DESENTR Demographic Shifts and Entrepreneurship

White Paper

April 24, 2025

Migration in Chile and Entrepreneurship

Executive Summary

- **Latino Latin America and the Caribbean (LAC) has historically been the region that produced the largest number of migrants in the world, although this trend has weakened over the last 20 years. In LAC, in 2000, in net terms, 2 people per 1,000 inhabitants emigrated from the region. By 2022, this figure had fallen to only 0.5.**
- **The higher net migration in LAC is explained by increased immigration between Latin American countries. Intra-LAC migration increased from 6 million people in 2015 to 14 million in 2024.**
- **Since 2015, the Venezuelan migration crisis has been a fundamental driver of these changes in migration patterns. The number of Venezuelan immigrants in LAC increased from 210,000 in 2015 to 6,800,000 in 2024.**
- **Since the massification of the Venezuelan exodus in LAC in 2015, Chile has been the country with the highest migration inflow relative to its population. Over the last 20 years, the number of immigrants in Chile has increased tenfold, rising from 187,000 in 2002 (1.3% of the population) to 1,920,000 in 2023 (9.6% of the population).**
- **Until 2015, the immigrant population was composed mainly of people from Argentina, Bolivia, and Peru. In the following years, these groups were displaced by a migration wave made up of Haitian, Colombian, and, most notably, Venezuelan populations. By 2023, 38% of immigrants in Chile were Venezuelan (nearly 730,000).**
- **The immigrant population in Chile is concentrated in the Metropolitan Region (1,090,000) in absolute terms. However, relative to the regional population, the highest rates are found in the far north of the country (18% of the population between Arica and Antofagasta).**
- **The immigrant population is predominantly young, between 20 and 44 years old, with a balanced gender distribution, and since 2017, a growing proportion has attained university education. Their employment rates are significantly higher than those of the Chilean population, and most tend to work in commerce, construction, and domestic services.**
- **Since 2020, informality rates in immigrant employment have increased, and their relative economic position has worsened. The income gap between Chileans and immigrants has reversed: whereas immigrants initially recorded higher income levels, over the last five years it has been Chileans who have shown higher levels of income.**

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1. Introduction

Immigration is a phenomenon as old as humanity itself. Since records have existed, individuals have moved from their countries of origin to other destinations driven by political, economic, religious, or other reasons. In recent decades, this phenomenon has intensified in today's globalized world, to the point that by 2024, the number of international migrants[1] in the world had reached 304 million, nearly doubling compared to the 154 million recorded in 1990. Thus, by 2024, 3.7% of the world's population consisted of immigrants (UN, 2024).

The magnitude of immigration varies considerably across regions of the world. The largest number of immigrants is currently found in Europe (94 million), followed by North America (61 million). However, the impact on receiving countries depends crucially on the proportion relative to the population of that country. Thus, in Oceania, the number of immigrants accounted for 21.5% of the continent's population, the highest in the world, followed by North America (15.9%).

This level of international immigration has had profound social, political, and economic effects. Although the evidence suggests that migration processes have positive effects on the development of societies, these findings are primarily based on the experience of developed countries and on South–North migration. However, the new characteristics of migration, especially in Latin America, make it necessary to understand this phenomenon in the region based on the available quantitative and qualitative evidence.

The objective of this report is to examine immigration in Chile given the growing number of new immigrants over the last decade. In 2002, the number of immigrants was below 200,000, but by 2023 it had reached nearly 2 million, such that immigrants now account for almost 10% of the country's population (INE, 2023). In other words, the number of immigrants in Chile increased tenfold over the last twenty years.

This growing immigration has become a central element of public debate in Chile and a major concern among citizens. For example, the Bicentennial Survey of the Catholic University reveals that 88% of respondents consider immigration in Chile to be "excessive" (PUC, 2024). Similarly, the Pulso Ciudadano survey indicates that immigration is the second greatest concern among Chileans, after crime (Activa, 2025).

[1] To be statistically considered an international migrant, an individual must meet both a spatial and a temporal requirement. First, the individual must have moved from their country of birth or residence to a different country. Second, they must have resided continuously for at least one year in their new destination. Once both conditions are met, they are considered an international immigrant. It should be noted that this definition does not consider the specific reason for migration (economic, humanitarian, etc.), and that the stock of international immigrants refers to the total number of individuals who meet this definition at a given point in time (UN, 2024).

The absence of an evidence-based study on immigration that contextualizes these concerns makes Chilean society more vulnerable to unfounded prejudice against immigrants and xenophobic discourse, a reality intensified by social media and misinformation. One of the least studied dimensions is entrepreneurship within the immigrant community, which is the focus of this report.

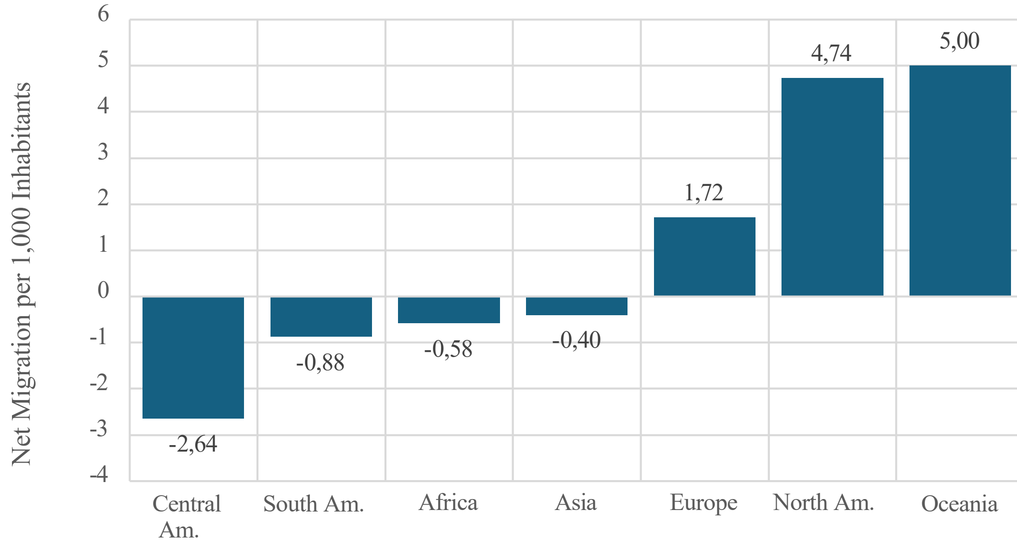
Entrepreneurship is a crucial dimension in the economic and social integration of immigrants in Chile. This is important not only because of its effects on the labor market, which includes a growing proportion of immigrants, but also as a mechanism through which immigrants can develop the capacity to connect with the local population, promoting intercultural understanding. Likewise, we seek to understand how immigrants can identify market opportunities within the country's entrepreneurial ecosystem.

2. The Migration Phenomenon: International Context

Historically, the main characteristic of international immigration has been the movement of people from developing countries to developed countries, that is, South–North migration. One indicator used to examine this phenomenon is net migration by country. Net migration corresponds to the number of people who immigrate to a country (thereby increasing its population) minus the number of people who emigrate from the country (thereby reducing its population). Thus, positive net migration reflects that a country is a destination for international immigration.

Figure 1 shows the average net migration across all continents of the world between 1990 and 2023. Continents with net migration below 0 are those that send out more migrants than they receive. On the other hand, continents with net migration above 0 receive more immigrants than those who emigrate to other destinations. Developing continents (Central America, South America, Africa, and Asia) have negative net migration, while developed continents (Oceania, North America, and Europe) have positive net migration. In general, this reflects the fact that one of the traditional motivations for immigration has been the search for better economic opportunities than those available in the country of origin.

Figure 1: Net Migration per 1,000 Inhabitants Around the World (1990-2023)

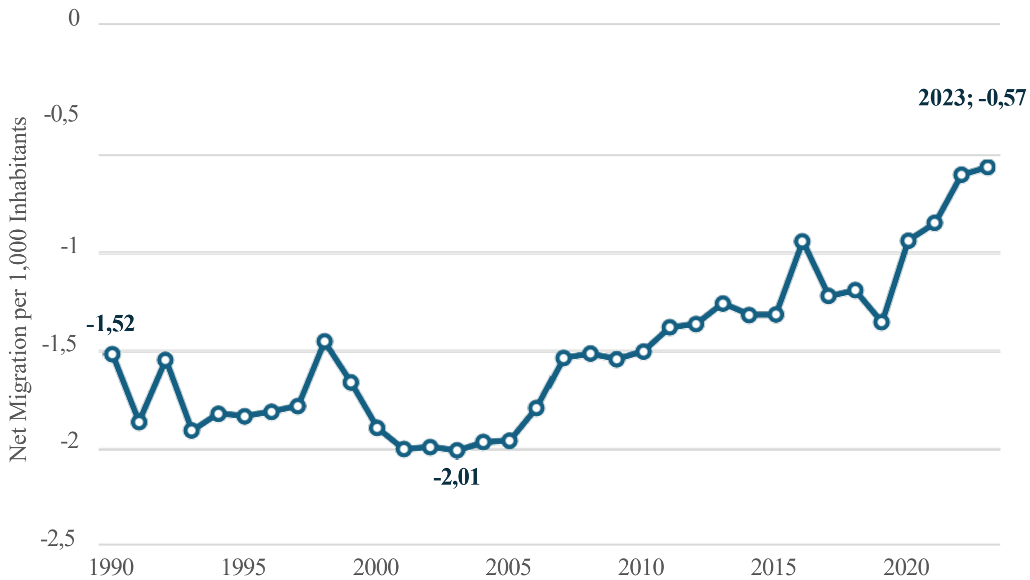


Note: Figure 1 presents the average net migration (the number of immigrants entering a country minus the number of emigrants leaving the country) across all continents of the world between 1990 and 2023. Data from the UN Population Division (2025).

An interesting aspect to highlight is that, over the last 35 years, the continents with the lowest net migration have been Central America and South America, both part of Latin America and the Caribbean. However, this situation has changed significantly over the last decade in the region, especially when observing migration dynamics at the country level.

Figure 2 presents the evolution of net migration in Latin America and the Caribbean since 1990, where it can be observed that it remained strongly negative throughout the 1990s, reaching its lowest point in the early 2000s, but that from 2005 onward it began an almost uninterrupted upward trend. After a brief decline during 2017–2019, net migration increased again to the point that by 2023, Latin America and the Caribbean had only -0.5 net migrants per 10,000 inhabitants: one quarter of what it had been in the early 2000s.

Figure 2: Net Migration in Latin America and the Caribbean (1990-2023)

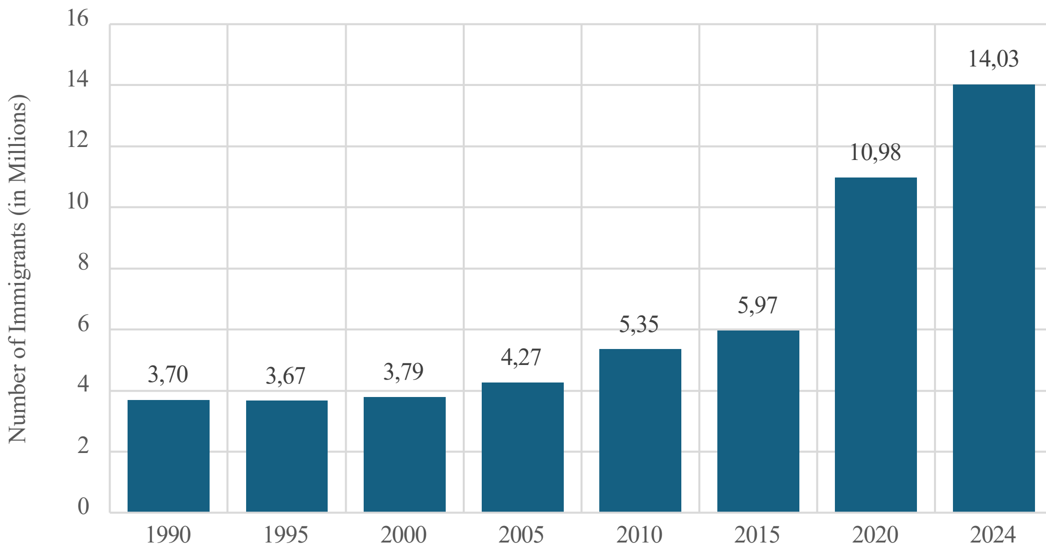


Note: Figure 2 presents the evolution of net migration in Latin America and the Caribbean from 1990 to 2023. Data from the UN Population Division (2025).

Although, on average, the region still remains a place that produces more migrants than it receives, this new trend of higher net migration is evidence that migration patterns are changing.

Theoretically, net migration in Latin America may be increasing for two reasons:
(1) the number of immigrants received by Latin American countries is increasing, or (2) the number of Latin Americans emigrating from the region is decreasing. To assess which phenomenon is dominating, it is useful to analyze migration flows according to their origin and destination. In particular, the evolution of migration within Latin America: immigrants whose origin is in one Latin American country and whose destination is another Latin American country.
Figure 3 presents the evolution of this variable every five years, from 1990 to 2024. The data suggest that the number of immigrants whose origin and destination are both within Latin American countries has increased, with 2015 serving as a turning point. In particular, it can be observed that during the 1990s, the number of immigrants within Latin America remained stable at around 4 million, increasing modestly to 6 million by 2015. However, from 2010 to 2020, the number of immigrants nearly doubled, and by 2024, it had almost tripled.

Figure 3: Migration Within Latin America, 1990-2024



Note: Figure 3 presents the evolution of migration within Latin America (with both origin and destination in a Latin American country) between 1990 and 2024. Data from the UN Population Division (2025).

One potential explanation is linked to the Venezuelan migration crisis, which intensified beginning in 2014–2015. The most recent estimates suggest that by May 2024, it had accumulated a total of 7.7 million Venezuelans who had emigrated from the country (UNHCR, 2025a). This scale is unprecedented for a country in peacetime when compared with other contemporary migration crises. For example, the war in Syria, which began in 2011, has resulted in 4.8 million refugees (UNHCR, 2025b), while the war in Ukraine, which began in 2022, has resulted in 6.8 million refugees (UNHCR, 2025c).

Table 1 assesses Venezuelan migration to different continents and the increase in the number of Venezuelan immigrants in 2024 relative to 2010. Although the number of Venezuelan immigrants has increased across all continents, the differences in magnitude are significant. In Oceania, Europe, and North America, the number of Venezuelan immigrants increased by a maximum factor of 3.8. However, in Latin America, the increase was 60.1 times. This reflects one of the most important changes in the history of migration within the region.

Table 1: Increase in Venezuelan Immigration Around the World, 2010-2024

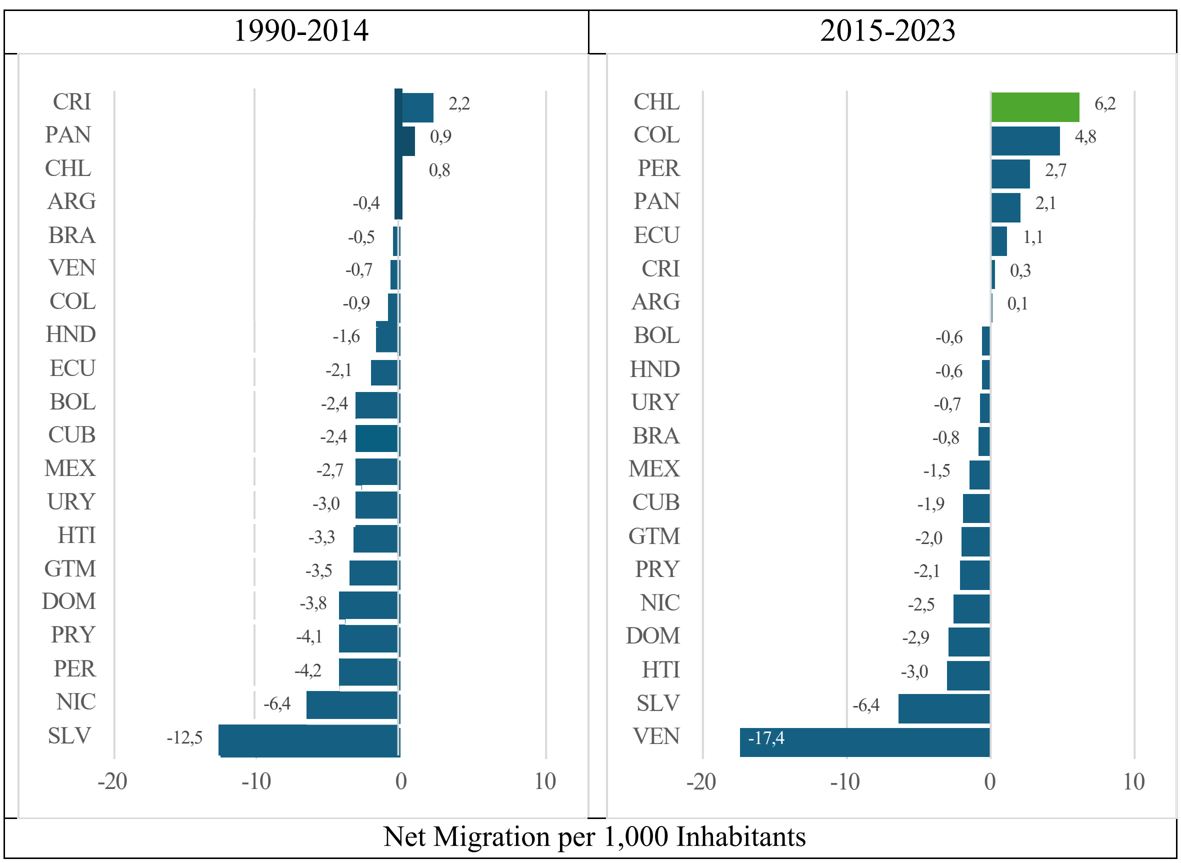
Continent	Number of Venezuelan Immigrants in the Year			Growth Factor, 2010–2024
	2010	2015	2024	
Oceania	3.324	5.771	8.402	2,5
Europe	219.879	243.210	708.587	3,2
North America	210.609	295.057	797.213	3,8
Latin America	113.328	210.832	6.806.117	60,1

Note: Table 1 presents the increase in Venezuelan immigrants in 2024 relative to their number in 2010 across selected continents. Data from the UN Population Division (2025).

Finally, Figure 4 presents a comparison of the average net migration of Latin American countries before and after the Venezuelan exodus. Moreover, since net migration is measured per 1,000 inhabitants, this variable also reflects the intensity of the migration shock relative to each country's population.

Between 1990 and 2014, regional migrants came primarily from Central American countries such as El Salvador and Nicaragua. However, between 2015 and 2023, Venezuela became established as the main country driving migration flows in Latin America. Consequently, there is evidence of an increase in the number of Latin American countries with positive net migration. In this context, Chile (highlighted in green) became the country with the highest net migration during this period.

Figure 4: Net Migration (per 1,000 Inhabitants) in Latin America, Pre- and Post-Venezuelan Exodus



Note: Figure 4 presents a comparison of average net migration, per 1,000 inhabitants, across Latin American countries before and after the onset of the mass Venezuelan exodus in 2015. Countries are identified by their 3-letter ISO code, and for greater readability, Chile has been highlighted in green. Data from the UN Population Division (2025).

3. History and Evolution of the Migration Phenomenon in Chile

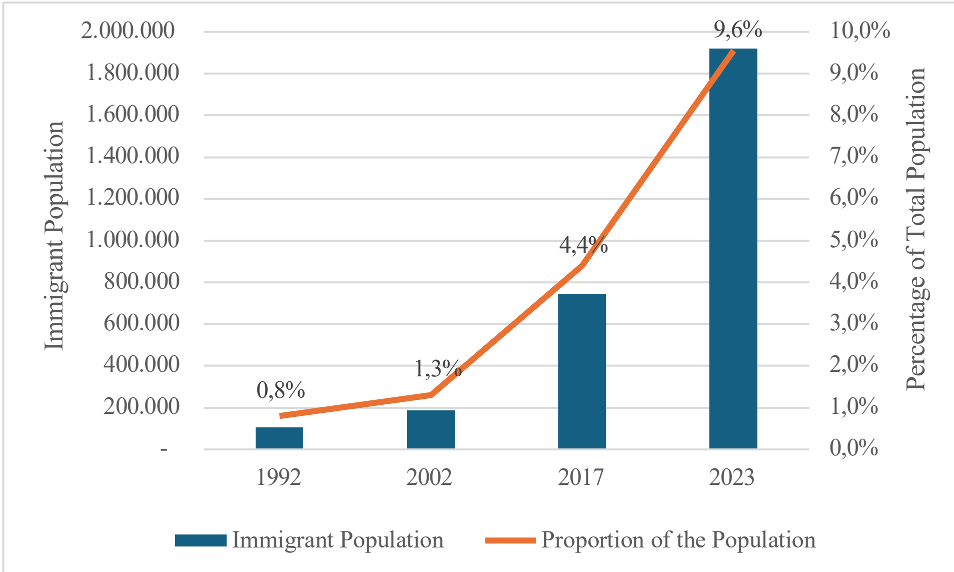
Throughout its history, Chile has received diverse groups of immigrants. In the 19th century, the Chilean State promoted the arrival of European immigrants (Germans, British, Croatians, among others), motivated by the settlement of these groups in remote territories that had recently been incorporated into the Chilean State. In the early 20th century, Chile also received significant Palestinian immigration, to the extent that today the largest Palestinian community outside the Middle East is in Chile.

However, during the 21st century, the period for which the most statistical data are available, migration flows have come predominantly from the Americas. At the same time, Chile's migration legislation has evolved. Until 2021, immigration in Chile was regulated under Law No. 1,094, enacted in 1975. This law prohibited the entry of foreigners engaged in human trafficking, drug trafficking, arms trafficking, or other illicit activities, as well as those with criminal convictions. During the 1990s and 2000s, Chile adapted to several international agreements on migration. In 1993, it adhered to the UN International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families. In 1996, Law No. 19,476 linked the concept of refugee status to international conventions, which was further reinforced through Decree No. 342 in 2005 and Law No. 20,430 in 2010 (Jarufe, 2018a). Simultaneously, migration regularization processes were carried out in 1997, benefiting 44,000 foreigners, and in 2007, benefiting 20,000 immigrants (Jarufe, 2017).

Figure 5 presents the number and proportion of immigrants in Chile from 1992 to 2023 using data[2] from the National Statistics Institute (INE). From 1992 to 2002, immigration remained stable at around 150,000 immigrants, representing 1% of the population. However, by 2017 this figure had quadrupled, and by 2023 the immigrant population had reached 2 million people, accounting for nearly 10% of the Chilean population.

Figure 5: Evolution of the Immigrant Population in Chile, 1992-2023

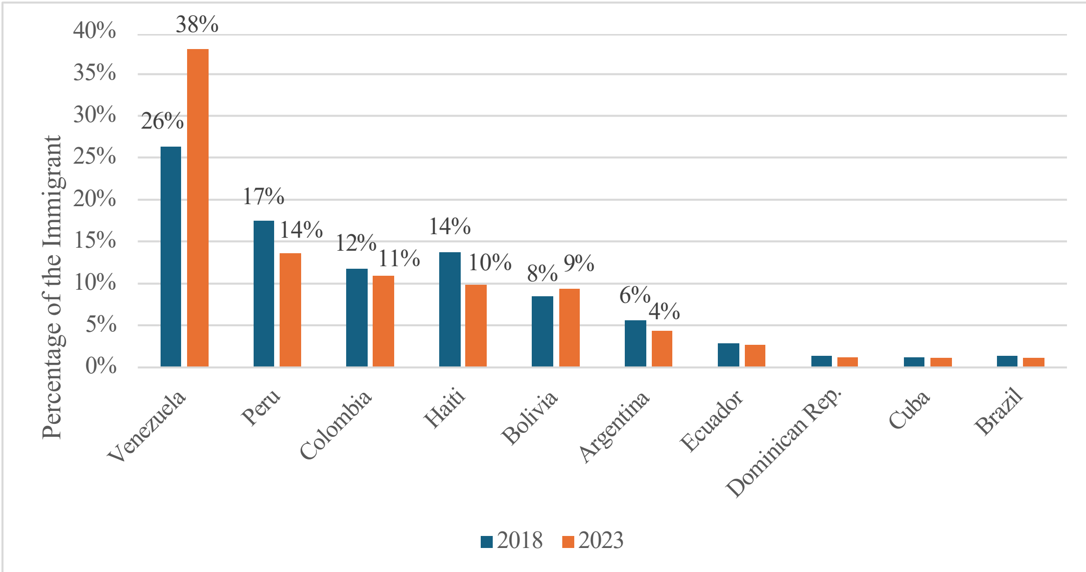
[2] It is important to note that, as a general rule, statistics on the immigrant population in Chile produced by INE and other institutions do not include the irregular immigrant population in the country.



Note: Figure 5 presents the evolution of the immigrant population in Chile, both in total number and as a proportion of the country's total population. Data for 1992–2017 come from Demographic Statistics (INE, 2025a), while data for 2023 come from the Report on the Estimation of Foreign Population in 2023 (INE, 2024).

INE, together with the National Migration Service (SERMIG), provides data on the countries of origin of immigrants in Chile since 2018. Figure 6 presents the ten largest immigrant groups in Chile according to their country of origin, indicating the share of the country's immigrant population they represented in 2018 and 2023. It can be observed that in both years, the largest groups were from Venezuela, Peru, Colombia, Haiti, Bolivia, and Argentina, although their proportions changed over time. Between 2018 and 2023, the proportion of Venezuelans increased from 26% to 38% (reaching nearly 730,000 immigrants from Venezuela), while the proportion of Peruvians declined (from 17% to 14%), Colombians (from 12% to 11%), Haitians (from 14% to 10%), and Argentinians (from 6% to 4%).

Figure 6: Number of Immigrants by Country of Origin as a Proportion of the Immigrant Population in Chile (2018 y 2023)



Note: Figure 6 presents the number of immigrants in Chile by country of origin as a proportion of the immigrant population in Chile in 2018 and 2023. In 2018, the countries included here represented 90% of the immigrant population, while in 2023 they accounted for 92%. Data from SERMIG (2025).

UN statistics make it possible to estimate migration flows prior to 2018 and complement the previous analysis. Table 2 presents the number of immigrants in 2010, 2015, and 2020 from the six countries with the largest immigrant populations shown in Figure 6: Venezuela, Peru, Colombia, Haiti, Bolivia, and Argentina.

Immigrants from Argentina, Bolivia, and particularly Peru already had large communities in Chile by 2010. Among these three groups, Bolivians experienced the greatest growth over the following 10 years, increasing from 23,000 to 120,000, while Argentine and Peruvian immigration showed more moderate growth.

The dynamics began to change in 2015. First, Haitian immigration, which was almost nonexistent in 2010, increased from 2,000 to 27,000. There was also an increase in Colombian immigration, rising from 13,000 to 55,000. Venezuelan immigrants recorded the smallest increase at that stage. However, five years later, by 2020, Venezuelans had become by far the largest immigrant group. This is something that INE data did not allow to be captured precisely, since they only begin in 2018: Venezuelan immigration in Chile increased significantly between 2015 and 2020.

In summary, immigration to Chile in the early 2000s came primarily from the three neighboring countries (Argentina, Peru, and Bolivia), which constituted most immigrants in the country. Beginning in 2015, there was a shift toward greater migration flows from Colombia, Haiti, and above all Venezuela. As a result, today most immigrants in Chile come from Venezuela and Peru.

Table 2: Migration Flows to Chile, 2010–2020

Country	**Immigrants from That Country Living in Chile in the Year**		
	2010	**2015**	**2020**
Argentina	58.190	65.360	76.640
Bolivia	23.413	52.293	119.938
Peru	128.416	172.661	232.904
Haiti	2.345	26.672	181.271
Colombia	13.001	55.757	161.106
Venezuela	20.690	58.302	444.618

Note: Table 2 presents estimate of migration to Chile from Argentina, Bolivia, Peru, Haiti, Colombia, and Venezuela in the years 2010, 2015, and 2020. Data from the UN Population Division (2025).

Finally, it is worth noting that the increase in the proportion of Venezuelans coincided with changes in Chilean migration legislation for immigrants from that country. In 2018, President Sebastián Piñera announced the creation of the Democratic Responsibility Visa (VRD) for Venezuelan citizens wishing to enter Chile who did not have a criminal record. This visa could be processed at the Chilean consulate in Caracas, was valid for one year, and could be extended (Jarufe, 2018b). Thus, on April 18, 2019, Chile formalized the agreement established in the Quito Declaration on Human Mobility of Venezuelan Citizens in the Region and began accepting expired Venezuelan identification documents issued since 2013 as valid for entry into Chile. On June 20 of that same year, a tourist visa process was established, and on August 19, instructions were issued to grant safe-conduct permits to Venezuelan citizens. Finally, in 2021, Law No. 21,325 established the National Migration Service (SERMIG) as the new authority responsible for regulating immigration to Chile, replacing the former Department of Foreign Affairs and Migration.

4. Sociodemographic Profile of Migrants in Chile

Migration flows to Chile have not been evenly distributed across the national territory. The regional distribution of immigrants in Chile responds, on the one hand, to the distribution of the Chilean population, concentrated in the Metropolitan Region, and on the other hand, to the fact that most immigrants enter Chile through the far north of the country. Table 3 presents, for each region of Chile from north to south, the total immigrant population. In addition, it includes the proportion relative to the regional population to approximate the intensity of the migration phenomenon in that region, along with the share of Chile's total immigrant population.

Regarding the total number of immigrants, they are concentrated in the Metropolitan Region, which is expected given that the distribution of the Chilean population follows the same pattern. Accordingly, more than 1 million immigrants are concentrated in the Metropolitan Region, accounting for 56.8% of the immigrant population in Chile. In proportional terms, immigrants represent 13% of the population of the Metropolitan Region.

In the far north of the country, from Arica and Parinacota to Antofagasta, although the number of immigrants is much lower (and therefore also their share of the total immigrant population in Chile), migration flows relative to the regional population have been higher. The Tarapacá Region has the highest proportion of immigrant population (22%), such that 1 in every 5 inhabitants is an immigrant. Between Arica and Antofagasta, on average, 18% of the population is made up of immigrants. Finally, immigration has been lower in the southern part of the country, from O'Higgins to Magallanes, where immigrants account for between 2% and 7% of the regional population.

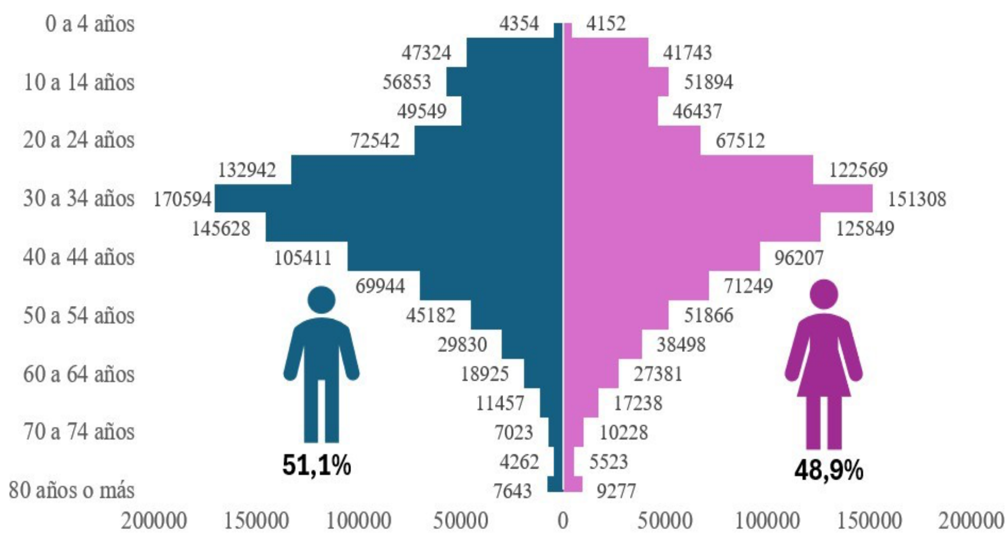
Table 3: Immigration in Chile at the Regional Level (2023)

Region	**Immigrant Population**	**Proportion of the Regional Population**	**Proportion of the Immigrant Population in Chile**
Arica y Parinacota	36.925	14%	1,9%
Tarapacá	86.526	22%	4,5%
Antofagasta	128.744	18%	6,7%
Atacama	27.266	9%	1,4%
Coquimbo	48.871	6%	2,5%
Valparaíso	122.433	6%	6,4%
Metropolitana	1.089.049	13%	56,8%
O'Higgins	60.238	6%	3,1%
Maule	52.954	5%	2,8%
Ñuble	14.314	3%	0,7%
Biobío	50.463	3%	2,6%
La Araucanía	25.227	2%	1,3%
Los Ríos	9.379	2%	0,5%
Los Lagos	37.720	4%	2%
Aysén	4.555	4%	0,2%
Magallanes	12.216	7%	0,6%

Note: Table 3 presents the regional distribution of the immigrant population in Chile as of 2023. For each region, it reports the total immigrant population, the proportion of the regional population represented by immigrants, and the share of Chile's total immigrant population. Authors' own elaboration based on immigrant population data from SERMIG (2025) and regional population projections from INE (2025b).

Figure 7 presents the age and sex distribution of immigrants in Chile through their population pyramid. Most immigrants are young, with 62% being between 20 and 44 years of age, and they are distributed relatively evenly between men (51.1%) and women (48.9%).

Figure 7: Population Pyramid of Immigrants in Chile, 2023



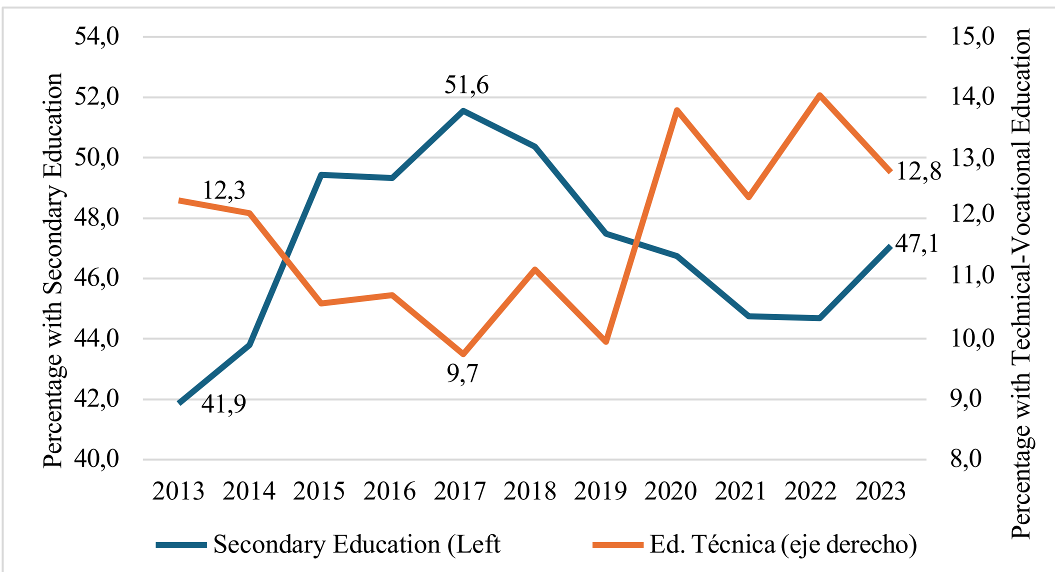
Source: Authors’ own elaboration based on data from SERMIG (2025).

To characterize the educational level of immigrants, the Supplementary Income Survey (ESI) for the years 2013 to 2023 will be used. This survey is a complementary module of the National Employment Survey (ENE) conducted by INE. It is carried out once a year during the October–December quarter in all regions of Chile, covering both urban and rural areas. Its objective is to characterize the labor income of individuals classified as employed in the ENE, as well as income from other occupation(s) different from the main occupation, both at the national and regional levels. This survey contains a single question referring to the respondent’s migration status, which asks about their nationality. In this way, we can classify as migrants all those who report a nationality other than Chilean.

ESI respondents can report nine different educational levels, ranging from having never attended school to holding a doctoral degree. For simplicity, these are standardized into four possible educational levels: (1) secondary education,[3] (2) technical-vocational education, (3) university education, and (4) postgraduate education.

Figure 8 presents the percentage of immigrants with secondary education and those with technical-vocational education. The proportion of immigrants with secondary education shows two periods: first increasing from 41.9% to 51.6% between 2013 and 2017, but then beginning to decline, with a brief recovery in 2022–2023, such that by 2023 it stood at 47.1%. This is the opposite pattern to that of technical-vocational education, which first declined from 12.3% to 9.7% and, starting in 2019, increased again to 12.8% by 2023. At first glance, this suggests that the educational level of immigrants has tended to improve since 2017.

Figure 8: Percentage of Immigrants with Secondary or Technical-Vocational Education, 2013-2023

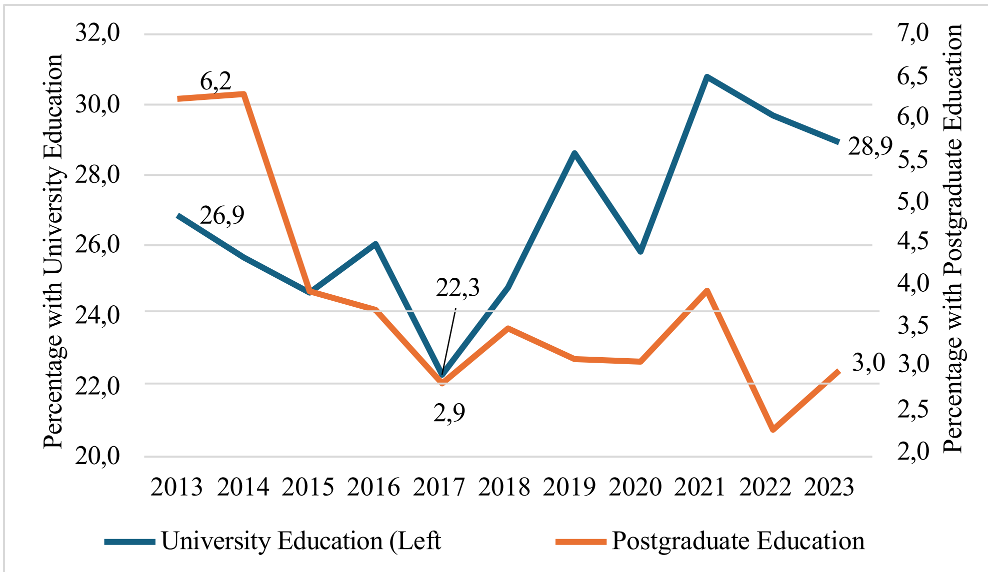


Source: Authors' own elaboration based on data from the Supplementary Income Survey, years 2013–2023 (INE, 2025c).

In the levels of university and postgraduate education shown in Figure 9, two periods can again be distinguished. From 2013 to 2017, both immigrants with a university degree and those with postgraduate education declined, which was later reversed, but only for university education. The most highly qualified immigrants with postgraduate education have been reduced by half: in 2013, they represented 6% of respondents, while by 2023 they accounted for only 3%.

[3] The data are restricted exclusively to respondents aged 18 years or older for consistency, since individuals under legal age would not yet have been able to complete secondary education.

Figure 9: Percentage of Immigrants with a University Degree or Postgraduate Education, 2013–2023



Source: Authors' own elaboration based on data from the Supplementary Income Survey, years 2013–2023 (INE, 2025c). Immigrants with postgraduate education include both those who report having postgraduate studies and those who report holding a doctoral degree.

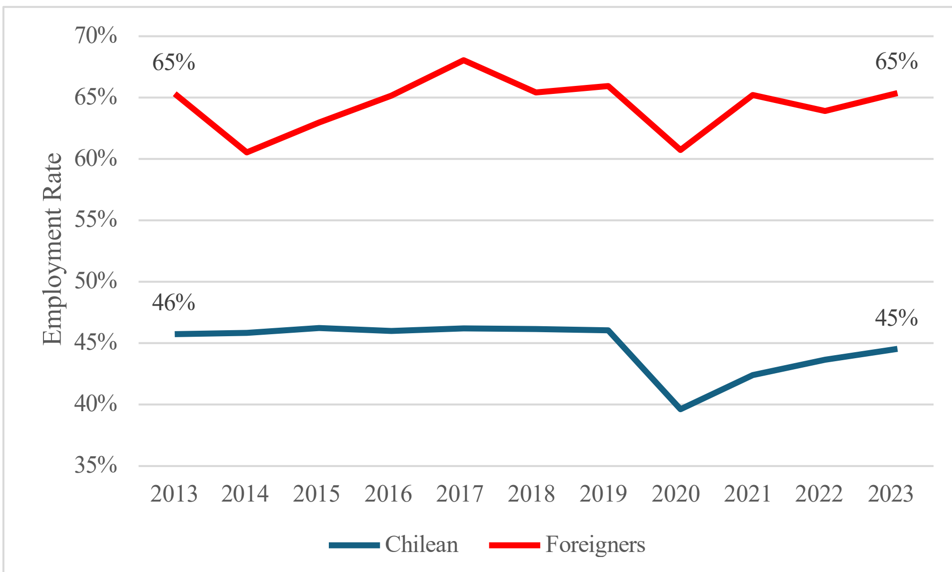
Analyzed jointly, the data suggest that in the first period, from 2013 to 2017, migration flows were more polarized: one group of immigrants was initially highly qualified, with postgraduate education, while the number of immigrants with secondary education was also increasing. Beginning in 2018, the educational profile appears to "moderate toward the center," meaning that the proportion of immigrants with technical-vocational or university education increased, while the proportion of immigrants with only secondary education or postgraduate education declined.

5. Integration of Migrants into the Labor Market

To characterize the integration of immigrants into the Chilean labor market, the ESI is complemented with the National Socioeconomic Characterization Survey (CASEN), developed by the Ministry of Social Development. Unlike the ESI, CASEN is not conducted annually, but rather every two or three years, with an interruption during the pandemic. CASEN has been available since 1990, but only since 2013 has it asked respondents about their nationality in order to classify them as immigrants. Due to all of the above, CASEN data from the years 2013, 2015, 2017, and 2022, specifically its household income data, will be used to complement the ESI.

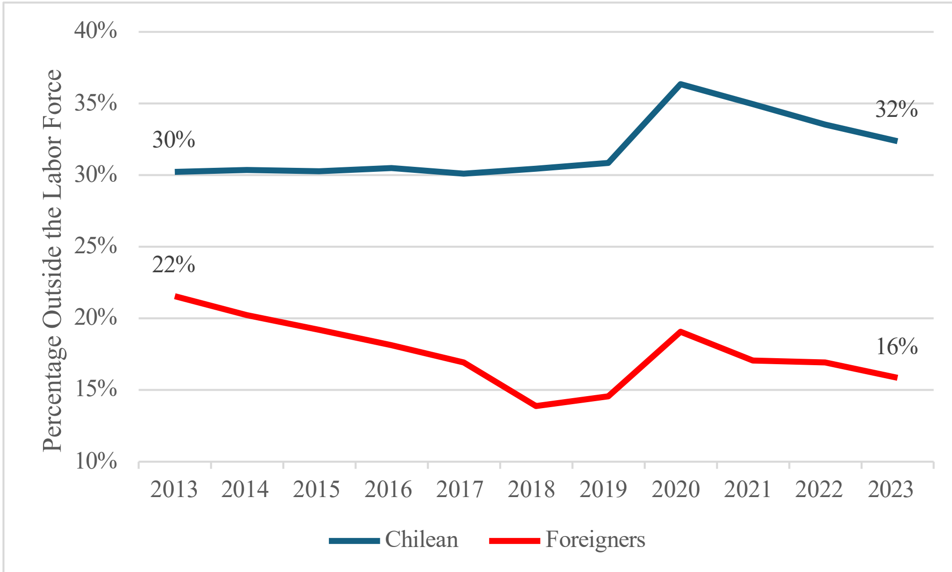
A first characteristic of immigrants in the labor market is that their employment rate (the proportion of working-age individuals who are employed) is significantly higher than that of Chileans. Figure 10 shows that this gap has existed throughout the entire period, something already documented in previous studies. Likewise, Figure 11 shows that a higher proportion of Chileans report being outside the labor force (working-age individuals who are neither employed nor seeking employment) at the time they were surveyed. It is interesting to note that both gaps have widened since 2020, which could be explained by the fact that most of the immigrant population is young and of working age, making them proportionally more active than the Chilean population, which is aging.

Figure 10: Employment Rate of Chileans and Foreigners, 2013-2023



Source: Authors' own elaboration based on data from the Supplementary Income Survey, years 2013–2023 (INE, 2025c).

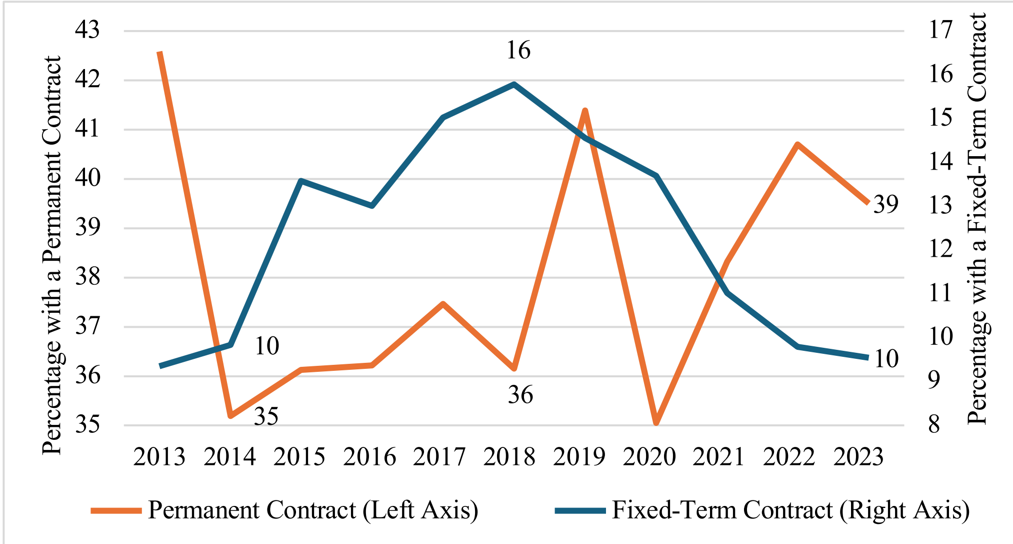
Figure 11: Percentage Outside the Labor Force, 2013-2023



Source: Authors' own elaboration based on data from the Supplementary Income Survey, years 2013–2023 (INE, 2025c).

The ESI survey contains additional information on the type of contract, formality, and hours worked by immigrants. Contracts can be of two types: permanent or fixed-term. Figure 12 identifies, broadly speaking, two periods in the type of contracts held by immigrants. From 2014 to 2018, the percentage of immigrants with a permanent contract remained below 38%, while the number of immigrants with a fixed-term contract increased rapidly. In 2018, these trends reversed, especially for fixed-term contracts, which have steadily declined up to the present. This suggests that prior to 2018, immigrant employment had become predominantly temporary, but since the pandemic, it has taken on a more permanent form.

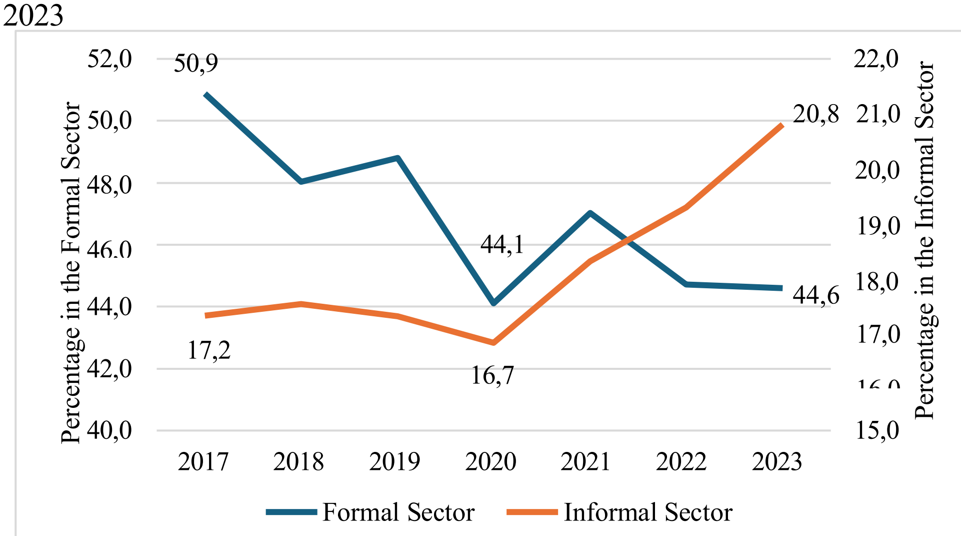
Figure 12: Type of Contract of Immigrant Workers in Chile, 2013-2023



Note: Authors' own elaboration based on ESI data, years 2013 to 2023 (INE, 2025c).

Another dimension is the formality of immigrant employment. In this regard, Figure 13 shows a clear trend: the formal sector has declined, while the informal sector has increased. From 2017 to 2019, the rate of employment in the formal sector fell from 50.9% to 44.1%, and beginning in 2020, the informal sector grew from 16.7% to 20.8% of workers.

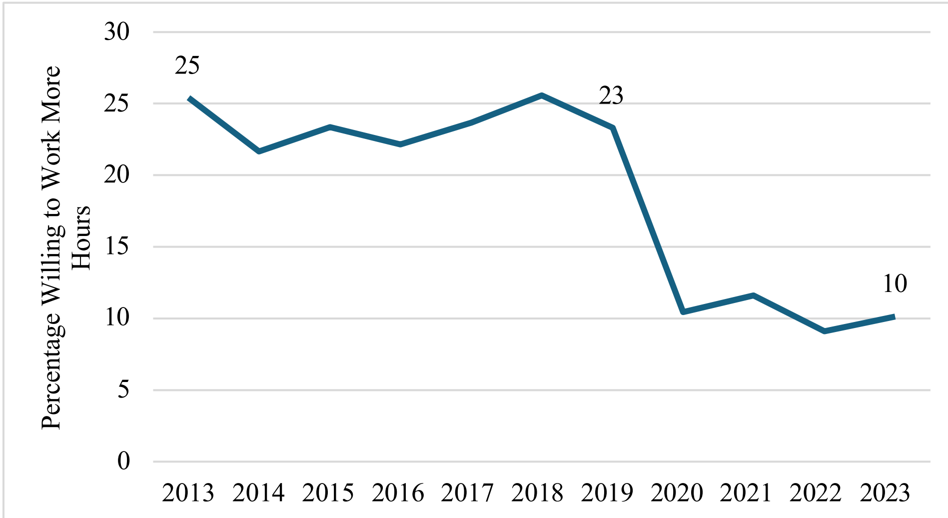
Figure 13: Rates of Formal and Informal Employment Among Immigrants, 2017-2023



Note: Authors' own elaboration based on ESI data, years 2013 to 2023 (INE, 2025c).

It is worth noting that the number of hours worked per week by immigrants has remained stable, ranging between 42 and 44 hours throughout the entire period. What has changed, however, is their willingness to work additional hours. As shown in Figure 14, in 2013, 25% of respondents reported being willing to do so, and this remained unchanged until 2019, after which this willingness began to decline. Currently, only 10% would be willing to work more hours.

Figure 14: Willingness of Immigrants to Work More Hours, 2013-2023



Note: Authors' own elaboration based on ESI data, years 2013 to 2023 (INE, 2025c).

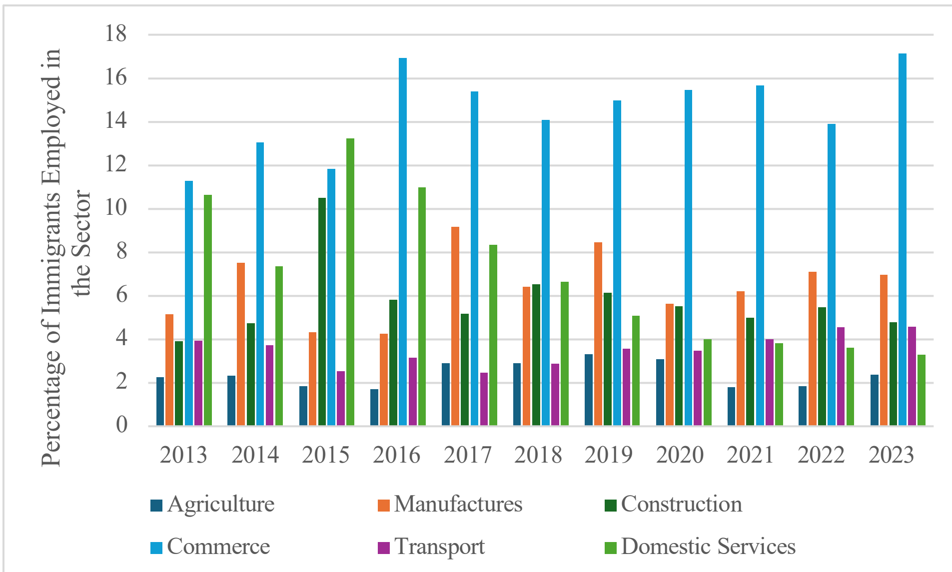
In summary, there is moderate evidence that immigrant employment has become more precarious. Informality rates have increased sharply since 2019 and the COVID-19 pandemic. Nevertheless, those immigrants who are employed under a contract are increasingly doing so under permanent contracts. In other words, there is greater polarization in the immigrant labor market: one segment is relegated to the informal sector with limited prospects for improvement, while another is formally integrated and enjoys better contractual conditions.

Greater informality may also be explained by the sectors in which immigrants are employed. Using the ESI, six sectors with the highest levels of employment among immigrants were selected for simplicity: agriculture, commerce, manufacturing, transportation, construction, and domestic services. Figure 15 presents the percentage of immigrant respondents working in each sector, and the first clear finding is that commerce has historically dominated immigrant employment, accounting for around 15% of jobs. This sector, along with the next two most relevant sectors, construction and domestic services, is characterized by greater room for informal practices, an observation that was also noted in the results of the 2022 CASEN survey.

It is worth highlighting the decline in domestic services since 2015. Initially, both construction and domestic services were very important sectors for immigrant employment at the beginning of the period.

For example, domestic services came to account for more than 12% of jobs in 2015. However, they began to decline afterward. This could be due to a reallocation toward manufacturing, which increased from 2015–2016 to 2017–2019, or to a reallocation toward the transportation sector, which declined during 2015–2018 but has grown since then. Agriculture has remained stable, accounting for 2–3% of immigrant employment throughout the period.

Figure 15: Sectoral Distribution of Immigrant Employment, 2013-2023



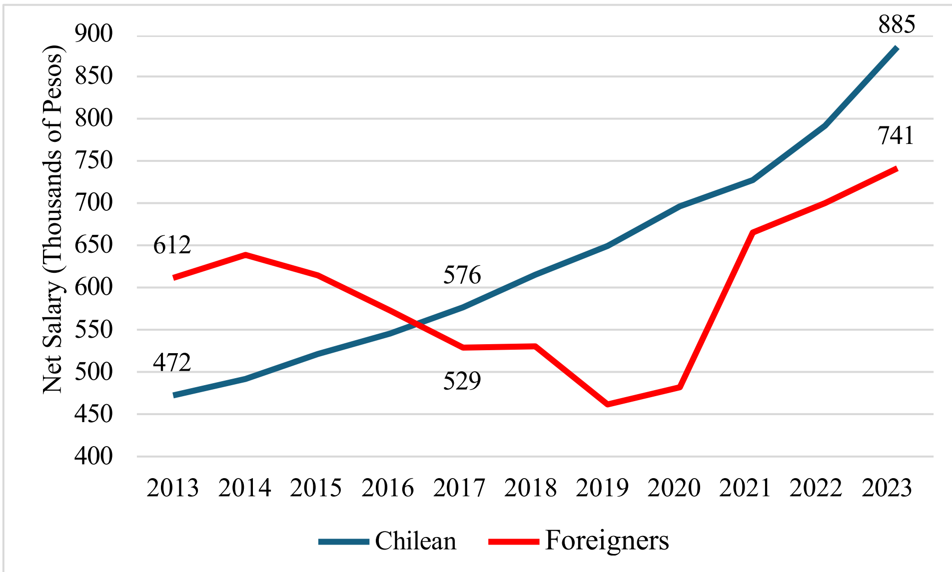
Note: Authors' own elaboration based on ESI data, years 2013 to 2023 (INE, 2025c). To identify the economic sector, the branch of economic activity according to the survey's CAENES classification is used. Since the possible responses to this question vary from year to year, particularly for domestic services, they have been standardized across the entire period.

The final dimension to analyze is wage gaps between immigrants and Chileans. In this regard, both the ESI and CASEN suggest that, initially in 2013, foreigners had higher incomes than Chileans, but that this has reversed in recent years. Figure 16 shows that in 2013, foreigners had a net salary of 612,000 pesos, more than 100,000 pesos above Chilean households. In Figure 17, the same pattern is observed for total household income in 2013: for foreigners, it was 1,100,000 pesos, while for Chileans it was 860,000 pesos.

In both income variables, this trend reversed in the following years. Between 2015 and 2020, the net salary of foreigners declined while total household income stagnated, whereas the incomes of Chileans increased. By 2021–2023, it was Chileans who had higher incomes in both variables.

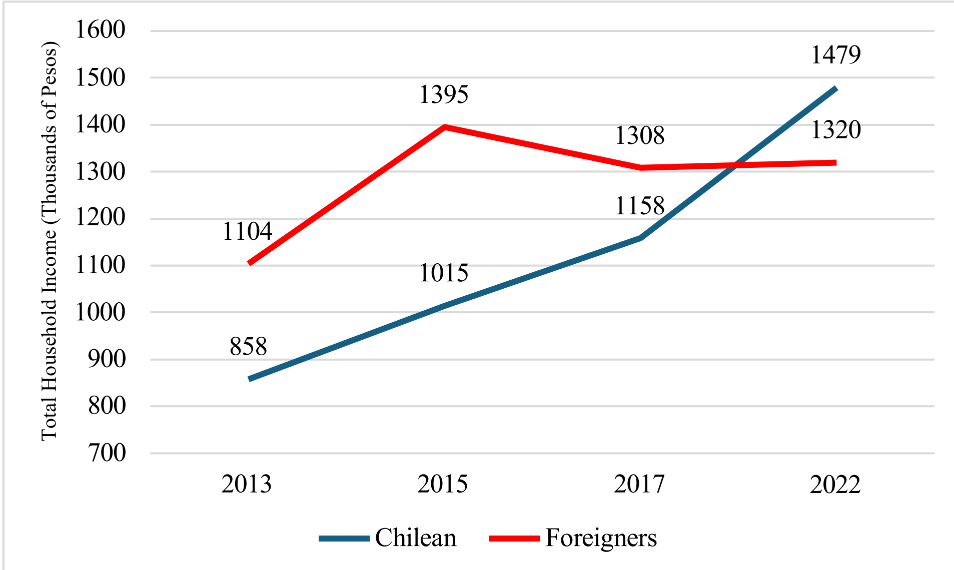
This is consistent with CASEN reports, which identified an increase in poverty among immigrants in 2020. In addition, Chileans' incomes were observed to increase by 6.6% between 2017 and 2022, while those of foreigners declined by 16%. In sum, the relative position of immigrants within the Chilean economy has deteriorated.

Figure 16: Net Salary of Chileans and Foreigners, 2013-2023



Source: Authors' own elaboration based on ESI data, years 2013 to 2023 (INE, 2025c).

Figure 17: Total Household Income of Chilean and Foreign Households (2013-2022)



Note: Authors' own elaboration based on CASEN surveys from the years 2013, 2015, 2017, and 2022 (Ministry of Social Development, 2025).

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