
[Download](#)

[Other Working Papers](#)

Keep in mind

The series Working Papers on Economics is published by the Office for Economic Studies at the *Banco de la República* (Central Bank of Colombia). It contributes to the dissemination and promotion of the work by researchers from the institution. This series is indexed at Research Papers in Economics (RePEc).

On multiple occasions, these works have been the result of collaborative work with individuals from other national or international institutions. The works published are provisional, and their authors are fully responsible for the opinions expressed in them, as well as for possible mistakes. The opinions expressed herein are those of the authors and do not necessarily reflect the views of Banco de la República or its Board of Directors.

AUTHOR OR EDITOR

[Leonardo Fabio Morales](#) [Leonardo Bonilla-Mejía](#) [Jose Pulido](#) [Luz A. Flórez](#) [Didier Hermida](#) [Karen L. Pulido-Mahecha](#) [Francisco Lasso-Valderrama](#)

The series *Borradores de Economía* (Working Papers on Economics) contributes to the dissemination and promotion of the work by researchers from the institution. On multiple occasions, these works have been the result of collaborative work with individuals from other national or international institutions. This series is indexed at Research Papers in Economics (RePEc)

Publication Date:
Thursday, 3 of September 2020

The opinions contained in this document are the sole responsibility of the author and do not commit Banco de la República or its Board of Directors.

Abstract

We assess the effect of the Covid-19 pandemic and the lockdown of some economic sectors on the Colombian labor market. We exploit the variation between excluded and non-excluded sectors from the lockdown, as well as the timing of the restriction policies, to identify the effect of sector-specific restriction policies. These restrictions had negative effects on employment, accounting for approximately a quarter of the total job loss between February and April of 2020; the remaining three quarters of the job losses could be attributed to the regional patterns of the disease spread, and other epidemiological and economic factors affecting the whole country during this period. Therefore, we should expect important employment losses even in the absence of such restrictions. In contrast, we find no significant effect of sector-specific restrictions on average worked hours or wages, indicating that most of the adjustment of the labor market took place in the extensive margin. Moreover, sectorspecific restrictions only affect salaried workers, while self-employment is more responsive to the disease spread.