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Employment Situation in Latin America and the Caribbean

Policies to protect labour relations
and hiring subsidies amid
the COVID-19 pandemic



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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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Foreword

Labour markets in 2021 continued to suffer the effects of the crisis caused by the coronavirus disease (COVID-19) pandemic. Employment recovery and job creation have been partial and have lagged behind the recovery in economic activity.

As described in this report, during the first half of 2021 labour participation increased and the employment rate rose, but fell short of pre-pandemic levels. Gender gaps in labour market participation have widened; women have been slower to re-enter the labour market and face more difficulties in finding work. The rise in employment has occurred mainly among own-account workers, while wage employment is still lagging behind, suggesting that the increase in the employment rate is associated with lower employment quality. At the same time, the inflation pattern seen in the first six months of the year could have a negative impact on workers' real wages and, therefore, on household consumption.

Given the slow recovery of labour markets, policies to boost employment are still very important and the challenge is to make progress both in creating new jobs and in avoiding the destruction of existing sources of employment. International experience shows that the employment support measures implemented mainly during 2020 have been effective in limiting the decline in employment, and data for Latin America and the Caribbean indicate that they have had the same effect in the region. Most of these programmes were designed around wage-related requirements and used the minimum wage to determine the amount of benefits; thus, they targeted mainly lower-income formal wage earners. Countries that have unemployment insurance or similar systems were able to soften the fall in income by means of adaptations such as expanding coverage, modifying eligibility conditions and injecting fiscal resources. However, widespread informality and the absence of unemployment insurance in several countries made it more difficult to design and implement these economic support programmes for vulnerable groups.

Hiring incentives took on new importance in 2021 in several countries in the region, similarly to the pattern in the more developed countries. The countries have shown similarities with respect to certain benefit conditionalities, relating to tax payments and employment formalization. There has also been a major trend towards targeting benefits on groups particularly affected by the pandemic, such as young people and women. However, amid budgetary constraints and weaknesses in labour institutions, not all countries in the region have specific programmes to encourage new hires.

Amid expectations that growth dynamics will be slow and highly uncertain in the coming years, governments face the challenge of supporting labour market entry and reintegration by the most vulnerable segments of society while also fostering the conditions for decent job creation, especially among microenterprises and small and medium-sized enterprises (MSMEs). In the medium term, reforms will be needed to make labour markets more resilient by supporting reactivation measures with programmes to drive the shift from informality to formality, together with a redesign of social protection.

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I. The employment situation in the first half of 2021

Introduction

Regional output rose in the first half of 2021. In labour markets, this translated into a partial recovery in the main employment indicators relative to their levels prior to the coronavirus disease (COVID-19) pandemic. The unemployment rate declined slightly, reflecting a gradual revival in the production system. The gaps in labour market participation between men and women widened during these months, with women being worse affected because there was only a partial return to school activities and because sectors such as commerce and services and feminized categories such as paid domestic work, where there is also a high incidence of informality, recovered only slowly. The recovery in employment has been most in evidence among own-account workers (a category that was very badly affected at the start of the crisis), while wage employment is still lagging, suggesting that the improvements in employment indicators are associated with poorer job quality. Economic growth of 5.9% is projected for the region by the end of 2021, which will not be enough to restore 2019 levels of output and employment. Labour markets will have gone through the second year of an unprecedented crisis.

A. The main employment indicators partially recovered during the first half of 2021

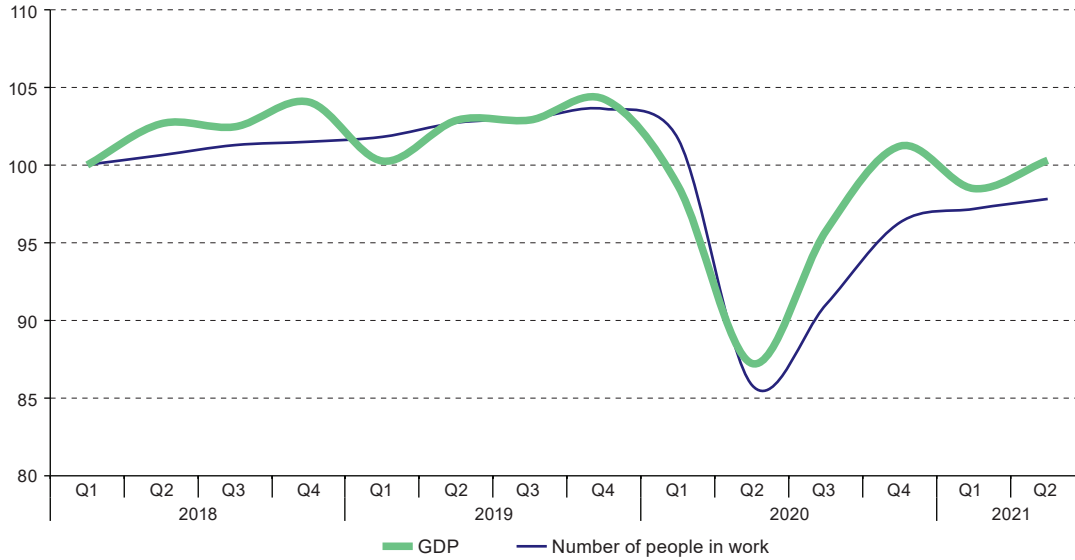
Quarterly output and employment figures show that the strongest impact of the pandemic on labour markets was unquestionably during the second quarter of 2020 (see figure I.1). It is clear that employment fell more steeply than output, reflecting greater job losses in low-productivity segments and the corresponding occupational categories. In the short run, this change in composition led to a statistical increase in labour productivity, something observed not just in Latin America and the Caribbean but globally (ILO, 2021b).

The second quarter of 2020 was marked by a massive outflow of people from the labour market and an unprecedented fall in employment (ECLAC/ILO, 2021; ECLAC, 2021b; Maurizio, 2021a and 2021b). From the third quarter onward, as vaccination proceeded in the region and mobility restrictions were lifted, there was a gradual return to the labour market and a slower recovery in employment.

The regional participation rate averaged 57.7% and the employment rate went down to 51.7% in 2020 from 57.4% in 2019, implying approximately 25.8 million people ceased to be employed during the year. The unemployment rate rose to 10.5% (see figure I.2A).

Figure I.1

Latin America and the Caribbean: GDP and number of people in work, first quarter of 2018 to second quarter of 2021
 (Index: first quarter of 2018=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.

Figure I.2

Latin America and the Caribbean (14 countries):^a main labour market indicators
 (Percentages)

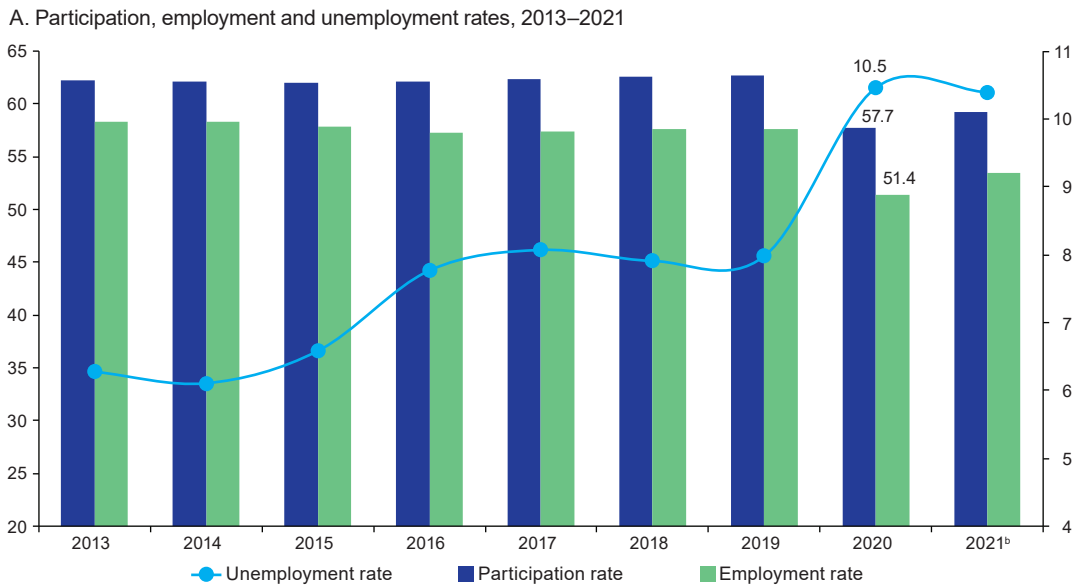
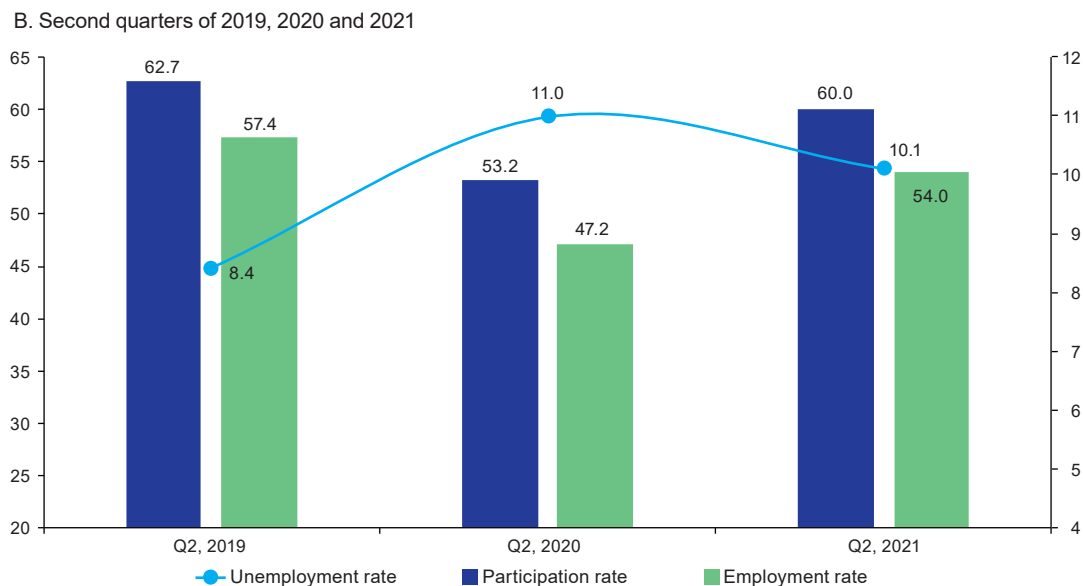


Figure I.2 (concluded)



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

^a The countries are: Argentina, Brazil, Chile, Colombia, Costa Rica, the Dominican Republic, Ecuador, Jamaica, Mexico, Nicaragua, Paraguay, Peru, the Plurinational State of Bolivia and Uruguay.

^b Data for the first half.

The first half of 2021 saw a positive change in regional output,¹ reflecting a low base of comparison because of the fall in 2020 plus the positive effects of stronger global growth, resulting in higher external demand and commodity prices. Combined with the reopening of economies and the easing of social distancing measures, this spurred a recovery (ECLAC, 2021a). Both output and employment revived, although they were still lower than in the second quarter of 2019. As of the second quarter of 2021, the average labour force participation rate for 14 countries with information available was 60.0%, 2.7 percentage points below the level in the same period of 2019 (62.7%) (see figure I.2B). Meanwhile, the employment rate was 54.0%, 3.4 percentage points lower than in the same period of 2019 (57.4%). As a result, the unemployment rate was slightly lower than in the second quarter of 2020, although at an average of 10.1% it was still 1.7 percentage points higher than in the same quarter of 2019 (8.4%).

One of the features of the crisis caused by the pandemic was the scale of the withdrawal from the labour force, which meant that traditional employment indicators have only partially reflected the difficulties in the labour market over recent months. It is estimated that the unemployment rate would have been 17% in 2020 if the loss of employment had not been offset by the fall in the labour supply. Furthermore, the employment rate could have fallen even further if many (mainly formal) employment relationships had not been maintained despite lower activity thanks to the numerous job retention policies implemented by governments.² Many companies maintained their staffing

¹ The decline in the first quarter of 2021 relative to the fourth quarter of 2020 was due to seasonal factors.

² See part II of this report.

levels but significantly reduced hours worked. It is estimated that working hours contracted by more in Latin America and the Caribbean than in any other region of the world, with a decline of 16.2% between 2019 and 2020, almost double the 8.8% estimated for the whole world (ILO, 2021a). This implies that if the number of workers who were neither going to work nor teleworking or who were working fewer hours than usual is considered in addition to the low employment rates, the gap between the fall in GDP and employment was even larger than it appears to be.

B. An uneven recovery is widening existing gender gaps

Labour indicators by sex continued to show a recovery experienced unequally by men and women during the early months of 2021. Taking the average of 14 countries with information available, the female participation rate in the second quarter of 2021 was 49.1%, 3 percentage points lower than in the same quarter of 2019 (52.1%), while the male participation rate was 71.8%, 2.4 percentage points lower than in the same period of 2019 (74.2%) (see figure I.3A). The slower pace of women's return to the labour force has come in a context where many school and care activities have not yet fully resumed.

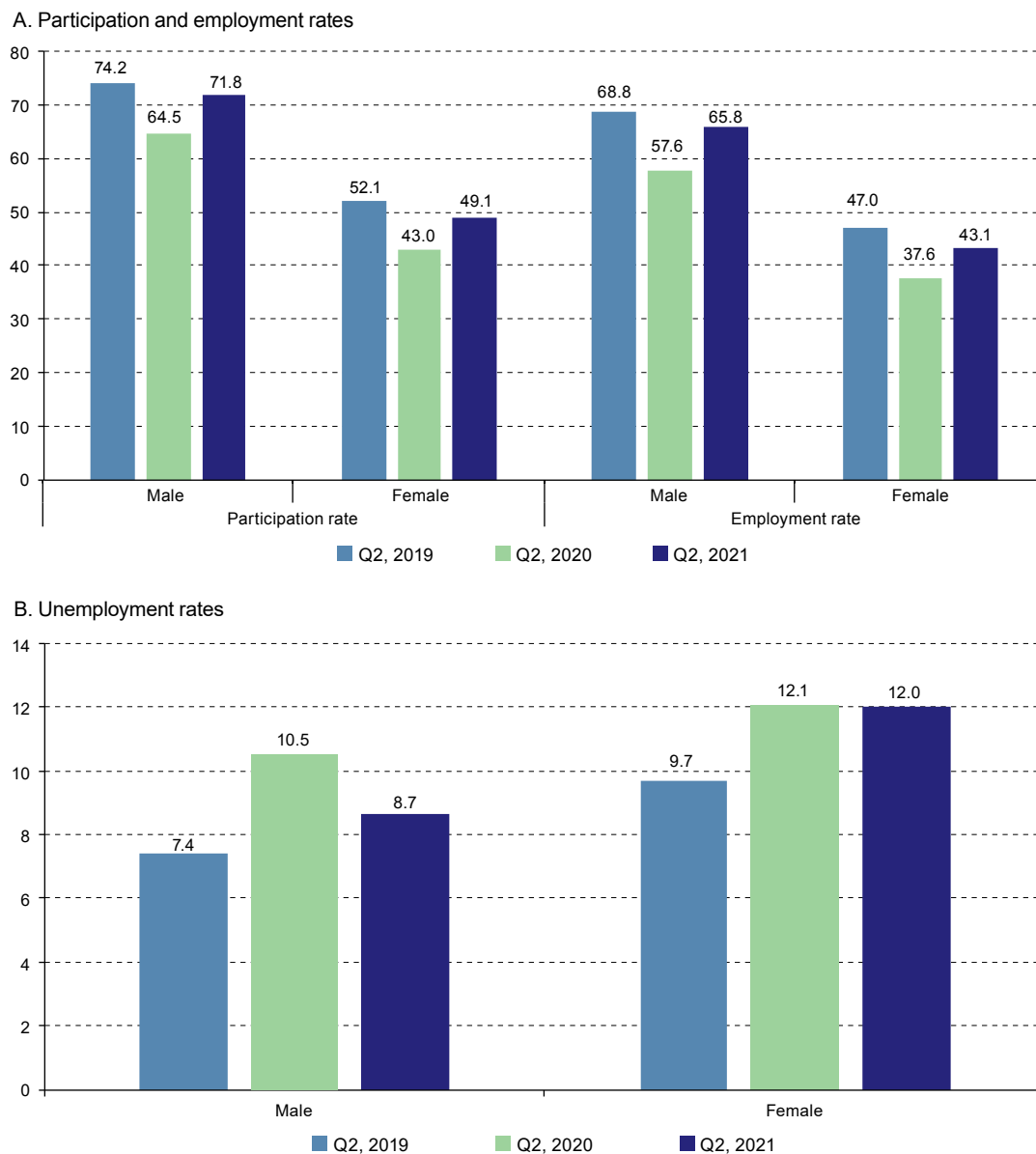
The female employment rate was 3.8 percentage points lower in the second quarter of 2021 than in the second quarter of 2019 (43.2% compared with 47.0%), while the male rate was down 3 percentage points (65.8% compared with 68.8%). This indicates that women have faced greater difficulty in successfully reintegrating into the labour market, possibly because of their greater participation in sectors that have not yet fully recovered, such as paid domestic work and employment in services and commerce. The gaps between the sexes in both the participation rate and the employment rate have widened since the beginning of the pandemic, and the recovery in the latest period has not altered this situation.

These trends meant that the unemployment rate increased more for women. In the second quarter of 2021, the female unemployment rate was 12.0% and the male rate 8.6%. The gap between the sexes in the unemployment rate rose from 2.3 percentage points in the second quarter of 2019 to 3.4 percentage points in the same period of 2021 (see figure I.3B).

One of the characteristics of the pandemic was that the worst-affected sectors were those that are most intensive in low-skilled labour. Given the characteristics of the crisis, these workers found it more difficult to continue their work remotely. In particular, less-educated women were more affected by job losses than men with the same level of education and than more educated women (ECLAC, 2021b). This is also the group that struggled most to reintegrate into the labour market during the early months of 2021 (see figure I.4). Taking the average of eight countries in the region, there were still 16.2% fewer less-educated women in employment in the second quarter of 2021 than in the same quarter of 2019, while the decline for those with an intermediate level of education was 4.3%. Meanwhile, 6.1% more highly-educated women were in employment than before the pandemic.

Figure I.3

Latin America and the Caribbean (14 countries):^a main employment indicators, by sex, second quarters of 2019, 2020 and 2021
(Percentages)

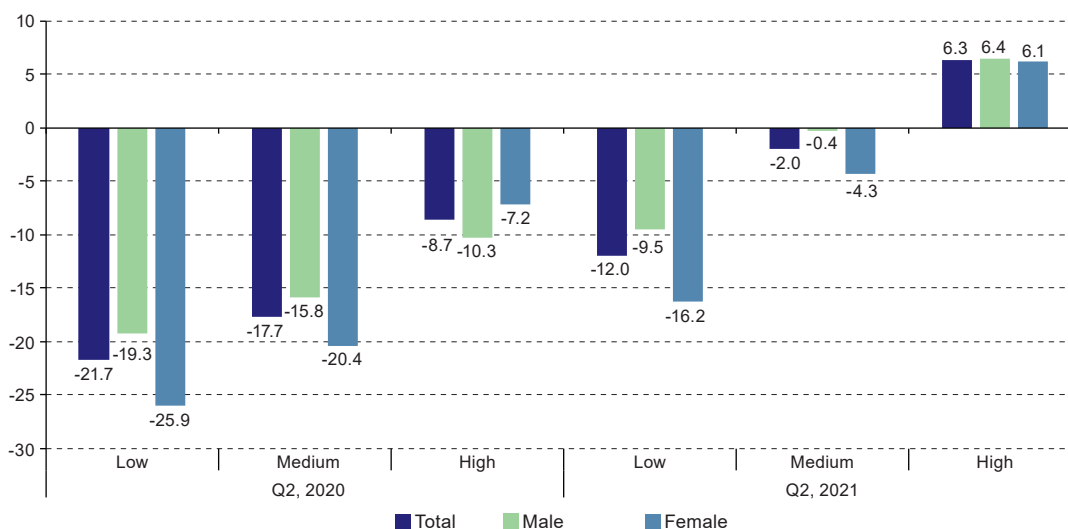


Source: Economic Commission for Latin America and the Caribbean (ECLAC) and International Labour Organization (ILO), on the basis of official information from the countries.

^a Simple average of: Argentina, Brazil, Chile, Colombia, Costa Rica, the Dominican Republic, Ecuador, Jamaica, Mexico, Nicaragua, Paraguay, Peru, the Plurinational State of Bolivia and Uruguay.

Figure I.4

Latin America (8 countries):^a year-on-year changes in employment relative to the second quarter of 2019, by educational level (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: A low educational level means complete primary education or less, a medium educational level complete secondary education and a high educational level complete tertiary education.

^a Weighted average of: Argentina, Brazil, Chile, Costa Rica, the Dominican Republic, Mexico, Paraguay and Peru.

C. The recovery in employment has varied by sector

During 2020, employment contracted across all sectors. The sectors most affected were those whose characteristics required travel or closer person-to-person contact, such as construction, commerce and tourism-related sectors such as hotels and restaurants. The fact that these are activities employing proportionally more people in the lower strata of the income distribution is indicative of the scale of the distributional deterioration resulting from the crisis (Maurizio, 2021a).

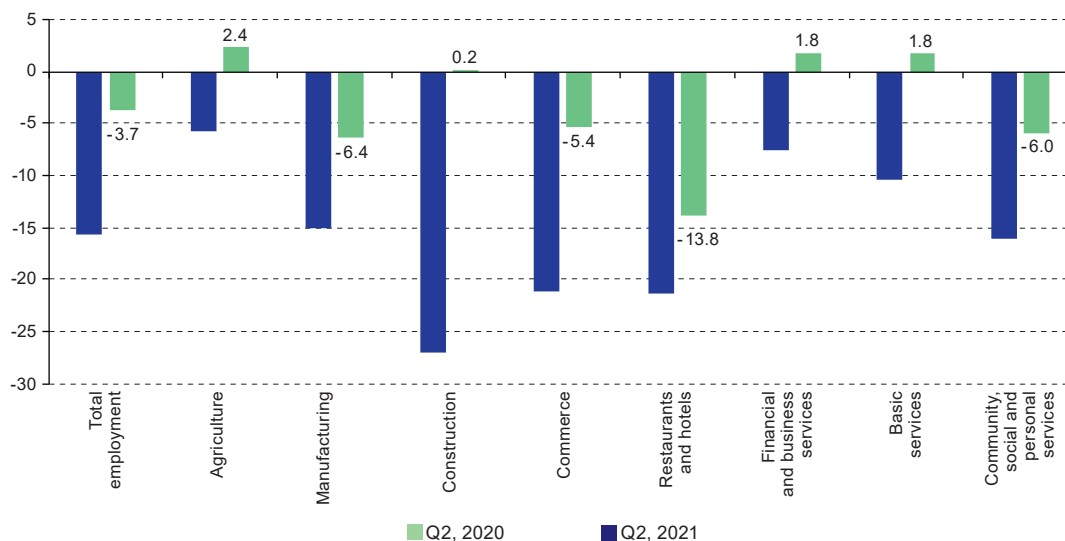
The sectoral recovery was uneven in the early months of 2021, even among the most affected sectors. By the second quarter of the year, construction employment had recovered, employment in commerce had partially recovered after a large decline in the previous quarter (this being possibly related to the rise in own-account work) and employment in hotel and restaurant-related sectors was still very depressed compared with the second quarter of 2019 (see figure I.5).

Other sectors, such as manufacturing and community, social and personal services, saw partial recoveries and are still operating at lower levels than before the pandemic. In contrast, employment in agriculture, financial and business services and basic services is higher than in the second quarter of 2019. Agriculture was the sector that contracted the least during the worst of the pandemic, and its output rose in 2021. The good performance of this sector can be explained by its characteristics, mainly the fact that activities are carried out in open spaces, with relatively little contact between people. In addition, other than in specific cases, the supply of food for domestic consumption and exports held up even in the worst months of the pandemic (ECLAC, 2021b). In some countries of the region (Ecuador, Guatemala, Honduras and the Plurinational State of Bolivia), this sector accounted for about 30% of total employment in 2019.³

³ Data available from ILOSTAT [online database] <https://ilostat.ilo.org/data/>.

Figure I.5

Latin America and the Caribbean (12 countries):^a year-on-year changes in employment by branch of activity relative to the second quarter of 2019 (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.

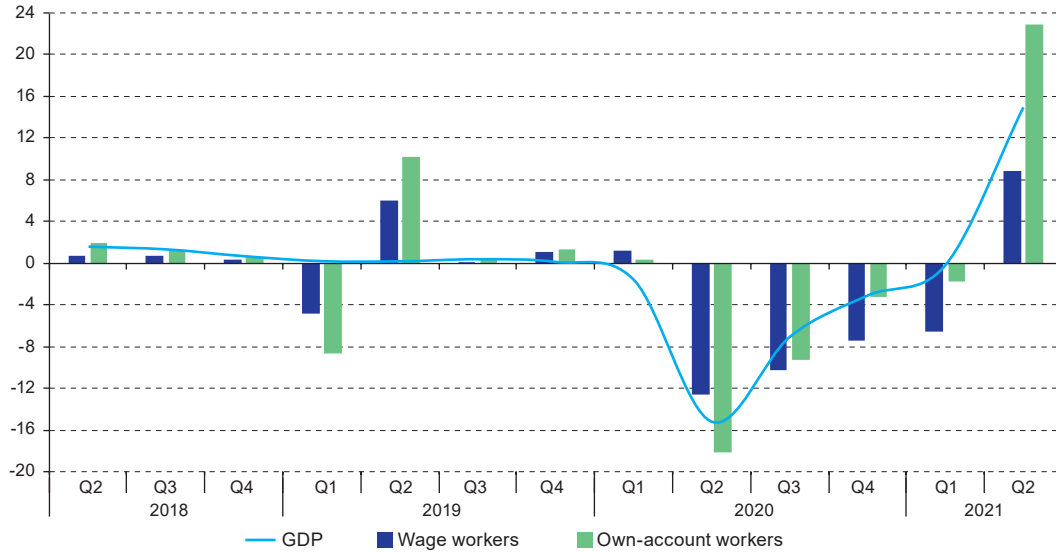
^a The countries are: Argentina, Brazil, Chile, Colombia, Costa Rica, the Dominican Republic, Ecuador, Jamaica, Mexico, Paraguay, Peru and the Plurinational State of Bolivia.

D. The recovery in employment in the early months of the year was led by lower-quality jobs

During the second quarter of 2020, job losses were rife across occupational categories, with a larger impact among own-account workers than among wage earners. The latter were generally more likely to retain their jobs, whether because of agreements with employers, the implementation of government policies to sustain wage employment or the nature of the work (e.g., the provision of essential public services) (see figure I.6). In the following quarters, recovery was faster for own-account workers, no doubt because of the need to generate income. In the second quarter of 2021, wage employment showed a year-on-year increase of 8.9% while own-account employment rose by 22.8%, bringing this group back up to levels similar to those before the pandemic.

Other employment categories that involved fewer workers but were strongly affected by the pandemic were paid domestic work and unpaid family work (see figure I.7). As of the second quarter of 2021, employment in these occupations was still 20.9% and almost 7% below pre-pandemic levels, respectively. These categories, which include a very high percentage of women, have suffered because of both the characteristics of the work itself and the loss of income in many employer households.

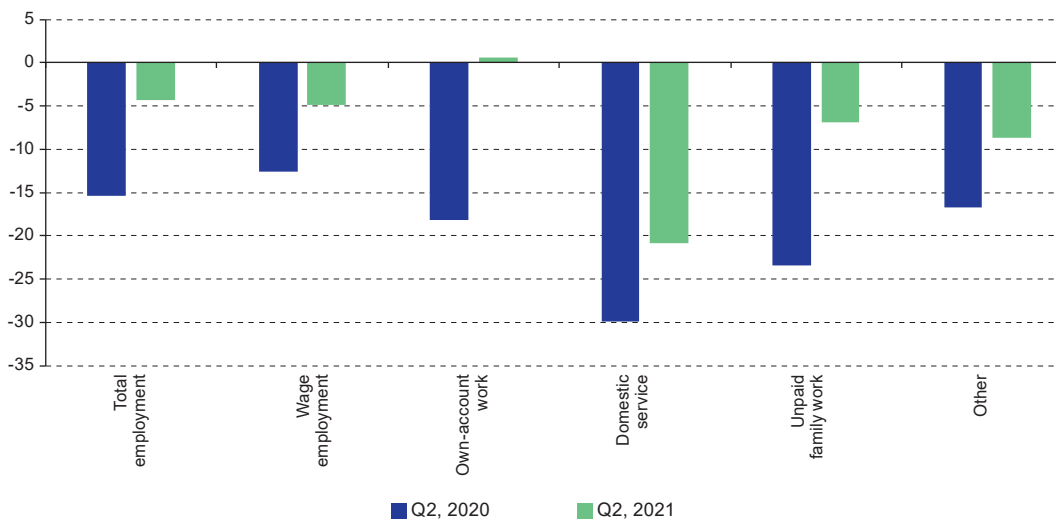
Figure I.6
Latin America (11 countries):^a economic growth and year-on-year employment growth, by occupational category, second quarter of 2018 to second quarter of 2021 (Percentages)



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

^a The data on wage workers and own-account workers are for the following countries: Argentina, Brazil, Chile, Colombia, Costa Rica, the Dominican Republic, Mexico, Paraguay, Peru, the Plurinational State of Bolivia and Uruguay.

Figure I.7
Latin America (11 countries):^a year-on-year changes in employment by occupational category relative to the second quarter of 2019 (Percentages)



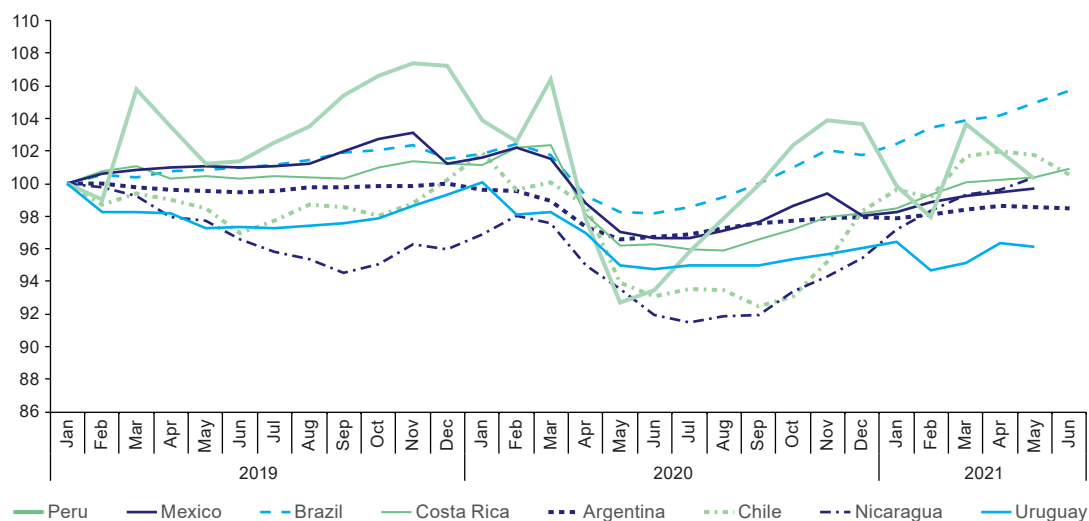
Source: Economic Commission for Latin America and the Caribbean (ECLAC) and International Labour Organization (ILO), on the basis of official information from the countries.

^a Simple average of: Argentina, Brazil, Chile, Colombia, Costa Rica, the Dominican Republic, Ecuador, Mexico, Paraguay, Peru and the Plurinational State of Bolivia.

The evolution of registered employment shows differences among the countries in the region for which information is available. After falling in April and May 2020, the level of formal employment stabilized in June (see figure I.8). The number of registered employees increased very little in the following months, reflecting the slowness of the economic recovery and the fact that, where employment was concerned, firms were more likely to reincorporate absent workers and increase the number of hours worked than to hire or rehire unemployed workers. By mid-2021, only in Brazil did employment appear to have surpassed the level of early 2019, while in Costa Rica and Chile it was around pre-crisis levels.

Figure I.8

Latin America (7 countries): registered employment, January 2019 to June 2021
(Index: January 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.

These trends show that, while the number of people in employment has increased, lower-quality employment has recovered most strongly, and it is important to start generating high-quality wage employment.

Box I.1

The informal employment rate during the coronavirus disease (COVID-19) pandemic

The crisis caused by the COVID-19 pandemic highlighted a structural characteristic of the Latin American economies: the high incidence of informal employment. It is estimated that 56.4% of women and 54.6% of men in the region work informally. This implies that they have not saved for their retirement or built up contributions to health or other social protection services, such as paid holidays, sick leave and parental leave.^a

The vulnerability of informal workers and their families was starkly exposed during the pandemic. In situations of restricted mobility, many found it impossible to carry out their work. Also, the nature of the work itself often limited the scope for teleworking, so that many informal workers had to withdraw from the labour market. By contrast with other crises, informal workers were unable to behave countercyclically and mitigate household income losses, so that, for the first time in a crisis, informal jobs contracted more sharply than formal ones (ECLAC/ILO, 2021).

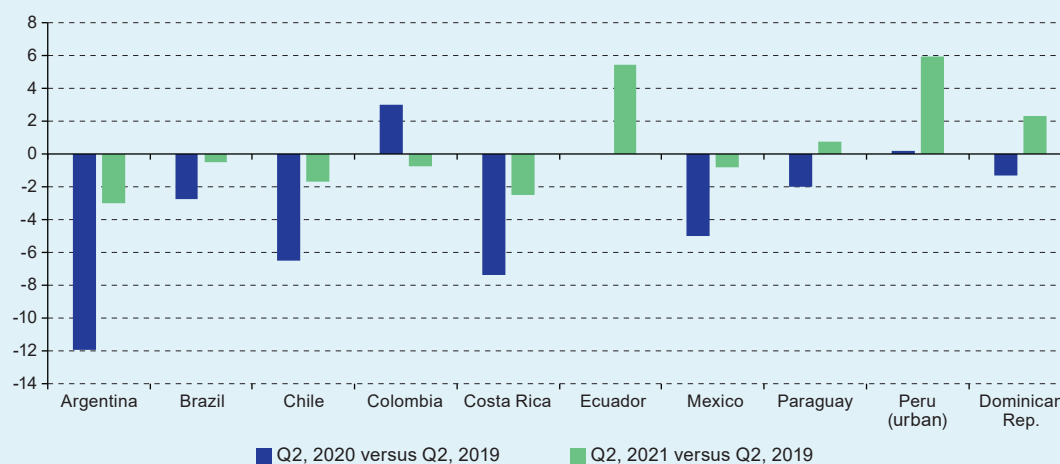
Box I.1 (concluded)

This resulted in sharp declines in the informality rate between the second quarter of 2019 and the second quarter of 2020 in seven of the nine countries with information available. However, these declines do not reflect progress with formalization, but rather the fact that informal activities were more affected by containment measures. In this situation, many countries in the region implemented transfer programmes aimed at informal workers to alleviate the loss of income (Velásquez, 2021). As the crisis stretches on, however, the scope for continuing these transfers will depend on the amount of assistance provided, the number of informal workers in each country, and fiscal capacity.

Given the need to generate income, most informal workers can be expected to return to the labour market, possibly under the same informal conditions as before the pandemic. In this context, informality rates can be expected to increase again in 2021. The decrease in informality rates in the second quarter of 2021 relative to the second quarter of 2019 was lower in Argentina, Chile and Costa Rica than the decline observed in the second quarter of 2020. In Brazil, Colombia, Mexico and Paraguay these rates were at much the same levels as before the pandemic, while Ecuador, Peru and the Dominican Republic started to see an increase in informality rates.

Latin America (10 countries): year-on-year changes in rates of informal employment relative to the second quarter of 2019

(Percentage points)



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

Source: Economic Commission for Latin America and the Caribbean (ECLAC) and International Labour Organization (ILO), on the basis of "Decent work for platform workers in Latin America", *Employment Situation in Latin America and the Caribbean*, No. 24 (LC/TS.2021/71), Santiago; ECLAC, *Economic Survey of Latin America and the Caribbean, 2021* (LC/PUB.2021/10-P/Rev.1), Santiago, 2021; and M. Velásquez, "La protección social de los trabajadores informales ante los impactos del COVID-19", *Project Documents* (LC/TS.2021/37), Santiago, Economic Commission for Latin America and the Caribbean (ECLAC), 2021.

^a ILO data consulted in ILOSTAT and published in ECLAC (2021b).

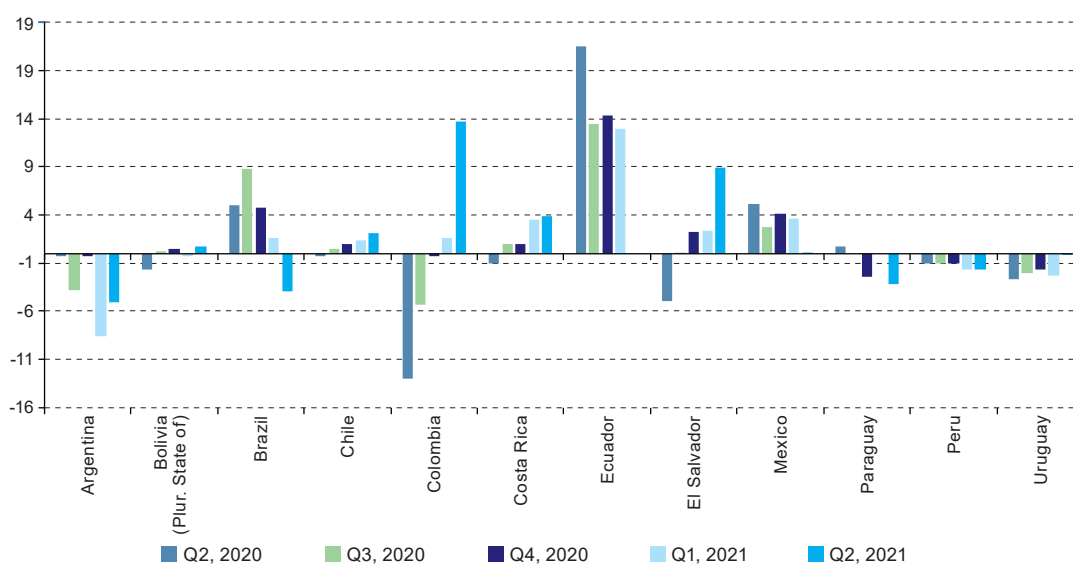
E. Wages

Both during the pandemic year and in the first half of 2021, the evolution of average wages in formal employment differed by country. Real wages fell in Argentina and to a lesser extent in Brazil, Peru and Uruguay (see figure I.9). However, average wages increased in some of the countries with information available, such as Chile, Colombia, Costa Rica, Ecuador, El Salvador, Mexico and the

Plurinational State of Bolivia. In the context of a crisis such as that caused by the COVID-19 pandemic, in which many less-educated and generally lower-paid workers lost their jobs, this indicator should be treated with caution.

Figure I.9

Latin America (12 countries): year-on-year changes in real average wages in registered employment, second quarter of 2020 to second quarter of 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.

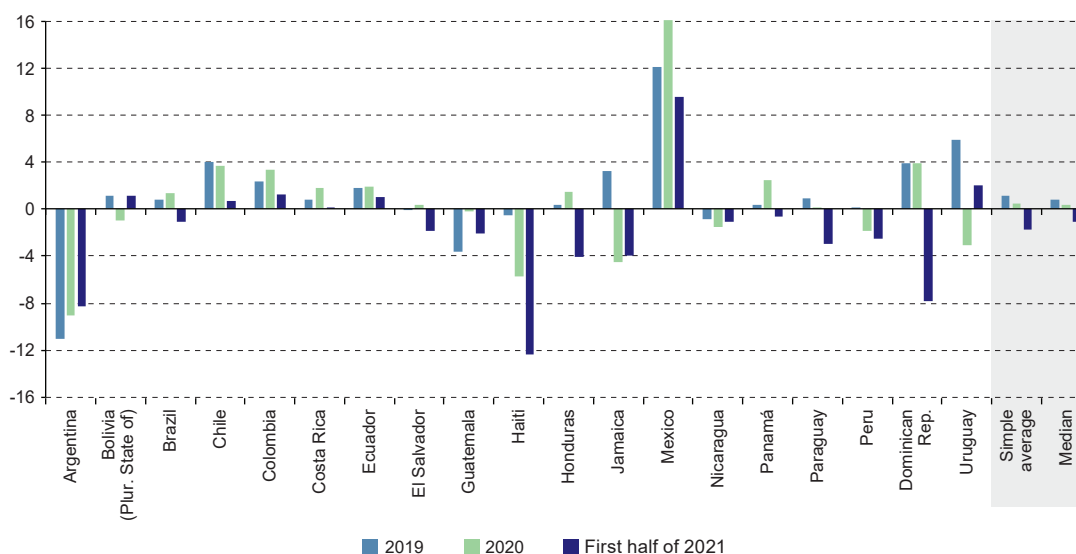
While average wages can be expected to fall, especially given the pandemic context, and some workers have had to accept at least a temporary reduction in wages to continue in employment, some countries show upward trends. Among the factors that may explain this are problems of measurement (workers may continue to report their usual rather than actual wages) and of composition. The latter factor implies that, at times of crisis, the analysis of average wages may be skewed by the effect arising from changes in employment: when most job losses are among lower-paid workers, the result is an increase in the average wage in the economy, but not for the right reasons (ECLAC, 2021b). One way to isolate the “composition effect” in the evolution of average earnings is to consider only those who remained in employment in the period under study. Maurizio (2021b) performs this exercise for four countries with information available and finds that people who continued to work after the outbreak of the pandemic experienced, on average, a reduction in their real income of about 6.6% between the first and second quarters of 2020 in Argentina and Costa Rica, 5.4% in Mexico and 1.0% in Brazil.

It is also important to consider the evolution of inflation in the countries of the region, because although it fell sharply during the early months of the pandemic, since May 2020 it has increased owing, among other factors, to higher domestic aggregate demand and rising prices for energy, food and other production inputs. In June 2021, average inflation in the economies of Latin America and the Caribbean was at one of its highest levels since 2016 (ECLAC, 2021b). In this context, a downward trend in real wages is to be expected owing to lags before nominal wages adjust.⁴

⁴ Ecuador was one of the countries where inflation was lower in 2020, and in the year to June 2021 it was actually negative.

For some years now, most countries in the region have implemented policies aimed at keeping the real value of the minimum wage constant or increasing it only very moderately. The average and median minimum wage in the region increased moderately in 2019 and remained virtually unchanged in 2020 (see figure I.10). The countries with the largest changes in their minimum wages were Argentina, where they have been falling in a context of high inflation, and Mexico, where they have risen as part of a process of upward adjustment. Minimum wage increases have moderated during the pandemic, and this, coupled with rising prices, meant that minimum wages trended downward or rose only moderately in some countries in the first few months of 2021 (see figure I.10).

Figure I.10
Latin America and the Caribbean (18 countries): year-on-year changes in real wages, 2019, 2020 and first half of 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.

F. Outlook

Economic growth is expected to average 5.9% in Latin America and the Caribbean over the whole of 2021, which will not be enough to restore 2019 levels of output and employment. In the coming years, growth dynamics will be subject to uncertainties associated with uneven progress on vaccination and the ability of the countries to reverse the structural problems behind the low growth trajectory already in evidence before the pandemic (ECLAC, 2021a). Labour markets will be characterized by a return of workers to paid activities, including those who were forced to exit them, new workers entering to compensate for the loss of household income and young people seeking work for the first time because they were unable to do so in 2020. This could translate into higher unemployment unless all economic sectors revive or average employment quality in the region worsens. For the time being, rising employment is associated with informal work and usually with lower average incomes, which is affecting social conditions in the region's countries. Given the persistence of the crisis, the policy challenge for the coming months is to sustain emergency fiscal plans with the aim of preserving

relief mechanisms for the most vulnerable sections of society and, as will be discussed in section II, for businesses, especially microenterprises and small and medium-sized enterprises (MSMEs). In the medium term, it will be necessary to implement reforms that contribute to greater resilience in labour markets, so that recovery measures are complemented by programmes designed with a view to the transition from informal to formal employment and the redesign of social protection systems.

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II. Employment policies during the coronavirus disease (COVID-19) pandemic in Latin America and the Caribbean: from protection of employment relationships to hiring subsidies

Introduction

Economic and employment patterns linked to the spread of the coronavirus disease (COVID-19) pandemic have created different challenges relating to implementation of employment policies in Latin America and the Caribbean. In short, while in 2020 job retention programmes predominated in a context of widespread strict lockdowns, in 2021, with an incipient recovery and occasional lockdowns—that were shorter and covered smaller areas—there came a transition to other types of policies, and particularly hiring subsidies.

A. From job retention to hiring subsidies: employment policies during the pandemic

From March 2020 onward, all countries in Latin America and the Caribbean implemented some form of lockdown or restriction on movement as part of their public policy strategies to address the COVID-19 pandemic. This affected almost all economic activities, particularly in the second quarter of 2020, causing concurrent economic slowdowns in every country in the region. Since then, the pattern and scope of health measures and socioeconomic policies to address the pandemic have varied from country to country, depending on their health crisis situations.

During 2020, the combination of mandatory isolation in lockdowns and the need for income—at the level of both productive units and households—led to a rethinking of social and labour public policies to protect jobs and guarantee sources of income for formal and informal workers. Because of the extent of the economic contraction, policies were wide-reaching, seeking to cover the largest possible universe of people and productive units—depending on the fiscal space of each country—by strengthening or converting available institutional mechanisms (unemployment insurance, agreed adjustments to working hours and income, income transfers to informal workers) or by implementing some of these policies, when they did not exist previously. Such employment support policies were widely used in most countries (ECLAC/ILO, 2020; ILO, 2020a). Other measures that are not discussed in this report were applied to enable as many workers as possible to remain in their jobs. In several countries, for example, telework was regulated through new laws or decrees to prevent this mode of work from falling into illegality (Maurizio, 2021a; ECLAC, 2021).

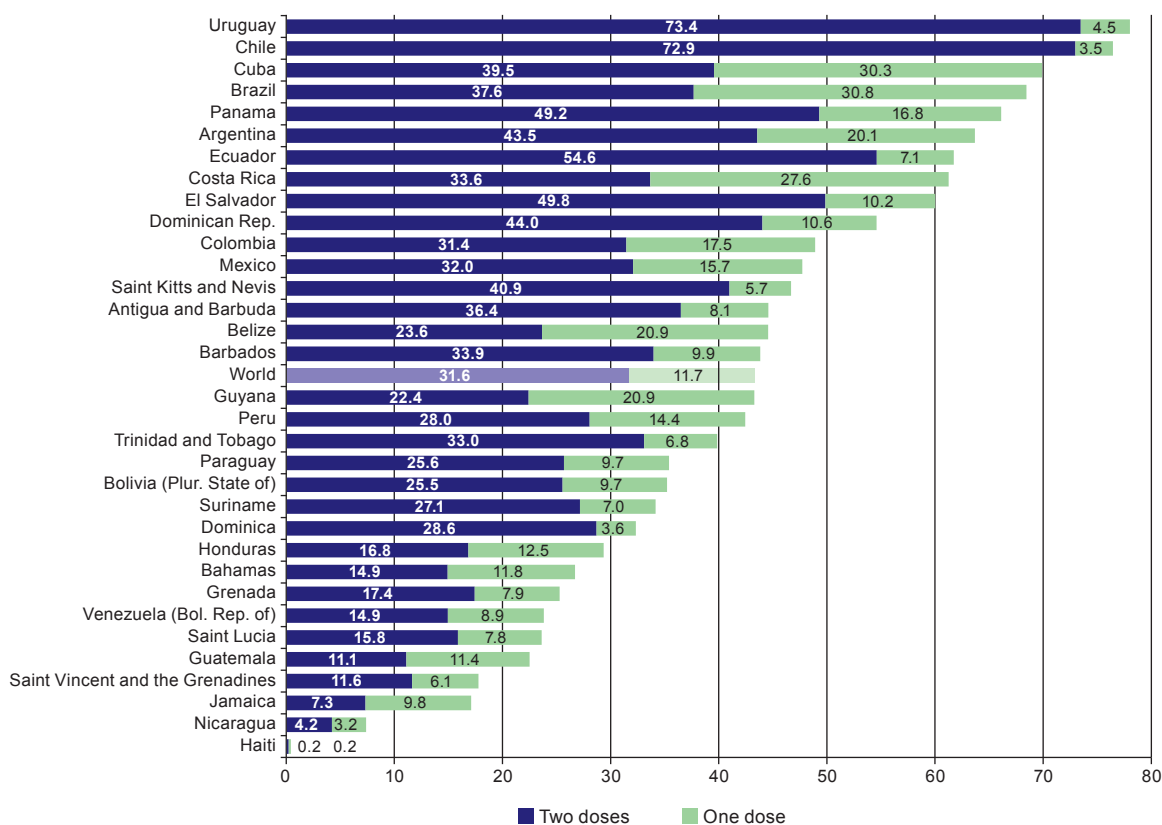
In 2021, there has been a pattern of gradual recovery in economic activity and employment, linked to the roll-out and progress of vaccination programmes and the productive and labour adaptations driven by a need to continue operating (and living) with the virus (see figure II.1). However, there have been differences between sectors: some economic activities have returned to pre-pandemic levels, but others, such as tourism and other service sectors, are still lagging far behind. As a result, although levels of employment and particularly wage employment have been better in 2021 than they

were in 2020, they are still far from pre-pandemic levels, with marked differences among sectors and a greater relative impact on some groups of workers, such as women and young people.

Figure II.1

Latin America and the Caribbean and the world: vaccinated population by August 2021

(Percentages)



Source: Our World in Data, Oxford COVID-19 Government Response Tracker [online] <https://ourworldindata.org/coronavirus>.

In the recovery—which was more tentative when lockdowns were first eased and has become stronger with progress on vaccinations—support policies have shifted from ensuring wage earners are retained in employment relationships to specific subsidies for rehiring furloughed workers or incentives to hire earlier than planned. In some cases, as vaccination has progressed, hiring subsidies have become more focused on sectors and groups that were hit hardest by the crisis. The target population for these subsidies are young people and women, especially if they are low-skilled workers (Veza, 2021; ECLAC, 2021).

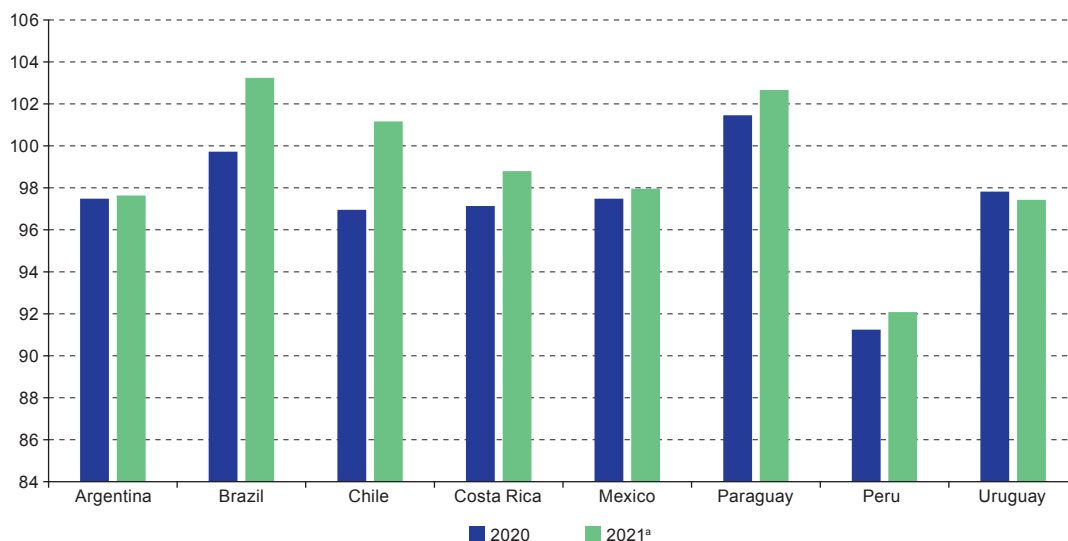
This has also entailed modifying or even creating instruments to facilitate distribution of these incentives. Specifically, the changes relate to the universe of recipients (general or specific), the amounts allocated (whether they were increased, reduced or segmented according to specific groups), the time over which the benefit applies (how much the duration has changed, whether it is contingent on the health situation), the type of benefit (direct cash transfer to companies or discounts on their taxes or social security contributions) and the public institutions in charge of the benefits (a centralized entity or different public agencies).

While hiring subsidy policies have been used before in the region, especially during economic crises, this discussion of the subject is important because of the similar contexts and challenges the countries of the region face in 2021. One of the key issues relates to employment patterns in the pandemic. As previously discussed (ECLAC/ILO, 2021; Maurizio, 2021b), the health crisis affected informal employment more than formal employment in 2020, especially during the second quarter, when the proportion of job losses was much higher in the region's informal sector than in its formal sector. This may be partially a result of policies that encouraged continuation of employment relationships (forbidding dismissal, reducing working hours) and unemployment protection instruments, which appear to have mitigated the effects of the health crisis on formal wage employment in the countries that had them in place (ILO, 2020a).

As shown in figure II.2, from 2019 to 2020 formal wage employment fell by less than 4% in the countries for which information is available, with the exception of Peru. However, the recovery in employment seen towards the end of 2020 and into the beginning of 2021 has followed a pattern more marked by informal workers returning to the activities they had to leave during lockdowns than by creation of formal jobs. (ECLAC/ILO, 2021; Maurizio, 2021b). This is particularly evident in the comparatively lower rates of job creation in formal wage employment, meaning that levels of such employment have been lower in 2021 than in 2019 in most countries for which information is available. Specifically, the rise in formal workers has been limited because firms tend to bring back “employed not at work” first (those who have not been working but did not leave the staff) and then reverse the cuts applied to working hours during lockdowns. Thus, in a period of economic recovery and increased vaccination, growth in formal jobs will be insufficient to meet increased labour supply and reduce the risk of work becoming informal.

Figure II.2

Latin America (8 countries): formal wage employment in 2020 and 2021, compared with 2019
(Index 100 = average of 2019)



Source: Economic Commission for Latin America and the Caribbean (ECLAC) and International Labour Organization (ILO), on the basis of administrative records in selected countries.

^a For the 2021 variation with respect to the 2019 average the averages of the following periods were used: January to April in Argentina, Peru and Uruguay; January to May in Brazil and Chile; January to June in Costa Rica and Mexico; and January to February in Paraguay. For the 2020 variation with regard to the 2019 average, the annual average was used for all countries.

The following sections analyse the specific nature of these challenges, while examining international experience in moving from retention policies to hiring subsidy policies and the implementation of hiring subsidy policies for formal workers at the regional level.

B. Some lessons learned at the international level in the transition from retention policies to recruitment subsidy policies

In the context of the COVID-19 pandemic, transitioning from job retention policies to recruitment subsidy policies has been a common challenge globally. Specifically, retention policies were structured according to policy lessons from the 2009 global financial crisis, meaning that in 2020, during the pandemic, many governments relied heavily on job retention schemes to keep workers in their positions. These measures included both short-term work agreements and wage subsidies. At the peak of the lockdowns in May 2020, these schemes supported 50 million workers in Organisation for Economic Co-operation and Development (OECD) countries, ten times more than during the 2009 global financial crisis (OECD, 2020). One of the best-known programmes is Germany's Kurzarbeit, which succeeded in helping the country's manufacturing sector weather the 2009 crisis. The system was simplified and expanded during the COVID-19 crisis to reach more people—such as temporary agency workers—and its duration was extended to the current 24 months. As a result, by April 2020 around 5.7 million workers were covered by the Kurzarbeit programme, compared to just under 45,000 in 2019 (and a peak of 1.4 million in 2009). The latest estimates indicate that just over 2 million German workers received Kurzarbeit system support in April 2021.¹

Regarding whether the increases in these subsidies made any difference to employment, the International Labour Organization (ILO) estimates that working hours fell 8.3% in the European Union (27 countries) in 2020, although employment declined at a much lower rate (2%).² This is because the labour market adjustments in these countries were largely achieved through shorter working hours, supported by job retention schemes. A sample of 20 OECD countries with data on such measures shows evidence of positive and meaningful correlation—albeit with variations among countries—between approved applications for job retention programmes as a proportion of employees and the rate of employment growth in 2020 (see figure II.3).

While the positive correlation is evident for certain countries, such as New Zealand, which did not have such a system in place before the crisis, there is no such relationship for countries at the other end of the spectrum, such as the United States, where workers who are furloughed are recorded as unemployed (on temporary layoff). In May 2020 there were 15.3 million United States workers in this category, but by May 2021 there had been a decline to 1.8 million workers.³

Job losses in more developed countries with higher levels of formal employment have been comparatively smaller than those in less developed countries with lower proportions of formal employment, both overall and in specific groups (see figure II.4). This highlights the importance of having high levels of formal employment and the institutional mechanisms to implement job retention plans, particularly during severe crises such as the health and economic crisis caused by COVID-19.

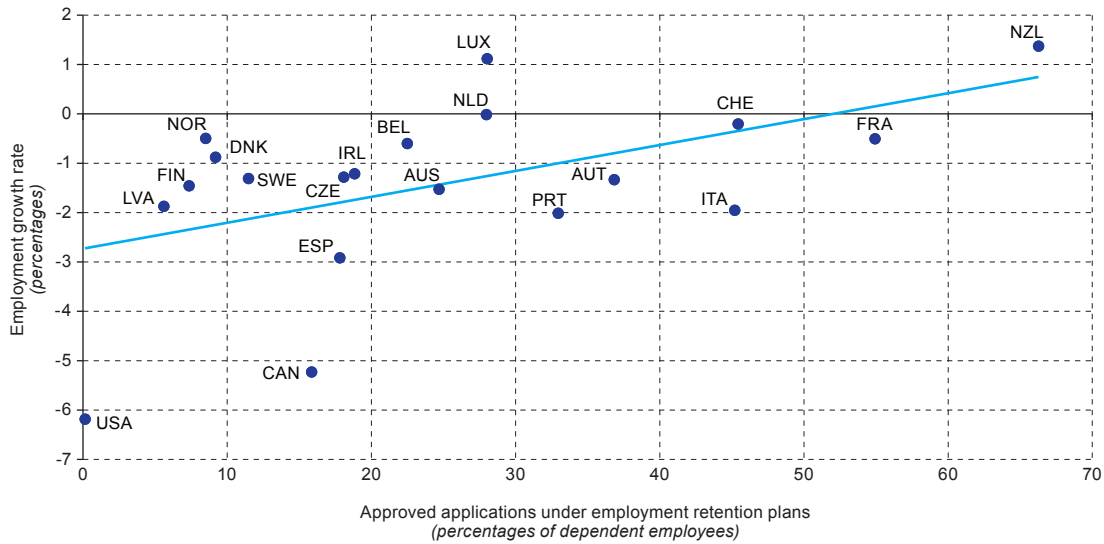
¹ For more information see [online] <https://www.arbeitsagentur.de/news/arbeitsmarkt-2021>.

² See International Labour Organization (ILO), ILOStat [online database] <https://www.ilo.org/ilostat/>.

³ See United States Bureau of Labor Statistics [online] <https://www.bls.gov/web/empsit/cpseea11.htm>.

Figure II.3

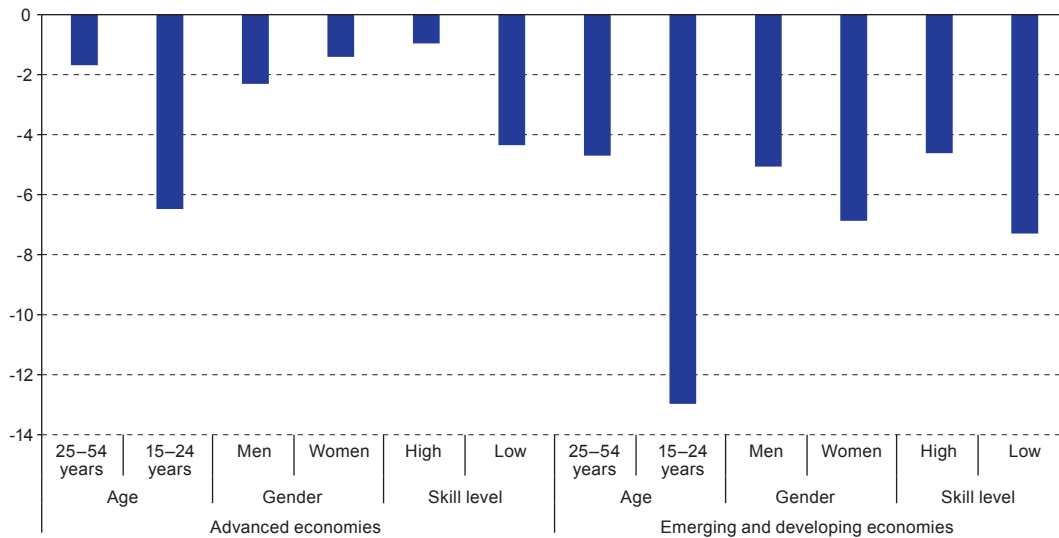
Organisation for Economic Co-operation and Development (20 countries): correlation of employment retention plans and employment growth rates, 2020



Source: S. Verick, D. Schmidt-Klau and S. Lee, "Is this time 'really' different? How the impact of the COVID-19 crisis on labour markets contrasts to the global financial crisis of 2008-9", *International Labour Review*, 11 August 2021.

Figure II.4

Advanced economies and emerging and developing economies: differences in employment rates, fourth quarter 2019 to first quarter 2021 (Percentages)



Source: International Monetary Fund (IMF), *World Economic Outlook Update*, July 2021.

As countries have reopened their economies, policymakers have begun to shift the focus of measures to supporting hiring through subsidies, especially those that target specific groups of workers. Hiring subsidies can effectively (albeit temporarily) encourage firms to hire unemployed

persons and, if they are targeted, can be cost-effective measures, even during recovery phases (Brown, 2015; Cahuc, Carcillo and Le Barbanchon, 2018). In 2020 and early 2021, almost two-thirds of OECD and European Union countries have expanded existing subsidies (or plan to), and others such as Australia, Latvia and the United Kingdom have introduced new measures (OECD, 2021).

The information from Australia,⁴ France,⁵ Germany (Wiesbaden Press Office, 2021) and the Republic of Korea (ILO, 2020b) provides valuable lessons on the differences in subsidies' goals, targeting and design. An analysis reveals shared features and differences between hiring subsidies in these countries, including:

- **Targeting:** hiring subsidies seek to stimulate employment but have different targeting strategies. Young people are specifically targeted in Australia, while in Germany long-term unemployed and young people are both eligible. France has a broader list of target groups, with the aim of promoting inclusion, and shows greater concern for differences among regions. The Republic of Korea has a subsidy aimed at young people and a measure that targets a broader demographic of low-income households, vulnerable groups and jobseekers. The most wide-reaching subsidy in the Republic of Korea focused on small and medium-sized enterprises (SMEs).
- **Amount:** while the floor for benefits may be well below minimum wage, the maximum benefits provided through subsidies are equivalent to up to 70% of wages in Germany and up to 80% of wages in France.
- **Duration:** the period over which the benefits are provided ranges from 12 months in Australia and Germany to 3 years in France.
- **Conditions:** to limit replacement of unsubsidized workers with subsidized workers, the countries have established requirements such as an increase in employment and evidence that no workers were laid off (for example in Australia and Republic of Korea).

Comparative data show that there have been challenges in the transition from retention policies to hiring subsidy policies, relating to the design of the latter. Once the recovery is underway, subsidies must be carefully chosen, to reduce deadweight loss (hiring of jobseekers who would have been hired anyway) and staff turnover (workers being dismissed once a programme ends), and to increase their cost-effectiveness. Because of the disproportionate impact of the COVID-19 crisis on youth—especially young women—and on low-skilled labour market participants, the measures should aim to help these jobseekers return to work in the recovery phase. Most systems use eligibility requirements to minimize displacement or substitution effects.

In addition to these subsidies, to promote hiring during the recovery from the COVID-19 crisis, other employment policy measures—including employment services such as counselling, career guidance, labour intermediation, and updating and upgrading of skills—are needed to help jobseekers find work. However, as the recovery remains fragile and uncertain, reflected in fewer vacancies in many countries, broader macroeconomic policy support and subsidies for job retention remain key pillars of the crisis response. Once the recovery is more established, hiring subsidies can be used to help workers move from shrinking to growing sectors. To facilitate this shift in employment, the literature shows that subsidies work best in conjunction with other measures, such as support for youth (O'Higgins, 2017).

⁴ Australian Taxation Office, "JobMaker Hiring Credit scheme" [online] <https://www.ato.gov.au/General/JobMaker-Hiring-Credit/>.

⁵ Ministry of Labour, Employment and Integration of France, "Emploi Francs" [online] <https://travail-emploi.gouv.fr/emploi-et-insertion/emplois-francs/>.

C. Policies implemented in Latin America and the Caribbean during the pandemic to maintain and recover employment

The response to the economic crisis in the region caused by COVID-19 has included numerous direct actions to sustain businesses, maintain jobs and mitigate loss of household income, especially for the most affected homes, which tend to include people working in the informal economy. This was particularly common in 2020, when the pandemic had the most acute impact on employment and income, especially for the most vulnerable firms and workers. In 2021, in contrast, some policies have focused on facilitating a return to employment and renewed employability, either through direct hiring, subsidies for companies, or, to a lesser extent, through public hiring programmes and programmes that promote training and employability. In addition, many countries have maintained household income support programmes into 2021, with varying levels of coverage and adequacy.

Table II.1 shows a stylized typology of the body of measures aim to protect employment and recover jobs: (i) cash measures and benefits as part of strategies to maintain employment relationships; and (ii) support for direct hiring or a transition to employment. In terms of social and labour policies, job retention policies, which were prevalent in 2020, were complemented by financial security measures for unemployed persons from the formal economy (unemployment benefits) and for families and individuals in the informal economy (programmes of benefits for individuals and families most affected by the crisis who are not in formal wage employment or who are not covered by contributory social security programmes) (ILO, 2020a; ECLAC, 2021; Velásquez, 2021). In many countries, the extent of the crisis has led to more than one of these instruments being implemented simultaneously, primarily to provide financial security according to labour status. In some countries, existing instruments were also adapted to cover a broader set of situations or persons. In addition, laws were adapted to facilitate teleworking, as a policy to enable employment links to be maintained by adapting the working hours of occupations in which telework is possible (ILO, 2020a; ECLAC, 2021).

Table II.1

Latin America and the Caribbean: key policy types and instruments to sustain or recover employment during the coronavirus disease (COVID-19) pandemic

	Sustaining the employment relationship	Support for direct hiring or the transition to employment
Instruments	<ul style="list-style-type: none"> – Payroll subsidies – Benefits through unemployment protection instruments to cover furloughs, reduced working hours and other situations other than dismissal 	<ul style="list-style-type: none"> – Subsidies for the rehiring and hiring of workers
Recipients	<ul style="list-style-type: none"> – Formally employed (full- and part-time in work, furloughed) – New formal workers 	<ul style="list-style-type: none"> – Unemployed, inactive and informal economy workers – New and existing formal workers
Examples	<ul style="list-style-type: none"> – Argentina, Brazil, Chile, Colombia, Costa Rica, Dominican Republic, Paraguay, Peru, Trinidad and Tobago, Uruguay. 	<ul style="list-style-type: none"> – Argentina, Bahamas, Chile, Colombia, Peru, Uruguay
Notable features	<ul style="list-style-type: none"> – Temporary during the most severe period of the pandemic – Broad coverage, to include as many wage earners as possible – Use of minimum wage as a benchmark to establish benefit brackets 	<ul style="list-style-type: none"> – Temporary during the most severe period of the pandemic – Increased focus on target groups

Source: Economic Commission for Latin America and the Caribbean (ECLAC) and International Labour Organization (ILO), on the basis of ILO, *2020 Labour Overview Latin America and the Caribbean*, Lima, December 2020, and information from the countries.

1. Policies for sustaining employment relationships

Support measures and incentives to maintain employment relationships have been crucial because they prevent the termination of employment relationships from resulting in the loss of job-specific and general skills, avoid the future expense of searching for a new job or employee, and provide income for formal workers. They are also important measures because maintaining employment relationships can facilitate a faster economic recovery.

In this regard, several innovations and programmes have been implemented in the region to sustain employment by paying benefits to the firm or the worker, either through social security institutions, tax authorities or other bodies (ILO, 2020a). These benefits are financed from general tax revenue, social security contributions or a combination of the two. Specifically, two types of measures can be distinguished: payroll subsidies and expansion of unemployment protection instruments to cover situations other than joblessness because of dismissal.

Within the payroll subsidies category, programmes were established or maintained in several countries in all the subregions (see table II.2). In the Southern Cone, Argentina, Brazil and Paraguay implemented this type of measure, with different coverage. Formats ranged from a direct subsidy for employee retention (Paraguay) to a mixture of this subsidy type and exemptions from social security payments (Argentina and Brazil). All countries set criteria for determining eligibility according to employment status and benefit amounts. Ceilings were linked to the minimum wage (Paraguay) or wage brackets (Brazil). In Brazil, the option was made available to reduce working hours, while in Argentina, access to benefits was conditional on not laying off workers.

Table II.2

Latin America and the Caribbean (9 countries): some experiences of payroll subsidies during the coronavirus disease (COVID-19) pandemic, primarily in 2020^a

Country	Type of subsidy	Criteria and features of application
Argentina	Emergency Assistance Programme for Work and Production (ATP)	A 95% reduction in employer contributions to the Argentine Integrated Social Security System (SIPA) and a compensatory wage allowance in private companies. At the same time, a ban was established on dismissals without just cause and on the grounds of a lack of or decline in work and force majeure, as well as furloughs on the same grounds.
Brazil	Emergency Employment and Income Preservation Benefit	Programme to support the income of formal wage earners who have been furloughed or had their working hours and income cut. The programme authorizes reductions of working hours, through individual agreements, to 25%, 50% or 70% of their original amount, while maintaining wages for up to 90 days. Furloughs are also possible for a maximum of 60 days.
Colombia	Subsidy for companies and individuals	Employers who provided evidence of a decrease of 20% or more in income could apply between May and December 2020 for a subsidy for an amount equal to 40% of the minimum wage for every worker for whom they contribute to the Unified Social Security Contributions Account (PILA), up to a maximum of the number of employees registered in February of the same year.
Costa Rica	The Proteger benefit (Bono Proteger)	Provides a temporary income transfer to workers with reduced earnings owing to the pandemic. This includes workers who have been dismissed, have reduced working hours or have been furloughed, who must certify their situation by means of a letter from their employer.
Dominican Republic	Employee Solidarity Assistance Fund (FASE)	A cash transfer to sustain employment in the sectors most affected by the pandemic. The government contributes 70% of the salary, from a minimum of 5,000 pesos to a maximum of 8,500 pesos per month per worker.
El Salvador	Trust Fund for the Recovery of Salvadoran Companies (FIREMPRESA)	Subsidies of up to 50% of wages for employees of SMEs and financing on preferential terms for the informal sector.
Paraguay	Subsidy for formal wage earners	For wage earners earning up to the equivalent of two minimum wages who were furloughed owing to a shutdown during the pandemic. The amount of the subsidy is equivalent to 50% of the minimum wage and is financed by the Government of Paraguay through a specific transfer for this purpose to the Social Security Institute (IPS).
Peru	Payroll subsidy and social security contributions	Furloughed workers continued to receive benefits through the Social Health Insurance (EsSalud). In addition, private sector employers receive a subsidy of up to 35% of the gross monthly remuneration of their employees whose wages do not exceed 1,500 soles.
Trinidad and Tobago	Salary Relief Grant	Under the programme, 1,500 Trinidad and Tobago dollars are provided for three months to employees who have been affected by the pandemic.

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

^a In some cases, subsidies were maintained into 2021.

In the Andean countries, payroll subsidies have been applied in different ways. Colombia set a cap on the number of recipients per company that is linked to the number of social security contributors registered to the productive unit and created a wage subsidy equivalent to 40% of the minimum wage, which could be requested upon a 20% drop in sales. Peru established a mixture of wage subsidies (equivalent to 35% of the minimum wage) and exemptions from social security payments. In Central America and the Caribbean, there are also various forms of subsidies. Costa Rica created a grant for unemployed workers, workers with reduced working hours or furloughed workers, while in Trinidad and Tobago the transfer focused on employees affected by the pandemic. In the Dominican Republic, 70% of wage brackets were subsidized with floors and ceilings in specific sectors, and in the case of the tourism sector the subsidies were extended until July 2021. El Salvador created the Trust Fund for the Recovery of Salvadoran Companies (FIREMPRESA), which provides subsidies of up to 50% of the payroll for employees of SMEs registered with social security that had up to 99 employees between December 2019 and February 2020. From August 2021 to July 2022, a non-refundable subsidy was made available to SMEs for the increase in the minimum wage (20%) aimed at formal enterprises with fewer than 100 employees, for which an estimated amount of US\$ 100 million was earmarked.

Although the design of the subsidies varied from country to country, similar patterns can be seen. Firstly, the subsidies were temporary and limited to specific periods (certain months, consecutive months, up to specific dates), and secondly the benefits were general, without targeting specific groups by sex or age, but were intended for formal employees. Wage-related requirements are also prevalent, reflecting a focus on lower-income wage earners. The minimum wage has been an important benchmark in many countries, either for establishing benefit ceilings or for setting criteria for selecting the workers whose employment relationship was to be subsidized.

Another type of measure to protect employment relationships was based on unemployment protection instruments. At the regional level, this format differs among countries such as Argentina, Bahamas, Barbados, the Bolivarian Republic of Venezuela, Brazil, Chile, Colombia, Ecuador and Uruguay and in Mexico City. Originally designed for periods of cyclical unemployment, these instruments have a more limited potential for systemic crises that produce lasting high unemployment rates, such as the one triggered by COVID-19. Although unemployment protection instruments provide income security in the event of unemployment, to respond to a crisis of the magnitude of the COVID-19 pandemic these instruments often had to be adapted to also protect employment relationships, offering benefits in the event of furloughs or reduced working hours. This helped to maintain contractual relationships between workers and companies that foresaw temporary declines in activity, while at the same time facilitating the reintegration of workers as activity recovered, reducing rehiring costs for companies. Another advantage is that, because they are partly financed with advance contributions from firms and workers, the fiscal cost of the measures is lower than in countries that do not have unemployment protection. This type of adaptation was made in Brazil, Chile, Colombia and Uruguay.

As shown in table II.3, in several of the countries that already had unemployment protection instruments, these were adjusted to serve not only as a source of income for the unemployed from the formal sector, but also as a means of supporting the income of formal wage earners. The criteria for application of this feature of unemployment protection instruments in the region related to temporary suspension of employment relationships or reductions in working hours. In Uruguay, for example, eligibility limits were established for cuts to working hours (a minimum of 50%). Although the general criterion was availability of funds in formal workers' accounts, additional criteria were

established for application of the insurance to mitigate falls in income, ranging from a ceiling (Peru) to a calculation based on the preceding three months (Chile). In Chile, unemployment insurance coverage was extended to include domestic workers, and in Paraguay, which does not have unemployment insurance, the health crisis drove a discussion of the possibility of introducing such an instrument.

Table II.3

Latin America and the Caribbean (5 countries): experiences of modifications or extensions of unemployment protection instruments during the coronavirus disease (COVID-19) pandemic, primarily in 2020^a

Country	Criteria and features of application
Chile	Eligibility criteria were temporarily changed. Access to this benefit is possible under special circumstances, including temporary closure of companies, furloughs and temporary reductions in working hours. The employment relationship is maintained, and the worker receives income from unemployment insurance, while the employer must continue to pay the worker's social security and health contributions. To calculate the amount of the benefit, the average earnings of the last 3 months are used (to calculate the amount of insurance in the event of unemployment, the last 12 months are used). While the replacement rates for furloughs are the same as those for dismissals, in the case of reduced working hours the employer pays the part worked and the insurance covers half of the part not worked.
Colombia	Employees who continue to work but whose income has been cut will be able to withdraw an amount each month from their severance pay account to compensate for the reduction.
Costa Rica	The "Law to allow payment from the Labour Capitalization Fund to workers affected by the economic crisis" (April 2020) enabled workers to withdraw the labour savings they have accumulated in the Labour Capitalization Fund (FCL) in the event of temporary suspension of the employment relationship or a reduction in working hours, resulting in a decrease in wages. The amount depends on the worker's available balance on the start date of the suspension of work or reduction of working hours, and may be requested by the person concerned.
Peru	An amount of up to 2,400 soles from the compensation funds for length of service was made freely available to workers. Additional withdrawals were made possible for furloughed workers.
Uruguay	Access to unemployment insurance was extended to workers subject to partial suspension of work and reduced working hours (at least 50% of the working day), as well as to workers engaged in activities which had been fully suspended (to comply with certain requirements), in all cases maintaining the employment relationship.

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

^a In some cases, modifications or extensions were maintained into 2021.

2. Hiring subsidies

Programmes of subsidies to encourage reintegration of workers have changed over the course of 2020 and 2021, not only in approach but also in terms of the number of countries that have them. In 2020, Chile, Peru and Uruguay began to employ these instruments, focusing mainly on companies and establishing conditions linked to losses of income for these companies, ceilings on wages, coverage and time.

In Chile and Uruguay, the benefits included a line of subsidies for firms to encourage the return of furloughed workers and another line for hiring new employees, subject to certain conditions concerning the characteristics of the new workers and the amounts of their wages (see table II.4). In Chile, under the first of these two lines (called *Regresa*), companies were eligible if their sales or gross income fell 20% or more between April and July 2019 and the same period of 2020, as were workers with a gross monthly wage equal to or less than three monthly minimum wages. The payment was 160,000 pesos per month for six months. In Uruguay, a State contribution of 5,000 pesos per month for three months was introduced for each worker who re-joined a company.

Table II.4
Latin America and the Caribbean (6 countries): experiences with hiring subsidies, 2021

Country	Programme	Target group	Design features	Operational features
Argentina	Te Sumo programme, to promote youth employment in SMEs.	SMEs that hire, as employees, young people aged 18–24 who have completed secondary education. The benefit is higher in cases where a woman or a transsexual, transgender or transvestite person is hired.	The programme covers 50% to 90% of the new employee's starting salary for 12 months. This amount is adapted to the size of the company. The amounts are generally 18,000 pesos for microenterprises, 14,000 pesos for small enterprises and 11,500 pesos for medium-sized enterprises. Direct wage subsidies are provided in addition to tax deductions. Employers' social security contributions during the first year after hiring are reduced by 95% of the total for women and non-binary persons and 90% for men.	The programme offers the possibility of a job placement supported by training: the programmes for micro-, small and medium-sized enterprises (MSMEs) involve a few months of joint training linked to work and then full employment. The incentives are implemented through non-refundable contributions and reductions in employer contributions.
	Registradas programme.	Hiring and registration of women domestic workers.	The employer registers the worker with the Federal Public Revenue Administration (AFIP) and pays contributions. A free wage account is automatically opened in the name of the worker at Banco de la Nación Argentina. The State transfers 30%–50% of the wage to the worker and the employer transfers the remaining percentage of the wage to the worker. The cash transfer from the State lasts for six months. Enrolment in the programme must be requested by the employer before 31 December 2021. Employers may only register one female worker.	The programme seeks to incentivize formal hiring of female domestic workers and less informality in this sector, guaranteeing access to and continuation of registered employment, and to encourage the workers to use banking services.
Bahamas	Employment Incentive Programme.	Companies hiring new employees.	Through this initiative, companies will be able to apply for a VAT tax credit to cover the salaries of up to ten new employees from 1 July. The tax credit will be for up to 400 Bahamian dollars per week per employee.	To be eligible, companies must be in good standing with the National Insurance Board (social security) and tax authorities. New employees must be hired on a full-time basis. It is estimated that up to 250 companies will take advantage of this opportunity and up to 2,500 people will return to work.
Chile	Labour Emergency Family Income (IFE laboral): incentive for workers to become formally employed, granting them a subsidy for the newly formed employment relationship.	Dependent workers with a new contractual employment relationship from 1 August 2021.	This benefit is paid directly to the eligible worker. The amount varies according to different groups: – Men aged 25–55: 50% of gross monthly wage, with a ceiling of 200,000 pesos per month. – Women, young people aged 18–24, men over 55, persons with a certified disability and recipients of disability pensions: 60% of gross monthly wage, with a ceiling of 250,000 pesos per month. This benefit will be provided until the payroll month of December 2021 at the latest.	Applies to hires in 2021. In place until December 2021. Additional workers were added from August 2021. Must have a gross monthly wage of up to three months' minimum wage (1,011,000 pesos) when applying.
	Línea Regresa: benefit given to the employer for each worker who was furloughed under the Employment Protection Law and has returned to work.	Companies that reinstate workers who were furloughed under the Employment Protection Act.	The amounts are divided into groups: – Men aged 24–55: 160,000 pesos per month. – Women, young people aged 18–24, men over 55, people with disabilities and recipients of disability pensions: 200,000 pesos per month. This benefit will be provided until the payroll month of December 2021 at the latest.	Facilitates reinstatement of workers who have been furloughed under the Employment Protection Act for at least one day between 6 February and 6 October 2021, and who have been reinstated. If the person who has been furloughed under the Employment Protection Act returns to work with reduced working hours, the amount of the subsidy is reduced proportionally. Requirements for the company: up to 199 employees with an employment contract in force on 31 May 2021. Requirements for the worker: a gross monthly salary of up to three minimum wages (1,011,000 pesos) when applying and have been furloughed under the Employment Protection Act.
	Línea Contrata: a benefit provided to the employer to encourage hiring of new workers and their ongoing employment.	Companies hiring new workers	The amount varies according to different groups: Men aged 25–55: 50% of gross monthly wage, with a ceiling of 200,000 pesos per month. Women, young people aged 18–24, men over 55, persons with a duly attested disability and recipients of disability pensions: 60% of gross monthly wage, with a ceiling of 250,000 pesos per month. This benefit will be provided until the payroll month of December 2021 at most.	Facilitate the hiring of workers not on the payroll on 31 May 2021 (reference payroll). Requirements for the company: up to 199 employees with an employment contract in force on 31 May 2021 and must increase the number of employees with a current employment contract. Requirements for workers: gross monthly wage of up to three minimum wages (1,011,000 pesos) when applying.

Table II.4 (concluded)

Country	Programme	Target group	Design features	Operational features
Colombia	Support for the creation of jobs for young people: Sacúdete Strategy	Employers who hire young people aged 18–28.	25% of the current monthly minimum wage.	Applies to hires in 2021. In place in 2021 and 2022. Additional workers were added from March 2021.
Peru	Subsidy for private sector employers	Private sector employers taking on new workers.	<p>Must have had a drop in sales of 20% or more from April and May 2019 to the same period of 2020. Must have an active tax identification number (RUC) and tax domicile. Must have declared and paid workers' wages, Social Health Insurance (EsSalud) contributions and income tax withholdings.</p> <p>Employer must have increased the total number of workers and the number of workers with gross wages up to 2,400 soles, compared to October 2020. If an employer has more than 100 workers, the total sum of the wages of those earning more than 2,400 soles must not be less than 80% of that recorded in October 2020.</p>	The Ministry of Labour and Employment Promotion (MTPE) will use information from the National Tax and Customs Administration (SUNAT), the Ministry of Justice and Human Rights, the Supervisor of State Procurement and the Ministry of Labour and Employment Promotion's electronic records to verify compliance with the requirements. Subsequently, it will approve the lists of eligible employers for allocation of the subsidy. Employers appearing on the lists must not have the status of investor or concessionaire under public-private partnerships within the scope of Legislative Decree No. 1362, nor must they be the process of implementing a collective lay-off procedure in the month in which the subsidy is paid.
Uruguay	Law to promote employment, for young people aged 15–29, workers over 45 and persons with disabilities to join or re-join the labour market.	Private employers who newly hire people aged over 45, people with disabilities and young people aged 15–29, in continuous unemployment for more than 12 months or discontinuous unemployment for more than 15 months in the 24 months prior to hiring. Young people aged 15–24 with no work experience are also included.	<p>To promote youth employment, the programmes included in the Law are as follows:</p> <p>(a) A temporary subsidy for the hiring of unemployed young people. The maximum amount of the subsidy is 9,000 pesos, with a maximum duration of one year.</p> <p>(b) Contracts for first experience of work: for young people aged 15–24 who have not had formal work for more than 90 days. The planned subsidy will be 6,000 pesos for men and 7,500 pesos for women for a period of 12 months. However, if the employment relationship continues, the exemption from employer contributions is maintained for as long as the employment relationship lasts or until the worker reaches the age of 25.</p> <p>(c) Work placements for college graduates: aimed at young people aged 15–29 who have graduated from technical, commercial, agricultural or service colleges. The subsidy requires that the employment be linked to the qualification of the young person. The amount is 15% of the corresponding salary and may not exceed 15% of a national minimum wage, with a minimum duration of 6 months and a maximum of 12 months.</p> <p>(d) Sheltered work for young people: this programme targets unemployed young people aged 15–29 who belong to households with incomes below the poverty line. The subsidy may be up to 80% of the young person's wages, to a maximum of 80% of two national minimum wages. In this case the duration is a minimum of 6 months and a maximum of 12 months.</p> <p>(e) Training placements: the recipients are young people aged 15–29 who undertake a training placement subject to an agreement between a company and an educational institution. Wages shall be at least 75% of the minimum wage for the applicable category of work, proportional to the hours actually worked. The amount of the subsidy to the hiring company may be up to 50% of 75% of the national minimum wage for the applicable category of work, calculated according to the hours paid. The duration of the subsidy will be 12 months.</p> <p>The Law also establishes benefits for the hiring of workers aged over 45 and people with disabilities. One of the forms of assistance for these two groups consists of a subsidy of 7,000 pesos to 9,000 pesos per month (for women who also have dependants) for one year, for those who are unemployed continuously for more than one year or discontinuously for 15 months in two years. The other mode, for workers aged over 45, relates to sheltered work and is aimed at people with incomes below the poverty line.</p>	In addition to companies not having debts with the State, the subsidies they receive must be proportional to the contractual working hours, and the percentage of workers participating may not exceed 20% of the workforce for each target social group. Nor may the employer have dismissed or sent to unemployment insurance, in the 90 days prior to making use of the subsidy or for the duration of the subsidy, workers in the same employment category as those being hired.

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

In the case of the second line, in Chile (the *Contrata* programme), the benefit was 50% or 60% of the gross monthly wage or a fixed amount, depending on the group to which the hired worker belonged, while in Uruguay the benefit for new hires was similar to that for rehiring.

In Peru, the goal of the subsidy was to enable private sector companies affected by the pandemic to hire new workers. The subsidy was established for a maximum of six months, for 35% to 55% of the wages of workers earning less than 2,400 soles (US\$ 678). The criteria, however, were different for each target group: the subsidy was higher for young people aged 18 to 24 than for those aged 25 and over, and higher for permanent contracts than for fixed-term contracts.

From 2021 onwards, more countries in the region resorted to hiring subsidies and there were also changes in their design. As shown in table II.4, countries such as Chile and Uruguay maintained their original subsidy programmes for firms, albeit with adjustments to favour particularly vulnerable groups. In the case of Chile, the conditions linked to companies' income losses were removed from the *Regresa* and *Contrata* subsidy lines, and the benefit ceiling was increased for women, young people aged 15–24 and men over 55. In addition, the Labour Emergency Family Income (*IFE laboral*) was rolled out, a subsidy paid directly to workers to facilitate their return to the labour market in a formal employment relationship, which complements the *Contrata* subsidy line; therefore, the conditions, and the benefit and coverage ceilings, apply to both target recipients: companies and workers. All the programmes are in place until December 2021.

In the case of Uruguay, subsidy programmes were reformulated to focus on the hiring of young people aged 15–29. Although hiring subsidies were maintained, including for persons over 45 years and persons with disabilities, the policy largely revolved around establishing employment relationships for young people or work placements to facilitate such relationships. There are five modes: (i) a temporary subsidy with a maximum duration of one year for hiring unemployed young people; (ii) contracts to give young people aged 15 to 24 their first experience of work, if they have no formal work experience of more than 90 days; (iii) work placements for graduates of technical, commercial, agricultural or service colleges; (iv) sheltered employment, which targets unemployed young people from households with incomes below the poverty line; and (v) apprenticeships for young people subject to an agreement between a company and an educational institution. The amounts and coverage of benefits are greater for subsidies for hiring, first experiences of work, and sheltered employment than they are for work placement subsidies. Lastly, the programmes require that the recipients in each company do not account for more than 20% of the staff.

Argentina and Colombia also introduced subsidies for hiring young people in 2021. In Argentina, the *Te Sumo* programme was created to promote SMEs hiring young people aged 18–24 who have completed secondary education. The programme covers 50%–90% of the new employee's starting salary for 12 months. This amount is adapted to the size of the company and is higher for micro-enterprises and lower for medium-sized enterprises. Direct wage subsidies are provided in addition to tax deductions. The programme has an innovative structure, whereby the reduction in employer contributions during the first year after hiring is larger in the case of women, persons with disabilities and non-binary persons. Argentina has also created the *Registradas* programme, which seeks to encourage new formal hiring of female domestic workers and reduce informality in the sector. In Colombia, from June 2021 onward, the *Sacúdete* strategy has subsidized employers who hire young people aged 18–28 in 2021 with 25% of the prevailing monthly minimum wage.

In the Bahamas, in July 2021 a labour incentives programme was rolled out, to provide subsidies to companies that hire new employees. Under the scheme, businesses will be able to claim a VAT tax credit of up to 400 Bahamian dollars per week per employee to cover the salaries of up to ten

new employees added to the payroll from July 1 onward. Lastly, in Peru, the design and operational features of the subsidy for hiring new workers, for private sector employers, were largely maintained in 2021.

D. Some thoughts and lessons learned

The need to bolster job creation and especially formal employment after the negative effects of the health crisis will be a crucial labour policy challenge in Latin America and the Caribbean, not only as lockdowns are eased and vaccination rates increase, but also afterward. In a context in which rising employment is centred on informal work in most of the region's countries, measures to accelerate the process of unemployed persons re-joining the formal labour force are key. As previously mentioned, several countries—including some of the most advanced and several in the region— have shifted the focus of their employment policies from job retention to hiring incentives.

Broadly speaking, employment policies to address the impact of the pandemic in Latin America and the Caribbean have followed the same pattern as in more advanced countries: during the period of lockdowns and high infection rates in 2020 policies to maintain employment ties predominated, while in 2021 policies to encourage new hires have become more prominent.

International experience indicates that employment support measures have successfully reduced falls in employment, and the available information for Latin America and the Caribbean shows that they have done so in the region. However, there are some differences, especially regarding the scope of the benefit (in the region, its duration is shorter). The design of payroll subsidies in the region focuses on wage-related requirements and, in many cases, the minimum wage as a benchmark for determining the benefit amount, thereby principally targeting lower-income formal wage earners. This also highlights the importance of an instrument such as the minimum wage in guiding policies related to wage subsidies.

These instruments have had specific conditions linked to the extent of the drop in income caused by the health crisis and to company compliance with regulations that guarantee formal status, in terms of payment of taxes and social security contributions and maintenance of formal employment relationships. The type of instrument also determined the mechanisms for delivering these benefits, which have taken the form of tax or social security exemptions, cash transfers or a combination of the two. Lastly, payroll subsidies notably sought to protect the employment relationship of as many wage earners as possible, and benefits linked to adjustments in working hours were made flexible.

In several countries that already had unemployment protection instruments, these were adjusted by expanding their coverage, changing eligibility requirements and injecting fiscal resources, enabling them to be used to protect employment relationships. However, with high labour informality and a lack of unemployment protection in many countries of the region, the design and implementation of these programmes were more limited in scope and covered fewer people than those of payroll subsidies.

Both regionally and in more developed countries, hiring subsidies include design features to reduce deadweight losses (hires that would have been made anyway, even without a programme) and turnover (staff leaving after a programme ends). Use of such instruments has increased in 2021—albeit in only a few countries—in response to a need to boost formal job creation.

In terms of design, there are similarities with respect to some of the conditions of payroll subsidies and benefits for firms (encouraging tax compliance and formal employment), although there has been a shift from the wide-reaching approach of payroll subsidies to a focus on groups that have been especially affected by the health crisis, such as women and particularly young people. In addition,

there are innovations, such as implementation of subsidies for both supply (workers) and demand (companies) in Chile, combination of different job integration and placement options for young people in Uruguay, and additional benefits for hiring non-binary people in Argentina.

Although it is possible to identify the design features of the programmes being implemented in the region, there is still not enough information on their effective coverage or impact. The recent strengthening of administrative record-keeping systems in several countries, however, will enable ongoing monitoring during implementation, to optimize incentives and draw useful lessons for future downturns in labour markets.

Lastly, not all countries in the region have specific programmes to encourage new hiring, perhaps because of budgetary constraints or weaknesses in the institutional framework needed to design and implement them. This would also explain the relatively limited duration of instruments in the countries that have implemented them. In that regard, maintaining these employment policy instruments for the current crisis and future crises is a challenge in terms of adaptability, design, and the financing and structure of the social and labour institutions that implement them.

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Annex A1

Table A1.1

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

Country	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2020	2021
												First half of year ^v	
Latin America													
Argentina ^a	...	...	...	...	...	...	8.5	8.4	9.2	9.8	11.5	11.8	9.9
Men	...	...	...	...	...	...	7.8	7.5	8.2	9.2	10.8	11.3	8.8
Women	...	...	...	...	...	...	9.4	9.5	10.5	10.7	12.4	12.4	11.4
Bolivia (Plurinational State of) ^b	...	2.7	2.3	2.9	2.3	3.5	3.5	3.6	3.5	3.7	8.3	7.1	8.1
Men	...	2.2	1.6	2.3	1.7	3.0	3.1	3.3	3.4	3.4	7.9	7.2	7.5
Women	...	3.2	3.1	3.5	3.1	4.2	4.0	4.0	3.6	4.0	8.7	7.0	8.9
Brazil ^c	...	6.7	7.3	7.1	6.8	8.5	11.5	12.7	12.3	11.9	13.5	12.8	14.4
Men	...	4.9	5.9	5.8	5.7	7.3	10.1	11.3	10.8	10.1	11.8	11.2	11.9
Women	...	9.1	9.2	8.9	8.2	10.1	13.3	14.6	14.1	14.0	15.7	14.7	17.5
Chile ^d	8.4	7.3	6.6	6.1	6.5	6.3	6.7	7.0	7.4	7.2	10.8	10.2	10.0
Men	7.3	6.2	5.6	5.4	6.1	5.8	6.3	6.5	6.7	6.7	10.6	9.9	9.6
Women	9.9	8.9	8.1	7.1	7.1	7.0	7.2	7.5	8.3	8.0	11.0	10.7	10.4
Colombia ^e	11.0	10.1	9.7	9.0	8.5	8.3	8.6	8.8	9.1	9.9	15.1	15.3	14.8
Men	8.6	7.9	7.5	7.0	6.7	6.4	6.8	6.9	7.1	7.8	12.3	12.8	11.8
Women	14.2	13.1	12.7	11.7	11.0	10.8	11.1	11.4	11.6	12.6	19.2	18.8	19.0
Costa Rica ^f	8.9	10.3	10.2	9.4	9.6	9.6	9.5	9.1	10.3	11.8	19.6	18.2	18.4
Men	7.6	8.7	8.9	8.3	8.1	8.0	8.0	7.5	8.4	9.3	15.6	14.3	13.7
Women	11.0	13.0	12.2	11.1	11.9	12.2	12.1	11.6	13.2	15.3	25.7	24.2	25.4
Ecuador ^g	4.0	3.4	3.2	3.0	3.4	3.6	4.5	3.8	3.5	3.8	6.2	...	4.8
Men	3.5	2.9	2.8	2.7	3.0	3.0	3.7	3.0	2.9	3.2	5.3	...	4.0
Women	4.9	4.2	3.8	3.7	4.1	4.5	5.8	4.9	4.4	4.6	7.6	...	6.1
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 ^h	3.7	4.1	2.9	3.1	2.9	2.6	2.7	2.5	2.4	2.2	...	...	...
Men	3.2	2.9	2.4	2.7	2.6	2.0	2.2	2.0	2.1	1.8	...	...	...
Women	4.0	6.6	3.6	3.7	3.5	3.6	3.5	3.5	2.9	3.0	...	...	...
Honduras ⁱ	3.9	4.3	3.6	3.9	5.3	7.3	7.4	6.7	5.7	5.7	10.9	...	...
Men	3.2	3.3	2.9	3.3	4.5	4.4	5.1	4.0	4.5	4.2	8.7	...	...
Women	5.2	6.1	5.0	4.9	6.7	11.8	10.7	10.8	7.4	8.1	13.7	...	...
Mexico ^j	5.3	5.2	4.9	4.9	4.8	4.3	3.9	3.4	3.3	3.5	4.4	4.1	4.3
Men	5.4	5.2	4.9	4.9	4.8	4.3	3.8	3.3	3.2	3.5	4.7	4.4	4.3
Women	5.2	5.2	4.9	5.0	4.9	4.5	3.9	3.6	3.4	3.5	4.1	3.7	4.2

Table A1.1 (continued)

Country	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2020	2021
												First half of year ^v	
Nicaragua	7.9	6.0	5.9	5.8	6.6	5.9	4.5	3.7	5.5	5.4	5.0	5.1	5.0
Men	7.3	5.5	5.4	5.6	6.2	5.6	4.2	3.5	5.4	5.4	5.2	5.5	5.2
Women	8.7	6.6	6.6	6.0	7.0	6.3	4.8	3.8	5.5	5.5	4.7	4.6	4.8
Panama ^f	4.8	3.0	3.1	3.2	3.5	3.9	4.4	4.9	4.9	5.8	18.6	...	...
Men	3.7	2.6	2.5	2.5	2.7	3.1	3.7	3.8	3.9	4.8	13.6	...	...
Women	6.5	3.6	3.9	4.1	4.6	5.0	5.4	6.4	6.4	7.3	24.7	...	...
Paraguay ^l	5.7	5.5	4.6	5.0	6.0	5.4	6.0	6.1	6.2	6.6	7.7	7.8	8.4
Men	4.6	4.3	3.7	4.5	4.6	4.9	5.0	5.0	5.4	5.5	5.9	6.5	6.7
Women	7.4	7.3	5.8	5.7	8.1	6.1	7.5	7.6	7.4	8.0	10.2	9.5	10.7
Peru ^m	4.1	4.0	3.7	4.0	3.7	3.5	4.2	4.1	3.9	3.9	7.7	7.3	6.5
Men	3.6	3.7	3.2	3.4	3.4	3.4	3.9	3.8	3.5	3.5	7.6	7.5	5.7
Women	4.7	4.4	4.4	4.7	4.0	3.6	4.6	4.4	4.4	4.5	7.7	7.0	7.5
Uruguay ⁿ	7.2	6.3	6.5	6.5	6.6	7.5	7.8	7.9	8.3	8.9	10.1	9.9	10.2
Men	5.3	4.8	4.9	5.0	5.1	6.4	6.5	6.6	6.9	7.3	8.7	8.9	8.5
Women	9.4	8.1	8.3	8.2	8.3	8.9	9.4	9.5	10.1	10.7	12.4	11.2	12.0
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	...	...
Dominican Republic ^o	5.2	6.1	6.7	7.4	6.7	7.3	7.1	5.5	5.7	6.2	5.8	4.4	7.8
Men	4.1	4.7	5.1	5.3	4.8	5.2	4.8	4.0	3.5	3.9	3.9	3.0	4.4
Women	7.0	8.3	9.2	10.5	9.7	10.5	10.5	7.8	8.8	9.3	8.6	6.5	12.7
English- and Dutch-speaking Caribbean													
Bahamas ^p	...	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 ^q	10.7	11.2	11.6	11.6	12.3	11.3	9.7	10.0	10.1	9.6	15.6	...	...
Men	10.9	9.8	10.9	11.7	11.8	12.3	9.3	9.8	9.9	11.0	15.6	...	...
Women	10.6	12.6	12.3	11.6	12.8	10.3	10.1	10.1	10.3	8.1	15.7	...	...
Belize ^r	12.5	...	15.3	14.3	11.6	10.1	9.5	9.3	9.4	9.1	13.7	...	...
Men	...	...	10.5	10.6	6.3	6.8	5.6	5.9	5.6	5.9	11.6	...	...
Women	...	...	22.3	20.0	19.9	15.4	15.6	14.6	14.9	13.5	17.0	...	...
Grenada	...	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	...	...	...	...

Table A1.1 (concluded)

Country	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2020	2021
												First half of year ^v	
Jamaica ^a	12.4	12.6	9.3	10.3	9.5	9.8	9.0	7.7	5.6	5.0	6.6	...	5.7
Men	9.2	9.3	7.0	7.8	7.2	7.2	6.6	5.6	4.2	3.8	5.8	...	4.6
Women	16.2	16.7	12.3	13.6	12.4	12.5	12.0	10.2	7.2	6.5	7.6	...	6.8
Saint Lucia	...	...	21.2	23.3	24.5	24.1	21.3	20.2	20.2	16.8	21.7	...	...
Men	...	...	19.1	21.3	21.1	21.3	19.4	18.1	18.5	14.9	18.5	...	...
Women	...	...	23.5	25.5	28.4	27.4	23.5	22.4	22.1	18.9	25.0	...	...
Trinidad and Tobago ^f	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 ^g	6.9	6.4	6.4	6.3	6.1	6.6	7.8	8.1	8.0	8.0	10.5	10.0	10.4
Latin America and the Caribbean-Men ^h	5.7	5.3	5.5	5.4	5.3	5.7	6.8	7.0	6.9	6.8	9.2	9.0	8.7
Latin America and the Caribbean-Women ⁱ	8.5	8.0	7.8	7.6	7.3	7.9	9.2	9.6	9.5	9.5	12.2	11.4	12.7

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

^a The data refer to 31 urban agglomerations. 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.

^b 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.

^c New measurement from 2012 onward through the Continuous National Household Sample Survey (Pesquisa Nacional por Amostra de Domicílios Contínua or PNAD-C), data not comparable with previous years.

^d Series based on 2017 census projections.

^e Does not include hidden unemployment.

^f The 2010 figure is the average of the third and fourth quarters.

^g 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.

^h 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.

ⁱ The 2020 data are preliminary and refer to telephone surveys conducted in November and December.

^j 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 edition of the National Occupation and Employment Survey.

^k Does not include hidden unemployment. The 2020 data refer to telephone surveys conducted between September and October.

^l New measurement from 2017 onward through the Continuous Permanent Household Survey (EPHC), data not comparable with previous years.

^m Data for 2020 and 2021 are preliminary.

ⁿ The average data for the first quarter of 2020 are from the Continuous Household Survey (ECH) for January and February; for March the data are from the Telephone Continuous Household Survey. The average data for the second quarter of 2020 (April, May and June), for the third quarter (July, August and September) and for the fourth quarter (October, November and December) correspond to the telephone ECH. The annual average is preliminary.

^o 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.

^p Data for 2019 are preliminary and refer to May.

^q Data for 2020 refer to the average for the third and fourth quarters.

^r Data for 2018 refer to April; data for 2019 refer to the average for April and September and, for 2020, to September.

^s 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.

^t Data for 2019 refer to the average for March, June and December; data for 2020 refer to the average for March and June.

^u Weighted average. Excludes hidden unemployment in Colombia, Ecuador, Jamaica and Panama.

^v Data for 2020 and 2021 may present comparability problems with respect to the data for 2019, owing to adjustments in the statistical processes that the institutes of statistics and censuses have implemented because of the coronavirus disease (COVID-19) pandemic. Preliminary data.

^w 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

Latin America and the Caribbean: national labour force participation rates by year, by country and sex, 2010–2021
(Average annual rates)

Country	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2020	2021
												First half of year ^v	
Latin America													
Argentina ^a	...	...	...	...	...	...	57.5	57.8	58.5	59.1	54.9	53.9	58.7
Men	...	...	...	...	...	...	69.4	69.7	69.6	69.9	64.9	63.4	69.4
Women	...	...	...	...	...	...	46.9	47.6	48.7	49.4	45.9	45.4	48.7
Bolivia (Plurinational State of) ^b	...	65.9	61.1	63.4	65.8	61.0	66.0	67.4	70.9	73.0	65.8	64.9	71.3
Men	...	74.7	70.4	72.6	75.0	72.1	76.4	76.8	79.1	80.7	74.4	73.1	78.7
Women	...	57.5	52.6	54.8	57.1	50.4	56.1	58.3	63.0	65.5	57.6	57.0	64.2
Brazil ^c	...	60.0	61.4	61.3	61.0	61.3	61.4	61.7	61.6	62.0	57.1	58.1	57.2
Men	...	70.8	73.1	72.9	72.5	72.3	72.3	72.0	71.7	71.7	67.2	68.1	67.3
Women	...	50.1	50.8	50.7	50.6	51.2	51.4	52.3	52.5	53.2	48.0	49.2	48.4
Chile ^d	60.2	61.5	61.5	61.6	61.9	62.0	62.1	62.7	63.0	62.8	56.1	57.2	56.6
Men	74.2	74.8	74.5	74.2	74.1	74.4	74.1	74.3	74.2	73.6	67.3	68.2	68.1
Women	46.8	48.8	49.1	49.6	50.2	50.3	50.7	51.6	52.3	52.5	45.3	46.6	45.6
Colombia ^e	62.2	63.1	64.1	63.7	63.8	64.3	64.1	64.0	63.6	62.9	58.6	57.4	59.9
Men	73.9	74.8	75.2	74.6	74.7	74.9	74.6	74.5	74.4	73.7	70.3	69.3	71.8
Women	50.9	52.0	53.5	53.3	53.5	54.2	54.0	53.9	53.2	52.5	47.3	46.5	48.5
Costa Rica ^f	60.7	59.0	62.8	62.3	62.5	61.2	58.4	58.8	60.7	62.5	60.2	60.5	60.2
Men	75.4	73.6	75.9	75.1	75.9	74.3	72.4	73.0	74.3	74.4	72.2	72.6	71.7
Women	45.9	44.2	49.5	49.3	49.0	48.1	44.3	44.5	46.9	50.6	48.1	48.3	48.4
Ecuador ^g	62.7	61.8	62.4	62.3	62.6	65.6	67.7	68.1	66.7	66.2	62.2	...	64.7
Men	78.0	77.2	77.5	77.0	78.2	80.0	80.5	80.6	79.3	78.3	77.7	...	77.5
Women	48.2	47.3	48.3	48.3	47.9	52.1	55.6	56.4	54.6	54.5	51.9	...	52.5
El Salvador	62.5	62.7	63.2	63.6	62.8	62.1	62.2	61.9	61.3	62.2	61.4	...	...
Men	80.9	81.2	81.4	80.7	80.7	80.2	80.1	80.6	79.5	80.5	79.0	...	...
Women	47.3	47.0	47.9	49.3	47.8	46.7	47.3	46.3	46.1	46.8	46.6	...	...
Guatemala ^h	62.5	61.8	65.4	60.6	60.9	60.7	60.8	61.0	60.6	59.2	...	...	...
Men	84.7	84.6	87.6	83.4	83.8	84.7	84.0	85.3	85.0	83.7	...	...	...
Women	42.9	40.4	45.7	40.6	40.6	38.9	40.1	39.2	39.1	37.9	...	...	...
Honduras ⁱ	53.6	51.9	50.8	53.7	56.1	58.1	57.5	59.0	60.4	57.3	59.5	...	...
Men	71.0	70.4	69.2	72.1	73.6	74.0	74.0	76.0	76.3	75.1	73.3	...	...
Women	37.4	34.9	33.8	37.2	40.5	43.9	43.0	43.8	46.0	41.4	47.8	...	...
Mexico ^j	59.7	59.8	60.4	60.3	59.8	59.8	59.7	59.3	59.6	60.1	55.6	54.6	58.1
Men	78.7	78.5	78.8	78.5	78.3	78.0	77.7	77.6	77.4	77.2	71.7	69.9	75.0
Women	42.5	42.8	43.9	43.9	43.1	43.4	43.4	43.0	43.5	44.7	41.0	40.8	42.8
Nicaragua	71.3	75.6	76.8	75.8	74.0	72.4	73.6	73.5	71.6	71.1	69.1	68.7	68.0
Men	85.4	87.9	87.7	87.2	85.8	84.6	84.9	84.7	82.6	82.3	80.6	80.4	79.9
Women	58.1	64.0	66.6	65.1	63.0	60.9	63.1	63.2	61.6	61.0	58.7	58.4	57.2

Table A1.2 (continued)

Country	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2020	2021
												First half of year ^a	
Panama ^k	62.4	60.9	62.7	63.5	63.2	63.4	63.7	63.1	64.7	65.7	63.0	...	...
Men	79.1	77.9	79.3	79.1	78.3	77.4	77.8	76.6	78.0	77.9	74.0	...	...
Women	46.5	45.2	47.5	48.8	49.1	50.1	50.4	50.4	52.2	54.2	53.2	...	...
Paraguay ^j	60.8	61.1	64.4	62.4	62.3	62.1	62.6	71.0	71.9	72.4	70.2	68.9	72.5
Men	73.9	73.2	75.1	74.0	74.6	74.1	74.5	84.4	84.6	84.8	83.5	82.5	84.7
Women	47.4	49.0	53.7	52.7	50.1	50.2	50.8	57.8	59.4	60.2	57.4	55.8	60.5
Peru ^m	74.1	73.9	73.6	73.2	72.2	71.6	72.2	72.4	72.3	72.7	63.6	59.8	70.3
Men	82.7	82.7	82.4	82.0	81.3	81.0	81.2	81.0	80.7	81.1	71.9	66.5	79.1
Women	65.7	65.2	64.8	64.5	63.2	62.3	63.3	64.0	64.0	64.5	52.9	49.2	70.1
Uruguay ^d	62.9	64.8	64.0	63.6	64.7	63.8	63.4	62.9	62.4	62.2	60.5	60.2	61.2
Men	73.1	74.7	73.5	73.9	74.3	73.0	72.2	71.6	70.7	70.1	67.9	67.4	68.2
Women	54.0	55.8	55.6	54.4	55.9	55.4	55.4	55.0	54.9	54.9	53.8	53.5	54.8
Venezuela (Bolivarian Republic of)	64.5	64.4	63.9	64.3	65.1	63.7	63.9	66.2	66.8	65.1	...	...	...
Men	79.0	78.6	77.8	78.1	79.1	77.8	77.9	79.9	80.1	79.4	...	...	...
Women	50.1	50.3	50.1	50.6	51.3	49.9	50.2	52.7	53.7	50.9	...	...	...
Spanish-speaking Caribbean													
Cuba	74.9	76.1	74.2	72.9	71.9	67.1	65.2	63.4	63.8	65.2	66.4	...	...
Men	87.7	90.0	89.5	87.1	86.2	80.4	78.2	76.2	76.9	76.0	76.8	...	...
Women	60.5	60.5	57.4	57.3	56.3	52.6	50.9	49.4	49.5	53.3	54.9	...	...
Dominican Republic ^o	56.7	58.2	59.4	59.3	59.5	61.8	62.3	62.2	63.6	65.1	60.2	60.0	62.3
Men	72.1	73.1	74.1	73.9	74.2	76.3	76.6	76.1	77.8	78.4	74.0	73.4	75.3
Women	41.7	43.7	45.3	45.1	45.4	48.1	48.9	49.0	50.4	52.6	47.6	47.7	50.2
English- and Dutch-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 ^q	66.6	67.6	66.2	66.7	63.9	65.1	66.5	65.4	64.8	63.7	60.6	...	...
Men	71.8	72.7	71.9	72.0	67.7	68.7	70.4	69.7	69.4	68.0	64.8	...	...
Women	62.0	63.0	61.0	62.0	60.4	61.7	62.8	61.5	60.6	59.7	56.7	...	...
Belize ^a	...	...	65.8	64.2	63.6	63.2	64.0	64.1	65.5	68.1	55.1	...	...
Men	...	...	79.2	78.4	78.2	77.8	78.0	78.2	78.3	80.5	68.7	...	...
Women	...	...	52.6	50.1	49.2	48.8	50.2	50.2	52.9	55.9	42.4	...	...
Grenada	...	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 ^r	...	58.7	58.8	59.5	59.9	60.4	61.8	62.3	61.5	62.8	60.6	...	60.9
Men	...	67.1	66.6	67.4	67.9	68.2	68.8	69.1	68.5	69.6	67.4	...	67.4
Women	...	50.6	51.2	52.0	52.2	52.8	55.0	55.7	55.0	56.3	54.0	...	54.6

Table A1.2 (concluded)

Country	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2020	2021
												First half of year ^v	
Saint Lucia ^a	...	...	70.6	71.0	72.2	72.2	72.8	71.4	71.4	71.0	68.8	...	...
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 ^f	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 ^g	61.9	61.8	62.5	62.2	62.1	62.0	62.1	62.4	62.5	62.7	57.8	57.6	59.4
Latin America and the Caribbean-Men ^h	75.3	75.2	76.0	75.7	75.5	75.2	75.1	75.2	75.1	74.9	69.7	68.9	70.6
Latin America and the Caribbean-Women ^h	49.4	49.2	49.9	49.8	49.6	49.7	50.0	50.6	50.9	51.4	46.9	46.9	48.8

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

^a The data refer to 31 urban agglomerations. 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.

^b 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.

^c New measurement from 2012 onward through the Continuous National Household Sample Survey (PNAD-C), data not comparable with previous years.

^d In this edition of the *Employment Situation in Latin America and the Caribbean*, the series for Chile from 2010 onward was adjusted on the basis of 2017 census projections. The series that appears in the previous reports is based on the 2002 census.

^e Excludes hidden unemployment.

^f The 2010 figure is the average of the third and fourth quarters.

^g 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.

^h 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.

ⁱ The 2020 data are preliminary and refer to telephone surveys conducted in November and December.

^j 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 edition of the National Occupation and Employment Survey.

^k Does not include hidden unemployment (except for 2020), therefore data not comparable to the rest of the series. Data for the third quarter of 2020 refer to telephone surveys conducted between September and October.

^l New measurement from 2017 onward through the Continuous Permanent Employment Survey (EPHC), data not comparable with previous years.

^m Data for the first, second, third and fourth quarters of 2020 are preliminary.

ⁿ The average data for the first quarter of 2020 are from the Continuous Household Survey (ECH) for January and February; for March the data are from the Telephone Continuous Household Survey. The average data for the second quarter of 2020 (April, May and June), for the third quarter (July, August and September) and for the fourth quarter (October, November and December) correspond to the telephone ECH. The annual average is preliminary.

^o 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.

^p Data for 2019 are preliminary and are being reviewed.

^q Data for 2018 refer to April; data for the third quarters of 2019 and 2020 are from the September survey and for 2020 from the telephone survey.

^r Does not include hidden unemployment. The 2020 annual average corresponds to data from the first, third and fourth quarters.

^s Data for the first half of 2020 correspond to the first quarter.

^t The 2020 annual average corresponds to the first quarter.

^u Weighted average. Excludes hidden unemployment in Colombia, Ecuador, Jamaica and Panama.

^v The average data for the first half of the year, and those for the 2020 annual average, may present comparability problems with respect to the data for 2019, owing to adjustments in the statistical processes that the institutes of statistics and censuses have implemented because of the coronavirus disease (COVID-19) pandemic. Preliminary data.

^w 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

Latin America and the Caribbean: national employment rates by year, by country and sex, 2010–2021

(Average annual rates)

Country	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2020	2021
												First half of year ¹	
Latin America													
Argentina ^a	...	...	...	...	...	...	52.6	52.9	53.1	53.3	48.6	47.7	52.9
Men	...	...	...	...	...	...	64.0	64.4	63.9	63.5	57.9	56.3	63.4
Women	...	...	...	...	...	...	42.5	42.7	43.6	44.1	40.2	39.8	43.2
Bolivia (Plurinational State of) ^b	...	63.7	59.7	61.5	64.3	58.9	63.8	64.9	68.4	70.3	60.4	60.4	65.5
Men	...	73.1	69.2	71.0	73.7	70.0	74.0	74.3	76.4	78.0	68.5	67.9	72.8
Women	...	55.7	50.9	52.8	55.3	48.2	53.9	56.0	60.8	62.9	52.5	53.1	58.5
Brazil ^c	...	56.0	56.9	56.9	56.8	56.1	54.3	53.9	54.1	54.6	49.3	50.7	49.0
Men	...	67.3	68.7	68.7	68.3	67.1	65.0	63.9	64.0	64.4	59.3	60.5	59.3
Women	...	45.5	46.1	46.2	46.4	46.0	44.6	44.7	45.1	45.7	40.5	41.9	39.9
Chile ^d	55.2	57.0	57.4	57.8	57.9	58.1	58.0	58.3	58.3	58.3	50.1	51.4	51.0
Men	68.8	70.2	70.3	70.2	69.6	70.0	69.4	69.4	69.2	68.7	60.3	61.6	61.6
Women	42.2	44.5	45.1	46.1	46.7	46.7	47.0	47.7	48.0	48.4	40.4	41.7	40.9
Colombia	55.3	56.8	57.8	58.0	58.4	59.0	58.5	58.4	57.8	56.6	49.8	48.8	51.0
Men	67.6	69.0	69.5	69.4	69.7	70.1	69.6	69.4	69.1	67.9	61.8	60.1	63.4
Women	43.7	45.2	46.7	47.1	47.6	48.3	48.0	47.8	47.0	45.9	38.3	37.9	39.3
Costa Rica ^e	55.3	52.9	56.2	56.4	56.5	55.4	52.8	53.5	54.4	55.2	48.5	49.6	49.1
Men	69.6	67.2	69.2	68.9	69.7	68.3	66.6	67.5	68.0	67.4	61.0	62.3	61.9
Women	40.8	38.5	43.5	43.8	43.2	42.2	38.9	39.4	40.7	42.8	35.9	36.9	36.2
Ecuador ^f	60.1	59.6	60.4	60.3	60.4	63.3	64.6	65.5	64.3	63.7	58.5	...	62.1
Men	75.3	75.0	75.3	74.9	75.9	77.6	77.5	78.2	77.0	75.8	74.5	...	74.3
Women	45.9	45.3	46.5	46.6	46.0	49.8	52.4	53.6	52.2	52.0	48.7	...	50.5
El Salvador	58.1	58.6	59.4	59.9	58.4	57.8	57.9	57.6	57.4	58.2	57.2	...	...
Men	74.1	74.6	75.4	75.1	73.7	73.5	73.6	73.9	73.6	74.9	73.4	...	...
Women	44.8	45.0	45.8	47.0	45.5	44.4	44.7	43.9	43.8	44.3	43.5	...	...
Guatemala ^g	60.2	59.2	63.5	58.7	59.1	59.2	59.2	59.4	59.1	57.9	...	...	...
Men	81.7	82.2	85.5	81.1	81.6	83.0	82.2	83.6	83.2	82.1	...	...	...
Women	41.1	37.7	44.1	39.1	39.2	37.5	38.7	37.8	38.0	36.7	...	...	...
Honduras ^h	51.5	49.7	48.9	51.6	53.1	53.8	53.2	55.1	57.0	54.1	53.0	...	...
Men	68.7	68.1	67.2	69.7	70.3	70.8	70.2	73.0	72.8	71.9	66.9	...	...
Women	35.4	32.8	32.2	35.3	37.8	38.8	38.4	39.1	42.6	38.0	41.2	...	...
Mexico ⁱ	56.5	56.7	57.5	57.3	56.9	57.2	57.4	57.3	57.6	58.0	53.1	52.4	55.6
Men	74.5	74.4	74.9	74.6	74.4	74.7	74.7	75.0	74.9	74.5	68.3	66.9	71.8
Women	40.3	40.6	41.7	41.7	41.0	41.4	41.7	41.4	42.0	43.1	39.3	39.3	41.0

Table A1.3 (continued)

Country	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2020	2021
												First half of year ^u	
Nicaragua	65.7	71.1	72.3	71.4	69.1	68.1	70.2	70.8	67.7	67.2	65.6	65.2	64.6
Men	79.2	83.1	83.0	82.3	80.5	79.9	81.3	81.7	78.1	77.8	76.4	75.9	75.8
Women	53.0	59.8	62.2	61.2	58.5	57.1	60.1	60.8	58.2	57.7	56.0	55.8	54.5
Panama ^j	59.4	59.1	61.0	61.5	60.9	60.9	60.8	60.1	61.5	61.8	51.3		
Men	76.1	75.8	77.4	77.1	76.2	75.0	74.9	73.7	75.0	74.2	64.0		
Women	43.5	43.5	45.8	46.8	46.8	47.6	47.7	47.2	48.8	50.2	40.1		
Paraguay ^k	57.3	57.7	61.5	59.3	58.6	58.7	58.9	66.7	67.4	67.6	64.8	63.6	66.4
Men	70.6	70.0	72.4	70.7	71.1	70.5	70.8	80.1	80.0	80.2	78.5	77.1	79.1
Women	43.9	45.4	50.6	49.7	46.0	47.2	47.0	53.4	55.0	55.3	51.6	50.5	54.0
Peru ^l	71.1	70.9	70.8	70.3	69.6	69.1	69.2	69.5	69.4	69.8	58.8	55.6	65.8
Men	79.7	79.6	79.8	79.2	78.5	78.2	78.1	77.8	77.7	78.1	67.4	63.8	74.6
Women	62.6	62.4	61.9	61.5	60.7	60.1	60.4	61.1	61.1	61.5	49.5	47.2	57.0
Uruguay ^m	58.4	60.7	59.9	59.5	60.4	59.0	58.4	57.9	57.2	56.7	54.3	54.3	55.0
Men	69.3	71.0	69.8	70.2	70.5	68.4	67.5	66.9	65.8	64.9	62.1	61.6	62.4
Women	48.9	51.3	51.1	50.0	51.3	50.5	50.1	49.8	49.4	49.0	47.1	47.5	48.3
Venezuela (Bolivarian Republic of)	58.9	59.0	58.7	59.3	60.4	59.1	59.2	61.3	61.9	60.6	...	...	...
Men	72.3	72.6	72.1	72.6	73.8	72.6	72.4	74.8	74.9	74.4	...	...	...
Women	45.6	45.6	45.6	46.1	47.1	45.9	46.3	48.1	49.1	47.1	...	...	...
Spanish-speaking Caribbean													
Cuba	73.0	73.6	71.6	70.5	70.0	65.4	63.8	62.4	62.7	64.4	65.4	...	...
Men	85.6	87.3	86.4	84.4	84.2	78.5	76.7	75.0	75.7	75.1	75.8	...	...
Women	58.9	58.4	55.3	55.3	54.6	51.2	49.8	48.6	48.6	52.7	54.0	...	...
Dominican Republic ⁿ	53.8	54.6	55.4	54.9	55.5	57.3	57.9	58.7	60.0	61.0	56.7	57.3	57.4
Men	69.2	69.7	70.3	69.9	70.6	72.3	72.9	73.1	75.1	75.3	71.1	71.2	72.1
Women	38.8	40.1	41.1	40.4	41.0	43.1	43.8	45.2	45.9	47.8	43.5	44.5	43.9
English- and Dutch-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 ^o	59.5	60.1	58.5	58.9	56.0	57.7	60.0	58.9	58.3	57.6	51.1	...	...
Men	64.0	65.6	64.1	63.6	59.7	60.2	63.9	62.9	62.5	60.6	54.7	...	...
Women	55.4	55.1	53.5	54.8	52.6	55.3	56.5	55.3	54.4	54.9	47.8	...	...
Belize ^p	...	...	55.7	56.7	56.3	56.8	57.9	58.1	59.4	62.0	47.6	...	...
Men	...	...	70.9	72.3	73.3	72.5	73.6	73.6	73.9	75.7	60.7	...	...
Women	...	...	40.9	39.6	39.4	41.2	42.4	42.9	45.1	48.3	35.2	...	...
Grenada	...	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	...	...

Table A1.3 (concluded)

Country	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2020	2021
												First half of year ^d	
Jamaica ^a	54.7	54.3	53.3	53.4	54.2	54.6	56.2	57.5	58.2	59.7	56.6	...	57.4
Men	63.9	63.6	61.9	62.1	62.9	63.3	64.3	65.2	65.6	66.9	63.6	...	64.2
Women	45.9	45.8	45.0	45.0	45.8	46.2	48.4	50.0	51.0	52.7	50.0	...	50.9
Saint Lucia ^f	...	...	55.6	54.4	54.5	54.8	57.4	57.0	57.0	59.0	53.9		
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 ^g	58.4	58.2	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 ^h	57.7	57.8	58.5	58.3	58.3	57.9	57.3	57.4	57.6	57.8	51.4	51.7	53.2
Latin America and the Caribbean-Men ⁱ	71.0	71.2	71.9	71.7	71.5	71.0	70.1	70.0	70.0	69.9	63.1	62.7	64.1
Latin America and the Caribbean-Women ^j	45.3	45.3	46.0	46.0	46.0	45.8	45.5	45.8	46.2	46.6	41.3	41.7	42.4

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

^a The data refer to 31 urban agglomerations. 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.

^b 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.

^c New measurement from 2012 onward through the Continuous National Household Sample Survey (Pesquisa Nacional por Amostra de Domicílios Contínua or PNAD-C), data not comparable with previous years.

^d In this edition of the *Employment Situation in Latin America and the Caribbean*, the series for Chile from 2010 onward was adjusted on the basis of 2017 census projections. The series that appears in the previous reports is based on the 2002 census.

^e The 2010 figure is the average of the third and fourth quarters.

^f 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.

^g 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.

^h The 2020 data are preliminary and refer to telephone surveys conducted in November and December.

ⁱ 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 edition of the National Occupation and Employment Survey.

^j Data for the third quarter of 2020 refer to telephone surveys conducted between September and October.

^k New measurement from 2017 onward through the Continuous Permanent Household Survey (EPHC), data not comparable with previous years.

^l Data for the first, second, third and fourth quarters of 2020 are preliminary.

^m The average data for the first quarter of 2020 are from the Continuous Household Survey (ECH) for January and February; for March the data are from the Telephone Continuous Household Survey. The average data for the second quarter of 2020 (April, May and June), for the third quarter (July, August and September) and for the fourth quarter (October, November and December) correspond to the telephone ECH. The annual average is preliminary.

ⁿ 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.

^o Data for 2020 refer to the average for the third and fourth quarters.

^p Data for 2018 refer to April; data for 2019 refer to the average for April and September and, for 2020, to September.

^q 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.

^r Annual data for 2019 and 2020 refer to data for the first quarter.

^s The 2020 annual average corresponds to the first quarter.

^t Weighted average.

^u Data for 2020 and 2021 may present comparability problems with respect to the data for 2019, owing to adjustments in the statistical processes that the institutes of statistics and censuses have implemented because of the coronavirus disease (COVID-19) pandemic. Preliminary data.

^v 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.

The economic and labour situation in Latin America and the Caribbean in 2021 continues to show the impact of the crisis caused by the coronavirus disease (COVID-19) pandemic. There was a gradual return of workers to the labour market during the first half of the year, and a partial recovery of employment. However, the statistical information available shows lags remaining in major labour indicators with an increase in the labour market gender gap and a recovery in employment that is skewed by sector and occupational group.

Governments will need to continue applying the job retention support policies put in place during the period of most stringent restrictions, but they will also have to pursue policies to drive economic reactivation and hiring. The second section of this report offers analyses concerning employment policies both in developed countries and in those of Latin America and the Caribbean.

