

**MIGRANTS
RESILIENCE
COLLABORATIVE**

Ensuring Safe Migration in Asia Series - Part 1

**Impact of Covid-19 on Internal Migration
in Asia**



Impact of Covid-19 on Internal Migration in Asia

Poverty rates have drastically reduced after decades of anti-poverty measures and efforts, however, a reversal in these trends in the last two years of the pandemic with millions of people being pushed back into extreme poverty has been witnessed. Internal migrants, usually the most vulnerable, working predominantly in the informal sector were one of the worst affected.

1. A potential increase in the number of internal migrants

Since 2021, economic activity has resumed, thereby leading distress stricken internal migrants back to the cities. ^[1]

Our analysis indicates that estimates for internal migrants have potentially increased as it currently includes two additional categories – international migrants who returned because of the pandemic and individuals who never migrated in the past but are forced to migrate because of lack of viable livelihood means at source regions and mounting personal debts.



“Due to COVID-19, the border between Thailand and Cambodia is closed. We decided to migrate to Phnom Penh for a job instead because we do not want to enter Thailand illegally.”

- Mony, labourer in construction sector, Cambodia



“My family was severely affected by the pandemic lockdown, and we couldn’t make a living in our village. Therefore, they encouraged me to go to Batam city to work and earn an additional income.”

- Imran, factory worker in Garment Sector, Indonesia



2. Impact of pandemic on employment

2.1. Increasing unemployment rates that are projected to increase even further:

Unemployment rates are projected to decrease in 2022 for all countries, however it would still not be anywhere close to the pre-pandemic period. In Figure 1, a visible increase in unemployment rates was observed across countries except in Cambodia, it was the only exception which saw a significant improvement in its unemployment rates during 2020. This could be due to two reasons, firstly, the first full lockdown in the country did not take place until 2021. Secondly, experts believe this increase in employment was because of the generation of extremely poor-quality and informal jobs such as street vending. However, post the first lockdown in 2021, projections suggest unemployment rates could be much higher in the country. ^[2]

(Refer to Figure1: Unemployment rates in selected countries since 2019-2022)

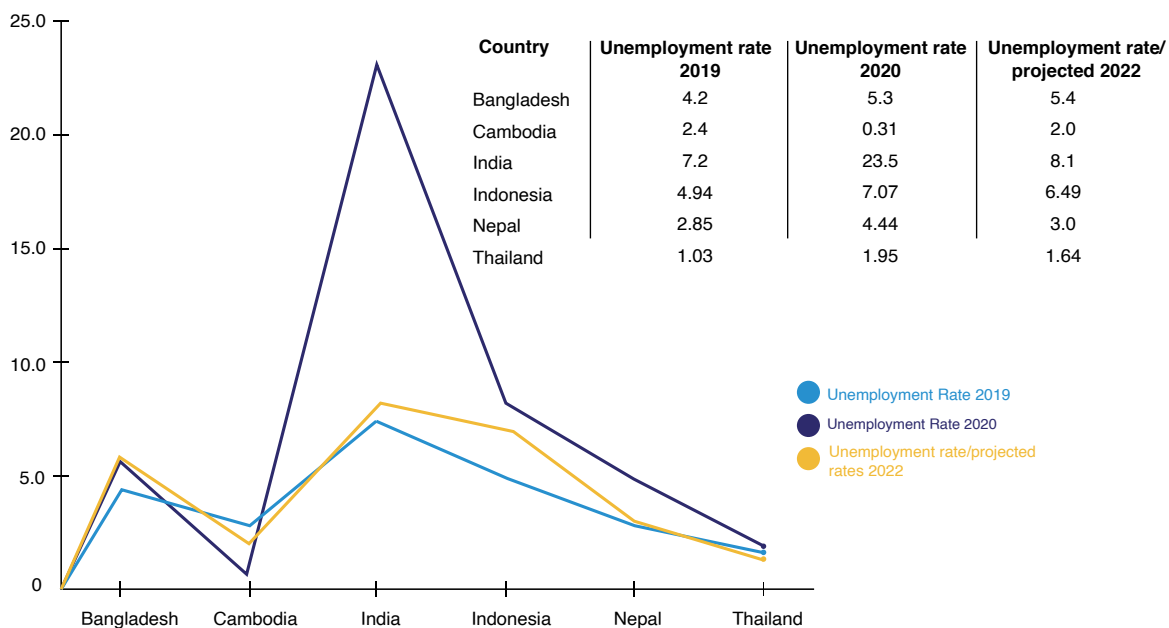


Figure1: Unemployment rates in selected countries since 2019-2022

Source: <https://tradingeconomics.com/>

2.2. What were the key factors that led to job loss?

2.2.1. Job loss driven by a combination of lockdown measures and distress stricken industries:

In Cambodia, India, Indonesia, and Nepal, lockdowns led to the shutting of public transport systems and shutdown of industries, and subsequently affecting employment rates. [3] India is one of the most well-known examples of how migrants returned to their native villages when faced with sudden lockdowns, job and wage loss in cities. [4]

“Everything was shut and the police were beating us with laathis (sticks) if we tried to go out. Later, we called a vehicle and 20 of us left together. Each person spent around 15,000 INR (196 USD) for the transport, and it took us three days to reach...”

- Iqbal, labourer in construction sector, India

Job losses also occurred as a result of a sector’s inability to function due to the direct economic impact of restrictions. Such instances were seen in Cambodia and Thailand. [5] In Cambodia, even prior to their first lockdown in 2021, industries were affected by global impacts of the pandemic

in 2020. As a result of order cancellations by global retailers or requests for heavy discounts by suppliers, the garment sector suffered losses which led to layoffs. Over 600 garment factories in the nation’s capital were shut down due to economic reasons. [6] In Thailand, lockdown measures disproportionately impacted workers in the tourism and hospitality sectors. Owing to international travel restrictions, they returned to their hometown and relied on agriculture as they could not afford to live in cities. [7] In Bangladesh, internal migrants who were in the worst-hit sectors, such as garment, did end up going home due to job loss.

“In 2020, the ban on international flights affected us as around 80% of our customers were foreigners. Due to decrease in demand, we were unable to operate the hotel at full capacity, as it is a waste of both time and money. As a result, we closed down and laid off our employees. We have told our employees they should find other job opportunities as we aren’t sure if we’ll be able to start the hotel again.”

- Business partner, hospitality sector, Thailand

2.2.2. Fear of contracting the virus led to job loss:

In some sectors such as domestic work, a major reason for job loss was the fear of contact with an outsider during the pandemic. Domestic work is extremely informal in nature and without any laws regulating domestic workers' employment, they are faced with constant job insecurity.

"I have been working as a domestic worker for more than a decade, I specialize in cooking. Prior to the pandemic, I used to work in as many as 13 homes. The payment received by each household varies, some pay me IDR 600,000 (41 USD) and others, IDR 1 million (69 USD). Since the pandemic, I've lost most of my jobs. I feel this could be because my employers are concerned about their health, so they restrict access to their homes Now I work at 4 houses, down from 13."

- Sarah, domestic worker in domestic work sector, Indonesia

2.2.3 Reduction in female labour force:

A worrying trend that also explains higher unemployment rates is the declining labour force participation of women. It is estimated globally that women are most impacted by job loss and unemployment. Comparisons between 2019 and 2020 find female employment to be lower by 13 million. Since 2019, it is said that over 73 million additional women have left jobs and aren't looking for employment opportunities. This could be due to fewer available opportunities or increased unpaid work in households. [8] In India, it was found that women were eleven times more unlikely to return to work post job loss. [9] During interviews in India, a few women working in the construction sector mentioned they were receiving lesser job opportunities than prior to the pandemic.

2.2.4 Loss of wages and cut in working hours:

In 2020, global labour income saw an 8.3% decline (3.7 trillion USD in monetary terms). [10] A 22.6%

drop in wages was witnessed for informal sector workers in India. [11] In Bangladesh and Cambodia, both textile-dependent countries, wage cuts were prominent in the female-dominated garment sector during and after lockdowns. [12]

Asia witnessed a fall of 4.6% in the number of working hours was noted in 2021 in comparison to the 2019 average. [13] A decrease in hours directly impacted wages especially for those who worked overtime or additional hours to earn more wages. Our interviews in Thailand and Cambodia found automobile sector workers wages were significantly impacted due to cut in working hours and overtime, they suffered reduction of 20-30% at an average. However, in some sectors, a drop in wages regardless of working hours was witnessed. Though, it must be noted that this impact has been much more on women and low-income workers. [14] In India and Nepal [15], wage cut was common among informal sector workers.

2.2.5 Shifts in major sectors of migrants' employment:

Another subsequent impact of lockdowns on employment is the shift in sector specific jobs for migrants. This impact can only be properly understood in the next few years through careful documentation. As some sectors recover slower than others, job unavailability and decline in wages could lead to workers switching sectors. In India [16] and Thailand, labour shortages across multiple sectors is already being witnessed. For example, experts believe the slow recovery of tourism and hospitality sector in Thailand could lead to many shifting to different sectors altogether. [17]

"An issue post the pandemic is that workers such as flight attendants, tour guides, and tourist bus drivers cannot wait for the situation to improve and have changed their sectors. They have left tourism and hospitality sector to work in other jobs."

- Dr. Roongroch Seeluangsawat, committee member of Tourism Council of Thailand

2.2.6. A few sectors flourished during lockdowns:

In Bangladesh, a temporary increase was witnessed in daily wages due to high demand in the food-based sector. ^[18] Our research found those working in the potato cold storage and rice puff industries didn't miss a single workday

during lockdowns. These commodities were in high demand leading to increased wages for labourers. In the construction sector in India, while a scarcity of labourers was observed after the first lockdown, a spike in wages was witnessed subsequently (in efforts to attract workers back to cities in order to make progress on much delayed projects). ^[19]

Government Assistance during the Pandemic

All countries expanded their cash allowance, food, and employment schemes as part of relief measures. Thailand ^[20] and Indonesia ^[21] provided 50% wage subsidy to the private sector/ specific industries to ensure employees are not laid off.

3. Recommendations

- **Worker welfare should include social security, worker protection, responsible business and financial health during external shocks** - particular focus on worker welfare could be brought into disaster relief measures.
- **Strong contingency plans for any future crises affecting the informal sector must be considered.** They should ensure a lens of internal migrants and worker welfare is taken into consideration during disasters or external shocks such as COVID-19.

Chhaiya* - a migrant working as a waitress in Cambodia

"I used to work in Thailand with my family, however when the pandemic started, we were forced to return to our village in Thmorkol district. After my return, I initially worked with my parents on our small rice field.

Before the pandemic, I ran away from home to Phnom Penh, as my mother wasn't allowing me to go work in the city alone. I took a bus without any money for my travel, and in exchange I had to give the bus driver my ring. Once I arrived in the city, I stayed with a few people who lived on the street and sold recycled garbage to save my life. After months of searching, I finally found a job as a dishwasher in a restaurant.

After a few months, the country was struck by the first major wave of COVID-19. In the initial days when the infection rates were rising, the restaurant owner arranged a meeting and told us to clean rooms, tables, chairs, and spaces around the restaurant regularly to cut down on the spread of the infection. My wages saw a drastic decrease, earlier I used to receive 150\$ per month, but during this time, the owner only gave me 15\$ even though I continued to work the same hours as before. He stopped giving us any tips or bonus as well. A few weeks later, he finally decided to close the restaurant. As a result, I returned to my village again without any money. I did not receive any support from the government during the pandemic as my family didn't have an IDpoor card.

I am concerned about my parents livelihood as money from our rice field isn't enough to support them. Now that I have been fully vaccinated, I will go work at the restaurant again. Even the owner has asked me to come back, however, this time I will ensure my mother gives me permission."

**This story is anonymous and Chhaiya is a pseudonym.*

End Notes

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