



Impacts of COVID-19 on Households in the Philippines

Results from the Philippines COVID-19 Households Survey
Round 2 – December 2020



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Australian Aid 

Country context

COVID-19 cases and health risks continued, in part due to uncertainty in vaccine distribution. Moreover, the pandemic's impact on the economy and children's education is of great concern and presents policy makers with difficult choices.

- As restrictions were eased, the economy performed better with a smaller contraction of 8.3% in Q4 2020 (compared to contraction by 16.9% in Q2 and 11.4% in Q3); but overall full-year GDP contraction in 2020 was at 9.5%. Private consumption also showed contraction by 7.2% in Q4, only slightly improved from 9.3% contraction in Q3.
- The unemployment rate dropped to 8.7% in October 2020, nearly half of the level at the height of the pandemic in April 2020, but still higher than the pre-pandemic level.



Country context

- While more public transport and businesses operated, mobility restrictions continued to be enforced and they particularly affected families with children.
- Schools remained closed although classes resumed in October 2020 through distance learning, and at the time of the survey, the prospect for face-to-face classes is uncertain.
- Containment measures have affected households across sectors of jobs and income levels at varying degrees.
- The up-to-date survey results aim to help assess the pandemic's impact on households' well-being and to inform policies for protecting vulnerable populations.



HIGHLIGHTS



Households continued to experience income losses



1 in 4 household heads still without work in December despite rebounding of employment.



Rebounding of jobs among female household heads was not on par with their male counterparts. Share of female heads working in December was **66 percent**, about **6 ppts** less than March (pre-pandemic).

While there was slight improvement in employment, the usual working arrangement had not resumed



Resumption of work (1 in 4 household heads) was nearly the same as the pre-COVID-19 rate in March.



Share of household heads employed in the service sector rebounded to **46 percent**, slightly higher than the pre-COVID level of **43 percent**.



About 3 in 5 household heads with non-agriculture jobs reported to have returned to their usual working arrangement (increased from only a third in August).

Remittances declined slightly



Share of those receiving remittances declined slightly, mainly due to reduction in domestic remittances; the amount among remittances-receiving households appears to be recovering.



Households had poor access to financial services for business continuity



Only **1 in 10** households that operated a business accessed financial services.



More than **20 percent** indicated delayed payments from suppliers and providers.



Incidence of revenue losses among household businesses showed improvement, with the richest households recovering faster than the poorest households.

Social safety nets were insufficient



Targeting of government assistance was less progressive in December than in August. Coverage among the poorest quintile dropped by **8 pts**, while it rose by **13 pts** for the richest quintile.



Food was the most common (**94%**) form of assistance, followed by cash (**74%**), and non-food or in-kind (**40%**).



Nearly **4 in 5** households reported receiving government assistance between August and December 2020.



The practice of reducing food consumption as a coping mechanism decreased by **8 pts** from 77 percent to 69 percent in December.



As a result, households experienced food insecurity



Close to **2 out of 5** households were very worried about not having enough food for the following week.



Share of household heads unable to buy at least one of the food staples remained the same at around **40 percent**, primarily due to food unaffordability.



While food security continued to improve overall, concerns among households remained.



About **17 pts** less households reported eating less than usual (**57 percent**) and worried about not having enough food (**43 percent**) in December compared with August.

Households had difficulty accessing health services



Households that needed medical treatment increased to **28 percent** in December from **20 percent** in August.



More households cited lack of money as reason for being unable to access treatment in December (**62 percent**) compared with August (**46 percent**).



Most Filipinos were hesitant to get the COVID-19 vaccine because of concerns about its safety and possible side effects



1 in 5 said they did not want the vaccine at all while more than a third said they were not sure if they wanted to be vaccinated



4 in 5 of those willing to be vaccinated preferred that government health facilities administered the vaccine



About **85 percent** of respondents had not undergone COVID-19 testing

More people traveled in December, with the number of those taking public transport increasing as restrictions were eased



The number of persons who travelled outside of their residence increased and the poorest quintile showed a significant rise of **14 ppts.**



The share of those not using public transportation because they felt unsafe about the virus decreased from 41 percent in August to **33 percent** in December, but many poor households still felt unsafe and afraid of getting the virus



3 in 10 felt confident that going out was safe.



Most households reported that their school-aged children were enrolled but effectiveness of distance learning was a big concern



9 in 10 households with children had at least one child enrolled.



Among those with no children enrolled in school, fear of contracting the virus was the main reason for non-enrollment.



Mainly the parents helped children in distance learning (**40% of households**), but assistance from grandparents (**30%**) was quite significant



2 in 3 households were willing to send children to face-to-face learning; with the share higher among poorer households.



About **70%** of the richest households had internet access, whereas the share for the poorest households was **40%**, in part explaining the gap in access to online live class.



1

Survey Overview

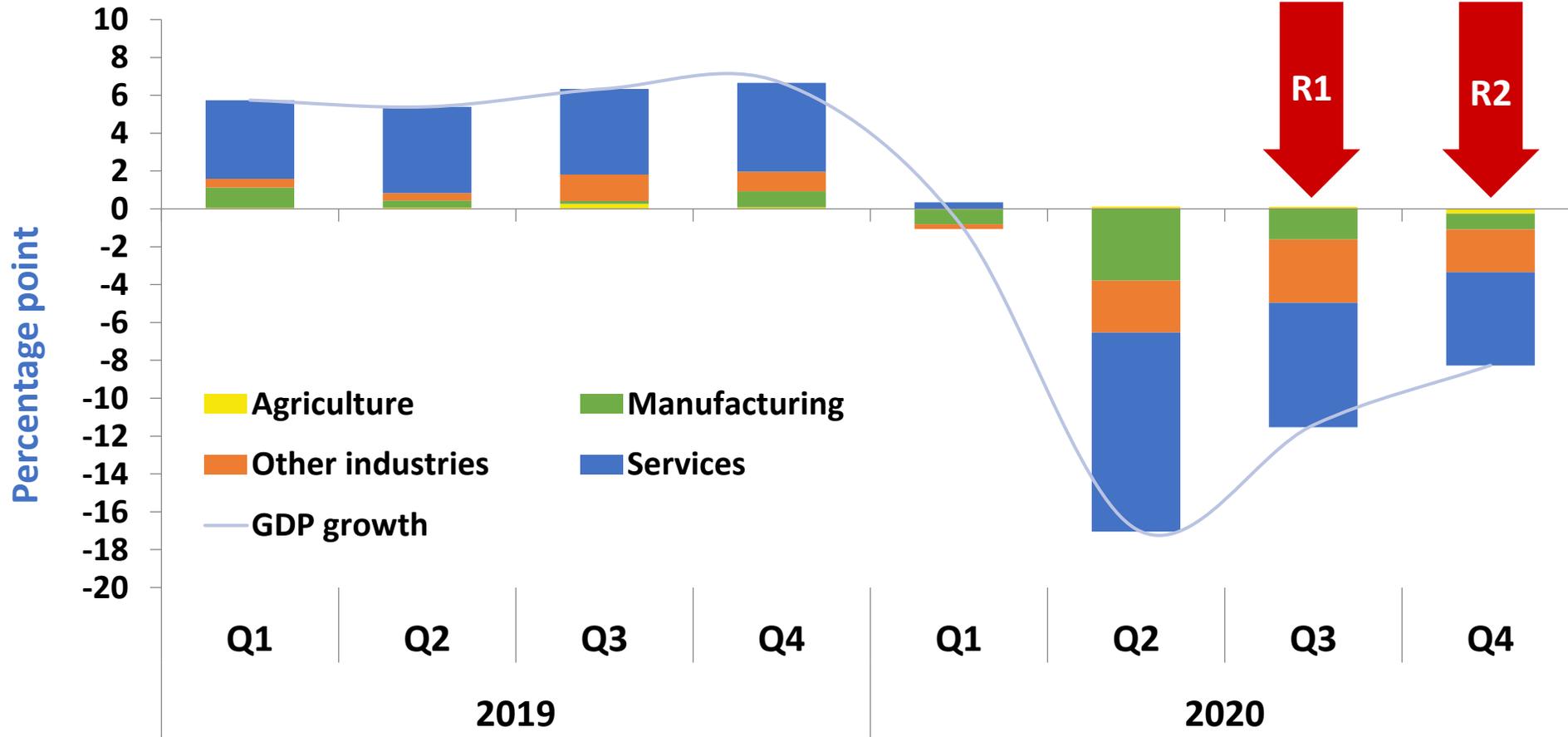


Implementation



What the surveys show

Contribution to GDP Growth by Sector



Source: Philippine Statistics Authority



What the surveys show

- Round 1 (August) and Round 2 (December) present the household's behaviors and well-being during the early period of economic rebounding.
- They complement the Quarterly Labor Force Survey.
- Round 1 highlighted the emerging gaps across groups due to the pandemic.
- Round 2 presents a continued improvement, but the issue of deepening inequality remained.



Round 2 - Philippines COVID-19 Household Survey

Fieldwork

- December 10 -22, 2020 / January 7 – 17, 2021

Implementation

- Phone survey – respondents from round 1 panel who agreed to participate in succeeding rounds and provided contact details

Questionnaire

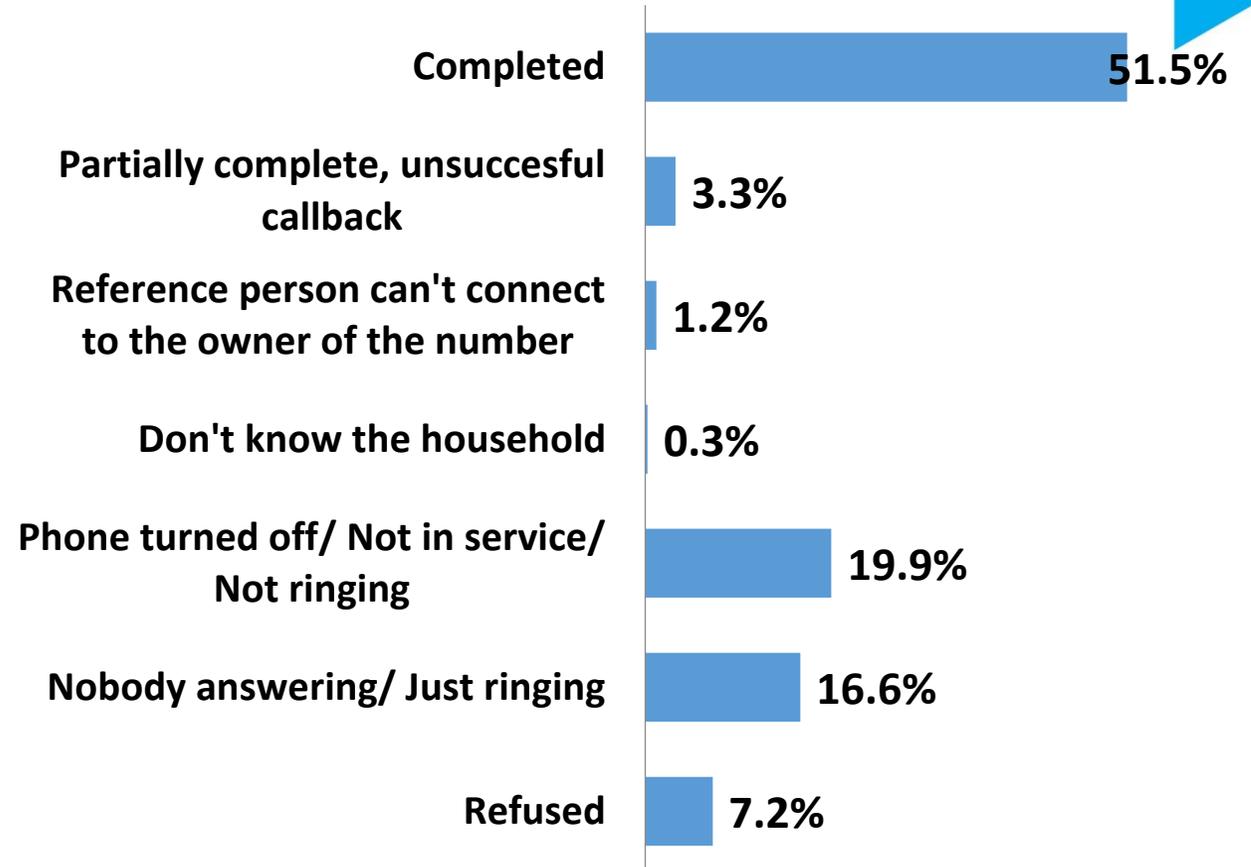
- Government action
- Access to transportation
- Access to food
- Access to health services – including a section on COVID-19 vaccine
- Access to education – expanded module
- Access to finance – for households that operate businesses
- Employment (respondent and household head)
- Household income sources
- Coping mechanisms and safety nets



Sample and response rate

- 3,500 individuals from R1 respondents contacted for panel data
- Fairly robust sample size of about 52% successfully interviewed and provided **1,805** observations
- Attrition was mainly due to unanswered calls or unreachable numbers, without introducing a systematic bias

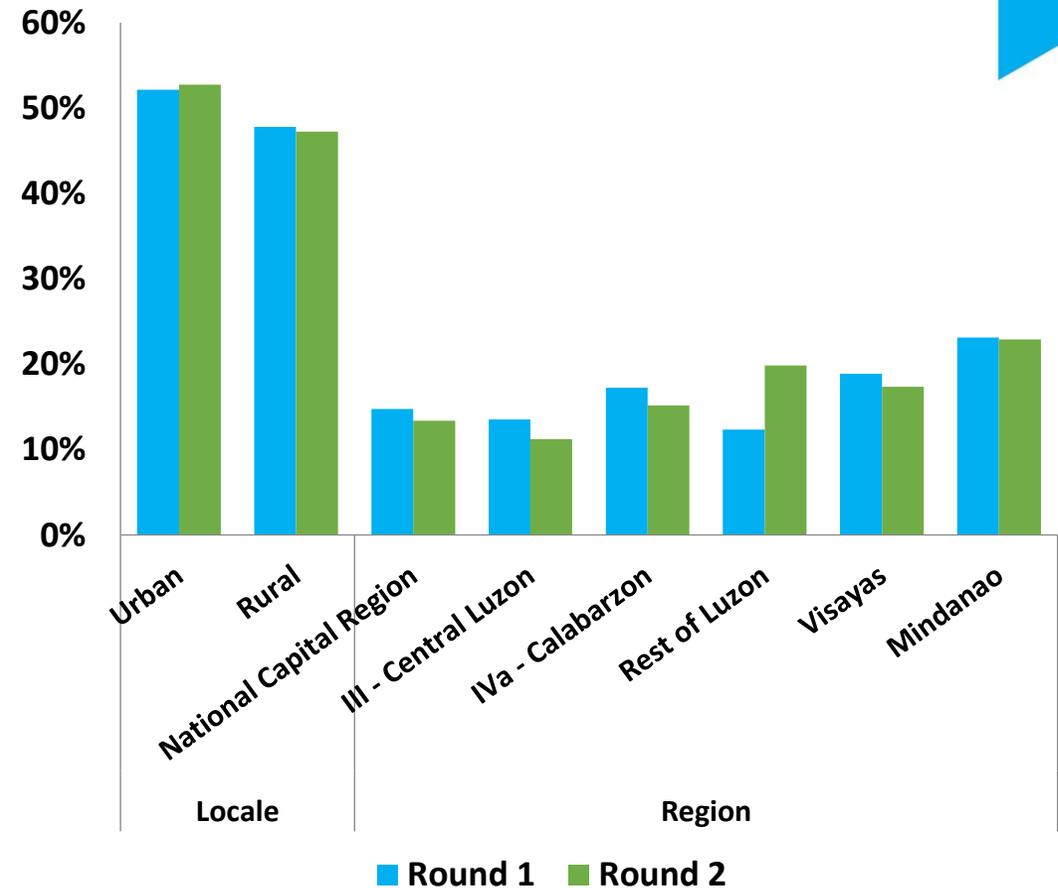
Call Result



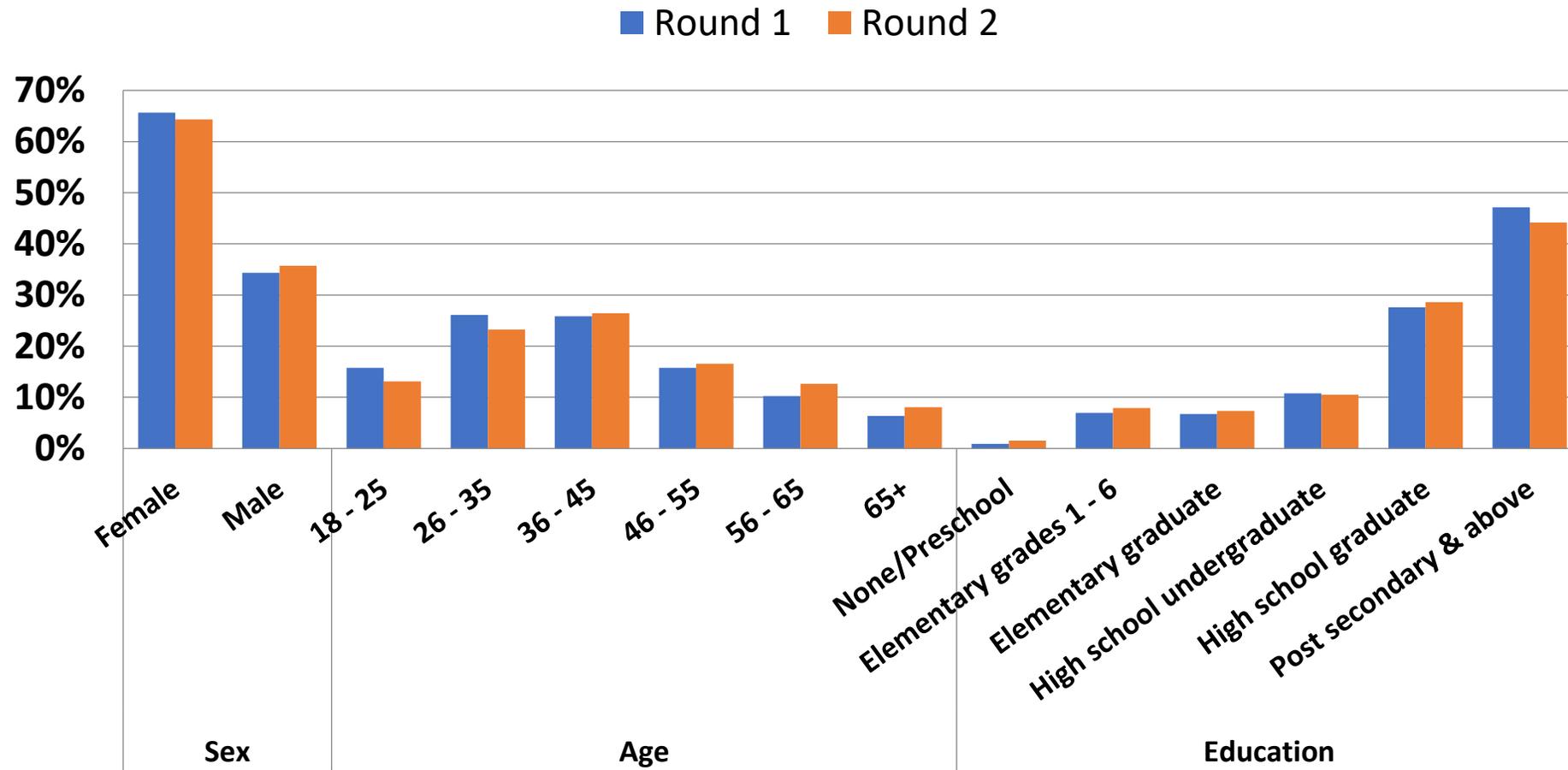
Sample distribution is similar in the two rounds

To place each household in the income distribution that matches the 2018 Family Income and Expenditure...

Sample was weighted using the Survey of Wellbeing via Instant and Frequent Tracking (SWIFT) tool



Characteristics of respondents are also similar



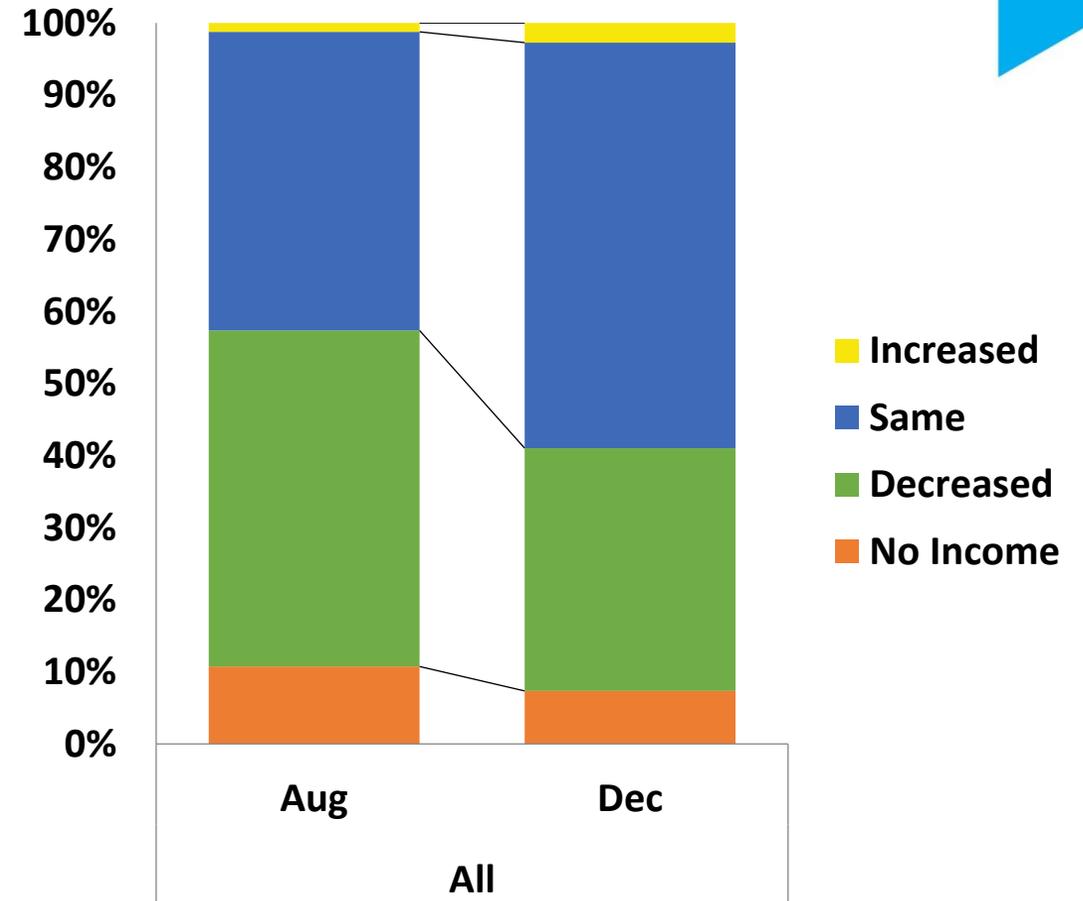
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Employment and Income



Households continued to experience income losses

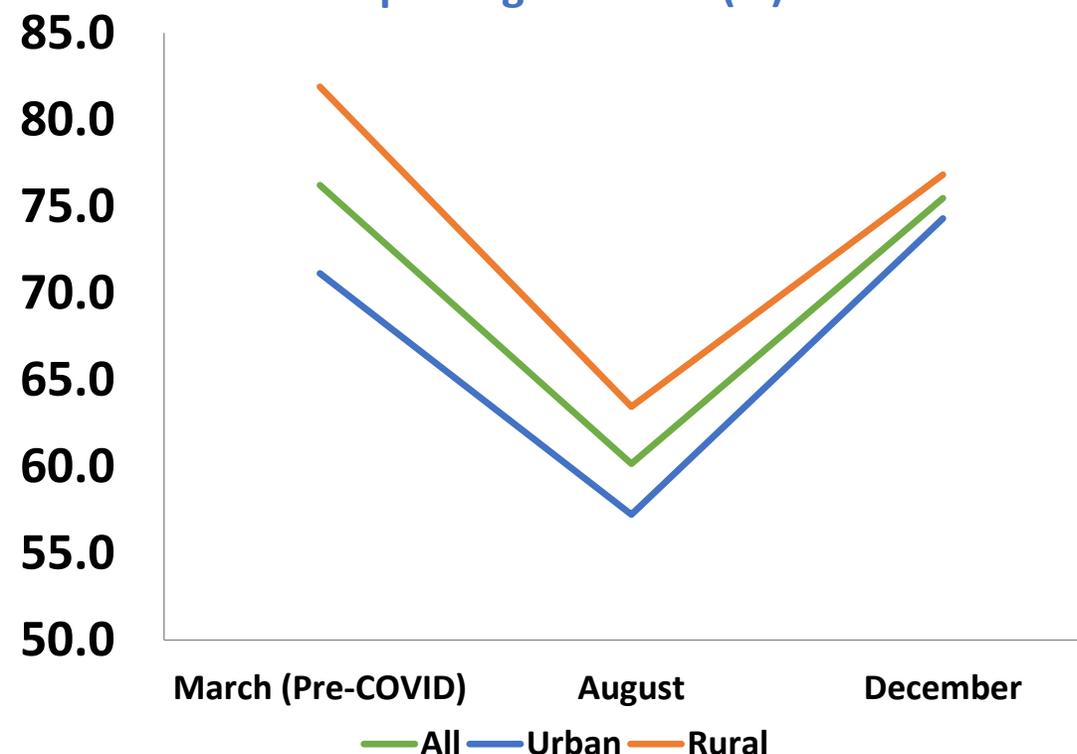
- 1 in 4 household heads still without work in December despite rebounding of employment.
- 41% of households reported income losses (decreased or no income) in December compared to the pre-pandemic usual income. This was down from the 57% that reported decreased incomes in August.



Household heads were back to work, but the usual work arrangements had not resumed

- About 3 in 4 household heads reported working in December, nearly the same in pre-COVID-19 March (based on a recall answer in August survey).
- This was in line with LFS Q3 2020, suggesting robust rebounding in employment close to the pre-crisis level.

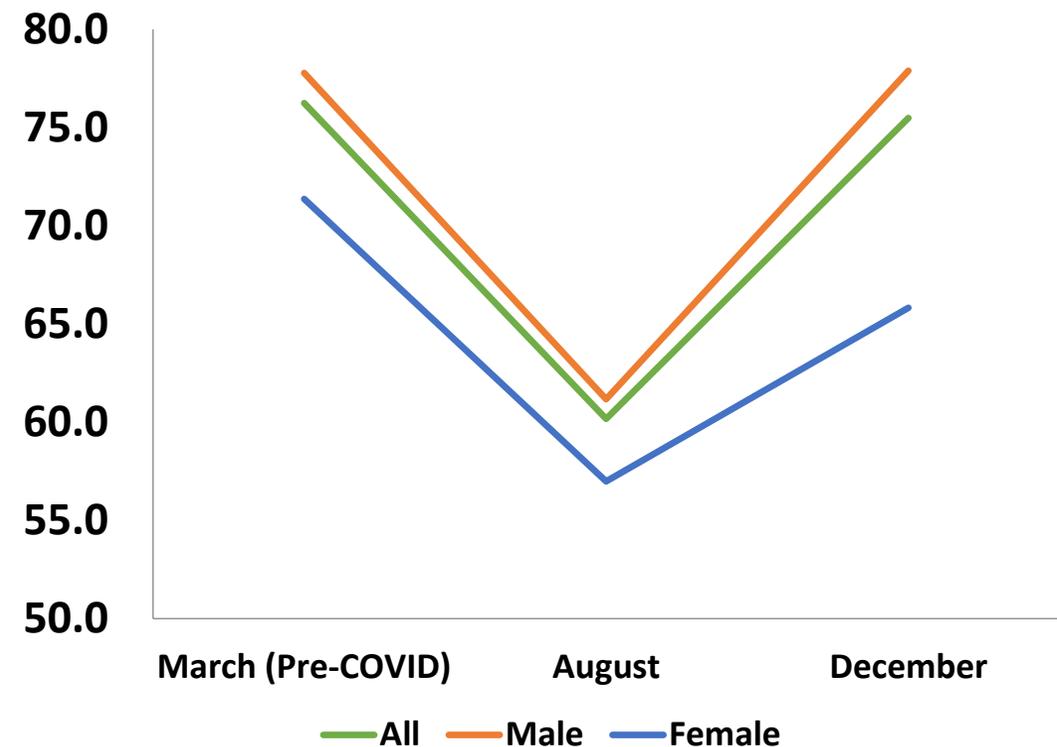
Share of Household Heads Reporting for Work (%)



Recovery of jobs among female household heads was not on par with male counterparts

- About 24 percent of household heads were female.
- About 66 percent female household heads reported working in December, about 6 ppts less than in March.
- The gender gap in employment declined during the pandemic, but became wider in December.

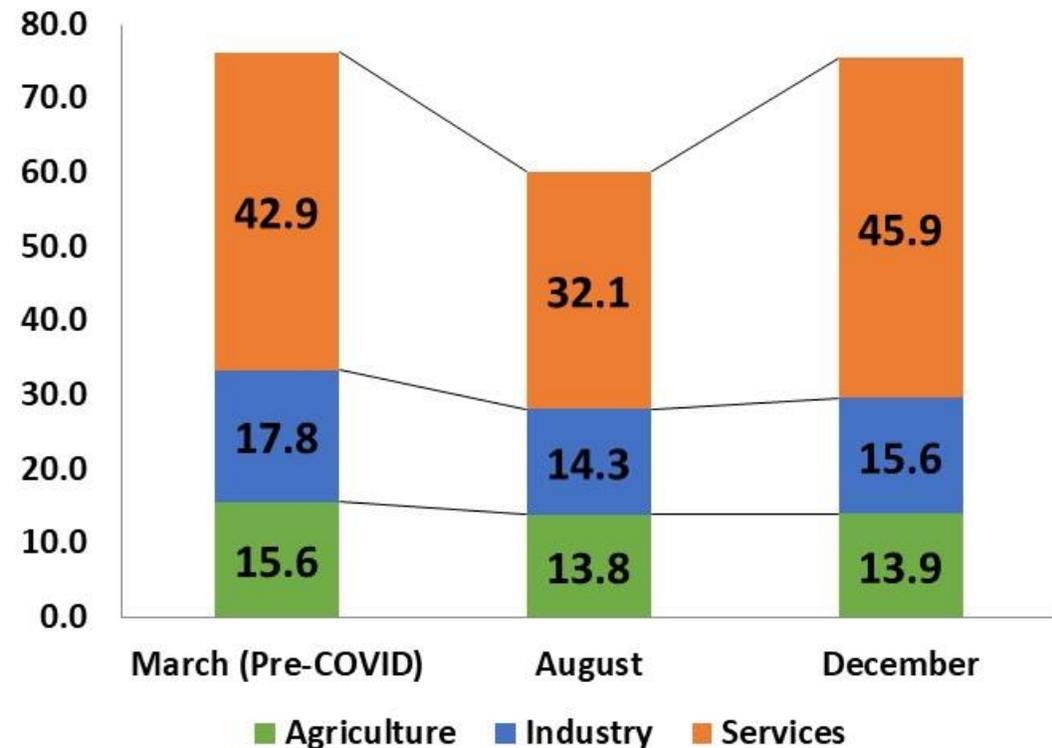
Share of Household Heads Reporting for Work (%)



Jobs in services were hit hard, but showed a strong rebound

- The share of household heads employed in the service sector decreased significantly, but rebounded to its pre-COVID level.
- Employment in industry and agriculture was not affected as significantly, but remained slightly lower than pre-COVID levels.

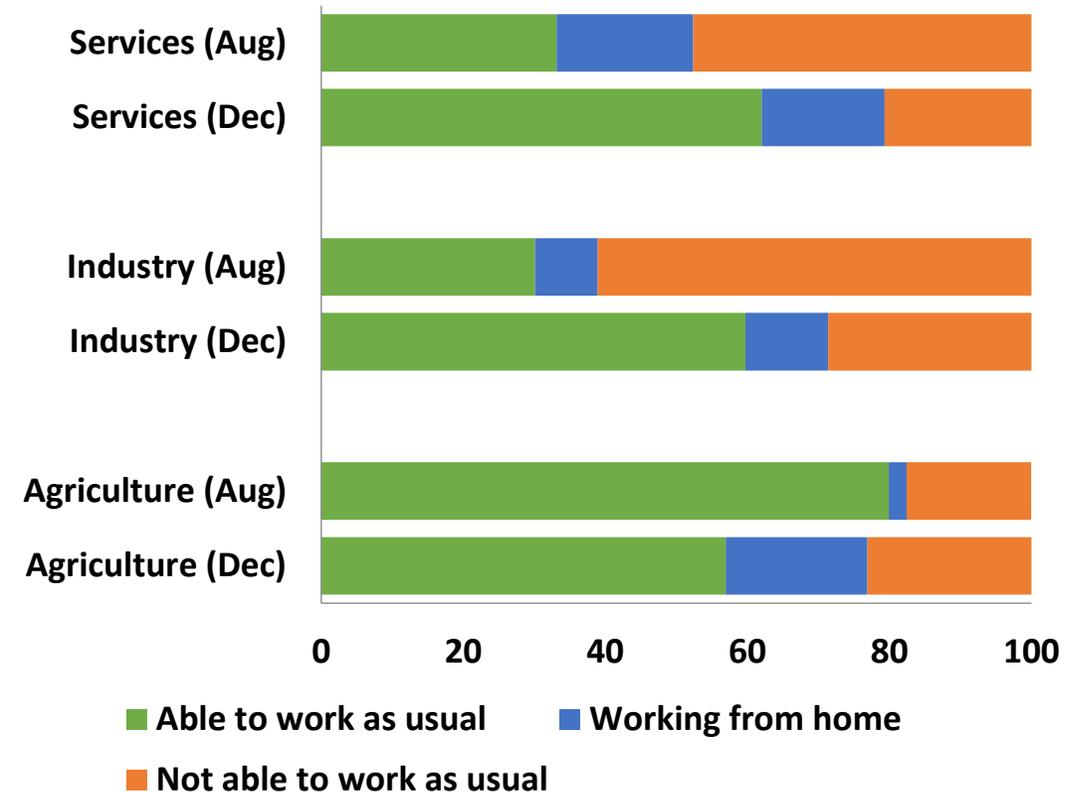
Household Heads' Sector of Employment



Working conditions in the service and industry sectors began to normalize

- In December, about 3 in 5 household heads with non-agriculture jobs were back to their usual working arrangement.
- This is a significant improvement from the work status in August where only a third were working as usual.

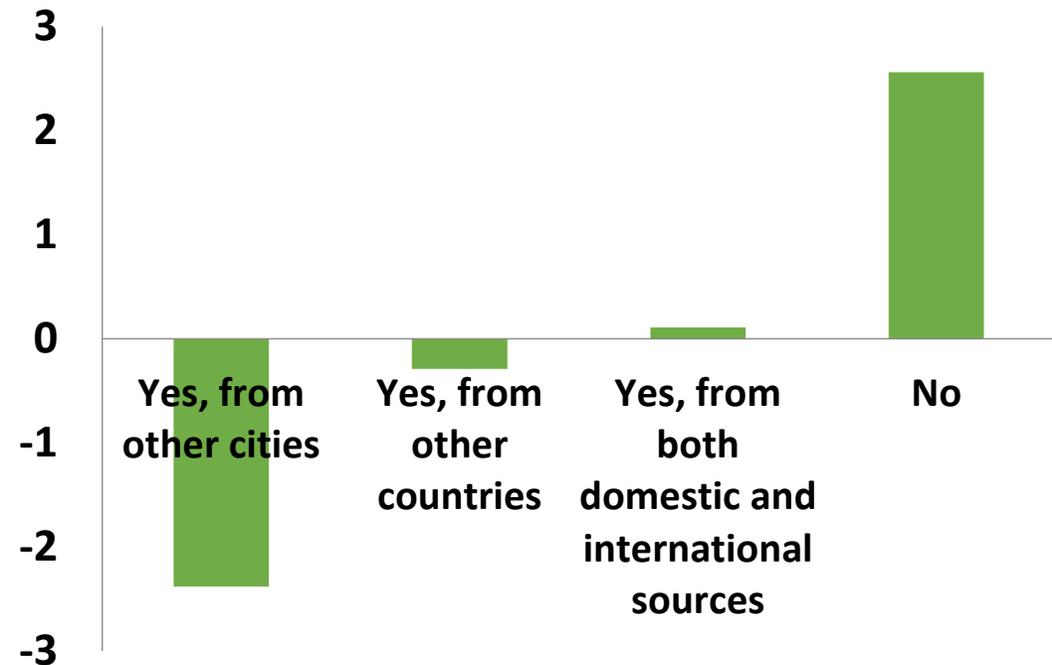
Work Disruption by Sector



Remittances declined slightly

- There was a slight decline in households receiving remittances, from 24.2% in August to 21.6% in December.
- Most of them were from declines in the incidence of domestic remittances.

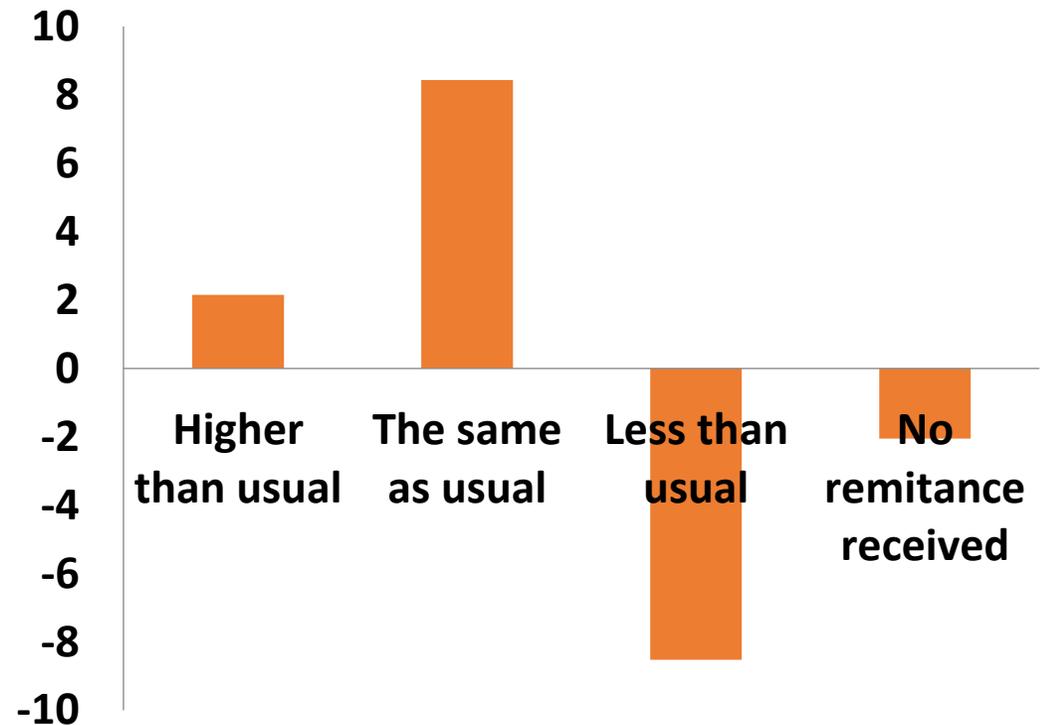
Change in the Share of Households:
Receiving Remittances



But the amount appeared to recover for those receiving them

- Households receiving remittances declined from 24.2% in August to 21.6%, showing only a slight decline.
- Share of such households decreased from 60% in August to 49% in December.

Change in the Share of Households Receiving Remittances: Reporting Level Change



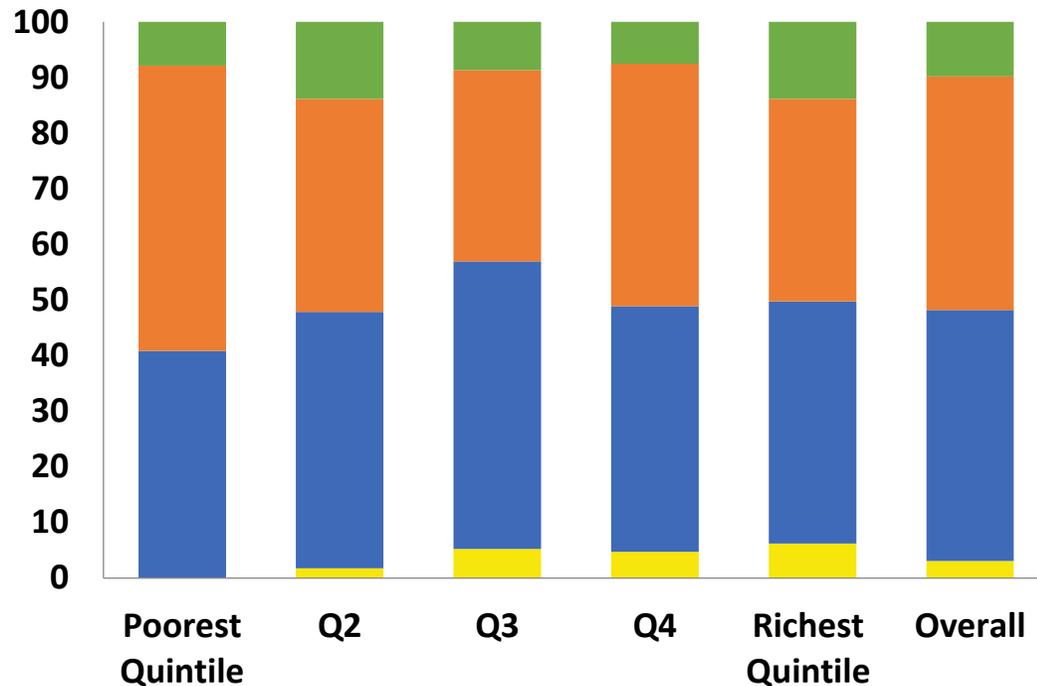
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Access to Finance

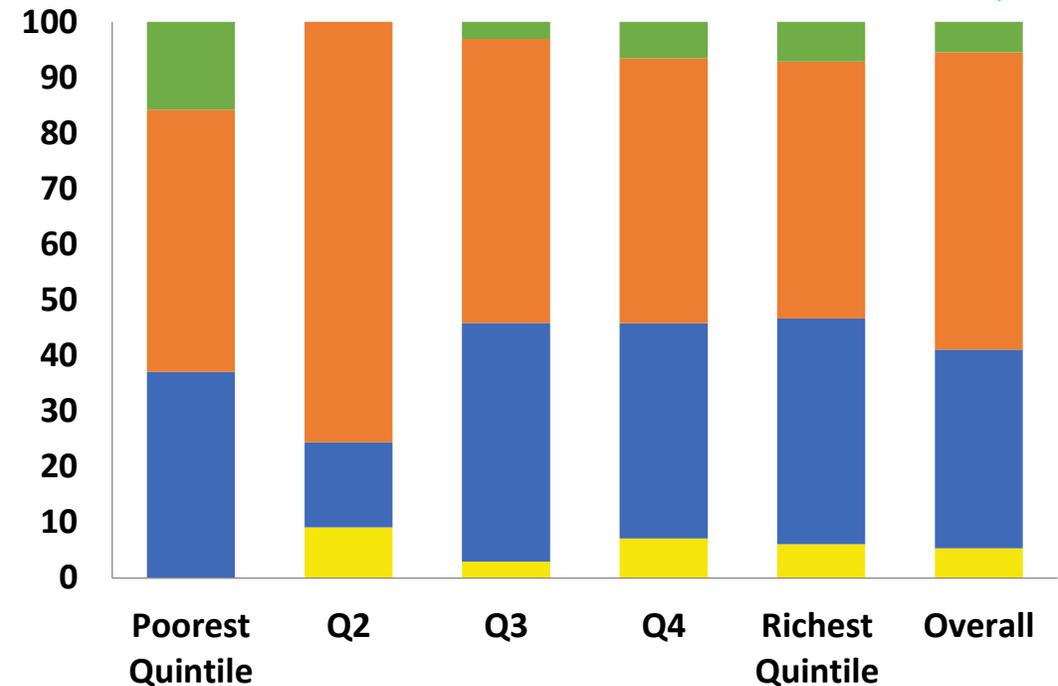


Poorest households were left behind due to business losses

Among households with farm business



Among households with non-farm business



■ Higher than usual
 ■ The same as usual
■ Less than usual
 ■ No income

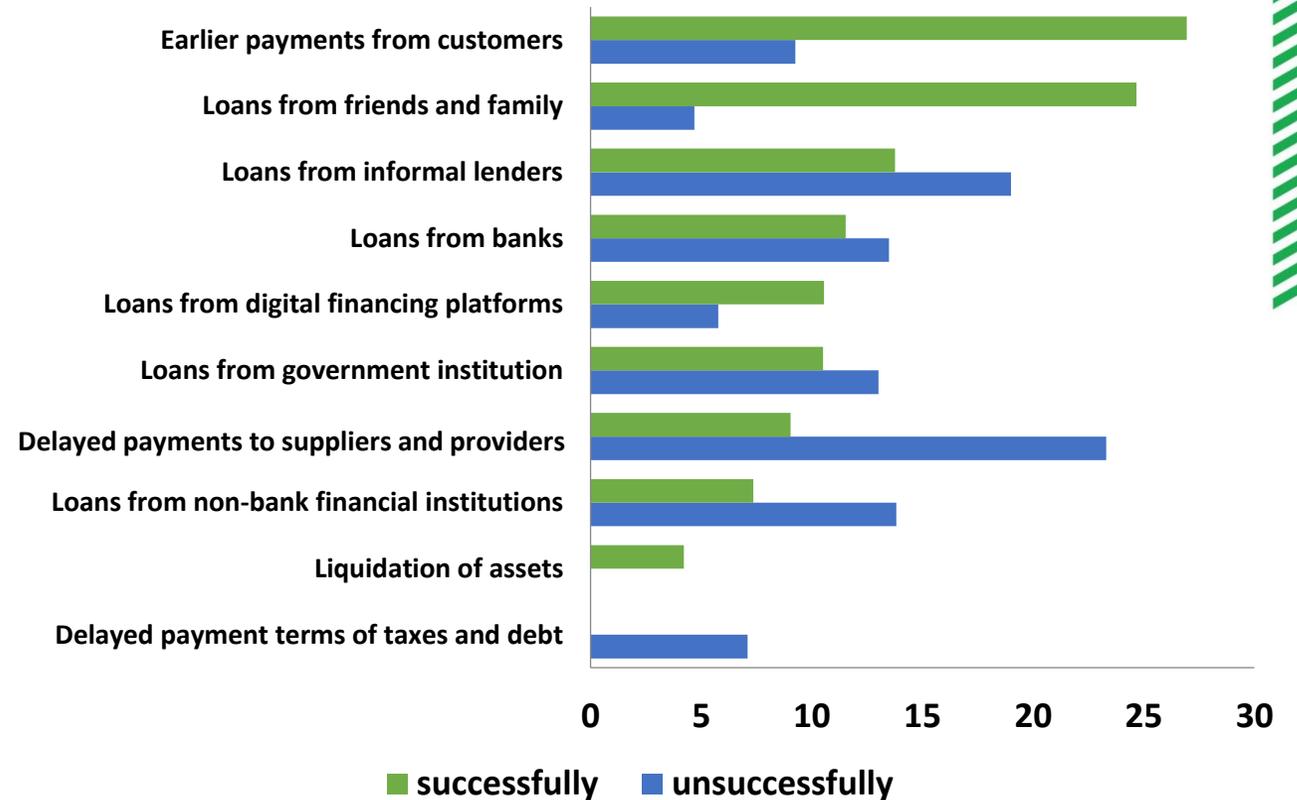
■ Higher than usual
 ■ The same as usual
■ Less than usual
 ■ No income



Households had poor access to financial services for business continuity

- Only 1 out of 10 households that operated a business or farm accessed financial services, even among 5th quintile households with only 14 percent accessing.
- About 1 in 5 were not allowed to delay payments to suppliers.

Financial Services Accessed (%)



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Safety Nets & Coping Mechanisms



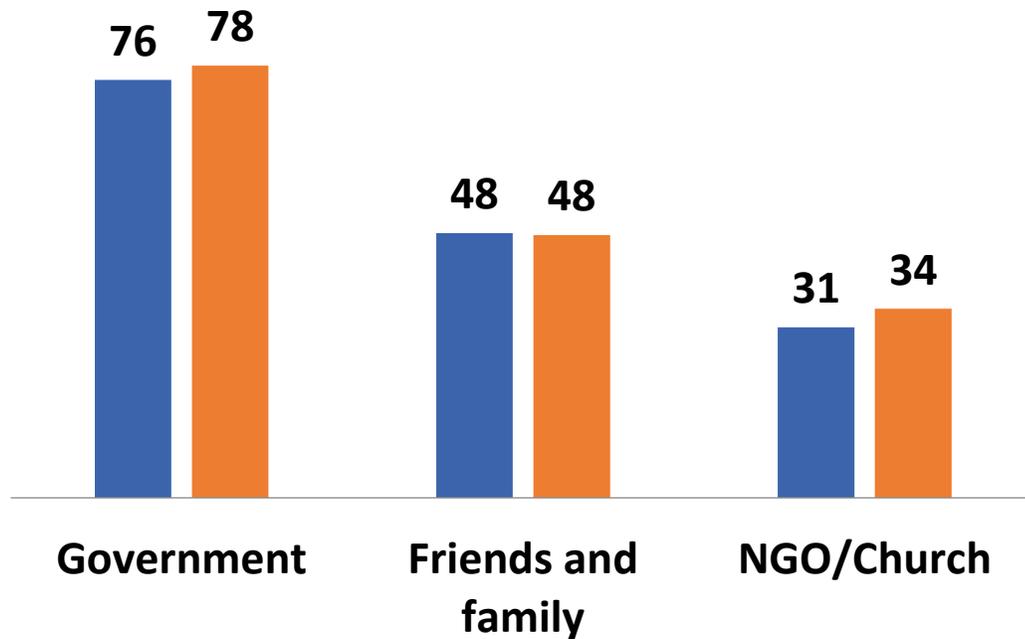
Social safety nets were insufficient

- While government's assistance was initially progressive, this was no longer the case in December.
 - It may be capturing the distribution of Bayanihan 2 benefits, which were targeted for businesses, whereas Bayahihan 1 focused on poor households.
- Both rounds confirm that nearly four in five households received assistance from the government (in the form of cash grants, food, and non-food items).
- Food assistance was most common (94%), followed by cash (74%), and non-food in-kind(40%).

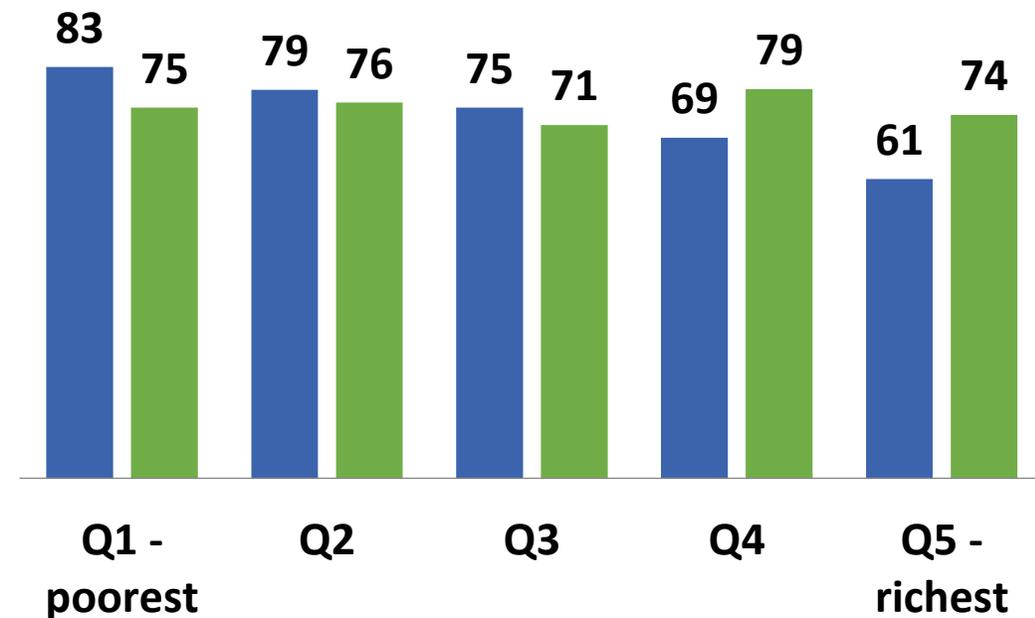


A large share of the population accessed safety nets

Received Assistance (%)



Received Government Assistance (%)



■ August (March to August)

■ December (August to December)

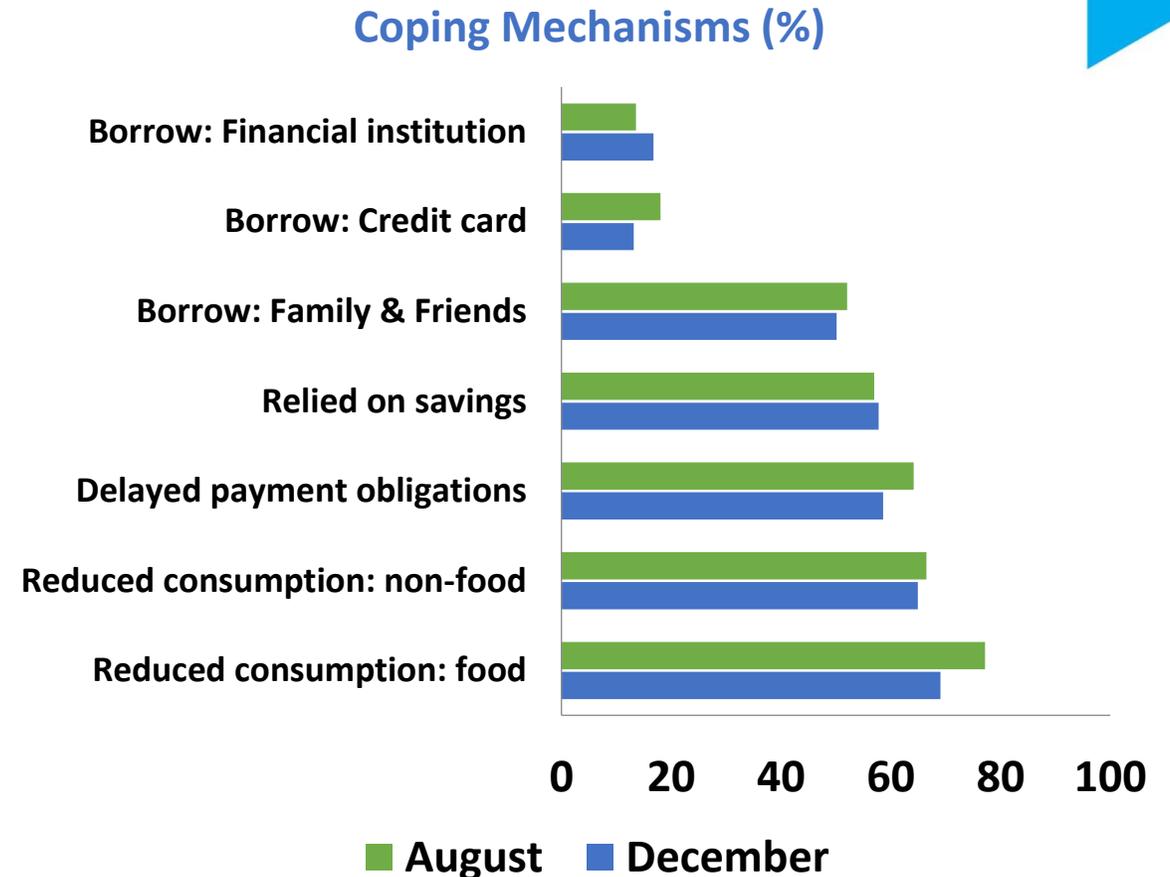
■ August (March to August)

■ December (August to December)



The share of households that reduced consumption as a coping mechanism dropped

- Households that reduced food consumption as a coping mechanism decreased by 8 ppts.
- Between August and December, more poor households resorted to borrowing from financial institutions and savings in order to cope.



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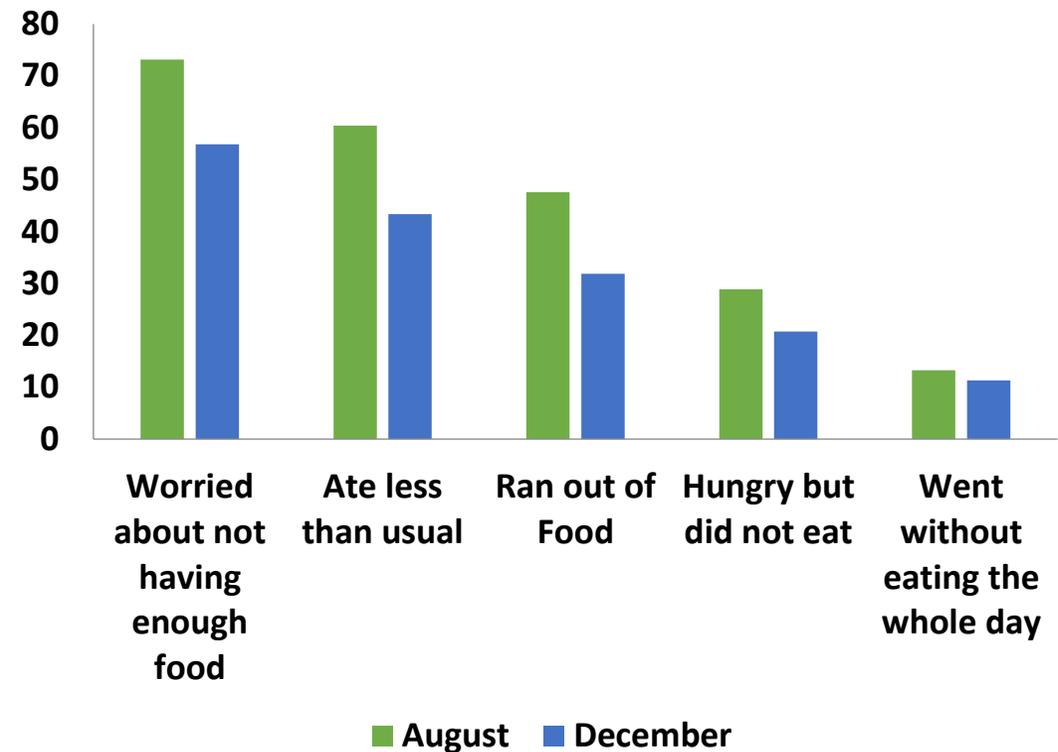
Food Security



Food security improved

- About 17 ppts less households reported eating less than usual and worried about not having enough food.
- About 16 ppts less households ran out of food.

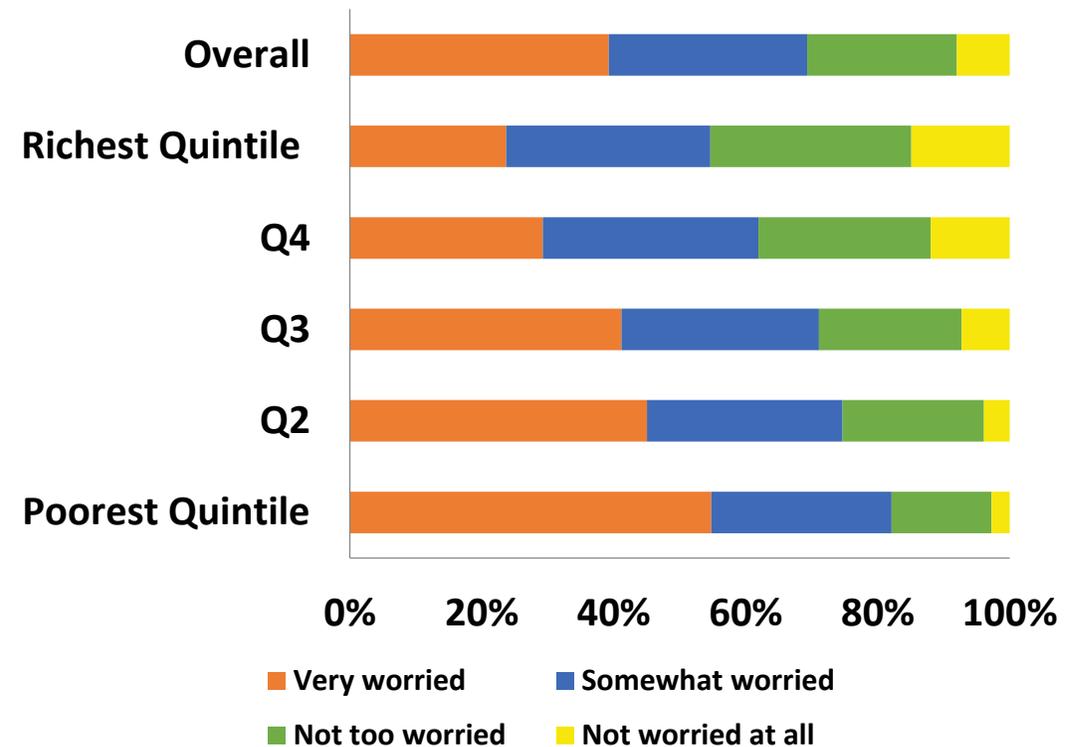
Households with reduced or no income experiencing food insecurity (%)



Despite overall progress, households continued to experience food insecurity

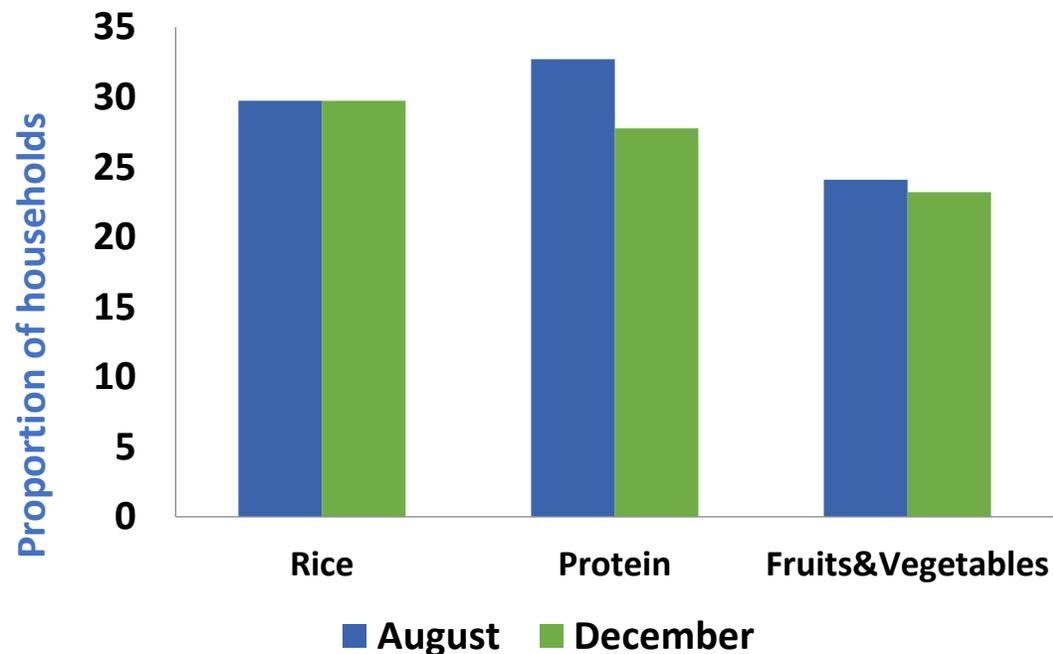
- 2 out of 5 households were very worried about not having enough food for the following week.
- The level of worry was more pronounced among poorer households: more than half for the poorest quintile.

Households Worried About Not Having Enough Food to Eat Next Week (%)

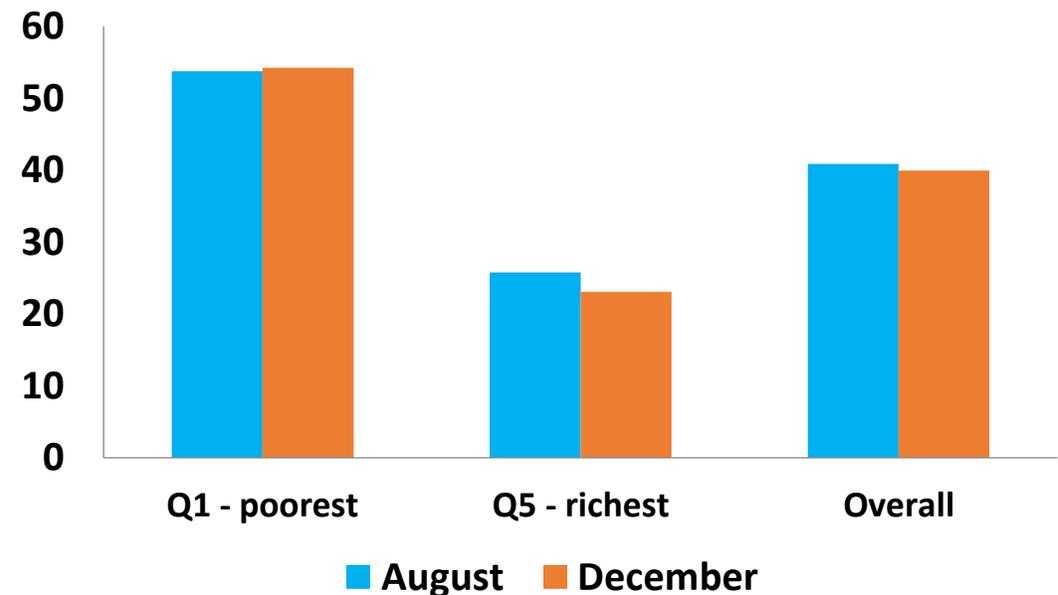


Many households continued to report limited ability to purchase food

Households Unable to Buy Food Staples



Unable to Buy at Least One of the Food Staples



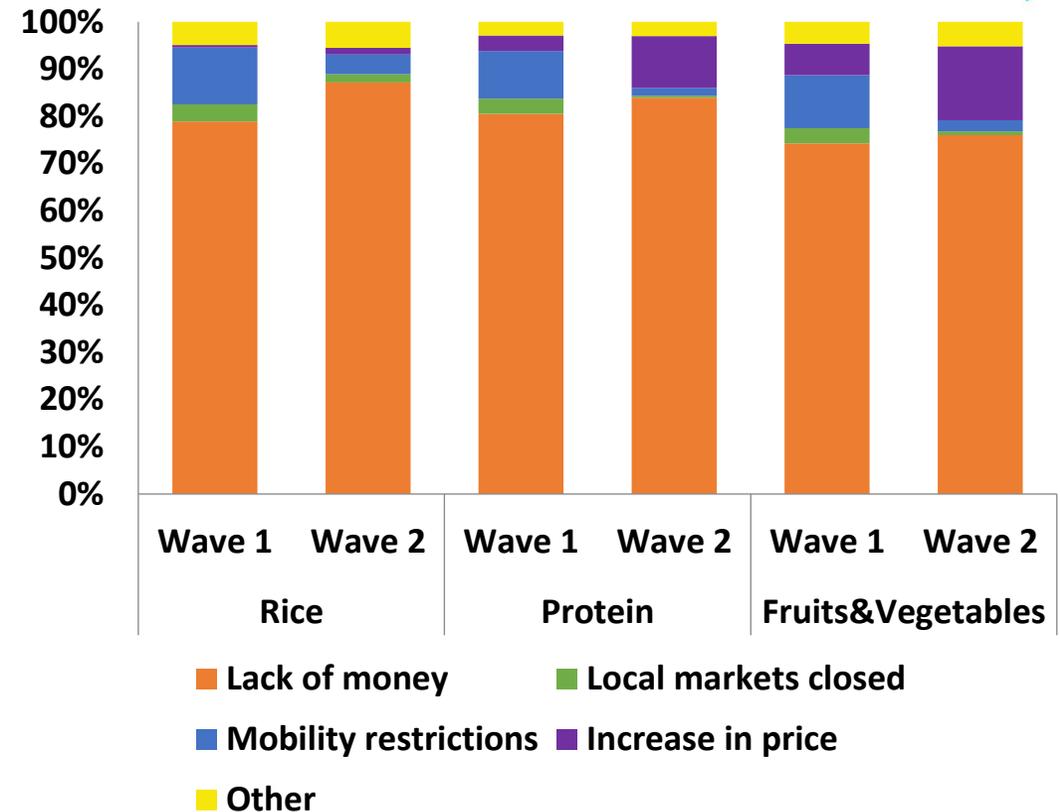
The share of households unable to buy at least one of the food staples (rice, protein, vegetables and fruits) remained practically at the same level



The vast majority reported lack of financial resources along with rising prices as main reasons for food insecurity

- More households reported lack of financial resources as a reason for being unable to purchase food.

Reasons for Not Being Able to Purchase Food



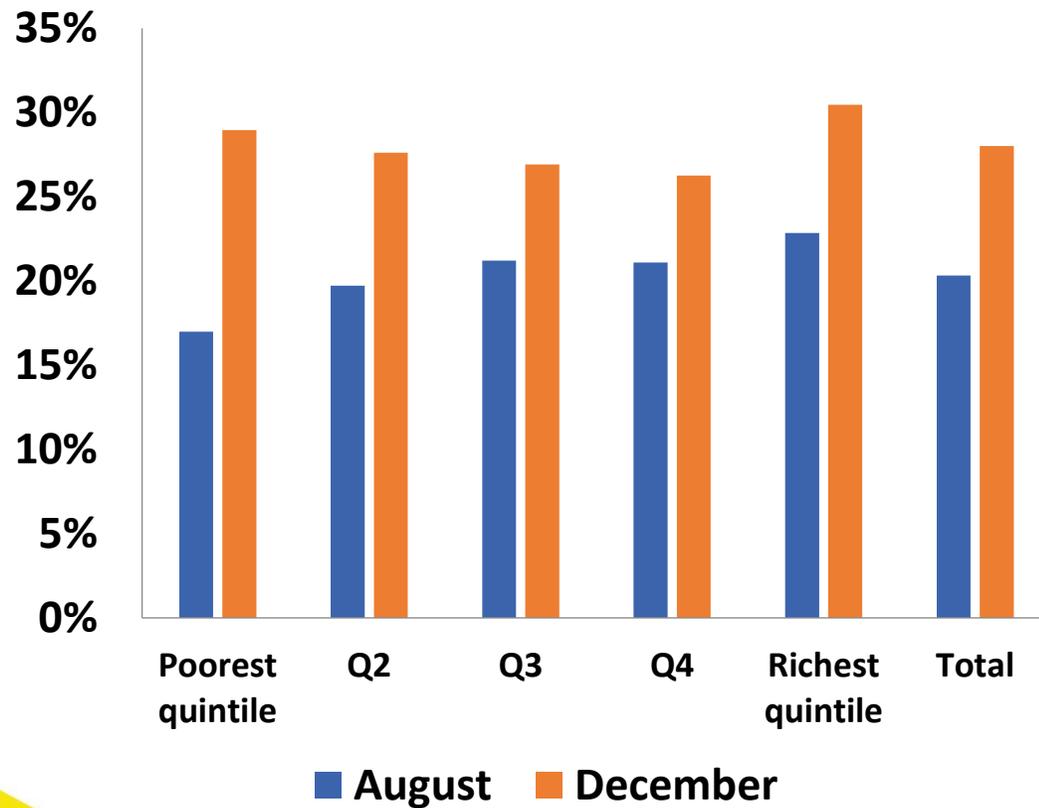
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Access to Health

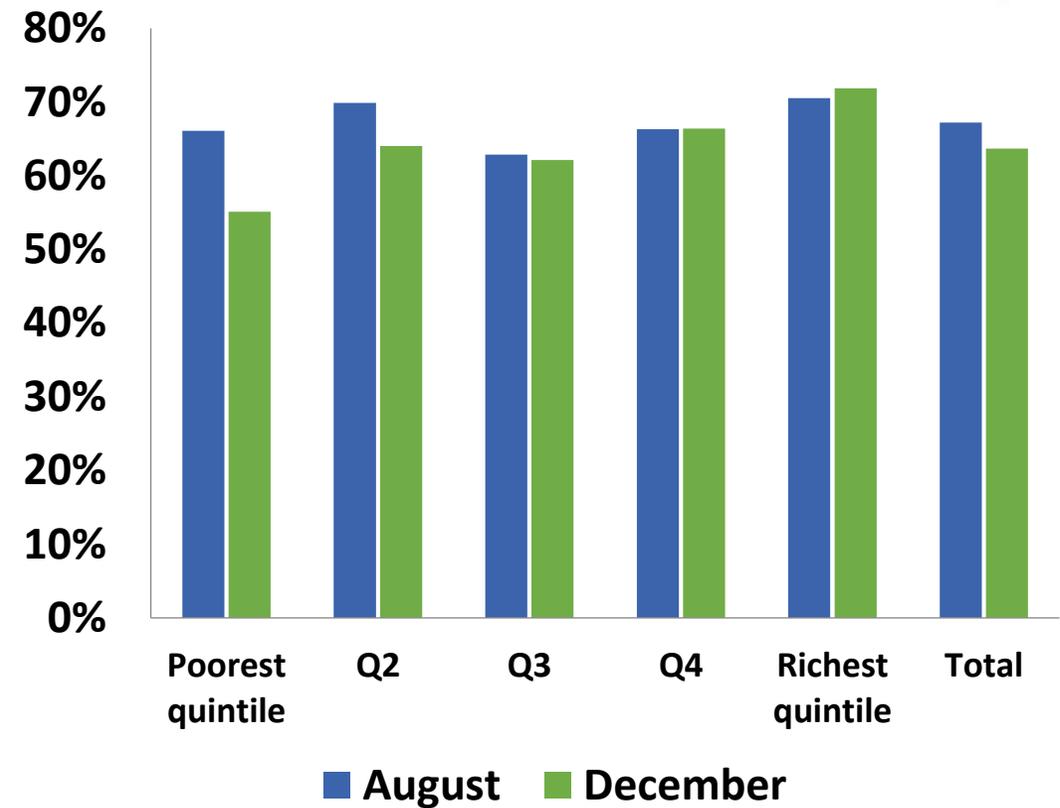


Access to needed medical treatment among poor households worsened

Needed Medical Treatment



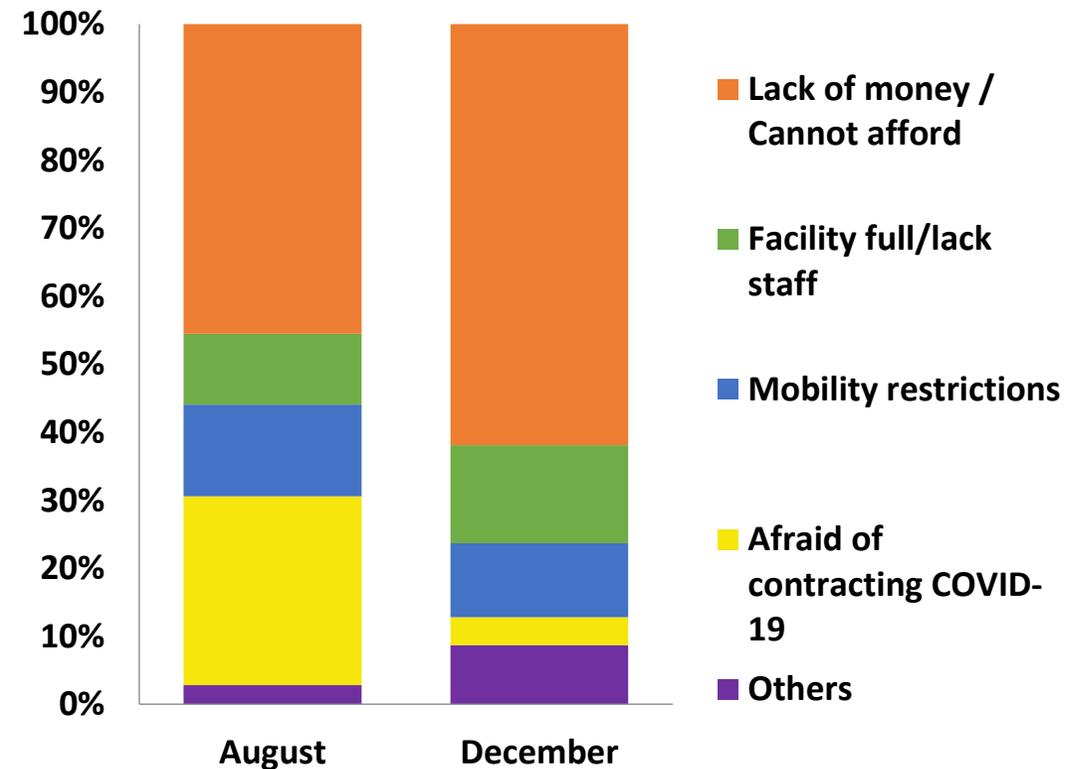
Obtained Needed Medical Treatment



Households had difficulty accessing health services

- More households cited lack of money as reason for being unable to access treatment in December (62 percent) compared with August (46 percent).
- More households cited this reason in December (62%) than in August (46%).

Reasons for Not Obtaining Needed Medical Treatment



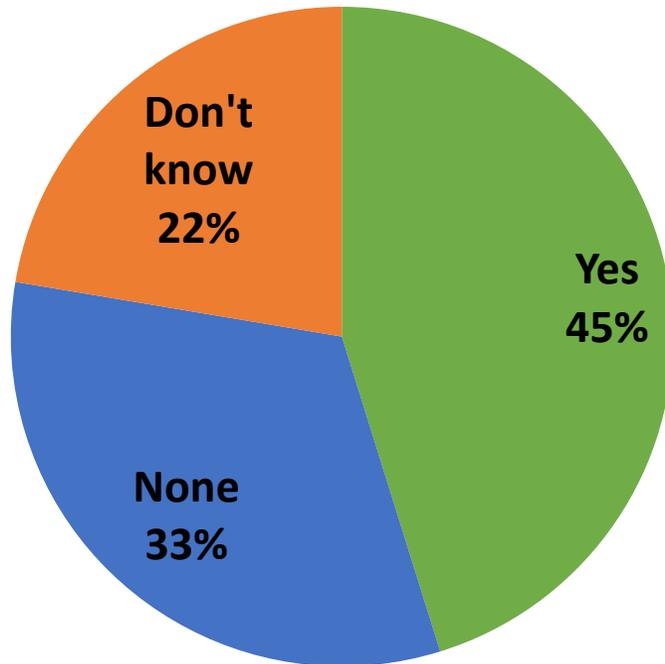
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COVID-19 Vaccination

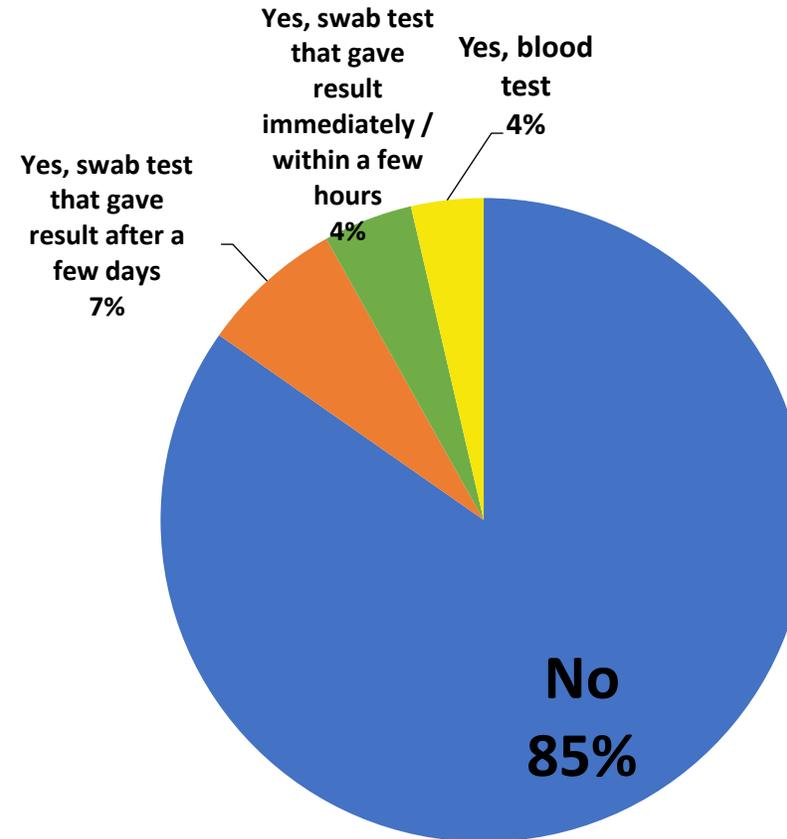


Most respondents had not been tested for COVID-19

COVID-19 Testing Available in Community

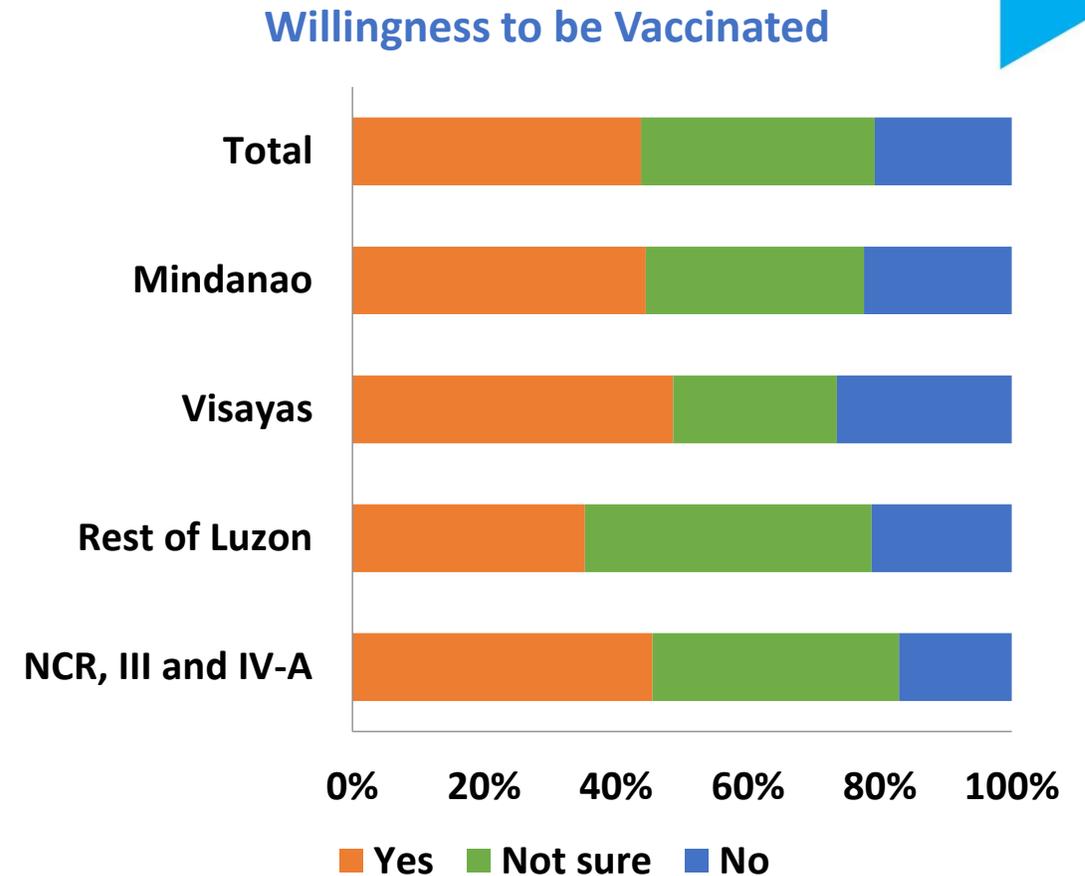


Tested for COVID-19



Most Filipinos were hesitant to take the COVID-19 vaccine

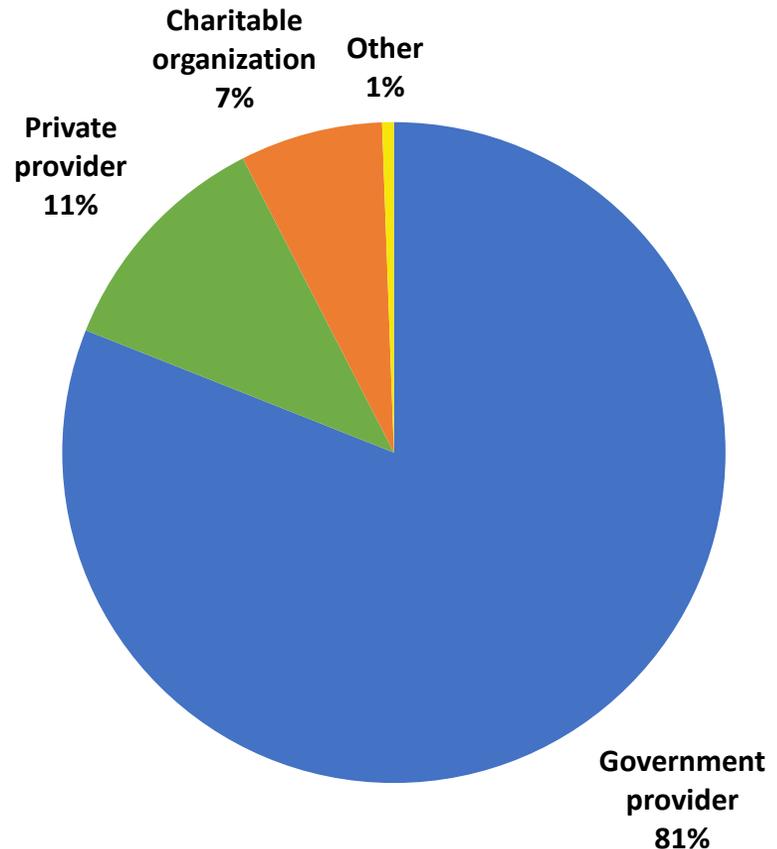
- More than a third said they were not sure if they wanted to be vaccinated while a fifth said they didn't want to be vaccinated at all.
- Of those not willing or not sure to be vaccinated, about 86 percent said they were worried about the safety of the vaccine and possible side effects. About 10 percent didn't think the vaccine was effective.

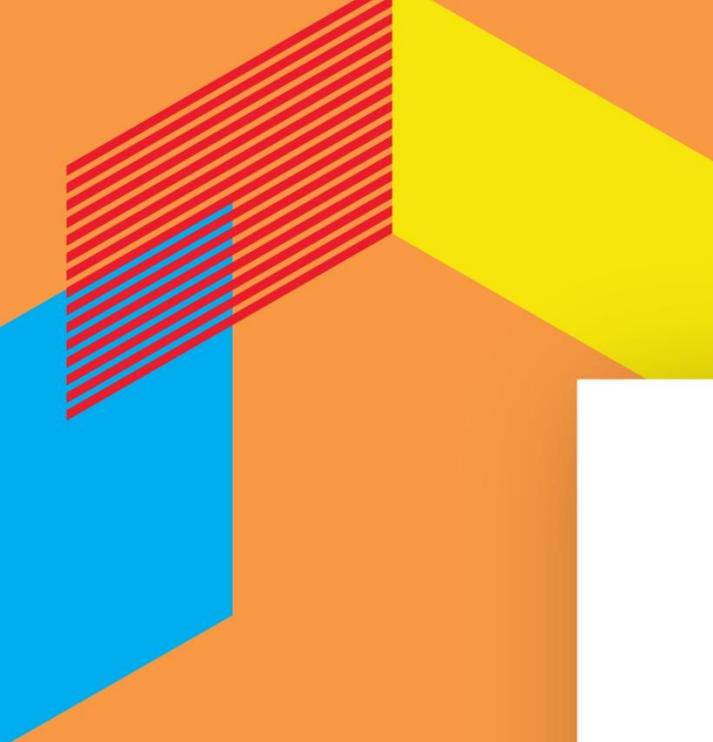


People preferred to have vaccines administered by a government health facility

- 4 in 5 of those willing to be vaccinated preferred government health facilities to administer the vaccine.
- 2 in 5 considered trust as main consideration in choosing where to get vaccinated. Quality of service and convenience were the other top responses.

Preference Where to be Vaccinated





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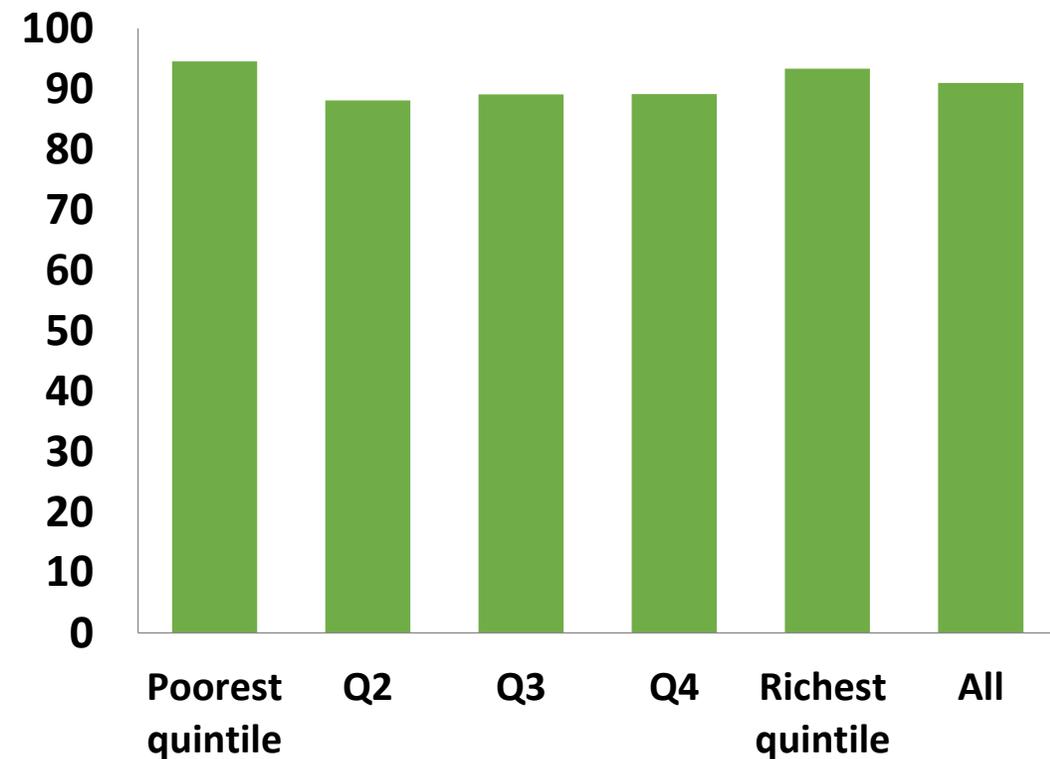
Access to Education



Most households reported that their school-aged children were enrolled

- 9 in 10 households with school-aged children had at least one child enrolled in December. Of these, 87% of households indicated that all children were enrolled.

Share of Households with Children in School in December, by Quintile (%)



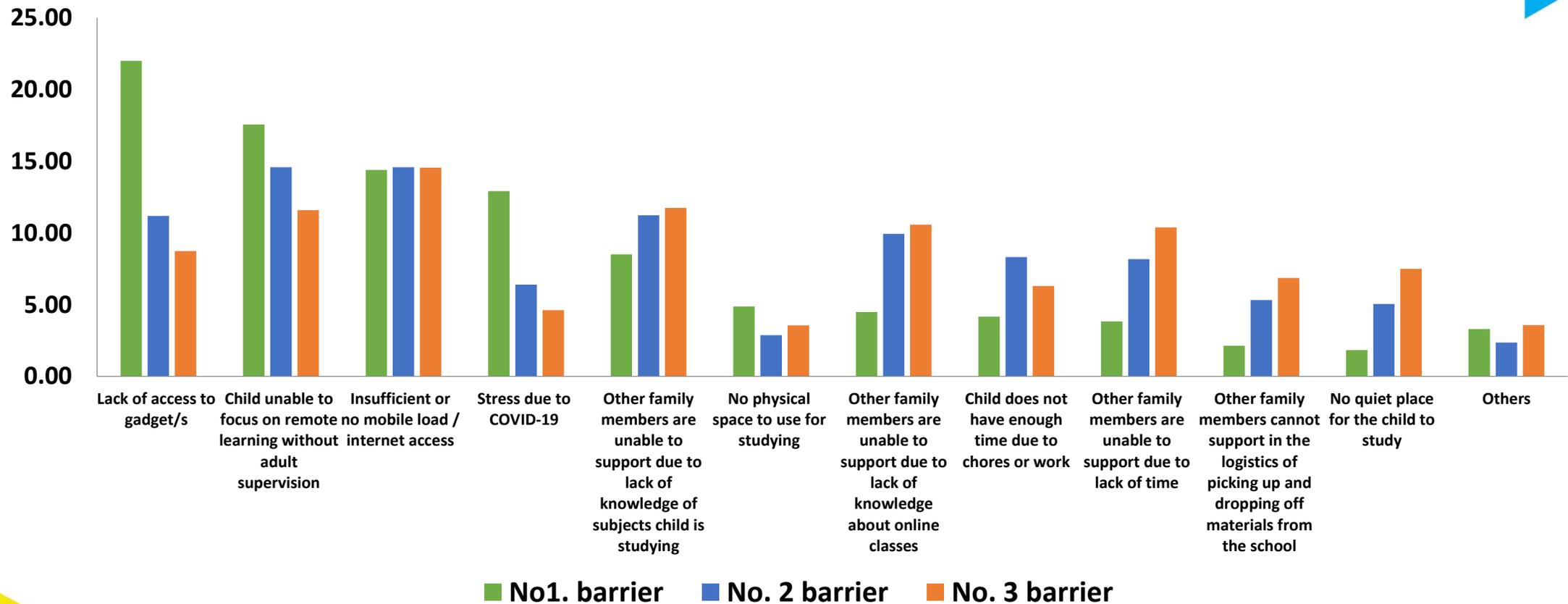
But effectiveness of distance learning was a big concern

- 8 in 10 households with enrolled children used paper-based self-learning modules as modality for distance learning.
- Even among the richest quintiles, the share of using online live classes remained low at 40%.
- About 70% of the richest households had internet access, but the share of the poorest households was 40%, which likely explained the gap in access to online live classes.



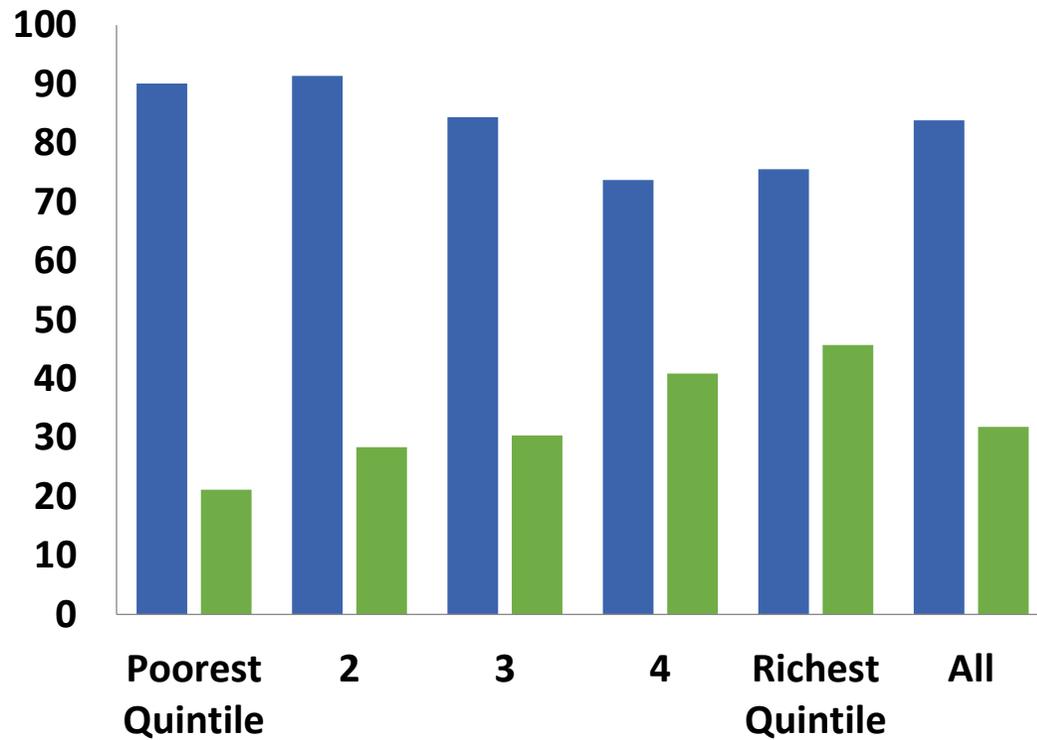
Access to gadgets and internet, children's inability to focus, and stress due to COVID-19 were major barriers to effective learning

Top 3 Barriers to Effective Learning

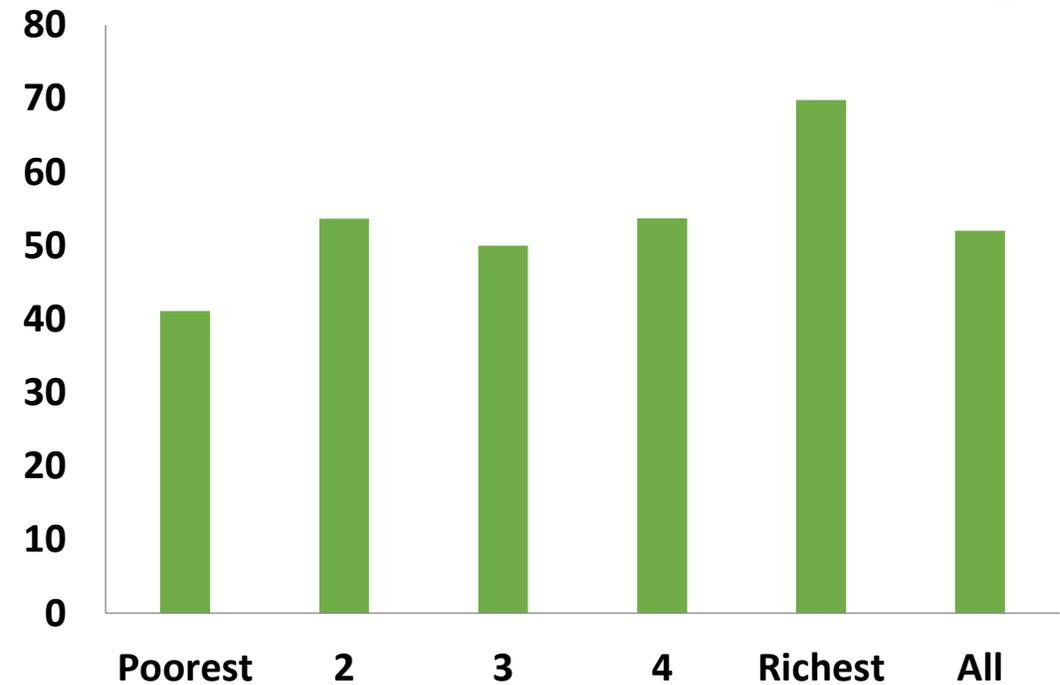


Poor access to technology contributed to inequality in learning opportunities

Share of Households Reporting Access



Households with Internet Access (%)



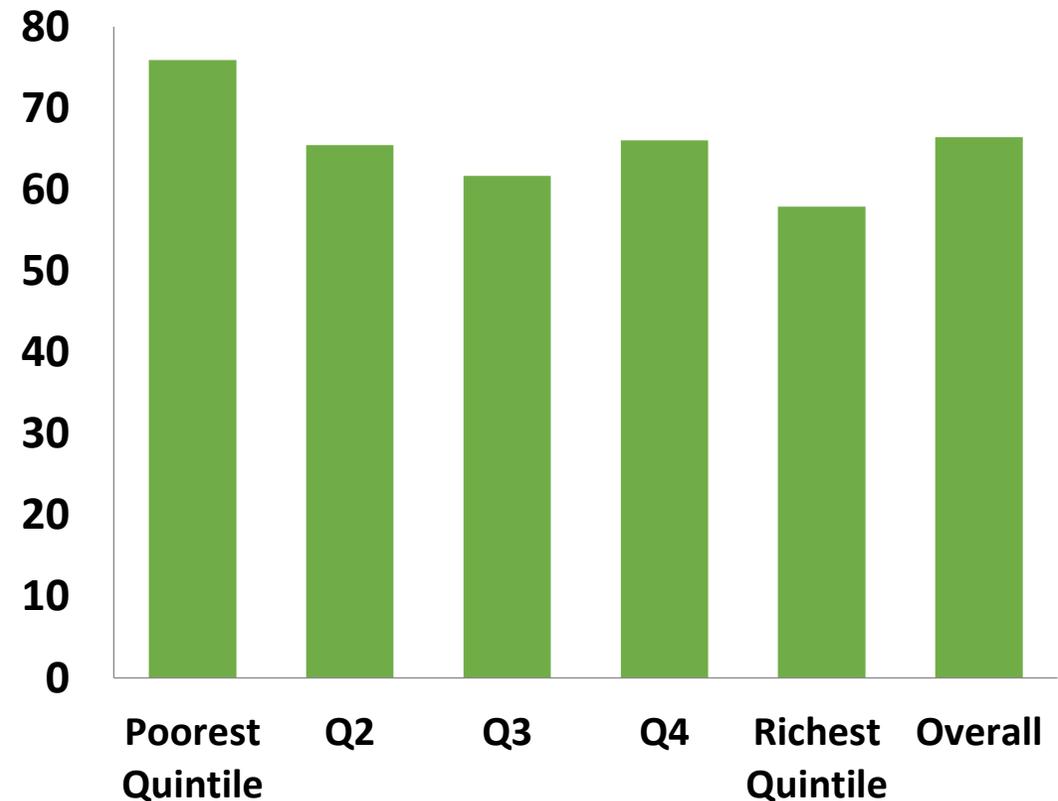
■ Paper-based self-learning modules ■ Online live classes



Interest in face-to-face learning was strongest among poor households

- If schools started offering face-to-face classes, 2 in 3 households were willing to send children to school.
- The willingness to do face-to-face learning was most pronounced among poorer households.
- Of those who said No, 97 percent said they were worried of their children contracting the virus.

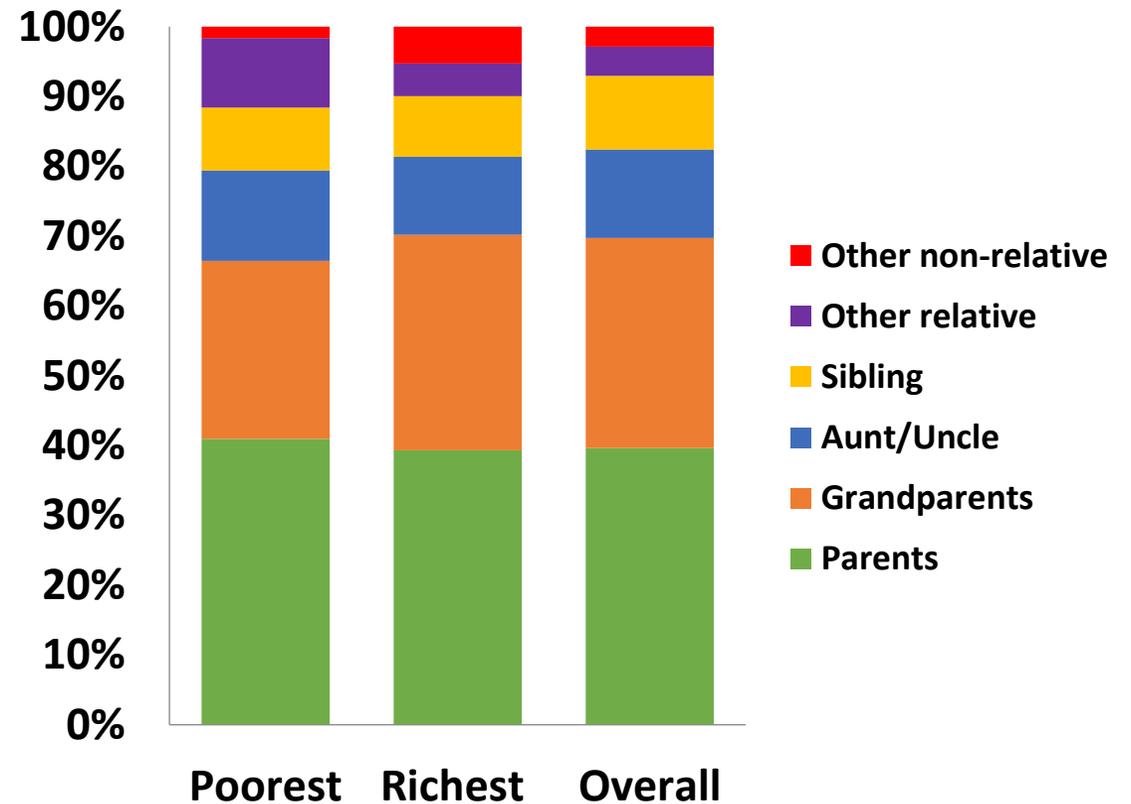
Interest in Face-to-Face Learning



Older family members had a key role in the conduct of the children's distance schooling

- In 4 in 10 households—rich or poor—parents assisted children in distance learning.
- About 30% of households had grandparents assisting the children in distance learning.
- This was followed by the aunt/uncle, and sibling.

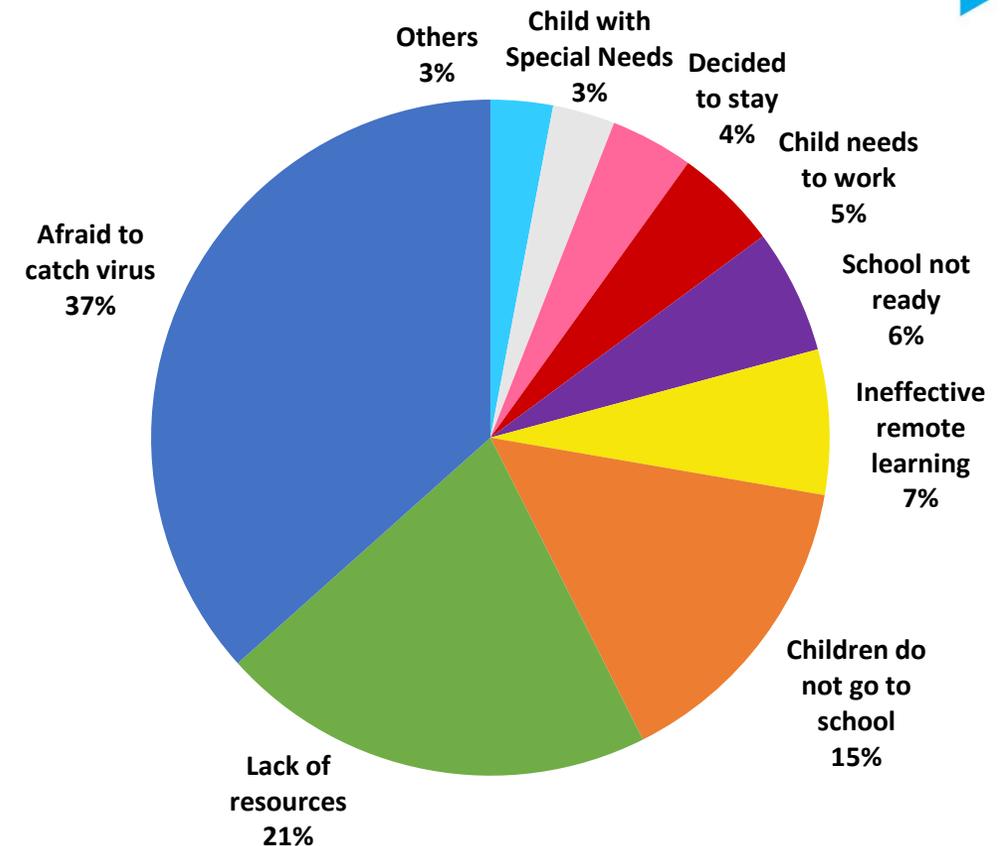
Child's Help in Distance Learning



Fears of the virus continued to be the main reason for not enrolling a child in school

- About 13 percent of households had at least one child who was not enrolled in school.
- Fear of contracting the virus was the top reason for non-enrollment, followed by lack of resources (e.g., gadgets, internet, etc.).

Reasons for not enrolling a child



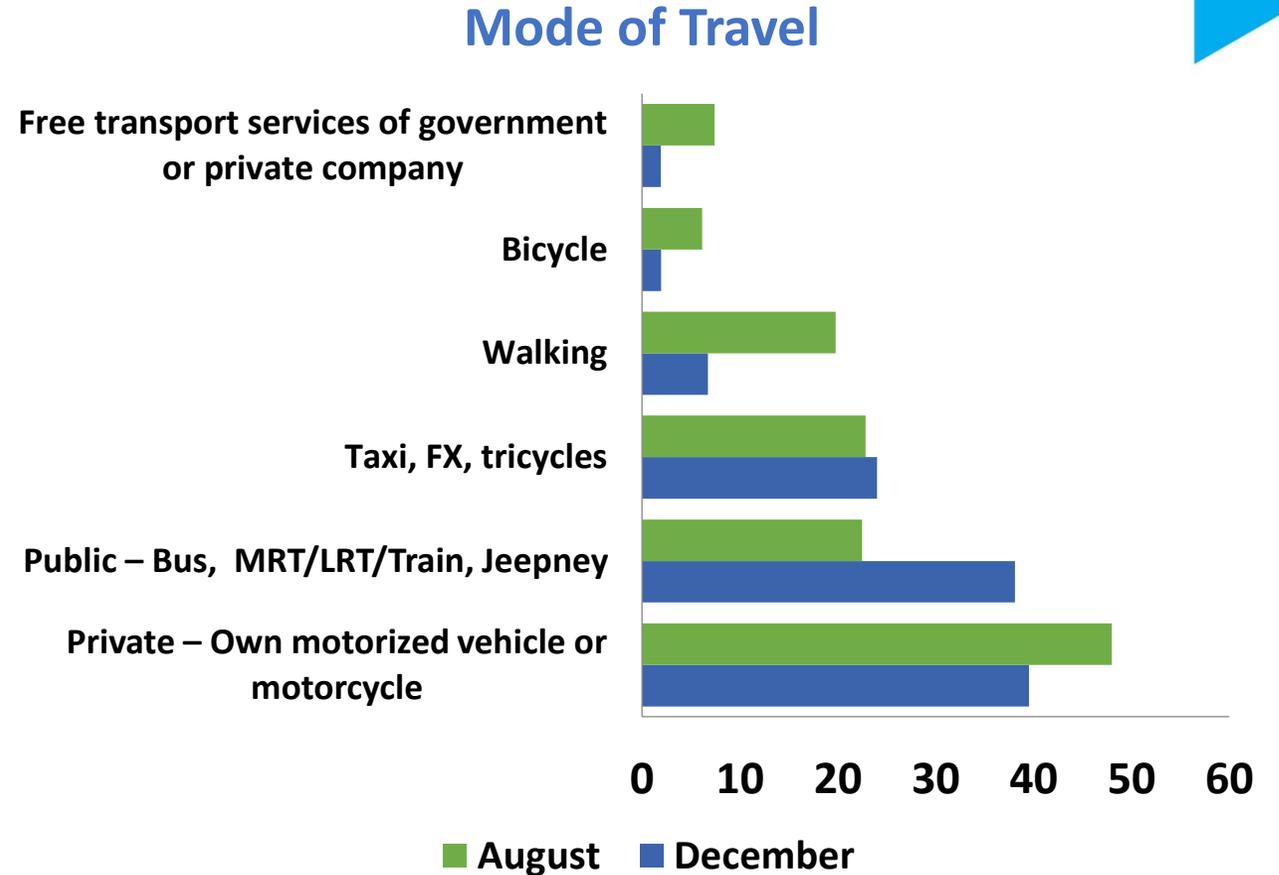
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Mobility



More people traveled in December

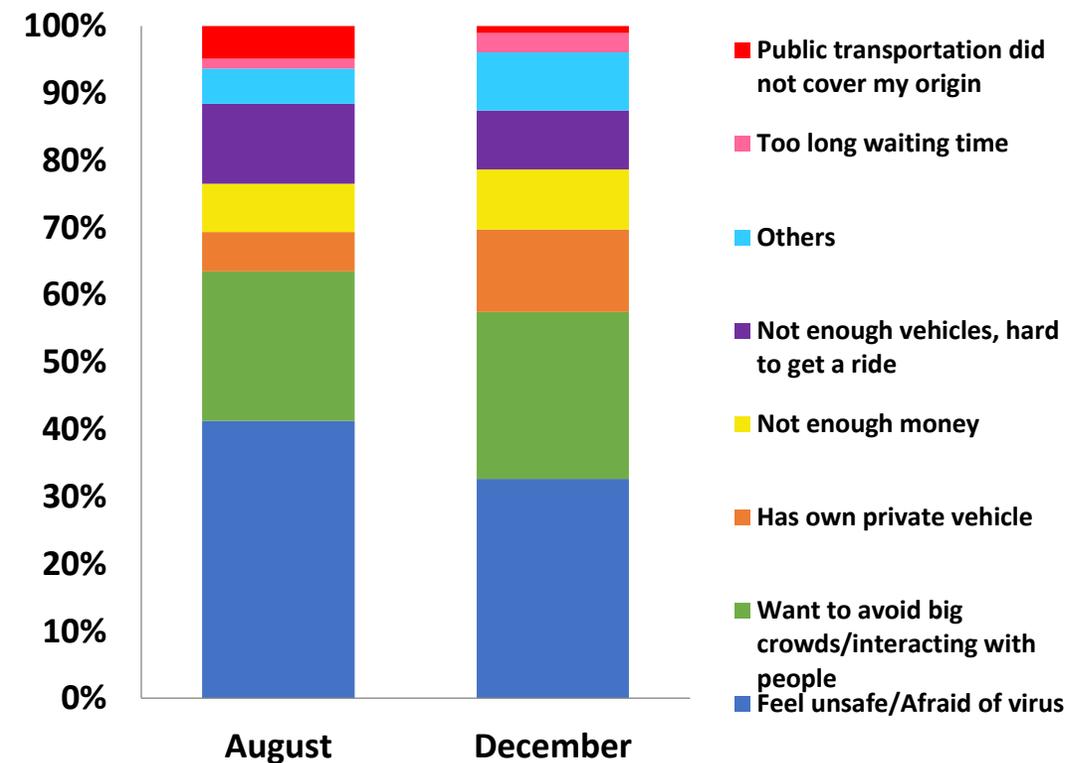
- The share of those who travelled outside of the residence increased, with the poorest quintile showing a significant rise of 14 pp.
- The share of households who walked significantly declined.
- Those who used public transportation increased as restrictions were eased during the period.



Many poor households still felt unsafe and afraid of getting the virus

- The share of those not using public transportation because they felt unsafe about the virus decreased from 41 percent in August to 33 percent in December.
- However, among the poorest quintiles, more households felt afraid of getting the virus. The second top reason was financial constraints.

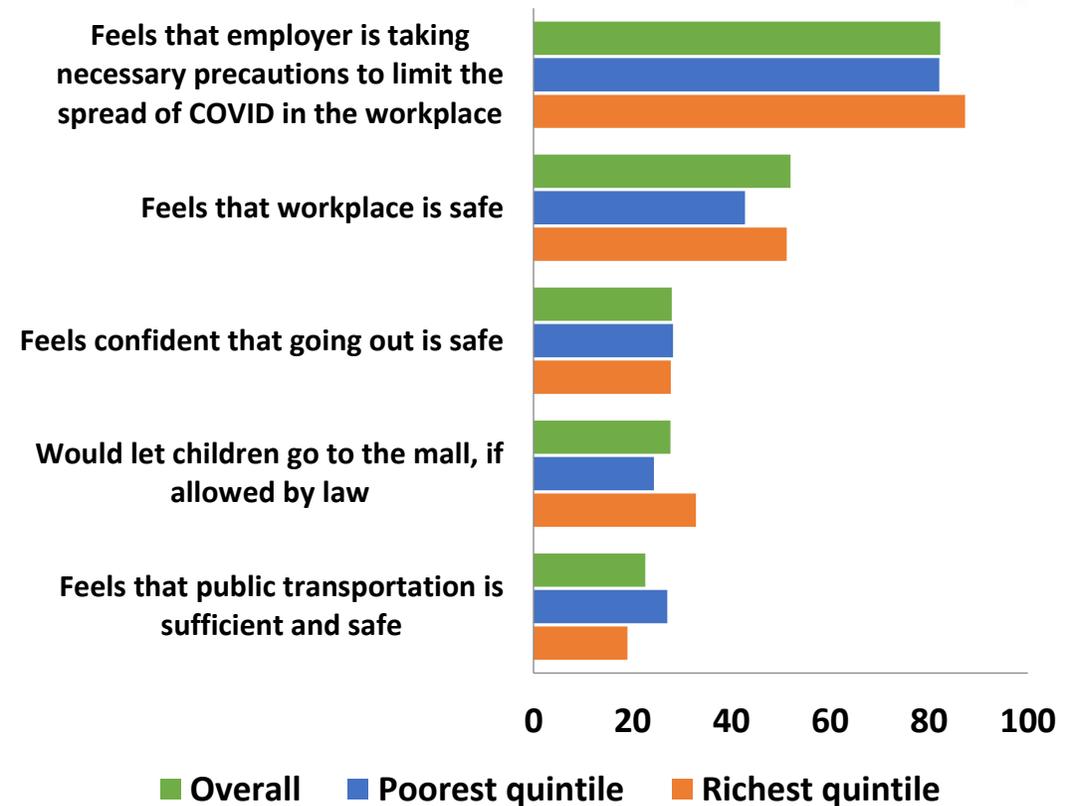
Reasons for Not Using Public Transportation



People were still not confident to move around

- 3 in 10 felt confident that going out was safe.
- Limited public transportation likely contributed to this. Only 1 in 5 felt that public transportation was sufficient and safe.
- About a quarter would not allow their children to go out even when allowed by law, indicating continued apprehensions about public places.
- 4 in 5 thought that necessary precautions were taken to limit the spread of the virus at their workplace. However, less (1 in 2) felt that their workplace was safe.

Attitude Toward Mobility (%)



THANK YOU!

worldbank.org/philippines/covidmonitor

