	...
Women	47.3	46.3	48.5	48.8	49.7	47.9	48.0	46.7	47.4	46.2	45.5	...
Latin America and the Caribbean <sup>e</sup>	58.7	58.0	58.8	58.7	58.7	58.3	57.7	57.8	58.0	58.2	52.4	55.9
Latin America and the Caribbean-Men <sup>e</sup>	73.7	71.5	72.7	72.5	72.4	71.9	70.5	70.5	70.5	70.4	64.0	68.2
Latin America and the Caribbean-Women <sup>e</sup>	44.7	45.4	46.4	46.5	46.5	46.3	45.7	46.0	46.4	46.9	41.7	44.4

**Source:** International Labour Organization (ILO) on the basis of information from the countries' household surveys.

**Note:** Data for 2020 and 2021 may present comparability problems with respect to the data for 2019 owing to adjustments to statistical processes made by national statistical offices in response to the COVID-19 pandemic. Preliminary data.

<sup>a</sup> Data refer to 31 urban areas. The National Institute of Statistics and Censuses (INDEC) owing to the statistical emergency declared in 2016 recommends disregarding the series published between 2007 and 2015 for the purposes of comparison and analysis of the labour market in Argentina. The 2016 annual figure is the average of the second, third and fourth quarters.

<sup>b</sup> New measurement from 2016 onward through the Continuous Employment Survey (ECE); data not comparable with previous years. The average data for the first quarter of 2020 are preliminary with national coverage. Data for the second, third and fourth quarters of 2020 cover urban areas.

<sup>c</sup> New measurement from 2012 onward through the Continuous National Household Sample Survey (PNADC); data not comparable with previous years.

<sup>d</sup> Series based on projections from the 2017 census.

<sup>e</sup> The 2010 figure is the average of the third and fourth quarters.

<sup>f</sup> The survey was not conducted in the first quarter (March) of 2020. The average for the second quarter of 2020 corresponds to May and June; the average for the third quarter of 2020 corresponds to September.

<sup>g</sup> From 2011 onward the bottom threshold for the working-age population changed from 10 to 15 years which may affect the comparability of the data.

<sup>h</sup> The 2020 data are preliminary and correspond to the telephone survey conducted in November and December.

<sup>i</sup> The average figures for the second and third quarters of 2019 come from the National Occupation and Employment Survey (ENOE); the figures for the second quarter of 2020 come from the Occupation and Employment Telephone Survey (ETOE). The figures for the third and fourth quarters of 2020 come from the new version of ENOE.

<sup>j</sup> The figure for the third quarter of 2020 corresponds to a telephone survey conducted between September and October. The figure for 2021 corresponds to October.

<sup>k</sup> New measurement from 2017 onward through the Continuous Permanent Household Survey (EPHC); data not comparable with previous years.

<sup>l</sup> In the case of 2020 average data for the first quarter are from the Continuous Household Survey (ECH) for January and February; for March the data are from the ECH conducted by telephone; the average data for the second quarter, third quarter and fourth quarter are from the telephone ECH. The annual average is preliminary.

<sup>m</sup> 2010–2014 series based on reweighted National Labour Force Survey (ENFT). New measurement from 2015 onward through the Continuous National Labour Force Survey (ENCFT); data not comparable with previous years.

<sup>n</sup> The 2020 figures correspond to the average of the third and fourth quarters.

<sup>o</sup> The 2018 figure corresponds to April, the 2019 figure to the average of April and September and the 2020 figure to September.

<sup>p</sup> The survey was not conducted in the second quarter (April) of 2020; the 2020 annual average corresponds to data from the first, third and fourth quarters.

<sup>q</sup> Annual data for 2019 and 2020 correspond to the first quarter of each year and for 2021 to the first half of the year.

<sup>r</sup> The 2020 annual average corresponds to the first quarter.

<sup>s</sup> Weighted average.

<sup>l</sup> Years in which, in a country, there is a revision of the survey or of key variables that may lead to a break in the comparability of the data.

There were signs of a partial recovery in the labour markets and economies of Latin America and the Caribbean during 2021, in the wake of the crisis caused by the coronavirus disease (COVID-19) pandemic. Nonetheless, although the labour force participation rate and employment both improved in the year, figures for some of the groups hit hardest by the pandemic, such as women and domestic workers, remained well below pre-pandemic levels.

The partial recovery in local demand and the effect of global conditions on production costs contributed to a rise in regional inflation, in turn affecting minimum wages and real wages. The second section of this report outlines how real wages in the region remain further from pre-pandemic levels than employment and economic activity, and underscores the importance of institutional mechanisms and social dialogue in the world of work to facilitate appropriate adjustments to workers' wages in Latin America and the Caribbean.

