

VENEZUELANAS IN BRAZIL: INTEGRATION WITH LABOUR MARKET AND ACCESS TO SOCIAL SAFETY NETS

Brazil is the fifth largest host of displaced Venezuelans, where over 260,000 Venezuelans refugees, asylum seekers and temporary migrants live as of December 2019 (R4V, 2020).¹ Most entered Brazil through Roraima state, Venezuela's main gateway to Brazil. The Federal Government, with the support of UNHCR, other UN agencies² and more than 100 civil society organizations, provides humanitarian assistance through *Operação Acolhida* (Operation Welcome). Initiated in April 2018, the operation has three main programmes: border control and documentation; provision of humanitarian assistance including shelter; and “interiorization” which involves the voluntary relocation of Venezuelans from Roraima to other cities in the Federation in order to ensure effective socioeconomic integration.

Operação Acolhida publishes information that monitors the Venezuelan population. These include data on assistance provided through border reception such as social services, regularization requests and the issuance of national identification and work permits. For humanitarian assistance, sheltering, meals, hygiene kits, activities such as Portuguese classes, basic health care and communication with family members are offered. Related to the interiorization programme, participation is confined to Venezuelans who have been regularized, certified to be of good health, and have signed voluntary participation forms. All the data collected is used to coordinate humanitarian and development assistance as well as the activities of the private sector and civil society to support *Operação Acolhida* in the local integration of Venezuelans.

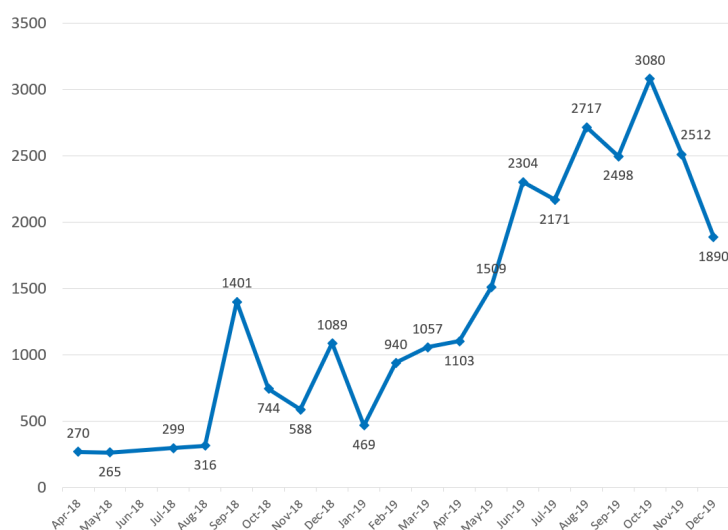
This note focuses on understanding the impact of the interiorization programme on the livelihoods and employment prospects of Venezuelans who have opted to relocate from Roraima state to other federal units between April 2018 and December 2019. Brazil's legal framework allows for the inclusion of Venezuelans, regardless of their status, to work and access education and social protection services and so this note uses government administrative records to monitor the relocated Venezuelan population's inclusion in Brazil's labour market, education and social protection systems.

INTERIORIZATION PROGRAMME

Over 27,000 Venezuelans have voluntarily relocated between April 2018, the start of the programme, and December 2019. Relocations have been rising over time and the programme is on track to meet the goal of 3,000 monthly relocations on average for 2020 (Figure 1). The programme has four modalities of relocation: (i) departures from shelters in Roraima to shelters³ in one of the destination cities (30%); (ii) reunification with family members in destination cities (20%); (iii) assistance from social groups (41%); and (iv) relocating as a result of a confirmed job placement (9%).

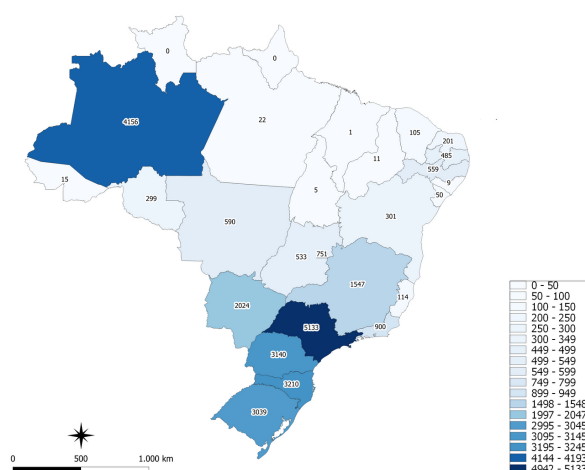
Venezuelans have relocated to more than 450 municipalities in 25 out of Brazil's 27 federal units. Most relocations are clustered in five states: Sao Paulo, Amazonas, Santa Catarina, Rio Grande do Sul and Paraná. Combined, these states are hosting more than 70% of the total relocated population (Figure 2).

Figure 1: Number of Venezuelans relocated through the interiorization programme, by month



Source: Author's calculation, based on data provided by the Ministry of Citizenship.

Figure 2: Number of Venezuelans relocated through the interiorization programme, by destination as of Jan 2020



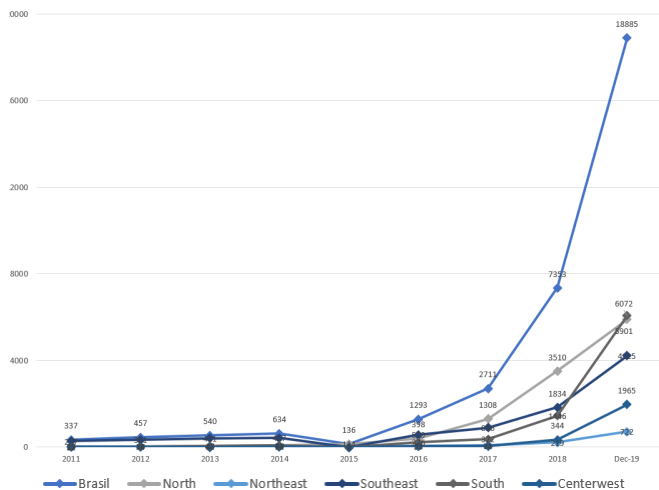
Source: Author's calculation, based on data provided by the Ministry of Citizenship.

LABOUR MARKET INTEGRATION

Venezuelan refugees and asylum seekers are increasingly entering the formal labour market. The greatest proportion of those doing so live in the northern, southern and southeastern regions of Brazil (Figure 3).

About 72% of Venezuelans in Brazil, or an estimated 187,000 of them, are between the working ages of 18-64 years old, according to registration records from the federal police. Of these, 10% (18,855 individuals) were formally employed as of December 2019. Comparatively, 34% of Brazil's working-age population works in the formal sector.

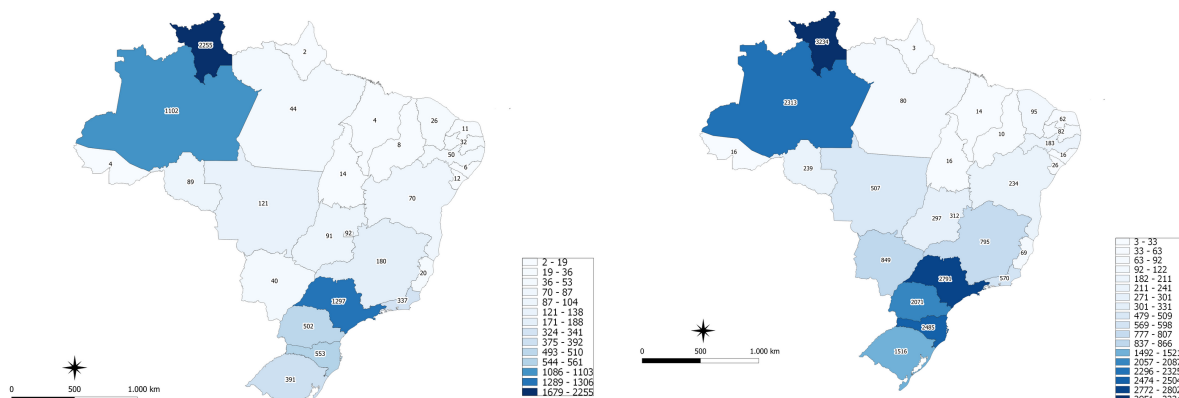
Figure 3: Total number of Venezuelans in the formal labour market, by region



Source: RAIS (annual data, 2019), OBM/Igra/CAGED (monthly estimates, 2020)

The geographic dispersion of formally employed Venezuelans evolved significantly between 2018 and 2019. This was due to the interiorization programme as well as the natural gravitation towards centres of economic opportunity. In 2018, the greatest density of formally employed Venezuelans was found in Roraima, followed by nearby Manaus and Sao Paulo. By the end of 2019, the trend gravitated away from Roraima in favour of Manaus and other states in the south and central south of the country (Figure 4). Venezuelans are working mainly in services such as restaurants, coffee shops and snack bars, in addition to retail trade as well as some industrial and agro-industry sectors such as construction and meat packing.

Figure 4: Geographic distribution of stock of Venezuelans in formal employment in 2018 (left) and 2019 (right).

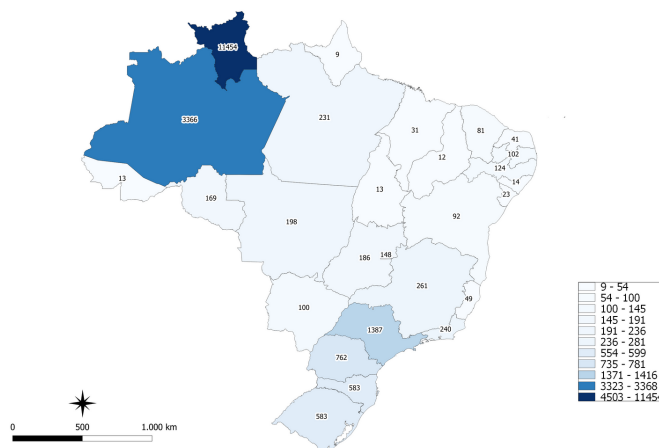


Source: RAIS (2018), OBM/Igra/CAGED (2020)

ACCESS TO EDUCATION

Over time, more Venezuelans are attending Brazilian primary and secondary schools, with over 20,000 doing so as at the end of 2019. Yet, this represents a very low attendance rate, especially in areas outside of the northern region (Figure 5). Together with Sao Paulo in the southeast, the northern states of Roraima and Amazonas account for 80% of the total number of Venezuelans enrolled in school.

Figure 5: Number of Venezuelan enrolled in school as of Dec 2019

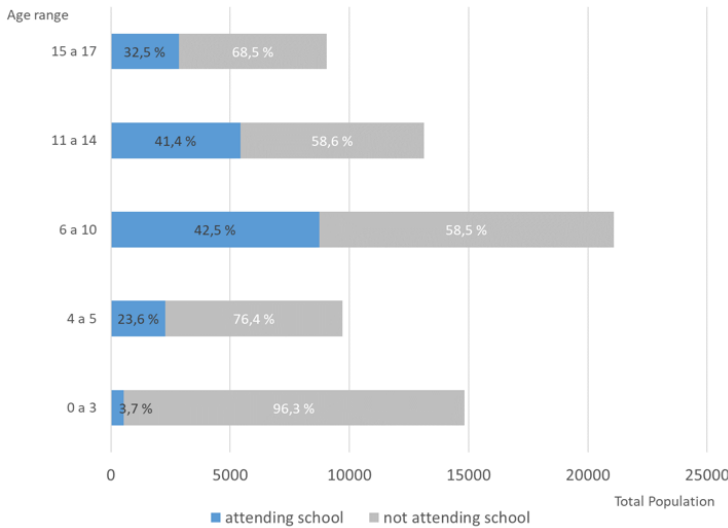


Source: Author's calculation, based on data from the Ministry of Education.

Combining two data sets – school census attendance records and the federal police records for Venezuelan refugees, asylum seekers and temporary residents in the country – show that 70% or 46,500 Venezuelans who are of school age (1-17 years old) are not attending schools. Among children between 6-14 years old, the non-attendance rate is 58%. Among children between 15-17 years old, the non-attendance rate is about 69% (Figure 6 on the next page).

In comparison, non-attendance rates for Brazilian students, while also not insignificant, are much lower at 12% for children between 15-17 years old.⁴ There is almost universal attendance of primary and junior high schools among children between 6-14 years old.

Figure 6: Share of Venezuelans enrolled in school, by level, as of Jan 2020



Source: Author's calculation, based on data from Ministry of Education and Federal Police.

SOCIAL ASSISTANCE

In Brazil, *Bolsa Família* (Family Subsistence Allowance Programme) is a conditional cash transfer programme that supports poor families through income supplements when they meet health and education targets. The Ministry of Citizenship determines households' eligibility using *Cadastro Único*, a registry that since 2003, is the country's central registry for identifying and including poor populations in federal programmes. The use of a unified registry allows for data validation and cross-checking across municipalities. *Bolsa Família* has benefited millions of disadvantaged households living in extreme poverty, with positive impacts on the broader economy. A recent impact evaluation found that these cash transfers reduce poverty by 15% and extreme poverty by 25%, and further contribute to positive outcomes in school attendance and performance (ENAP, 2018).

The management of *Bolsa Família* is decentralized, with the federal government, states and municipalities all having implementation roles. At the federal level, the Ministry of Citizenship is the primary implementing agency while the *Caixa Econômica Federal*, a government-owned bank, distributes the payments through its vast network.

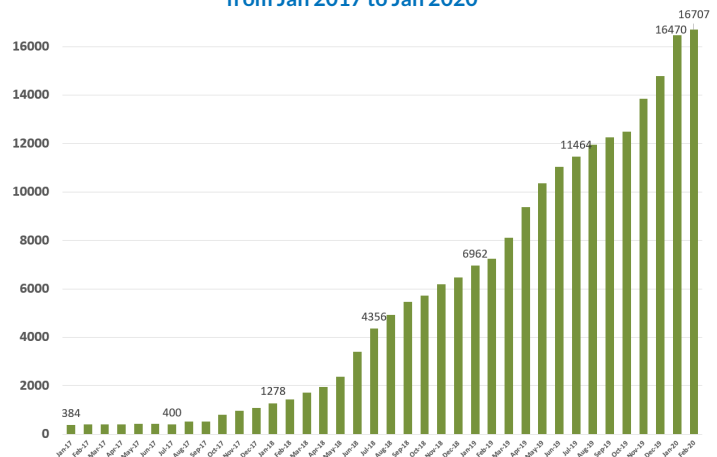
The payout to eligible households is a function of family composition and income. A basic package for an extremely poor household is R\$ 89 (US\$ 18) per person per month. Variable benefits of R\$ 41 (US\$ 8.20) are available to households with infants (0-6 months), children under 15 years old, and pregnant women. These benefits are contingent on meeting certain goals related to educational enrolment and use of health services. The total monthly payment averages about R\$ 170 (US\$ 34) per family.

Venezuelans, regardless of their immigration status, may enroll in *Bolsa Família* as long as they meet the criteria. But enrolment does not guarantee access to benefits, as each municipality operates under a fixed quota. Once the cap of participating families is reached, the benefits cannot be extended to additional households, even extremely vulnerable ones.

As of February 2020, 13.5 million households comprising 44.5 million individuals – 21% of Brazil's total population – received benefits through *Bolsa Família*. The total amount disbursed is approximately R\$ 30.6 billion (US\$ 6.1 billion) per year, equivalent to 0.45% of the national GDP.

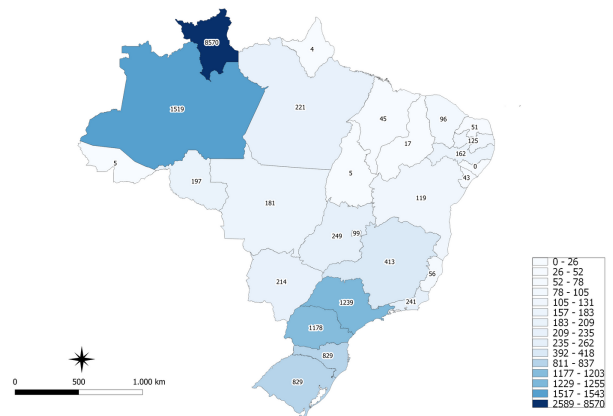
Among beneficiary households, 7,178 included at least one Venezuelan national. In all, **16,707 Venezuelans**, representing 6.5% of all Venezuelans in Brazil, benefited from *Bolsa Família*. This number has risen consistently since the start of the Venezuelan influx in January 2017 (Figure 7). Most Venezuelan beneficiaries, over 60% of them, live in the north in Roraima and Amazonas. Another 25% live in São Paulo, Paraná, Santa Catarina and Rio Grande do Sul in the south (Figure 8).

Figure 7: Number of Venezuelan beneficiaries of *Bolsa Família* from Jan 2017 to Jan 2020



Source: Author's calculation, based on data provided by the Ministry of Citizenship.

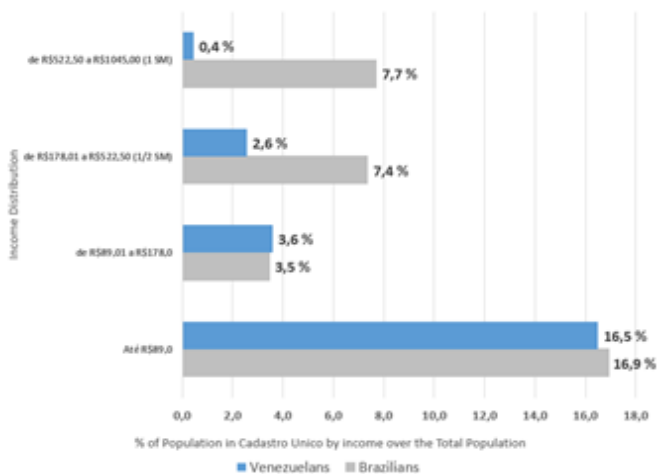
Figure 8: Number of Venezuelan beneficiaries of the *Bolsa Família* by Federation Unit as of Feb 2020



Source: Author's calculation, based on data provided by the Ministry of Citizenship.

Cadastro Único enrolment records show that the Brazilian national population and Venezuelan population in Brazil have similar proportions of extremely poor and poor households (Figure 9). However, 21% of Brazilians access *Bolsa Família* while only 6.5% of Venezuelans do. As both populations have similar proportions of poor households, the difference in utilization rate is likely due to reasons other than income. Probable reasons include inability to enroll due to misinformation, language barriers, expired documentation, not meeting the qualifying criteria, or living in municipalities that have met their quotas.

Figure 9: Percentage of population (Venezuelan and Brazilian) subscribed to *Cadastro Único* by income distribution as of Feb 2020



Source: Author's calculation, based on data provided by the Ministry of Citizenship.

Another social assistance programme, the *Benefício de Prestação Continuada* (Continued Allowance Benefit Programme), separately provides minimum-wage incomes to elderly and disabled persons who have no means of earning incomes or family support. While there are no legal barriers to accessing this programme, there are practical impediments. For instance, the Brazilian Supreme Federal Court had to endorse the access rights for both nationals and non-nationals, even though the Constitution establishes isonomy (equality before the law). As of February 2020, 4.5 million people were receiving this benefit, including 309 Venezuelans. More analysis is needed to identify reasons for the low participation rate among Venezuelans.

SUMMARY AND RECOMMENDATIONS

The analysis of official data related to the formal labour market as well as the education and social protection systems suggests that [the interiorization programme should be reinforced as it has contributed to the integration of Venezuelans in Brazil](#), albeit to varying degrees.

At the same time, it is necessary to continue monitoring the relocations and create new tools, if needed, to evaluate the impact on both Venezuelans and the local community. As the programme meets its goal of 3,000 monthly relocations, there may be reduced capacity of states and civil society groups to absorb the growing number of new entrants.

Refugees and asylum seekers are increasingly entering the formal labour market in the southern and southeastern regions of Brazil, contributing to their economic inclusion and better prospects of achieving self-reliance. This also generates growth and tax revenue for local economy. Further, as more Venezuelans are formally employed, this reduces the pressure on social safety net programmes in Roraima, which is the aim of the interiorization programme.

Data on school attendance shows that a high number of Venezuelans are not attending schools: 58% among those aged 6-14 and 69% among those aged 15-17. In contrast, 12% of Brazilian children aged 15-17 do not attend school and attendance is almost universal among those aged 6-14. Policies, development and humanitarian action should focus on increasing education enrolment, which impacts the formation of human capital essential to building self-resilience and sustainable livelihoods for future generations.

Venezuelans are increasingly benefiting from Brazil's social assistance schemes. Venezuelan household participation rates in *Bolsa Família*, while low compared to Brazilian nationals, is on an upward trend. But participation among poor Venezuelans in *Benefício de Prestação Continuada* is very low. Possible reasons are their reduced ability to obtain information about services, lack of or missing documentation, and language barriers that may also further compound these accessibility issues. Further analysis is needed to better comprehend and mitigate the reasons.

Footnotes

1. More than 4.5 million Venezuelans are estimated to have left their country as of December 2019.
2. In April 2018, UNHCR and the International Migration Organization (IOM) created the Regional Response Plan for Refugees and Migrants, an operational plan with a coordination strategy to respond to the needs of Venezuelans on the move and to guarantee their social and economic inclusion in the communities that receive them.
3. Shelters are housing provided either directly by the federal, state, district or municipal government or by civil society.
4. Another common way of estimating the percentage of children aged 15 to 17 years that are out of school is using the National Continuous Household Survey (PNAD Continua), which puts the rate at 6.1%. However, this estimate was not used in this report as it does not account for migratory status, and is thus not comparable with the Venezuelan population.

Bibliography

- Bolsa Família 15 Anos (2003-2018)*, Org. Tiago Falcão, 531 pages. Brasília. (ENAP, 2018).
- R4V Plataforma de Coordinación para Refugiados y Migrantes de Venezuela*. Accessed on 20 April 2020 via <https://r4v.info/es/situations/platform/location/7509>