LABOUR FORCE

SUMMARY OF THE THEMATIC REPORT

TIMOR-LESTE POPULATION & HOUSING CENSUS 2015
Labour force participation, women & equal opportunities, youth employment & unemployment

The 2015 Census was conducted by the General Directorate of Statistics (Direcção Geral de Estatística, GDE) of the Ministry of Finance.

The census provides information on the economic characteristics of the working age population including employment and unemployment, status in employment, industry and occupation. The data are also analyzed by municipality, by sex, and with respect to sub-populations including youth and working children.

Increased working age population & labour force participation

The working age population is defined as the population in private households aged 15 and above. The population increased from 613,782 in 2010 to 717,553 in 2015, corresponding to an average annual growth rate of 3.2%, a rate higher than that of the population of all ages (2.3%) between 2010 and 2015.

The labour force is the sum of the employed and unemployed. The labour force participation rate is the ratio of the labour force to the working age population, expressed in percentage terms. The labour force participation rate increased from 54.7% in 2010 to 56.1% in 2015, the increase was higher for women than for men.

<table>
<thead>
<tr>
<th>No. &amp; Growth rate of working age population (2010 and 2015 Censuses)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population</td>
</tr>
<tr>
<td>Census 2010</td>
</tr>
<tr>
<td>Census 2015</td>
</tr>
</tbody>
</table>

Labour force participation rate by sex and age group (2010 and 2015 Censuses)
More employment

There were 383,331 employed persons in 2015, against 341,694 in 2010, representing an average annual growth rate of 4.8%. The employment-to-population ratio (percentage of working age population that is employed) was 53.4% in 2015, 4% higher than in 2010 (49.4%). The employment-to-population ratio of Timor-Leste however, remains low compared with corresponding figures for 2015 in other countries in the region (63.5% in Indonesia, 60.6% in the Philippines and 70.9% in Thailand\(^1\)). As for the employment-to-population ratio by municipality, Dili has the lowest ratio of 40.6%, followed by Lautem (49.6%) & Baucau (52.3%), whereas Oecusse has the highest ratio of 66.6%.

For the composition of the educational attainment of the employed population (aged 15-64 years), the proportion of employed persons with secondary & higher education (30.9%) was lower than that in the labour force (31.9%) which includes the unemployed. This demonstrates that the supply of labour was slightly more skilled than the demand for skilled labour.
Decreased unemployment rate

According to the 2015 Census, there were 19,333 unemployed persons in the country, equivalent to an unemployment rate\(^1\) of 4.8\%. The unemployment rates were higher among men than women across all age groups up to the age group 40-44 years old, and after that, the unemployment rates of men and women were the same. The same trend was observed in all municipalities except Dili where the female unemployment rate (10.8\%) was slightly higher than for males (10.5\%).

The percentage of unemployed persons who are actively seeking employment increased from 73\% in 2010 to 78\% in 2015. This indicates an increasing pressure on the labour market.

The 2015 Census also reveals that the unemployed population were more concentrated at the higher levels of educational attainment. While 36\% of the working age population has secondary or higher education, 48\% of the unemployed population has secondary or higher education.

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\(^1\) definition of unemployment includes persons not employed, seeking and available for employment as well as persons not employed, available for employment but not seeking work.
Increased Vulnerable Employment

Vulnerable employment is the sum of own-account workers & contributing family workers. It has slightly increased from 67.8% in 2010 to 68.4% in 2015. Data on status of employment by sex showed an increase of vulnerable employment among women from 72.2% in 2010 to 75.4% in 2015, and a slight decline among men from 65.7% in 2010 to 63.5% in 2015. Vulnerable employment was higher in rural areas than urban areas for both sexes.

Fewer women than men in managerial positions

In the 2015 Census, only 22.9% of managers were women, compared to 77.1% for men.

The index of occupational segregation by sex is low

The segregation of occupations by sex is measured as the extent to which labour markets are segregated into “male” and “female” occupations. The index ranges from 0 (no segregation) to 1 (complete segregation). The segregation index was 0.23 in 2015. This reflects the large concentration of employment in agriculture—a sector where “male” and “female” occupations tend to be more balanced.

% of vulnerable employment, by sex, 2010 and 2015 Censuses

<table>
<thead>
<tr>
<th>Occupation</th>
<th>Total</th>
<th>Men</th>
<th>Women</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chief executives, senior officials &amp; legislators</td>
<td>10,828</td>
<td>8,387</td>
<td>2,441</td>
</tr>
<tr>
<td>Administrative &amp; commercial managers</td>
<td>1,905</td>
<td>1,436</td>
<td>469</td>
</tr>
<tr>
<td>Total</td>
<td>12,733</td>
<td>9,823</td>
<td>2,910</td>
</tr>
<tr>
<td>Percentage</td>
<td>100.0%</td>
<td>77.1%</td>
<td>22.9%</td>
</tr>
</tbody>
</table>
High unemployment rate among youth

While the youth (aged 15-24 years) comprised about one-third of the working age population, they made up only 14% of the labour force. The youth comprised almost two-thirds of the unemployed.

A pattern was identified: the higher the level of educational attainment; the higher the unemployment rate. 7.4% of youth with no education and 9.3% of youth with non-formal education were unemployed; whereas the unemployment rate of youth with secondary education was 18.1% and for those with university education, the rate was 20.0%. Dili has the highest youth unemployment rate of 27%.

According to the 2015 Census, the proportion of youth not in employment, not in education or not in training (NEET) was 22.3%, 17.1% for men and 27.4% for women.
5.5% of children were working

There were 13,409 children in employment according to the 2015 Census, representing 5.5% of the population aged 10 to 17 years old, 6.0% among males and 5.1% among females.

The percentage of working children declined from 8.3% in 2010 to 5.5% in 2015, and remains significantly below the world average (13.8% for age group 5 to 17 years).

The percentage of working children declined in all municipalities, except Covalima between 2010 and 2015.

Key Findings

Compared to the 2010 Census...

⇒ The labour force participation rate increased from 54.7% in 2010 to 56.1% in 2015
⇒ The unemployment rate decreased from 9.5% in 2010 to 4.8% in 2015
⇒ Youth comprised 34% of the working age population
⇒ Almost two-thirds of unemployed people were youth, and 20.3% of youth were not in employment, not in education or not in training (NEET)
⇒ The percentage of working children decreased from 8.3% in 2010 to 5.5% in 2015
Timor-Leste Population & Housing Census 2015

https://www.mof.gov.tl/?lang=en
http://www.statistics.gov.tl/
http://timor-leste.unfpa.org/en