Impact of the COVID-19 crisis on work and employment outcomes for internal and international migrants in Latin America

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Introduction

Latin America and the Caribbean is considered one of the most severely affected regions by the pandemic, in terms of COVID-19-related infections and mortality as well as the severe economic impact caused by the global health crisis (United Nations Department of Economic and Social Affairs, 2020; International Labour Organization [ILO], 2022; International Organisation for Migration [IOM], 2021b). By mid-June 2021, the region experienced 1,033,629 deaths caused by the virus, and a mortality level that represented about a third of worldwide deaths (IOM, 2021a). In terms of economic impact, the region experienced the sharpest decline in gross domestic product (GDP) (7.5%), and a lagging socioeconomic recovery (Cottani, 2020). Poverty is estimated to have increased by 19 million people (IOM, 2021b), plunging an additional 2.9% of the total regional population into poverty in 2020.

The pandemic particularly worsened the situation of workers who already faced disadvantages in the labour market. In this group, women, youth, the elderly, and migrant workers, experienced higher employment losses than other population groups (ILO, 2022). As highlighted by Bogado (2021), the pandemic led to a worsening of the situation of certain groups that were already at risk before the pandemic, such as asylum seekers, migrants with irregular status, and especially those who were experiencing poverty, food insecurity, indigence, or those displaced by environmental issues, etc.

Both internal and international migrant workers were affected by lockdowns, border closures, and ‘stay at home’ orders (IOM, 2021b). Both types of migrant workers were already often making their livelihoods in social contexts characterised by low employment levels and informal job arrangements, all of which resulted in limited access to ‘decent work’ (Somavia, 1999; Ghai, 2003). In the case of recent international migrants, such as the 6,527,164 Venezuelan refugees and migrants in Latin America and the Caribbean (Regional Inter-Agency Coordination Platform for Refugees and Migrants from Venezuela [R4V], 2023) institutional barriers to employment imposed by states (e.g. lack of immigration permits, limited social protection) already limited their access to formal jobs. In the case of both international and internal migrant workers, informal employment, and working extremely long hours for low wages was common. In addition, both types of migrant workers faced increasing social discrimination.

The impacts of economic crises on work and employment in the world are commonly observed through indicators such as employment rate, changes in the participation of workers in the formal/informal sectors, the number of hours of work, the wages or income derived from work, and mobility across jobs (Higa et al., 2022; Vaccaro & Paredes, 2022; Silva et al., 2021).

The objective of this chapter is to improve our knowledge of the impact of the COVID-19 pandemic on migrant work in South America, through the examination of three country case studies—Peru, Chile and Paraguay—where the three research centres forming our consortium are based. Each centre conducted an individual study

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1 International Labour Organization definition of decent work can be found here: https://www.ilo.org/global/topics/decent-work/lang--en/index.htm

2 See the full country case studies in the ‘Additional publications of the State of the SDGs initiative’ section.
of the country where they are based, following the same research questions and mostly the same methodology².

This chapter improves our knowledge regarding inequalities in emergency situations: while migratory crises in the world have become common in past decades, for the 2020–2021 period we witnessed the conjunction of a migratory crisis with the sudden increase of economic vulnerability of large portions of the host populations. Therefore, we seek to understand the impacts of the COVID-19 pandemic on the work and employment of internal and international migrants in Peru, Chile, and Paraguay, evaluating the ways in which pre-existing inequalities were exacerbated.

This chapter draws on descriptive and inferential statistical analysis (event study model) to analyse the impact of the COVID-19 pandemic on basic work and employment outcomes, using the microdata of four national household surveys for the years 2019, 2020, and 2021. Specifically, we aim to show some major differences in the impacts on employment rates, number of hours of work, and income derived from work for international migrants of different nationalities and internal migrants, comparing between the two groups and comparing each group to the total population.

**Literature review**

**International and internal migration trends in Latin America and the Caribbean**

**International migration**

Latin America and the Caribbean is one of the ten largest regional migration corridors in the world (United Nations Economic Commission for Latin America and the Caribbean [CEPAL], 2022). The size of the international migrant population in the region more than doubled between 2000 and 2020 (CEPAL, 2022). The growth was partly caused by the large inflow of displaced people from the Bolivarian Republic of Venezuela to other Latin American countries since 2016. As we will see in this chapter, the challenges raised by the pandemic of COVID-19 on migration and employment run parallel to this humanitarian crisis. The trend explains in part why the percentage of intra-regional migrants in the region increased from approximately 4 million in 2000 to approximately 12 million in 2020, as well (CEPAL, 2022).

In terms of population composition, sex and age are two variables that allow us to understand differences and the possible forging of inequalities in societies. Concerning the population of international migrants in the region, women and girls represent slightly less than 50% of migrants (CEPAL, 2022). This contrasts with the global composition of international migrants in 2020, which was 52% for male and 48% for female migrants (UNDESA, 2020). One of the most salient characteristics of Latin American international migration trends is related to the relatively young age of the migrant population. In terms of age globally, the median age of international migrants in 2020 was 39.1 years, while in Latin America and the Caribbean it was 31.2 years (CEPAL, 2022). Young people are the main force behind migration...
in the region and as such they face challenging environments in their destination places: lower wages, extra working hours, and underemployment.

**Internal migration**

Another driver of inequality in Latin America is the territory: disparities and inequalities between regions propel internal migration from areas with less resources to areas with higher levels of employment and access to services. These inequalities have an impact on migration choices based on gender and age since the intensity of economic internal migration in Latin America has been higher among young people and women (Rodríguez-Vignoli, 2017).

Over the past decades, there have been some shifts in the trends of internal migration in the region. Patterns from the 1950s to the mid-1990s were characterised by the prevalence of rural-urban migration, the migration of women (mainly to large cities), and the migration of persons between 15 and 29 years of age. Rodríguez-Vignoli (2017), using census data from ten countries in Latin America (Bolivia, Brazil, Costa Rica, Ecuador, Honduras, Mexico, Panama, Dominican Republic, Venezuela, and Uruguay) and matrices of origin and destination of recent migration between cities, noted the gradual decrease of rural-urban migration. The decrease was attributed to the consolidation of intermediate-sized cities as the most attractive settlements for internal migrants. It is also attributed with the continuing statuses of small towns and rural areas as expellers of internal migrants, the increasing dominance of migration between cities, the moderation of immigration to large cities and megacities, and the reduction of differential migration of women to large cities. Large cities, on the other hand, continue to attract young internal migrants, due to the number of opportunities they offer.

In summary, shortly before the pandemic, Latin American and South American internal and international migration patterns showed signs of change. Intra-regional migration gained more importance, and destinations for both internal and international migrant workers tended to be urban locations (Skeldon, 2018). Labour markets at cities of destination became even more complex and important, where migrant workers tried to make their livelihoods.

**Impacts of the pandemic on work and employment in Latin America and the Caribbean**

While Latin America, and South America specifically, were grappling with the Venezuelan humanitarian crisis (United Nations High Commissioner for Refugees, 2021), the COVID-19 pandemic emerged and accelerated processes of vulnerability for international migrants while creating new ones in the case of internal migrants.

The drop in working hours during 2020 in Latin America and the Caribbean was the steepest in the world (ILO, 2021). The decline was associated both to “exits from employment and reduced working time” and was equivalent to 36 million full-time jobs relative to the
no-pandemic scenario. In contrast to previous patterns of labour market adjustment, at the early stages of the pandemic, a great proportion of those who lost their jobs in 2020 did not transition to unemployment or informal employment, but rather overwhelmingly left the labour force, not being available and/or not looking for a job (ILO, 2021). The role usually played by informal employment in absorbing workers from the formal private sector in times of economic crisis, often described as “countercyclical,” did not operate during the COVID-19 crisis.

On the contrary, during the pandemic, informal employment accounted for the largest proportion of net job losses. In Brazil, these losses were up to 58%, approximately 65% in Chile, Costa Rica, and Peru, and 92% in Argentina (ILO, 2021). This disproportionate effect on informal employment is explained by informal workers and enterprises in Latin America and the Caribbean being concentrated in low-productivity service sectors that require personal interaction, such as restaurants, retail trade, and personal services (Crespi et al., 2014). In sum, lockdown policies doomed the labour market and increased inequality sharply, particularly between those who were able to work at home in contrast to those who were not (Brussevich et al., 2020).

Concerning patterns of recovery, the region’s economy was estimated to recover in 2021 with an estimated GDP growth of 6.0% (ILO, 2022). However, the massive closure of micro-, small and medium-sized enterprises (MSMEs) occurred during the first months of the pandemic, limited the resumption of economic growth and “deteriorated the quality of employment” (ILO, 2022). In that sense, limited growth was mostly caused by the increase of informal employment due to the return of those who had exited the labour market in 2020 as well as the permanent closure of small and medium-sized enterprises. During the period of recovery, contrasting with the first months of economic crises caused by the pandemic, informal jobs accounted for over 70% of net job creation since mid-2020 in some Latin American countries (Argentina, Mexico, and Peru), and for over half of job growth in other countries (Chile and Costa Rica). The recovery, in the initial phases of post-lockdown Latin America, meant a comeback for informal employment but was not able to provide solutions to the challenging situation vulnerable populations faced after months of inactivity (ILO, 2022).

In sum, the impacts of the pandemic on work and employment were related to the most severe economic contraction in years for most countries, while informal employment severely decreased at the beginning of the pandemic (Maurizio, 2021) and then rose significantly during the first months of the recovery. Inequality was most noticeable in the contrast between those who were able to work at home (managers and directors, liberal professions, government posts) and the vast majority of people who had to rely on savings and social networks in the hope of a rapid reintegration into the labour market (Brussevich et al., 2020). As we will see, while the impact of the crisis between migrants and non-migrants in the initial weeks of the pandemic was largely equal, soon the most vulnerable migrants in cities started to return home (with some foreign migrants trying to return to their countries of origin as well), which accentuated the vulnerabilities of the migrant group as a whole.
Internal migrant workers and international migrant workers suffering the impacts of the pandemic

Despite all differences, internal and international migrants share some similarities. Both generally need to pay for the rent of a home, their social networks are distant, and they have an urge to work and receive an income to survive or to send remittances. Also, when their migration is recent, they both share similar conditions of vulnerability, and compete for the same jobs and benefits in the national labour markets (Bonilla et al., 2020; Obando et al., 2022). For most of the pandemic, lockdowns made visible the vulnerability of internal and international migrant workers. Migrant workers were concentrated in essential occupations that could not be undertaken from home (CEPAL, 2022; IOM, 2022) and had limited social protection, given their high participation in the informal sector (social protection is usually linked to formal jobs).

In the case of international migrant workers, low levels of social protection were also explained by differential treatment between nationals and migrant workers in social protection and in the provision of emergency cash transfers (Zapata & Prieto, 2020). Also, a significant number of refugees and international migrants were pushed out of their destination countries as the economic recession started. The Inter-American Development Bank (IDB) found that while states adopted formulas to support migrants—such as facilitating documentation provision during lockdowns—border closures, home overcrowding, and lack of sanitation particularly deteriorated migrants’ socioeconomic situation (Tres & Rodriguez, 2020).

In an initial exploration of the COVID-19 impacts on migration and mobility worldwide, IOM (2022) highlights the pandemic as the most important contemporary factor disrupting migration. In South America, the disruption caused by COVID-19 movement- and border restrictions primarily impacted return migration and displacement. For example, Bolivian and Peruvian migrants who were residing and working in Chile returned to their countries of origin, as well as Paraguayan migrants who were working in Brazil (IOM, 2022). Many Venezuelan refugees and migrants—the largest displaced group in South America—attempted to return to Venezuela or reunite with family members in different South American countries4.

Zapata and Prieto (2020), examining the cases of Brazil, Chile, Colombia, Peru, and Ecuador, concluded that international migrants and refugees immigrating from different countries in the region (Haiti, Cuba, Venezuela, Dominican Republic) to those destinations, were particularly exposed to the effects of the pandemic. Authors surmised that it was due to the presence of already existing inequalities, their segmented incorporation into precarious labour markets, as well as their limited mobility and access to social protection (Zapata & Prieto, 2020).

In the case of internal migrant workers, the pandemic had a very clear territorial impact. Internal migration showed a very important decline but also generated emerging forces of expulsion in large cities and

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4 Interview with Chilean researcher Carolina Stefoni, 2022; and interviews with leaders of social organisations of Venezuelan refugees as well as migrants resident in Peruvian cities located near the border with Ecuador; November 2020 (United Nations Development Programme, 2021).
of attraction in the less affected areas, small cities, towns, and rural areas (CEPAL, 2022; Martin & Bergmann, 2020). Expulsion factors from large cities, in countries like Colombia and Peru, were not only associated with avoiding contagion and disease, but also to flee from the economic crisis, unemployment, and threat of hunger. In those countries, a noticeable proportion of internal migrants who lost jobs in the informal and formal sectors and lacking sufficient social protection and economic means to pay for rented apartments, decided to return to their communities of origin (Dupraz-Dobias, 2020; National Administrative Department of Statistics [Departamento Administrativo Nacional de Estadística], 2021).

To summarise, the studies we reviewed found that the pandemic severely impacted both internal and international migrant workers. However, there is a lack of empirical studies of the magnitude of these impacts in work and employment outcomes. Also, no comparison exists between the group of international migrant workers, the group of internal migrant workers, and workers without any migratory experience. In fact, studies of the impact of the pandemic on the situation of migrant workers tend to focus either only on international migrants or internal migrants.

Methodology

The objective of the paper is to improve the knowledge on the impact of the pandemic on migrant work in South America, through the examination of three country cases, Peru, Chile, and Paraguay, where the three research centres forming the consortium in charge of this chapter are based. In that sense, the methods do not include a country case selection procedure.

Since the impact of the pandemic has been characterised by time variability, the examination is based on the event study proposal used in Higa et al. (2022). This approach allowed us to evaluate the association between five specific sub-periods of the pandemic and the migrants’ activity rate, occupancy rate, total hours worked per month, total monthly income in dollars, and total income per hour in Chile, Paraguay, and Peru. The analysis compares between internal migrant workers, international migrant workers, and the total populations in the respective countries.

Data

The study uses microdata of four official national household surveys covering the years 2019, 2020, and 2021. For Peru, the National Household Survey (in Spanish, Encuesta Nacional de Hogares [ENAHO]) was used (Vásquez et al., 2023). For Chile, the National Socioeconomic Characterization Survey (Encuesta de Caracterización Socioeconómica Nacional [CASEN], in Spanish) along with the National Employment Survey (Encuesta Nacional de Empleo [ENE], in Spanish) were used (Ropert et al., 2023). For Paraguay, the Permanent Household Survey (Encuesta Permanente de Hogares [EPH], in Spanish) was used (Aquino et al., 2023). These surveys are well-known national instruments used by governments and other stakeholders to guide public policy in each country.
Comparative limitations regarding sources of data

In the case of Peru, the incorporation of questions directed at identifying international migrants within ENAHO occurred only in 2018 (Vásquez et al., 2023). In the case of Paraguay, the questions necessary to identify migration were taken from the 2016 EPH. In contrast, CASEN has provided information on internal and international migration since 2006; this type of data is also collected by the ENE (Aquino et al., 2023). Moreover, each one of the three household surveys used different approximations or questions to measure the migration processes, both internal and international.

Each one of the surveys used a different scheme for collecting information on variables related to work and employment. In the case of Paraguay, the household survey only collected information during the last quarter of the year. In a similar vein, the Chilean household survey collected information on work and employment, income, and hours of work, covering only the last quarter of each year (Ropert et al., 2023). In contrast, the household survey in Peru collected information each month on those variables.

In addition, the nature of the pandemic imposed an additional challenge on the survey schemes in each country, particularly in the Peruvian case; the ENAHO during the first five months following the pandemic was conducted using a shorter version of the usual questionnaire, which excluded the questions necessary to identify immigration status. This must be considered when interpreting the results of the survey (Vásquez et al., 2023). Only in September 2020 the information was collected with the complete questionnaire. By that time, the economy had partially reopened, allowing for greater labour mobility. Due to this, it is not possible to have information on migrants in Peru for the initial months of the pandemic. These limitations must be taken into consideration while interpreting the results: the surveys do not contain data on work and employment for the first months of the pandemic.

Another difference to mention is that the Peruvian and Chilean household surveys were conducted nationwide (Vásquez et al., 2023; Ropert et al., 2023). In the case of Paraguay, the EPH collected data only for the representative departments of the country, with a coverage of 74% of the total population. Again, the characteristics of each one of the household surveys should be considered by the readers, since it is not possible to exactly replicate the creation of the same categories because each national household survey imposes what can and cannot be done. Accordingly, the methodological decision was to take advantage of what each data source offered, even if this meant not having a strict homogenisation of the descriptive analysis, because it is better to expand this type of analysis for one country case, rather than dispense of that possibility for the sake of homogenisation.
Definitions

In addition to the classification of migrants as internal or international, two specific questions are used to further classify types of migrants. The first question queries the mother’s place of residence when the respondent was born (this question approximates lifetime migration); and, the second query is about where the person lived five years ago (this question approximates recent migration). According to that, the basic definitions in use in this chapter are four:

- **Lifetime internal migrant**: Born in other regions of the same country other than the one of residence at the time of the survey.
- **Lifetime international migrant**: Born in other countries and living in the country of residence five years ago at the time of the survey. All international migrants born in different countries are considered.
- **Recent internal migrant**: Those who five years ago lived in another region than their residence at the time of the survey.
- **Recent international migrant**: Born in other countries and who five years ago also lived outside the country of residence at the time of the survey. All international migrants born in different countries are considered.

Given the focus of the study, it is necessary to establish comparable definitions of the main labour variables in the surveys of each country. In the case of Paraguay and Chile, the minimum age to collect work and employment information coincides with the minimum age to enter the population of working age (Spanish abbreviation PET – “Población en Edad de Trabajar” [Working Age Population]); in these cases, 15 years of age. In Peru, the minimum age to enter the PET is age 14.

On this sub-population of the total sample, two indicators of employment status are constructed. First, the condition of being active in the working-age population. This indicator identifies a person who is over the minimum age and is actively working or looking for work in the market. In contrast, those who are inactive in the labour market are those people who are over the minimum age and are not actively looking for or stopped looking for a job.

Second, an indicator of being employed in the labour market is constructed. This indicator takes into account only those people who are over the minimum age and are employed out of the total number of people who are employed or who are actively looking for a job—the economically active population (PEA, in Spanish). In the first case, the indicator will be called the activity rate; in the second, the occupancy rate.

Three additional measures are also constructed for the respondents who are employed, that is, those who have a job: the total hours worked per month, the total monthly income in dollars, and the total income per hour. The latter two measurements are taken in constant values of each currency converted to US dollars. In the case of Paraguay, only income information is available, so the indicators of hours of work and income per hour are omitted.
Model and empirical specifications for each country

Given the relevance of the temporality of the effects of the pandemic, the event study proposal used in Higa et al. (2022) is adapted. For this, the following specification is proposed:

\[ y_i = \sum_{q=1}^{P} \beta_q D^q_i + \delta M_i + \gamma X_i + \epsilon_i \]  

(1)

Where \( D^q_i \) takes the value of 1 if the observation is found in the period \( q \). The extension \( P \) of specific periods depend on the availability of data for each country.

For Peru, six categories of time were created:

- Base category, from January 2018 to March 2020
- First period, from September 2020 to November 2020
- Second period, from December 2020 to February 2021
- Third period, from March 2021 to May 2021
- Fourth period, from June 2021 to August 2021
- Fifth period, from September 2021 to December 2021

Given that we seek to measure the change in the association of time with the labour indicators, the pre-pandemic period is taken as the base category. Thus, the coefficients of the period dummies identify the general worsening or improvement of an average person during the specific period concerning the pre-pandemic period.

In the case of Chile, two sets of period dummies were constructed. For the indicators of employment within the PEA and being active within the PET, data is available from 2019M1 (January 2019) to 2021M12 (December 2021); eight categories of time were created:

- Base category, from January 2019 to March 2020
- First period, from April 2020 to June 2020
- Second period, from July 2020 to September 2020
- Third period, from October 2020 to December 2020
- Fourth period, from January 2021 to March 2021
- Fifth period, from April 2021 to June 2021
- Sixth period, from July 2021 to September 2021
- Seventh period, from October 2021 to December 2021

In the case of the variables of total income, hours of work, and income per hour, information is only available for the last quarters of 2020 and 2021, so the base category in those cases is the fourth quarter of 2020.

In the case of Paraguay, the period dummies are defined for the last quarters of 2019, 2020, and 2021. Therefore, there are only two categories of time:

- Base category, from October 2019 to December 2019
- First period, from October 2020 to December 2020
- Second period, from October 2021 to December 2021
Additionally, there are some differences between the categories of migrants in each country. In the case of Peru as explained earlier, only recent internal migrants and international lifelong migrants are considered; while for Chile and Paraguay there are four categories:

- Recent internal migrants
- Lifetime internal migrants
- Recent international migrants
- Lifetime international migrants

Finally, a vector of control variables is added that contains occupational category, age, years of education, living in a rural area, if they have informal employment, age, sex, and a set of fixed effects at the level of the residence department.

Additionally, equation (1) is extended to identify heterogeneities in each period concerning each migrant condition. The coefficient $\rho_q$ in equation (2) indicates the presence of some association between the period $q$ and the result variable differentiated by the specific condition of the migrant $M_i$. The insignificance of this coefficient would give some evidence that during the period in question both the migrants $M_i$ and the non-migrants had similar results. It should be defined that the significance (or not) of this coefficient does not limit that the migration condition itself is associated with a different magnitude by the result variable. For this, the coefficient $\delta$ is analysed in each case.

$$y_i = \sum_{q=1}^{5} \beta_q D_i^q + \sum_{q=1}^{5} \rho_q (D_i^q \times M_i) + \gamma X_i + \delta M_i + \epsilon_i \quad (2)$$

Findings

Descriptive analysis

Chile

Table 4.1 shows the occupation (or employment) and unemployment rates for internal and international migrants in Chile. As we see, Chile has a much lower occupation rate for internal migrant workers than for international migrant workers, with an average difference of 14.6 percentage points for the year 2020 and 19.3 percentage points for the year 2021 (Vásquez et al., 2023). However, unemployment rates for the group of internal migrants are lower than for international migrants in the same period. This difference in percentages could be related to the fact that international migrants worked more than internal migrants, but they were more heavily impacted during the pandemic period affecting their unemployment rate (Vásquez et al., 2023). We follow this hypothesis as we observe that international migrants tend to work more hours than internal migrants, while receiving significantly lower pay (USD 482 in 2021 for international migrants, versus USD 523 for internal migrants). On the other hand, informality rates for migrants are on average around 28% during the studied period, as the international migrant group exhibits a rate of between 28% and 33%, while internal migrants
remain at an informality rate around 24% and 26% percentage points. These data show a considerable precariousness of both the international and internal migrant population in the Chilean labour market.

### Table 4.1. Labour indicators of migrants in Chile, by types of migrants, 2019–2021

<table>
<thead>
<tr>
<th>Migrants</th>
<th>Occupation (or employment) rate</th>
<th>Unemployment rate</th>
<th>Informality rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Internal</td>
<td>51.0%</td>
<td>52.1%</td>
<td>-</td>
</tr>
<tr>
<td>International</td>
<td>74.5%</td>
<td>65.6%</td>
<td>71.4%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Migrants</th>
<th>Average monthly income (USD)</th>
<th>Average hourly income (USD)</th>
<th>Average weekly hours worked</th>
</tr>
</thead>
<tbody>
<tr>
<td>Internal</td>
<td>446.34</td>
<td>522.53</td>
<td>-</td>
</tr>
<tr>
<td>International</td>
<td>359.22</td>
<td>366.07</td>
<td>481.67</td>
</tr>
</tbody>
</table>

Note. Adapted from CASEN by the Ministry of Social Development and Family (2020) and from 2019–2021 ENE by INEI (2022).

Regarding weekly hours worked, Chile exhibited around 41 hours for internal migrants and 43 hours for international migrants, while in Paraguay internal migrants worked about 45 hours per week and international migrants about 43 hours, and in Peru up to 55 hours and in some groups more than 60 hours (Ropert et al., 2023; Aquino et al., 2023; Vásquez et al., 2023). Indeed, for the period 2020–2021, Chilean internal migrants worked around two hours less than internal migrants in Paraguay, and approximately 12 hours less than Peruvian internal migrants. This gap is reduced among international migrants in Chile and Paraguay but increased among the same group in Chile and Peru, rising to around 15 hours.

Regarding the informality rate, there is a large gap between migrants residing in Chile and migrants residing in Paraguay and Peru, with Chile showing lower levels of informality in relation to the proportion of formal workers, which is still much higher than the proportion of informal workers (Ropert et al., 2023; Aquino et al., 2023; Vásquez et al., 2023).

In that sense, the case of Chile shows inequalities arising in the specific group of international migrants, who seem to work longer hours, have higher employment rates, and yet receive lower wages and being more affected by unemployment during and after the pandemic (Vásquez et al., 2023). Although informality is low in comparison with the other two countries, around a quarter of migrants—international and internal—remain in informality. It needs to be considered that usually the statistics on this subject tend to underestimate the levels of informality due to the number of people who do not report their situation—which is exacerbated in cases of international migration through irregular entry and no documentation.
Paraguay

In 2021, 1,261,546 people were migrants in Paraguay\(^6\), of which 65.75% were lifetime internal migrants, 13.52% were recent internal migrants, 12.92% were lifetime international migrants, and 7.82% were recent international migrants (Aquino et al., 2023). Therefore, nearly 80% of migrants were internal migrants in Paraguay.

Among the types of migrants of working age, on average 74% were in the active population (labour force), the rest correspond to the inactive population. The highest rate of the active population was in the category of recent internal migrants (81%), and the lowest rate in the category of recent international migrants (65%) (Aquino et al., 2023). It is important to highlight that proportions were similar in each year of the studied period. Thus, in terms of the descriptive analysis, there was no significant difference in labour force rates due to the COVID-19 pandemic.

Occupation rates had similar behaviour to labour force rates; proportions were similar in each year of the studied period, and there was no significant difference in rates due to the COVID-19 pandemic. On average, 69% of migrants were employed in 2021, with the highest rate in the category of lifetime international migrants (73%), and the lowest rate in the category of recent international migrants (65%) (see Table 4.2).

Although occupation rates are high, it is important to look at the informality rates, which are also high. In 2021, around 62% of occupied migrants were working in an informal condition; recent international migrants presented the highest rate (69%), while lifetime international migrants had the lowest informal rate (56%). High labour informality rates should be considered as challenges to overcome; however, the mentioned situation is not just for the migrant population, but for the Paraguayan labour market in general.

Regarding unemployment, recent migrants presented the highest rates in 2021, both internal (10.21%) and international (9.98%). As with the labour force and the occupation rates, there was no significant difference in unemployment rates due to the COVID-19 pandemic.

For occupied migrants, it is observed that the average monthly income from 2019 to 2021 decreased for internal migrants but increased for international migrants. The average weekly hours worked by migrants had the same pattern as the average monthly income when comparing years 2019 and 2021.

Conversely, recent international migrants had the lowest average income (USD 192.9; PPP 502.3), even when this type of migrant presented the highest average weekly hours worked in 2021 (49.8 hours per week). Thus, recent international migrants also had the lowest average hourly income (USD 1.0; PPP 2.5). Lastly, among all categories, lifetime international migrants kept the tendency of receiving the highest average monthly income during the period 2019–2021.

\(^6\) Among the representative departments of the EPH are San Pedro, Caaguazú, Caazapá, Itapúa, Alto Paraná, Central, and the national capital Asunción. These represent 74% of the country’s total population.
Peru

In Peru, the majority of migrants are internal migrants (89% in 2021). Among the different types of migrants of working age, on average 75% were in the active population (Vásquez et al., 2023). In the terms of the descriptive analysis, there was no significant difference in labour force rates due to the COVID-19 pandemic because proportions of the active population were similar in each year of the studied period.

Occupation rates had similar behaviour to labour force rates; proportions were similar in each year of the studied period, and there was no significant difference in rates due to the COVID-19 pandemic. On average, 69% of migrants were employed in 2021, with the highest rate in the category of recent internal migrants (70%), and the lowest rate in the category of lifetime internal migrants (67%) (see Table 4.3).

Although occupation rates were high, informality rates were also high. In 2021, around 77% of occupied migrants were working in an informal condition; international migrants presented the highest rate (81%), while lifetime internal migrants had the lowest informality rate (71%). Regarding unemployment, international migrants presented the highest rates in 2021 (7.2%). As in the case of the labour force and the occupation rates, there was no significant difference in unemployment rates due to the COVID-19 pandemic.

Table 4.2. Labour indicators of migrants in Paraguay, by types of migrants, 2019–2021

<table>
<thead>
<tr>
<th>Migrants</th>
<th>Occupation rate</th>
<th>Unemployment rate</th>
<th>Informality rate</th>
<th>Average weekly hours worked</th>
</tr>
</thead>
<tbody>
<tr>
<td>Internal - recent</td>
<td>66.31%</td>
<td>68.20%</td>
<td>72.97%</td>
<td>8.75%</td>
</tr>
<tr>
<td>Internal - lifetime</td>
<td>70.82%</td>
<td>69.70%</td>
<td>70.03%</td>
<td>5.19%</td>
</tr>
<tr>
<td>International - recent</td>
<td>59.85%</td>
<td>58.56%</td>
<td>58.19%</td>
<td>11.02%</td>
</tr>
<tr>
<td>International - lifetime</td>
<td>69.11%</td>
<td>68.56%</td>
<td>73.49%</td>
<td>2.21%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Migrants</th>
<th>Average monthly income (USD)</th>
<th>Average hourly income (USD)</th>
<th>Average monthly income (PPP)</th>
<th>Average hourly income (PPP)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Internal - recent</td>
<td>271.4</td>
<td>246.9</td>
<td>263.9</td>
<td>1.5</td>
</tr>
<tr>
<td>Internal - lifetime</td>
<td>310.0</td>
<td>221.4</td>
<td>244.8</td>
<td>1.8</td>
</tr>
<tr>
<td>International - recent</td>
<td>178.2</td>
<td>189.8</td>
<td>192.9</td>
<td>1.0</td>
</tr>
<tr>
<td>International - lifetime</td>
<td>454.8</td>
<td>360.9</td>
<td>515.4</td>
<td>2.6</td>
</tr>
</tbody>
</table>

Note. Adapted from EPH 2019-2021 by INE (2022).
The average monthly income of all occupied migrants decreased from 2019 to 2020 and in 2021 still did not return to its pre-pandemic level. Only lifetime internal migrants showed a small recovery in 2021. The average weekly hours worked by migrants also decreased for all migrants in 2020. Among all, international migrants kept the tendency of receiving the highest average monthly income during the 2019–2021 period, which is understandable considering that they worked more hours per week.

### Table 4.3. Labour indicators of migrants in Peru, by types of migrants, 2019–2021

<table>
<thead>
<tr>
<th>Migrants</th>
<th>Occupation rate</th>
<th>Unemployment rate</th>
<th>Informality rate</th>
<th>Average weekly hours worked</th>
</tr>
</thead>
<tbody>
<tr>
<td>Internal - recent</td>
<td>65.36%</td>
<td>64.85%</td>
<td>70.01%</td>
<td>5.53%</td>
</tr>
<tr>
<td>Internal - lifetime</td>
<td>70.89%</td>
<td>65.08%</td>
<td>67.10%</td>
<td>3.38%</td>
</tr>
<tr>
<td>International</td>
<td>71.51%</td>
<td>74.19%</td>
<td>68.73%</td>
<td>6.60%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Migrants</th>
<th>Average monthly income (USD)</th>
<th>Average hourly income (USD)</th>
<th>Average monthly income (PPP)</th>
<th>Average hourly income (PPP)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Internal - recent</td>
<td>416.7</td>
<td>362.4</td>
<td>368.3</td>
<td>2.7</td>
</tr>
<tr>
<td>Internal - lifetime</td>
<td>431.8</td>
<td>379.3</td>
<td>375.1</td>
<td>2.6</td>
</tr>
<tr>
<td>International</td>
<td>528.2</td>
<td>472.6</td>
<td>447.3</td>
<td>2.8</td>
</tr>
</tbody>
</table>

Note. Adapted from the ENAHO by INEI (2018–2021).

### Regression analysis

**Chile**

The results of the estimations of equation (1) are obtained for the four categories of migrants. In all these cases, a negative association is found between the state of the labour market in each period and the probability of being occupied. This association indicates an increase in the probability of being not occupied at around 1.5% for the last three quarters of 2020, compared to the rest of the population and the pre-pandemic period. For 2021, that coefficient decreases until the end of the year, when it manages to be less than 1%, while remaining significant.

We also observe a greater probability of quitting the labour force (not being active within the working-age population) compared to the rest of the population and the pre-pandemic period. Unlike the change in the probability of being occupied, the decrease in the probability of being active in the labour market remains until the end of 2021, and even increases during some periods above 10%. In other words,
since the start of the pandemic and until December 2021, there were incentives to leave the labour market despite the fact that, in general, there was a higher level of employment (occupation) (Ropert et al., 2023). This may be the result of the labour safety net that exists in the country based on unemployment insurance and of readjustments in the allocation of labour that the households offer in the market. Also, given the increased risk of contagion, the population most averse to contagion might have momentarily left the labour market while another member of their households supplied the needs.

The general results for the variables of income and working hours use the last quarter of 2021 as the base category. During this period the regional economies were already more open than during the first quarters of 2020, so the coefficient only reflects the economic improvement between the end of 2020 and the end of 2021. Accordingly, there is evidence of a relative improvement in income per hour compared to the rest of the population and the pre-pandemic period, assuming that the number of work hours remained constant, on average, with respect to the previous year.

Given a labour market with a smaller active population, it is expected that the return to labour will increase. This is interesting when contrasting the estimated coefficients for each type of migration. The condition of being a recent migrant, whether internal or international, is associated with a greater probability of being unemployed, while those who are lifetime migrants are in a better position to be employed. Additionally, lifetime international migrants were relatively better off than everyone else. Column 2 of Table 4.4 indicates the changes in the probabilities of being active in the labour market: all except lifetime internal migrants had a higher probability of being active within the working-age population. Additionally, lifetime international migrants double and quadruple the increases in probability of being employed compared to recent international migrants and recent internal migrants, respectively. The relative better situation of lifetime international migrants might be explained by the fact that Chile has received international South to South intra-regional migrants (from Bolivia, Peru, Colombia, Haiti) since the beginning of the 2000s in particular. Those migrants had already attained some level of socio-economic stability and institutional integration, therefore being able to use more resources to face crises, compared to recent migrants such as those arriving from Venezuela. At the same time, lifetime migrants still needed to actively work to submit remittances to countries of origin and to provide for their families in Chile.

The results presented in Table 4 indicate differentiated tendencies by types of migrants. Both types of international migrants faced a precarious scenario in terms of their income per hour. In particular, recent international migrants earned 14% less income per hour than the rest of the population, while lifetime international migrants only earned less than 4%. The worsening of working conditions is explained by an expansion of working hours that goes hand in hand with a drop in income in the case of recent international migrants. In those terms, a source of extended differentiation and inequality was created between migrant worker groups in Chile along with the worsening of labour conditions.

---

8 The population of refugees and migrants from Venezuela arrived to Chile mostly during 2018, therefore they should be considered as recent international migrants (see Box 1 and the Chile individual paper for more detail).
Table 4.4. Estimates for types of migrants, Chile

<table>
<thead>
<tr>
<th></th>
<th>Occupied within the EAP</th>
<th>Active within working-age population</th>
<th>ln(Total income, USD)</th>
<th>ln(Monthly working hours)</th>
<th>ln(Total income per hour, USD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recent internal migrant</td>
<td>-0.00818***</td>
<td>0.0142***</td>
<td>0.0931*</td>
<td>-0.0276</td>
<td>0.0349</td>
</tr>
<tr>
<td></td>
<td>(-4.10)</td>
<td>(-4.92)</td>
<td>(-2.3)</td>
<td>(-1.12)</td>
<td>(-1.58)</td>
</tr>
<tr>
<td>Lifetime internal migrant</td>
<td>0.00195+</td>
<td>-0.00318*</td>
<td>0.0958***</td>
<td>-0.0212*</td>
<td>0.0358***</td>
</tr>
<tr>
<td></td>
<td>(1.76)</td>
<td>(-2.47)</td>
<td>(5.12)</td>
<td>(-1.95)</td>
<td>(3.55)</td>
</tr>
<tr>
<td>Recent international migrant</td>
<td>-0.00310+</td>
<td>0.0214***</td>
<td>-0.108**</td>
<td>0.137***</td>
<td>-0.142***</td>
</tr>
<tr>
<td></td>
<td>(-1.87)</td>
<td>(5.77)</td>
<td>(-2.76)</td>
<td>(6.63)</td>
<td>(-7.98)</td>
</tr>
<tr>
<td>Lifetime international migrant</td>
<td>0.0143***</td>
<td>0.0417***</td>
<td>-0.0343</td>
<td>0.0520*</td>
<td>-0.0467*</td>
</tr>
<tr>
<td></td>
<td>(4.62)</td>
<td>(9.25)</td>
<td>(-0.70)</td>
<td>(2.45)</td>
<td>(-2.52)</td>
</tr>
</tbody>
</table>

Note. t-statistics in parentheses. Coefficients extracted from the tables 1, 2, 3, and 4 in Appendix 1.

Given the evidence that there is an increase in the probability of entering the labour market by international migrants, there is also the possibility that this increase in the labour force may be associated with a worsening of labour outcomes for all. In other words, if the labour supply increases in a group as particular as international migrants and this supply is associated with a set of jobs with low wages, then the greater competition translates into a decrease in a worker’s wages.

In contrast, internal migrants represent other labour dynamics, probably characterised by a higher educational level or by the possibility of accessing positions that only natives usually access (such as public jobs). So, an increase in the labour force, as in the case of the recent internal migrant, does not directly translate into the worsening of income. Even a decrease in the activity with the working age, as is the case of lifetime internal migrants, can go hand in hand with an increase in hourly income.

The results of the estimations of equation (2) show that as in the case of Peru, the results do not show consistent differences throughout the periods of analysis regarding the condition of being a migrant (See Appendix 1-Tables 5-8). There is only a significant result during some periods, but then it disappears the rest of the time, so they may not represent relevant differences.

Paraguay

In the case of Paraguay, there is data only for the last quarters of the years 2019–2021. This implies that the estimated coefficients for the periods September–December 2020 and September–December 2021 reflect the process of economic reopening of the country, after lockdowns were relaxed by authorities. Due to this, it is not surprising
that the estimates of Tables 9-12 in Appendix 1 for each type of migrant category do not show any drastic changes in the indicators. There is a significant increase in the probability of being active in the labour market during the last quarter of 2020, but it is quite small, around 0.05%. In contrast, the same period is associated with a drop of about 8% in total monthly income in each one of the migrant groups. For the following period, the indicators are statistically equal to their pre-pandemic values.

The coefficients associated with each type of migrant group are grouped in Table 4.5. These results contrast with those obtained in Chile and Peru. Unlike those countries, in Paraguay both internal and international migrants tend to be equal to or relatively better off than the rest, particularly when measuring changes in total real income. It stands out that among migrant workers, international migrants are far behind the rest, obtaining almost 44% more income than their counterparts. Internal migrants only manage to have around 10%-18% more income depending on whether it was a recent or lifetime migrant. This represents quite an interesting dynamic considering that the history of migration in Paraguay is not characterised by experiencing massive migrations that increase the labour force in its lowest-income section (for more details, see Aquino et al., 2023).

Table 4.5. Estimates for types of migrants, Paraguay

<table>
<thead>
<tr>
<th>Type of Migrant</th>
<th>Occupied within the EAP</th>
<th>Active within working-age population</th>
<th>ln(Total income, USD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recent internal migrant</td>
<td>(-0.00115^{**})</td>
<td>0.0105</td>
<td>(0.103^{**})</td>
</tr>
<tr>
<td></td>
<td>(-3.14)</td>
<td>(1.32)</td>
<td>(2.83)</td>
</tr>
<tr>
<td>Migrante Nacional de Toda la Vida</td>
<td>0.000641</td>
<td>0.00887*</td>
<td>0.0895***</td>
</tr>
<tr>
<td></td>
<td>(0.66)</td>
<td>(2.14)</td>
<td>(5.29)</td>
</tr>
<tr>
<td>Migrante Ext. Reciente</td>
<td>0.00102</td>
<td>0.000278</td>
<td>-0.0694</td>
</tr>
<tr>
<td></td>
<td>(0.45)</td>
<td>(0.03)</td>
<td>(-1.22)</td>
</tr>
<tr>
<td>Lifetime international migrant</td>
<td>(-0.000759^{*})</td>
<td>(-0.0188^{***})</td>
<td>0.446***</td>
</tr>
<tr>
<td></td>
<td>(-2.28)</td>
<td>(-4.03)</td>
<td>(9.61)</td>
</tr>
</tbody>
</table>

*Note. t-statistics in parentheses. Coefficients extracted from the tables V9, V10, V11, and V12.

Finally, the results of the estimations of equation (2) for Paraguay follow the same line as in Chile. There seems to be no significant differences between each period of analysis and the outcome variables when considering the type of migrant group. This is why the results of Tables 13-16 in Appendix 1 do not present significant coefficients for the interactions.
Peru

Based on the available data, equation (1) is estimated for the two types of migrants analysed in Peru: recent internal migrants and international migrants. Tables 17 and 18 in Appendix 1 show the estimated coefficients for each period, indicating the association between the change in the outcome variable and the specific period for a person after controlling for characteristics within the vector $X_i$ as well as for migrant status.

In the absence of data for the first five months of the pandemic, the estimated coefficients represent attenuated associations between the variables, so they can be taken as minimum impacts (underestimated values). For example, if a decrease in the probability of being occupied is found, then the interpretation should be that this relationship might have been greater during the most severe months of the pandemic.

Both Tables 17 and 18 in Appendix 1 indicate that there is no significant association between the periods observed and the probability of being occupied in the labour market, with the exception of the periods of March 2021 to May 2021 (2021M3-2021M5) and the period from June 2021 to August 2021 (2021M6-2021M8). Although in the latter case, the coefficient is significant only at 10%.

Although this result may be counterintuitive, by expecting unemployment to increase during the pandemic, it is possible to understand these results by considering two events. First, in September 2020 (2020M9) in Peru, there was already a process of greater economic reopening after facing several months of social isolation. Therefore, the labour market was already beginning to respond with a greater demand for workers, causing the employment rate to increase, although not reaching pre-pandemic levels.

The second event to better interpret these results focuses on the role of the population that returned to the labour market during those months. This was characterised by actively seeking a job again, also in response to the opening process. During normal periods, the rate of active population in the labour market remains relatively constant, as can be calculated using the national household survey. As evidenced by column 2 of Tables 17 and 18 in Appendix 1, during all periods (with the exception of the last quarter of 2021) there is a fairly low but significant increase in the probability of being active.

In terms of labour variables, the results indicate a process of increase in the precariousness of work and with it, of inequality. The results in the third column in both tables indicate a substantial decrease in labour income. Since the logarithm of the total monthly income in constant dollars is considered, the estimated coefficients are interpreted as percentage changes. In this way, during the first three periods with observed data, the decrease in income was around 10% with respect to the pre-pandemic period; while towards the end of 2021 there is a decrease in the magnitude of the coefficient associated with an income of around 6-9%.
This worsening labour income for Peru is corresponding with a stagnation in the number of hours of employment. Column 4 of both tables indicate that in Peru there was a statistically significant decrease in the number of working hours only during 2020M12-2021M2. Both changes are visible in the estimated coefficient for hourly income. During all the periods of analysis, the hourly income in real terms decreased 7–10%, particularly due to a decrease in income and the stability of the number of working hours. Table 6 displays the main results from Tables 17 and 18 in Appendix 1.

**Table 4.6. Estimates for types of migrants, Peru**

<table>
<thead>
<tr>
<th></th>
<th>Occupied within the EAP</th>
<th>Active within working-age population</th>
<th>ln(Total income, USD)</th>
<th>ln(Monthly working hours)</th>
<th>ln(Total income per hour, USD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recent internal migrant</td>
<td>-0.00133</td>
<td>0.00835***</td>
<td>0.0914***</td>
<td>0.0435***</td>
<td>0.0551***</td>
</tr>
<tr>
<td></td>
<td>(-0.06)</td>
<td>(3.57)</td>
<td>(6.91)</td>
<td>(4.73)</td>
<td>(4.13)</td>
</tr>
<tr>
<td>International migrant</td>
<td>0.00481***</td>
<td>-0.000275</td>
<td>0.0868**</td>
<td>0.180***</td>
<td>-0.0998**</td>
</tr>
<tr>
<td></td>
<td>(4.00)</td>
<td>(-0.07)</td>
<td>(2.74)</td>
<td>(7.97)</td>
<td>(-3.06)</td>
</tr>
</tbody>
</table>

*Note.* t-statistics in parentheses. Coefficients extracted from Tables 17 and 18 in Appendix 1.

For internal migrant workers in Peru, the results of Table 19 in Appendix 1 indicate that, unlike the trend in the labour market, this group managed to obtain a relatively higher real income than the rest, as well as managed to generate a greater number of working hours. As a result, their hourly income increased by around 5% compared to the rest. In contrast, the international migrant workers in Peru experienced a different situation. Despite the fact that their income increased by around 8%, the number of hours dedicated to work also increased by 19%; thereby, the hourly income was 9% less than the rest of the population.

This case represents a clear worsening of working conditions caused by an increase in working hours and the expansion of inequality in work, as well as employment outcomes between internal and international migrant workers and between international migrants and the rest of the population in Peru. The less fortunate labour conditions of international migrant workers in the country and also in Chile and Paraguay is explained by the fact that for the most part they are recent migrants. As explained earlier, Peru, like Colombia, Ecuador, and Chile, form the main corridor used by refugees and migrants emigrating from Venezuela since 2016. This situation rapidly transformed Peru’s usual role as a “country of emigration” into a country receiving a large immigration flow.

The estimation of equation (2) seeks to answer the question of whether there are differences between the migration category (international or internal) in the association between each period of the pandemic and the different outcome variables. The coefficients of the interactions reported in Tables 19 and 20 in Appendix 1 indicate whether
during each period of the pandemic each type of migrant faced a particularly different scenario from the rest. The results do not seem to indicate differences by immigration status. In other words, the pandemic had an effect on the entire population. This is understandable as economic and health restrictions were introduced for the entire population throughout the country. Only during some periods is there a significant difference for international migrants, as shown in Table 20—Appendix 1. For the first three periods within the regression there is a slight increase in the probability of being employed within the EAP, less than 1%. While for the period 2021M3-2021M5 there is an additional decrease in the income per hour for international migrants that later dissipates in the rest of the periods. After taking these interactions into account, the hourly income of recent internal migrants remains above 5%, while among international migrants there is a drop of 8%.

The impact of Venezuelan migration is of critical importance to understand the changes in the labour markets of Chile, Paraguay, and Peru before and after the pandemic. To better explain the labour conditions of this immigrant group we add a specific description (see Box 4.1).

**Box 4.1. Recent data on Venezuelan migrant workers for the three country case studies**

**Peru**

The National Household Survey (ENAHO) enables the comparison between the characteristics of the non-migrant national Peruvian population and the other two groups of comparison in this chapter, i.e. internal migrant workers and the international migrant workers. Despite this, because the survey is not designed to capture the characteristics of populations as specific as the population of international migrants, the survey does not allow delving into particular subgroups within international migrants (i.e. refugees/immigrants from Venezuela) (Vásquez et al., 2023). This limitation regarding the depth of analysis can be compensated with the use of another source, the Second Survey Directed to the Venezuelan Population Residing in the Country by National Institute of Statistics and Informatics (in Spanish, Instituto Nacional de Estadística e Informática [INEI]) of the year 2022. This survey allows the exploration of additional features at the cost of not having a national comparison group. This survey was collected in February and March 2022, so it does not include information for the period immediately prior to the pandemic.

Considering these restrictions, three labour characteristics are evaluated in correspondence with the focus of the study: the employment rate, total labour income, and the total number of hours worked for the population aged 14 and older. Table 4.7 shows that the employment rate among Venezuelan migrants in Peru is around 98.4%—it is slightly higher among men (98.8%) compared to women (98.7%). This rate is high compared to the rate for the average Peruvian population 94.3% (rate calculated with the ENAHO survey), something that might be due to the high level of labour informality in Peru (69.5%), which allows people to create their own jobs at the cost of not having social protection. Also, this high level of employment...
is maintained even when migrants are differentiated according to the type of immigration permit they hold: even those who do not have any type of immigration permit have a high occupancy rate of 97.7%.

Table 4.7 Employment rate among Venezuelan migrants (14 and older)

<table>
<thead>
<tr>
<th>Occupancy rate</th>
<th>Mean</th>
<th>Standard deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>98.4%</td>
<td>0.002</td>
</tr>
<tr>
<td>By sex</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Female</td>
<td>97.8%</td>
<td>0.004</td>
</tr>
<tr>
<td>Male</td>
<td>98.8%</td>
<td>0.003</td>
</tr>
<tr>
<td>By type of migration permit</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Temporary Permanency Permit (Permiso Temporal de Permanencia -PPT)</td>
<td>98.4%</td>
<td>0.004</td>
</tr>
<tr>
<td>Immigration card (Carné de extranjería)</td>
<td>98.7%</td>
<td>0.003</td>
</tr>
<tr>
<td>Other</td>
<td>98.9%</td>
<td>0.007</td>
</tr>
<tr>
<td>None</td>
<td>97.7%</td>
<td>0.005</td>
</tr>
</tbody>
</table>

*Note. Adapted from II Encuesta dirigida a la Población Venezolana [II Survey directed at the Venezuelan Population] by the INEI (2022). Sample of Venezuelan migrants in Peru. The expansion factor is used to estimate the statistics.*

According to the survey, the average labour income for 2022 among Venezuelan migrants was equal to PEN 1,369 per month (approximately USD 362 using the exchange rate of that period). That amount was similar to the national average labour income for 2021 of 1,327 PEN per month (USD 351 approx.). Therefore, in terms of income there is a certain similarity between Venezuelan migrants and the country average. Gender-based income gaps were observed: male Venezuelan migrants earned around PEN 429 (USD 113) more per month than women. This represented a larger gap than the one found at the national level, of PEN 383 (USD 101). When the type of migration permit is considered, those with an immigration card had a higher income than others. This could be related to having a better chance to access higher-income jobs. In other words, the lack of this type of document usually led migrants to seek low-income or low-productivity jobs.

These differences are also reflected in the total number of hours worked per week. Venezuelan migrant men work almost nine hours more than women. This represents one additional full work day—nearly four hours longer than the national average. As in the case of income, migrants with some type of immigration permit worked more than the rest, although the difference is small.
### Table 4.8. Total labour income among Venezuelan migrants (14 and older)

<table>
<thead>
<tr>
<th>Occupancy rate</th>
<th>Mean</th>
<th>Standard deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>1369.5</td>
<td>52.3</td>
</tr>
<tr>
<td><strong>By sex</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Female</td>
<td>1127.6</td>
<td>44.1</td>
</tr>
<tr>
<td>Male</td>
<td>1556.6</td>
<td>86.0</td>
</tr>
<tr>
<td><strong>By type of migration permit</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Temporary Permanency Permit (Permiso Temporal de Permanencia -PPT)</td>
<td>1228.2</td>
<td>31.7</td>
</tr>
<tr>
<td>Immigration card (Carné de extranjería)</td>
<td>1439.3</td>
<td>45.3</td>
</tr>
<tr>
<td>Other</td>
<td>1275.2</td>
<td>72.6</td>
</tr>
<tr>
<td>None</td>
<td>1381.5</td>
<td>173.0</td>
</tr>
</tbody>
</table>

*Note. Adapted from II Encuesta dirigida a la Población Venezolana [II Survey directed at the Venezuelan Population] by the INEI (2022). Sample of Venezuelan migrants in Peru. The expansion factor is used to estimate the statistics.*

### Table 4.9. Total hours of work per week among Venezuelan migrants (14 and older)

<table>
<thead>
<tr>
<th>Occupancy rate</th>
<th>Mean</th>
<th>Standard deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>53.5</td>
<td>0.3</td>
</tr>
<tr>
<td><strong>By sex</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Female</td>
<td>48.5</td>
<td>0.5</td>
</tr>
<tr>
<td>Male</td>
<td>57.4</td>
<td>0.4</td>
</tr>
<tr>
<td><strong>By type of migration permit</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Temporary Permanency Permit (Permiso Temporal de Permanencia -PPT)</td>
<td>53.4</td>
<td>0.7</td>
</tr>
<tr>
<td>Immigration card (Carné de extranjería)</td>
<td>54.1</td>
<td>0.5</td>
</tr>
<tr>
<td>Other</td>
<td>50.5</td>
<td>1.4</td>
</tr>
<tr>
<td>None</td>
<td>53.2</td>
<td>0.7</td>
</tr>
</tbody>
</table>

*Note. Adapted from II Encuesta dirigida a la Población Venezolana [II Survey directed at the Venezuelan Population] by the INEI (2022). Sample of Venezuelan migrants in Peru. The expansion factor is used to estimate the statistics.*
The composition of the population of Venezuelan migrants in Peru (14 and older) according to the type of immigration permit they hold gives an idea of the proportions of international migrant workers subject to the restrictions mentioned before. Despite the fact that more than 42% of migrants have some type of immigration card or carné de extranjería (various types), the rest of the population holds “less favourable” (temporary) types of immigration permits, and more than 31% do not have any type of permit. This can be seen as a barrier to the labour inclusion of an important group of migrants, but it does not result in a lack of access to employment, but rather a precarious access to employment.

**Chile**

The National Migration Survey 2022 of Chile reports that, considering the period 2016–2020, most Venezuelan migrants arrived in Chile in 2018. The results of the survey also point to the high dependence on migrants of family members in the country of origin who depend on remittances—in the case of Venezuelan migrants, this represents 7 out of 10 migrants. The survey shows that 68% of Venezuelans in Chile continued to send remittances before and after the pandemic (Ropert et al., 2023).

Venezuelan migrants have a higher level of education compared to migrants of other nationalities, with 65% having completed higher education. The main professions among Venezuelan migrants are related to: engineering and technology (47.4%), social sciences (19.5%), and humanities (19.5%). However, only 46% of migrants with completed higher education are working in jobs in line with their profession, mainly due to barriers in Chile for the validation of their degree.

Regarding working hours, Venezuelans were the most affected group, as 37.4% reported having “bad experiences related to long working hours” compared to Venezuelans in Bolivia (36%), Colombia (34%), Haiti (32%), and Peru (28%).

Of the migrants who have suffered discrimination, 14% have experienced it at work. Venezuelans were the second group (14.7%), after Haitians (24%), to report that the first place they suffered acts of discrimination was at the workplace.

Regarding access to Emergency Family Income in the context of the COVID-19 pandemic, 73% of Venezuelan migrants received an emergency transfer, which is a high percentage, although lower than the national average (85%).

**Paraguay**

In Paraguay, Venezuelan migrants have increased over the last few years, from comprising only 1.2% of the total population of recent international migrants in 2019 to representing 6.5% of that population in 2021 (INE, 2019–2022). Considering the situation of Venezuelan migrants, a study presented by Chaves-González and Echeverría-Estrada (2020), which interviewed 440 Venezuelans in Paraguay, found that over 40% of Venezuelan migrants stated that they were still unable to work in Paraguay, but also a considerable number (also about 40%) stated that they had found work. When asked whether they worked in the formal or informal sector, the situation was around 50% for each sector (Aquino et al., 2023).
Conclusions and implications

Impacts

This chapter has focused on employment, number of hours of work, and labour income for internal and international migrants in Chile, Paraguay, and Peru during the COVID-19 crisis. Regarding employment, both internal and international migrant workers from the three countries experienced impacts on their level of employment and economic activity, especially during the period immediately following the establishment of measures aimed at containing the health crisis (notwithstanding the differences in data registration of each country). Partial recovery in activity and occupation levels followed quickly after the abandonment of generalised lockdown, although these did not reach pre-pandemic values in all cases. In that sense, lockdown policies implicated a sudden shock in economic indicators in an uncertain scenario, although it did not break the economic fabric of the three countries altogether.

Regarding income, after taking inflation into account, the total income for internal and international migrant workers in the three countries was affected by the start of the pandemic and in almost all cases did not recover to levels seen in the pre-pandemic period. Regarding number of hours of work and income per hour, internal migrant workers and international migrant workers showed different patterns in different countries, corresponding to the place that both types of migrants occupy in the social structure of the country. This in turn was affected as much by socio-economic status, the country of origin and ethnicity of migrant populations, as by the duration of the stay at the destination.

Thus, in countries of South America where a significant proportion of internal migrant workers have rural and indigenous origins and migrated to both cities and rural provinces, the impact on the number of hours of work was similar for both types of migrant workers; however, the income per hour was lower for internal migrant workers. This perhaps corresponds to the basically urban residence of international migrants. In other words, taking the place of residence into account, both internal and international migrants faced specific challenges regarding their income-earning strategies depending on different settings: a major metropolitan area (with higher salaries but more workload) compared to local cities and rural municipalities (with the opposite characteristics).

Considering the recommendations to design policies that allow the attainment of the SDGs by 2030, this study also portrays the importance of considering the particular itineraries of different cohorts of immigration. In that sense, both types of migrant workers with more recent immigration history were more vulnerable to the impacts of the pandemic and to the unintended consequences of policies aimed at mitigating the impact of the pandemic. Also, in the case of international migration, the countries in the region that received migration in the early 1990s and 2000s (notably Chile but also Paraguay) had specific institutional learnings to deal with the economic and social challenges related to a major influx of migrant
populations, thus offering different reception conditions (Vásquez et al. 2023; Aquino et al., 2023).

**Effects of the pandemic and the policies implemented to combat it on inequality**

Many themes for further research on inequality after the COVID-19 pandemic emerge. This section presents a discussion on the possible effects of the events described as part of the results, in exacerbating inequality.

These reflections are guided by the general understanding that precarious employment of migrant workers, before, during, and after the pandemic increased their vulnerability; at the same time—through this new level of vulnerability—this created new vulnerable groups. Inequality, in this sense, increased during the pandemic, via the intensification of vulnerability in some dimensions of work and employment for migrant workers and because the intensification subjected other age groups (children of migrants) to new or increased vulnerabilities.

In different South American countries, in the context of rapid transformations, it was not only the pandemic that created the observed dramatic scenarios that challenged the survival and livelihoods of migrant workers and their families. State policies implemented to protect the employment of their populations and their access to resources during the most severe months of the pandemic and during the recovery period actually magnified inequality (see background papers of Peru, Chile, and Paraguay). There are important unintended consequences to report, to balance the urgency to attain the SDGs with the need to guarantee no social group is left behind.

**Lockdown and immobility policies diminished migrants’ conditions to handle the crisis**

Although adopted to limit the expansion of the disease, lockdown policies and the closing of internal and international borders in different countries of South America affected mobility and truncated the most basic strategy of migrant workers: changing location and/or residence to gain resources or avoid shocks or crises. Internal and international migrant workers in Peru, Chile, and Paraguay whose livelihoods depended on informal work (mostly realised in public spaces) or who lost their jobs because of the pandemic, found themselves not having the possibility to re-migrate to solve their crises created by the confinement policies (Vásquez et al., 2023). This limitation pressured them to accept harder conditions of work or force them to return to their places of origin (Boyd et al., 2021).

The closing and militarisation of international borders in many South American countries led to an increase in irregular paths of entrance. A vast group of vulnerable migrant workers spent their last and already scarce resources in the first few days of confinement and immobility (Vásquez et al., 2023; Ropert et al., 2023; Aquino et al., 2023). Refugees and migrants emigrating from Venezuela, travelling north to south to enter Colombia, Ecuador, Peru, and Chile arrived by foot
and had no other choice than crossing borders using irregular paths of entrance. By forcing them to do so, states created an “informality circle” by which migrants who already arrived in vulnerable conditions were unable to obtain a regular migratory entrance, thus making all other activities in the territory also irregular (Ropert et al., 2023).

Informal activities also increased in this context because there was no option other than accepting informal jobs and looking for informal residential arrangements. In the case of Chile, migrants usually wandered or settled at localities in the northern regions of Chile, such as Colchane in the Tarapaca Region (Diario El Comercio Perú, 2021). In those localities, they searched for any job and usually accepted any type of work conditions. In this case, the effects on inequality would probably be observed between migrants who during the pandemic and the recovery period had a regular entrance and those who did not. On the other hand, not having an immigration permit impacted not only employment, income, and the number of working hours, but also access to social services and housing.

In addition, since travelling to southern Chile could be difficult without resources and regular entrance permits, a frequent strategy of international migrants was to stay in the northern regions of Chile (Ropert et al., 2023. This is a practice that, on an aggregated level, produced a concentration of refugees and migrant population in those regions. This phenomenon is also observed in the northern regions of Peru such as Tumbes, Piura, and La Libertad. That type of population concentration transformed the characteristics of the regional labour markets of those provinces and increased territorial inequality between the regions.

In Paraguay, international migrants mentioned that the regularisation process is extremely difficult (Aquino et al., 2023). According to them, it is very difficult to obtain a residence permit. This situation could institutionally lead to reinforcing the temporary nature of migration, something that generates social vulnerability, which in turn structures inequality between groups.

**Work/employment and social protection policies**

Among the work/employment policies, South American countries implemented remote work, and in countries like Peru, companies were authorised to apply what was called a “perfect suspension of work”. This policy allowed the suspension of the worker’s obligation to provide services while suspending the obligation of the employer to pay the respective remuneration, without dissolving the employment relationship. There were also subsidies to the payroll of workers. Also, social protection measures in the face of the pandemic were in some countries inclusive of international migrant workers (Ropert et al., 2023; Aquino et al., 2023); in other countries, policies excluded them from this support (Vásquez et al., 2023).

Bonuses, or emergency cash transfers did not effectively reach everyone in Peru. Specifically, they did not adequately reach the informal self-employed workers, domestic workers, youth, and migrant workers. This determined that a vast proportion of internal and international migrant workers were outside of social
protection, due to their participation in the informal economy. In the case of internal migrant workers, economic migration usually causes interference in traditional state proceedings of registration, which are designed to keep records of static populations. Therefore, this limits the possibilities of reaching the persons who in order to obtain employment leave their locations of usual residence, on a temporary or permanent basis. In other words, registration systems were key to the management and distribution of emergency cash transfers: very mobile workers, at least in Peru, were often outside those systems (Vásquez et al., 2023). In Chile and Paraguay emergency cash transfers did reach internal and international migrants (Ropert et al., 2023; Aquino et al., 2023).

Both types of policies (work/employment and social protection policies), had unintended consequences. In short, they exposed migrant workers to accept harder work conditions. In turn, harder work conditions magnified inequality, creating cumulative disadvantage for migrant workers and the emergence of new vulnerable social and age groups.

In that sense, the elevated number of working hours (60 hours per week) among some types of migrant workers (Vásquez et al., 2023), intensified their vulnerability. A complete cohort or generation of migrant workers would develop more vulnerable health trajectories (O’Rand, 1996) caused by excess working hours during the pandemic and recovery years. In addition, a new vulnerable group is emerging through the channels of intergenerational transmission of inequality (Altintas et al., 2018; Ferrer & Mascella, 2022). A generation of children of migrant workers is growing up in the post-pandemic period with less parental attention and supervision. This type of dedication to work hinders the possibilities of assistance and dedication to children and young dependents in their households, which in turn can have impacts on children’s health, learning, well-being, and educational progress.

On the other hand, the observation that migrant workers, in particular recent international migrants, experienced an increase in the number of working hours for the same income, is an indication that the right to be paid for overtime work is compromised. This is a setback and a clear indicator of inequality since some types of workers obtain a pay for overtime hours, while migrant workers in Chile, Paraguay, and Peru do not. In fact, in Peru, a survey “Barometer Edenred Peru 2021: The labour situation one year after the pandemic” found that “73% of workers indicated that workload increased between one and five hours a day” and that “despite this, 84.5% of people indicated that they did not receive additional benefits” (Tello, 2021).

Primary abilities as coping mechanisms

Abilities are understood as a specific set of skills or competencies of certain individuals that were instrumental in helping them cope with the challenges brought by the pandemic. According to the conceptual framework resulting from the three regional studies developed during the second edition of the “State of the SDGs” initiative led by Southern Voice, digital skills, social capital/networks, agency11, and accessibility12 as primary abilities, have intermediated the impact of the pandemic, working as moderating factors.

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11 Defined as the “ability to adapt, recover, and maintain well-being in the face of the unprecedented challenges brought forth by the crisis” (Southern Voice, 2022).

12 Defined as the “capacity of individuals to access programmes and services delivered by governments, philanthropies, or civil society organisations” (Southern Voice, 2022).
The cases examined as part of this study (Chile, Paraguay, and Peru), show that as in other countries of South America, these abilities are unevenly distributed. The degree of unequal distribution of these capacities is also evident within the population of internal and international migrant workers, who, depending on the duration of their stay at the destination country or location, according to their human capital and according to sex and age differences, could use or not, these types of skills as coping mechanisms during the pandemic.

The prevalent abilities moderating the impact of the pandemic among migrant workers were their membership to social networks and the corresponding social capital, their level of accessibility, and their capacity of agency. Some groups of migrant workers had a larger share of them. That mostly depended on the duration of the stay in the destination countries/localities. The longer the duration of the stay, the larger the social capital and level of accessibility. Regarding access to social networks at location, recent migrants such as the Venezuelan group of refugees and migrants, experienced higher impacts on income per hour compared to international migrants who were part of past immigration cohorts (Ropert et al., 2023 and Aquino et al., 2023). However, it does not mean that migrants who do not have dense social networks in the destination countries/localities do not have social capital or access to safety nets. They do, but those are mostly delocalised in places of origin or in other countries if relatives and friends are migrants to other countries. The background papers on Peru, Chile, and Paraguay show that recent international migrant workers—such as the Venezuelan group—obtained their support from relatives living in Venezuela in the form of remittances. The ones who did not receive remittances and had a job, either sent remittances back home or to family in other countries of South America, or spent all their savings.

On the other hand, the length of stay of migrant workers in their destinations also affected their level of accessibility; the longer the stay, the greater their knowledge and capacity of navigation of the administrative procedures and the formal channels of access to the government systems and programmes. In that sense—as in the case of social capital—recent migrant workers, both international and internal, faced a more severe impact during the pandemic.

Agency was probably the most equally-distributed capacity among migrants. In some ways, it is a capacity closely related to the migrant itinerary, which enables constant adaptation given that migration involves continuous learning, the transition through different contexts, and the creation of new strategies.

**Policy recommendations**

The nexus between migration and mobility on the one hand, and work and employment on the other, is not properly considered as part of national and sub-national policy making. Regional governments and municipalities must develop strategies to address this nexus, based on the knowledge of regional labour markets that include both non-migrant and migrant workers (internal and international).
An integrated approach composed of strategies to guarantee decent work, social protection, and adequate housing expansion for migrant workers must guide the design of national and sub-national policies. Special groups to protect include children of migrant workers, female migrant workers, and young migrant workers. These types or recommendations are not new, but following a global crisis, the creation of this type of integrated system of policies becomes even more critical.

Since new types of emergencies caused by food crises or climate change impacts are possible over the next few years, it is needed to design policies aimed to anticipate action plans for new cases of involuntary mobility and immobility, as well as their severe impact on work and employment following the most immediate impacts of emergencies. As part of action plans designed to anticipate those impacts, registration and localisation of migrants in the territory as well as digital means of communication to migrants is crucial. That type of localisation along with access to a universal bank account (financial inclusion) are channels that guarantee adequate provision of emergency cash transfers, food, and other resources. In the case of international migrants, in particular in the case of the most important displaced group in the region, efforts to provide and strengthen adequate regular stay in national territories must continue.

Different and renovated strategies to protect informal workers must be developed, which monitor adequate schedules and payments from employers of the informal sector. Health and pension systems (public and private) must be accessible to internal and international migrant workers, regardless of their status as formal or informal workers, under contributory and semi-contributory schemes.

Since gender plays a significant role in migrant employment—as evidenced by the female international migrants working as domestic helpers, nurses for children and the elderly (as most of South American countries gradually experience population ageing)—governments must offer and design programmes to formalise these job roles.

Achieving SDG 8 and SDG 10 also depends upon persevering and increasing state attention to rural areas and the peripheral expanses of urban centres of different sizes (small, medium, and large cities). This effort should involve not only promoting private investment, but primarily public investment. Achieving these SDGs also depends on the clear recognition that South-to-South migration merits different templates for social and labour policies than those designed for countries receiving South-to-North migration.
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