2022 Timor-Leste Population and Housing Census

Thematic Report on Labour Force

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Preface

The Population and Housing Census 2022, conducted by the Timor-Leste National Institute of Statistics (INETL) from 5 September to 5 October 2022, underscored our continuing commitment to decision-making grounded in robust data analysis. Utilizing modern technology in the form of tablets for data collection, the census laid the foundation for a comprehensive understanding of our nation's demographic landscape. Initial census basic tablets were released in the latter part of 2023, enriching our understanding of the demographic intricacies captured during Timor-Leste Population and Housing Census 2022. This publication, is one of several detailed thematic census reports, addressing internal and international migration. Crucial areas such as characteristics, origin and destination of internal and international migrants, duration of residence, reasons for migration and country of citizenship of residents in Timor-Leste serve as a cornerstone for informed policymaking. At this juncture, I would like to acknowledge the collective dedication of the INETL staff and the multistakeholder Census Technical Committee, led by Mr. Elias dos Santos Ferreira, President of INETL, I.P., in the successful completion of this census. Their tireless efforts steered the census process from its initiation to the release of this report. Gratitude is also extended to our development partners from the UN System, among them, the UNFPA, UNICEF, UNDP, UN Women, WFP and ILO, whose invaluable contributions have significantly enriched the census endeavour. Similarly, the support that we received from the Australian Bureau of Statistics (ABS) throughout the census process is also duly recognized. On behalf of the Ministra das Finanças, I would like to invite to all individuals with a keen interest in demographics and statistical data to leverage the insights presented in this publication. It is our hope that this compilation shall serve as reliable resource for informed discourse and evidence-based decision making in the realm of our country's national development.

Thank you.

Santina JRF Viegas Cardoso
Minister of Finance, RDTL

Acknowledgements

The Timor-Leste National Institute of Statistics (INETL), formerly the General Directorate of Statistics, implemented the Population and Housing Census 2022 under the slogan 'Our census, our future be part of it'. This was the first digital census conducted in the country and the fourth since independence in 2002.

The main report on the census results was released in May 2022. This report on evaluation of age and sex data is part of a series of further analysis of the census. This volume contains analysis of fertility and municipality at national, municipality, but also analysed by various socio-economic characteristics of the population. The other thematic reports that will be produced will be on evaluation of age and sex data mortality, migration, population projections, education, households and housing conditions, labour force and economic activity, disability, youth, gender and a census atlas.

The census was largely financed by the Government of Timor-Leste through the Ministry of Finance. Additional financial and material support in form of tablets and power banks, was provided by UNFPA, UN Women, UNDP, UNICEF, WFP and ILO. I would like to express my sincere gratitude for the unwavering support towards the census. Let me also thank a team of independent international monitors from the Australian Bureau of Statistics (ABS), who worked with us throughout the enumeration period, providing timely feedback to the census management team.

We are grateful for the support from the International Labour Organization (ILO) in producing this report. Special thanks go to Diego Rei, Employment and Labour Market Policy Specialist at the ILO Country Office for Indonesia and Timor-Leste, and Quentin Mathys, Labour Statistician at the ILO Headquarters, for their analysis and contributions.

I would like to acknowledge the invaluable technical support provided by UNFPA throughout the census process and specifically on the production of this report.

I would like to further express my appreciation to all members of the Census Technical Committee for their advice and guidance in the earlier phases.

The insights and guidance provided by the INETL team, led by, Silvino Lopes, the Director of System and Reports National Institute of Statistics Timor-Leste, have also been instrumental in shaping this analysis. I would also like to acknowledge the valuable input from UNFPA, especially Egidio da Costa, Population and Development Specialist and Angela Msosa, the census consultant, for reviewing the report and coordinating efforts on the census thematic analysis.

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List of acronyms

ICLS:	International Conference of Labour Statisticians
ILO:	International Labour Organization
INETL:	National Institute of Statistics Timor-Leste (Portuguese Spelling).
ISCED:	International Standard Classification Educational Development
ISCO:	International Standard Classification of Occupations
ISIC:	International Standard Industrial Classification
NEET:	Not in employment, education, or training (referred to youth)
PWD:	Person with disability
SDG:	Sustainable Development Goals
SNA:	System of National Accounts

1. Introduction

The Timor-Leste Population and Housing Census 2022 included questions aimed at determining people's labour market status and employment and unemployment characteristics of the population- the labour market module.[1]

The present report presents the main findings from the analysis of such module providing an overview of the country's labour market and distinguishing between the performance of the total population and that of selected groups within it (men, women, urban and rural habitants, persons with disabilities, youth, and adults).

After a summary of main findings, a first section with the main 'headline" labour market indicators provides a quick and easy to read snapshot of the labour market situation. Next, specific and more in-depth analysis provides further insights on: (i) the human capital profile of the labour force, (ii) the distribution and main characteristics of the employed population, (iii) the main features of unemployment-labour underutilization, (iv) the profile of the population outside the labour force and, to conclude, (v) the working children.

Important disclaimer

The labour market module of the Timor-Leste Population and Housing Census 2022 was designed to produce statistics compliant with the latest internationally recommended definitions of labour market concepts, as established by the 19th International Conference of Labour Statisticians (ICLS).

This report, presenting those statistics, thus follows the definition of employment (and all related ones, including unemployment) based on Resolution concerning statistics of work, employment and labour underutilization adopted during the 19th ICLS. This effectively means that, similarly to the Timor-Leste Population and Housing Census 2022 Main Report[2], and differently from previous censuses, fewer people are defined as 'employed', different people as 'unemployed' and more people as 'outside the labour force'. In addition, it must be noted that the labour module of the census 2022 is different from the 2015 one: in the latter, a self-identification question is used to identify those in employment while in the former the standard approach with several indirect questions is being used.[3] As a result of these two elements, throughout the current report, comparison with previous censuses and trend analysis is minimized and even then, interpretative caveats apply.

2. Main findings

- The analysis of the employment module of the Timor-Leste Population and Housing Census 2022 reflects a situation largely consistent with the one portrayed by the Labour Force Survey 2021[4]: an overall weak engagement (for pay or profit) in the labour market, which is even lower in rural areas, for women, youth and people with disabilities.
- The overall labour force participation rate is 35.9 per cent, with men (41.9 per cent) participating more than women (29.7 per cent). Youth participation is notably low at 16.7 per cent, and rural areas generally show lower engagement compared to urban areas.
- The employment-to-population rate for the whole population is 34.9 per cent, with men (40.7 per cent) having higher employment rates than women (28.8 per cent). The main industry of employment is agriculture, forestry, and fishing, especially among youth (22.9 per cent of total employment and older adults (33.6 per cent of total employment). Wholesale and Retail Trade is the largest employer for adults aged 25-54 (21.8 per cent of total

1 For general methodological presentation related to the 2022 Timor-Leste Population and Housing Census, the interested reader is invited to consult Chapter 1 and Chapter 2 of the document Timor-Leste National Institute of Statistics (2023) " Timor-Leste Population and Housing Census 2022 Main Report".

2 See INETL(2023:43) Timor-Leste Population and Housing Census 2022 Main Report.

3 See also INETL (2023:43).

4 See ILO (2023) "Timor-Leste Labour Force Survey 2021 Report". Such report adopted the standards put forward during the 19th ICLS.

employment). The incidence of industrial activities on total employment is minimal for all ages, with manufacturing, construction, and mining individually accounting for no more than 2.2 per cent of total employment for each age bracket. 65 per cent of the employed population is in self-employment. The women share of employment in managerial positions is 29.4 per cent.

- The unemployment rate is relatively low at 2.9 per cent (8,976 individuals), with youth unemployment at 5 per cent being the highest among demographic groups. As common, urban areas have a higher unemployment rate (3.5 per cent) compared to rural ones (2.6 per cent).
- A more complete indicator of labour underutilization, the combined rate of unemployment and potential labour force (LU3) stands at 6.8 per cent (17,846 individuals), indicating a higher portion of the population is either unemployed or not fully utilizing the labour potential while possibly being willing to engage in the labour force.
- A large segment of the working-age population (64.1 per cent, or 560,392 individuals) is outside the labour force, with higher rates in rural areas and among women. 32.4 per cent of those outside the labour force (97,523 individuals) are engaged in agricultural production for own-use and 93,776 (or 32.4 percent of the total) are the youth not in employment, education, or training.
- In 2022, there were 24,122 working children aged 10-17, representing 10 per cent of the child population of the same age, with a slight prevalence of boys over girls. Such figures represent a substantial increase in headcount and rates over 2015 (13,409 and 5.5 per cent respectively for the total child population) and over 2010 (8.3 per cent). 45.8 per cent of those children are employed, or at work, in agriculture, forestry, and fishing.

3. Headline labour market indicators

The headline labour market indicators presented in Table 1 reveal a situation largely consistent with the one portrayed by the Labour Force Survey 2021[5]: an overall weak engagement (for pay or profit) in the labour market, which is even lower in rural areas, for women, youth and people with disabilities. More specifically:

- **Labour force participation**. The labour force participation rate in the country (35.9 per cent) is still extremely low with man outperforming women (41.9 vs 29.7 per cent) and only 16.7 per cent of the youth aged 15 to 24 being active in the labour market. Population in rural areas appear to be less active in the labour market with respect to the urban counterpart (35 vs 38.1 per cent) due to the higher incidence of subsistence agriculture.
- Of the 15,453 persons with disability (PWDs)[6], 5,304 were economically active (34.3 per cent). The relatively high participation rate of persons with disability may be explained by the low coverage of social security benefits: ILOSTAT reports that only 21.6 per cent[7] of persons with severe disabilities were collecting disability social protection benefits in 2020, likely leaving active participation in the workforce and reliance on family as the only option to guarantee livelihood.
- **Employment ratio.** The employment to population ratio (34.9 per cent) follows closely the path of the labour force participation rate, with the value of the indicator for men being the highest (40.7 per cent vs 28.8 per cent for women) and the one for youth (15.8 per cent), the lowest. Urban dwellers show a higher employment to population ratio than rural ones (36.8 against 34.1 per cent) and persons with disability show a rate (33. 3 per cent) slightly below that of the general population.
- **Unemployment**. The unemployment rate in the country remains substantially low, with most of the population opting out of the labour force rather than actively seeking work. Youth unemployment rate (5 per cent) is the highest followed by that of women (3 per cent). Interestingly, virtually no person with disability engaged in active search and is available for work if not currently employed, driving the unemployment rate close to 0. The unemployment rate of urban population, 3.5 per cent, is higher than the one of rural population, 2.6 per cent, likely due to the higher number of job opportunities in urban areas pushing people to actively look for jobs rather than electing for remaining out of the labour force and/or engaging in subsistence agriculture.

5 See ILO (2023) "Timor-Leste Labour Force Survey 2021 Report". Such report adopted the standards put forward during the 19th ICLS.

6 Defined as those who have a lot of difficulty or cannot do at all at least one of the functional domains included in the question set "e59-65" of the census questionnaire.

7 See ILOSTAT Indicator "Persons with severe disabilities collecting disability social protection benefits (%)" Repository: Social Security Inquiry Database, download: 7/2024.

Table 1. Headline labour market indicators, by sex, area of residence, disability status, age, returning migration status - 19th ICLS

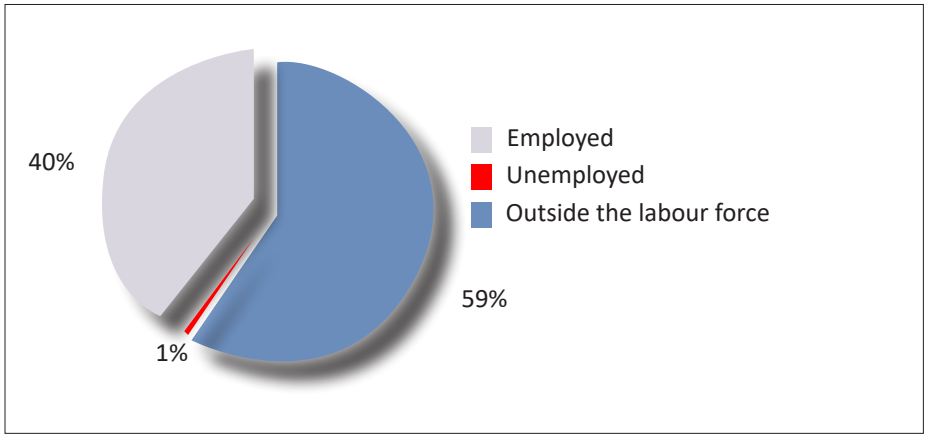
Indicator	Total	Male	Female	Urban	Rural	Persons without disability	Persons with disability	Youth (15-24)	Has lived Abroad
Working-age population	873,931	441,517	432,414	258,301	615,630	858,478	15,453	289,594	5,343
Population in the Labour force	313,539	184,901	128,638	98,355	215,184	308,235	5,304	48,252	3,205
Labour Force Participation Rate (%)	35.9	41.9	29.7	38.1	35.0	35.9	33.5	16.7	53.7
Employed population	304,563	179,834	124,729	94,920	209,643	299,277	5,286	45,727	3,155
Employment to Population Ratio (%)	34.9	40.7	28.8	36.8	34.1	34.9	33.3	15.8	59.0
Unemployed population	8,976	5,067	3,909	3,435	5,541	8,958	18	2,525	50
Unemployment Rate (%)	2.9	2.7	3.0	3.5	2.6	2.9	0.0	5.0	0.9
Outside the Labour Force population	560,392	256,616	303,776	159,946	400,446	550,243	10,149	241,342	2,138
Outside the labour force/ Inactivity Rate (%)	64.1	58.1	70.3	61.9	65.1	64.1	66.5	83.3	40.0

Source: Timor-Leste Population and Housing Census 2022

- **Out of the labour force.** Population outside the labour force is the bulk of the working age population in Timor-Leste with 560,392 individuals not in employment or actively looking for one 64.1 per cent of the total. Over 70 per cent of women appear outside the labour force against 58.1 per cent of men. Amongst those outside the labour force, 400,446 (71.4 per cent of the total) live in rural areas and 43 per cent (241,342) are youth aged 15 to 24 years old. Over 66 per cent of persons with disabilities are outside the labour force.
- **Living abroad.** Interestingly, having lived abroad (0.6 per cent of the working age population did so) is generally associated with better labour market performance: higher employment to population, lower and almost null unemployment rate, and lower share of population outside the labour force. The latter may hint at the fact that qualifications and skills acquired abroad are generally (or at least more proportionately) productively used in Timor-Leste once available and may also partly undermine the narrative representing participants on foreign work schemes as not actively participating in the labour force once back or in between assignments.[8]

8 On the labour mobility issue, it is also worth highlighting that the overwhelming majority of the population aged 15+ -80 per cent- has always lived in the same Suco, somehow indicating that the redistribution of resources according to the labour market needs within the country is limited.

Figure 1. Population having lived abroad by labour market status, percentages - 19th ICLS



Source: Timor-Leste Population and Housing Census 2022

4. Human capital profile of the labour force

The present section elaborates on the supply side of the labour market, presenting some insights on the country's human capital as proxied by the educational attainment of the working age population. While the indicator is by no means fully representative of the skills and competencies of the labour force, it provides a reasonable representation which may bear substantial weight -depending on the industry and on production technology- on the overall country's productivity.

Table 2. Educational attainment of working age population by sex, area of residence, disability status and labour force participation - 19th ICLS

Educational Attainment, percentages*	Total Population (%)	Sex		Place of residence		Disability status		Labour force participation rate (%)
		Male %	Female %	Urban %	Rural %	Persons with disability (%)	Persons without disability (%)	
No schooling	31.2	28.8	33.7	13.6	38.6	76.4	30.4	34.5
Early childhood education	11.6	13.2	9.9	8.0	13.1	11.1	11.6	44.1
Primary education	12.1	12.4	11.8	9.4	13.2	4.1	12.3	30.5
Lower secondary education	30.6	31.0	30.1	38.5	27.2	6.0	31.0	32.7
Upper secondary education	12.3	12.2	12.4	26.3	6.4	1.8	12.5	41.8
Post-secondary non-tertiary education	1.0	1.1	1.0	1.5	0.8	0.5	1.0	62.6
Bachelor's or equivalent level	1.1	1.2	1.0	2.4	0.6	0.2	1.1	42.4
Master's or equivalent level	0.0	0.1	0.0	0.1	0.0	0.0	0	46.4
Doctoral or equivalent level	0.1	0.1	0.1	0.2	0.0	0.0	0	73.0
Total	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**-**

Source: Timor-Leste Population and Housing Census 2022[9]. *Missing values negligible.

9 See also ILOSTAT, indicator "Working-age population by sex, education and disability status (thousands) – Annual"

- Table 2 above presents a breakdown of the educational attainment[10] of the working age population (all individuals aged 15 and over). The first and most relevant finding is that the level of qualifications of the working age population is markedly skewed toward the bottom: over 54.9 per cent of the working age population having -at most and irrespectively of sex- completed primary education, and 85.5 per cent having, at most, completed lower secondary education. Such breakdown is possibly even more daunting for persons with disabilities, with 87.5 per cent of them not having completed primary education and 97.6 per cent of them not having completed upper secondary education.
- The distribution of educational attainment for men and women appears substantially similar for higher educational attainment: 14.5 per cent of women and 14.6 per cent of men have completed upper secondary education or higher. Conversely, a substantially bigger proportion of women than men have no schooling at all (33.7 vs 28.8 per cent).
- The urban-rural divide in educational attainment is extremely marked: 38.6 per cent of working age population in rural areas has no schooling at all (13.6 per cent in urban areas), while 92.1 per cent has at most completed lower secondary education. On the other end of the distribution, only 0.6 per cent of the rural dwellers appear to hold at least a bachelor's degree (2.6 per cent for urban areas).
- A look at the last column of Table 2, hints at the fact that higher achievements in education tend to -even if just partially- be associated with higher labour force participation rates: except for individuals who have completed only early childhood education, if the educational attainment grows so does the likelihood of actively participating in the labour force. This may suggest on the one hand that limited schooling limits the possibility of employment (for pay or profit) or active search for it on the part of the individual with limited qualifications. As a result, individuals with lower qualifications tend to stay outside the labour force, relying on alternative sources of income (family, transfers) or resorting to subsistence agricultural activities. On the other hand, there seems to be a positive return to education expressed in terms of likelihood of being part of the active labour force.

5. Employment

To provide a more complete picture of the main features of the current economic activity in Timor-Leste, the present section expands on the analysis of the employed population by reflecting on dimensions such as the situation at the municipality level and the main features of the employed population including industry, occupation, status in employment and working time. The analysis allows for a more granular interpretation of the labour market features possibly helping the design of policy measures and the allocation of resources. Where relevant, differences by sex and disability status are highlighted.

Employment by municipality

Table 3. Total employed population and employment to population ratio by municipality - 19th ICLS

Municipality	Employed (Male)	Employed (Female)	Total employed	Employment-to-population ratio (Male,%)	Employment-to-population ratio (Female, %)	Employment-to-population ratio (Total%)
Aileu	9,240	6,558	15,798	51.2	39.4	45.5
Ainaro	8,053	6,110	14,163	35.0	27.7	31.4
Atauro	1,611	1,034	2,645	46.8	29.7	38.2
Baucau	17,954	12,539	30,493	41.1	28.9	35.0
Bobonaro	12,224	8,567	20,791	35.8	25.2	30.5

10 Data on level of education refer to the highest level of education completed, classified according to the International Standard Classification of Education (ISCED). ILOSTAT further aggregates those in categories as follows: less then basic is pre-primary education, basic is up to lower secondary education, intermediate is up to post-secondary non-tertiary education and advanced is tertiary or higher.

Municipality	Employed (Male)	Employed (Female)	Total employed	Employment-to-population ratio (Male,%)	Employment-to-population ratio (Female, %)	Employment-to-population ratio (Total%)
Covalima	9,630	6,126	15,756	39.4	25.7	32.6
Dili	49,857	31,439	81,296	44.5	28.5	36.6
Ermera	14,766	10,386	25,152	33.2	24.3	28.8
Lautém	5,419	3,690	9,109	25.1	16.4	20.7
Liquiça	13,916	10,458	24,374	51.6	39.5	45.6
Manatuto	7,816	5,253	13,069	46.7	32.4	39.7
Manufahi	7,582	4,708	12,290	36.6	25.1	31.
Oe-Cusse	12,674	10,812	23,486	48.1	41.9	45.0
Viqueque	9,092	7,049	16,141	35.2	27.0	31.1
Timor-Leste	**179,834**	**124,729**	**304,563**	**40.7**	**28.8**	**34.8**

Source: Timor-Leste Population and Housing Census 2022.

- Table 3 presents data for total employed population and employment to population rates by municipality. The emerging situation is quite heterogenous. In few municipalities such as Liquiça and Oecusse, possibly featuring a more vibrant private sector, the employment to population rate is 40 per cent or higher. In other, such as Lautém and Ermera the rate is below 30 per cent, highlighting an almost complete absence of employment for pay or profit. In the rest of the municipalities, the rate is generally consistent with the national average (34.8 per cent).
- A look at the situation by municipality confirms that barriers to access paid employment are more significant for women across the whole country. Indeed, in all municipalities, the employment to population rate of women is (at least seven percentage points) lower than that of men, with the lowest value found in Lautém (16.4 per cent). Even in Liquiça and Oecusse the two districts with the highest overall employment to population rate, the gender gap remains substantial (+12.1 and +6.1 percentage points for men respectively).

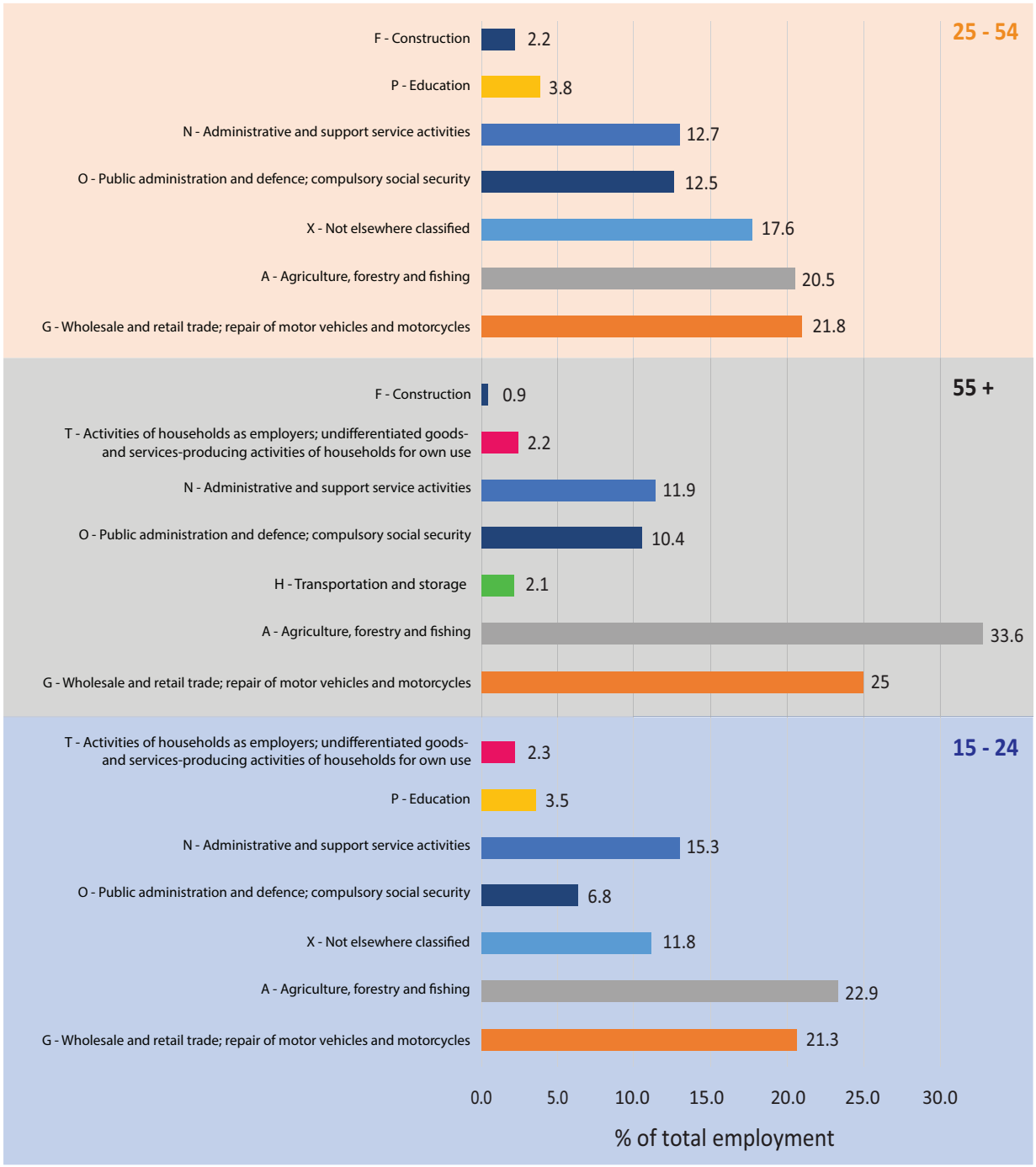
Employment by economic activity

- The indicator of employment by economic activity allows identifying the main industries of employment, and if analysed overtime can shed light on shifts in employment (growing, shrinking, stagnating). It may proxy the demand for labour and, as such, could serve as a guide for policy makers designing industrial, sectoral, educational, skills, training and labour market policies.
- *Notwithstanding some significant gaps* in classification of employment by economic activity[11], Figure 2 below shows some clear path in terms of distribution of the employed population by industry:
  - Most of the youth aged 15 to 24 (22.9 per cent) works in ISIC industry "A - Agriculture, forestry and fishing" while the same applies to adults aged over 55 (33.6 per cent). The finding is extremely interesting as we are considering employment according to the 19th ICLS, i.e., beyond own production and subsistence farming and may be an indication of already being exploited economic opportunities in agriculture, forestry and fishing.
  - Full time agriculture for pay or profit accounts for 20.5 per cent of employment of adults aged 25 to 54, less than the share for youth and for older adults. In turn, this may be an indication that after a lower uptake in the post-independence years, agriculture has returned to become a more meaningful income generating option for the younger generation.

11 The 'not elsewhere classified' category ranges from 17.6 for adults aged 25 to 54 to 11.8 for the over 55 years old.

- "Wholesale and retail trade: repair of motor vehicles and motorcycles" is the largest industry of employment for adults aged 25 to 54 (21.8 per cent) and the second largest for youth (21.3 per cent) and over 55 (25 per cent).

Figure 2. Top seven industries of occupation (ISIC level 1, including 'Not elsewhere classified'), by age, % of total employment – 19th ICLS

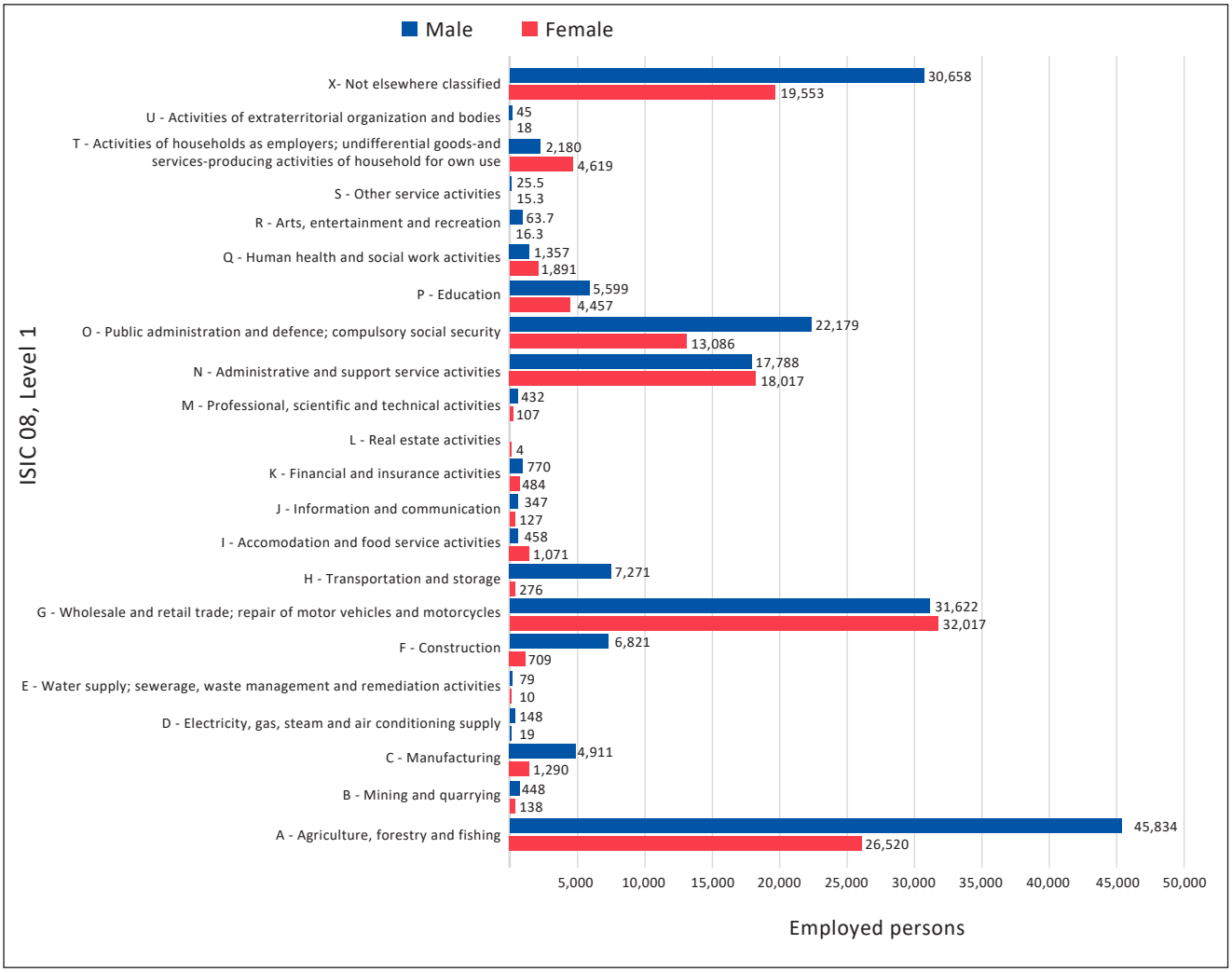


Source: Timor-Leste Population and Housing Census 2022.

- A substantial share of youth is employed in services (public and private) as in addition to the 'wholesale and retail trade'(21.3 per cent), 'Administrative and support service activities' and 'Public administration and defence, and social security' combined account for 25.7 per cent of the total youth employment. The same applies for the 25 to 54 years old for which the latter two categories represent slightly less than one quarter of total employment. For the over 55 the same categories account for 19.5 per cent of total employment.

- While understandable due to the qualifications normally required, education remains a meaningful employer not only for the 25 to 54 years old (3.8 per cent of the total) but also for the over 55 (3.5 per cent).
- Sector O "Public administration and Defence, and compulsory social security" represents, across all the considered age groups, 11.5 percent of the total employment. Such figure is roughly in line with, or slightly above, the one of other small islands developing states: Bahamas (2019) 11.1 per cent, Dominican Republic (2023) 5.7 per cent, Fiji (2016) 4.5 per cent, Grenada (2020) 9.2 per cent, Jamaica (2022) 5.1 per cent, Kiribati (2020) 14.1 per cent, Saint Lucia (2022) 10.0 per cent, Tonga (2021) 10.6 per cent.[12]
- The incidence of industrial activities on total employment is minimal for all ages, with manufacturing, construction, and mining individually accounting for no more than 2.2 per cent of total employment for each age bracket.

Figure 3. Employment by industry (ISIC level 1, including 'Not elsewhere classified') and sex - 19th ICLS

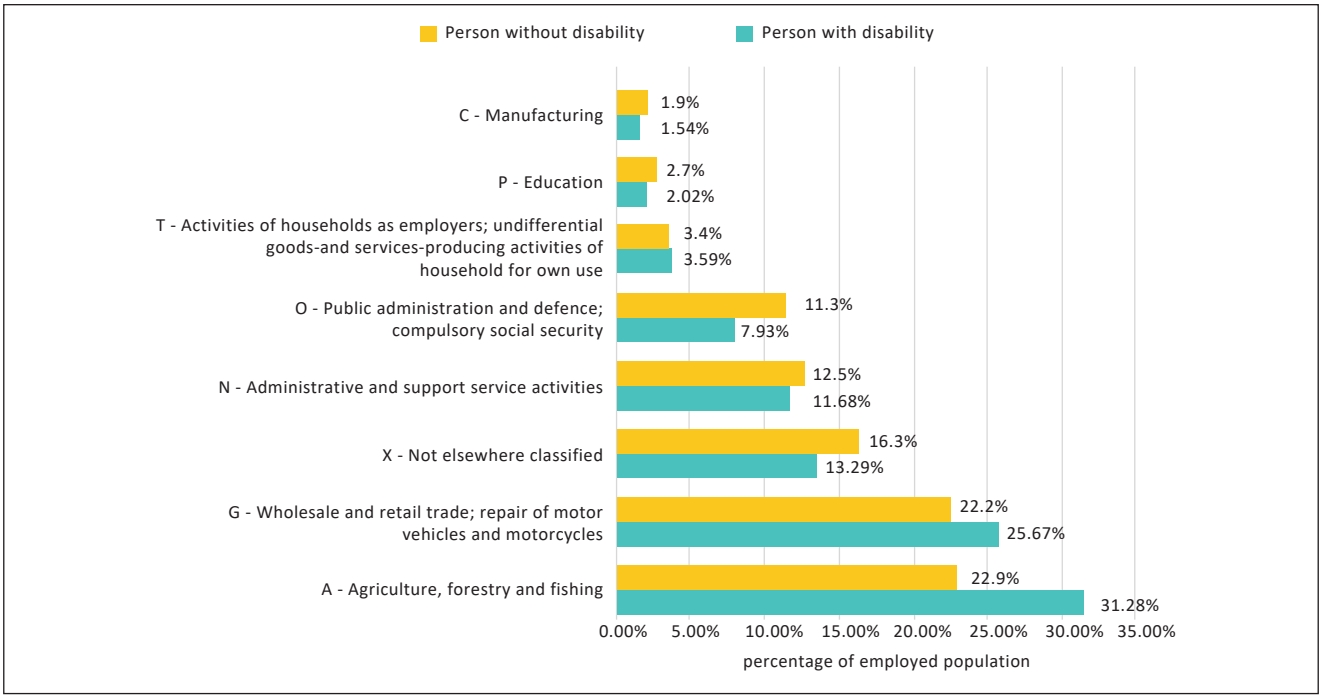


Source: Timor-Leste Population and Housing Census 2022 *Missing values negligible.

- Some substantial differences remain concerning the distribution by industry of employment and sex. Figure 3 above shows that employment for profit or salary (as opposed to 'work for own consumption') in agriculture, construction, manufacturing, and transportation remains largely men-dominated, together with public administration. For the activities of households as employers', women represent a substantially higher share of total employment than men (67.9 per cent).

12 See ILOSTAT indicator " Employment by sex, age and economic activity (thousands) – Annual"

Figure 4. Employment by industry, top eight industry of occupation (ISIC level 1, including 'not elsewhere classified'), by disability status - 19th ICLS



Source: Timor-Leste Population and Housing Census 2022

- Overall, similarly to the rest of the population, over half of the employed persons with disability find employment in two industries: 'agriculture, forestry, and fishing' and 'wholesale and retail trade'. 'Administrative and support service activities' is a distant third ranked one (13 per cent of total employment of PWDs).

Employment by occupation

- Employment by occupation comprises statistics on jobs classified according to major groups as defined in one or more versions of the International Standard Classification of Occupations (ISCO). The indicator(s) of reference provides important insights on labour market segmentation or skills levels in the labour force. It also informs economic and labour policies in areas such as educational planning, migration and employment services and may provide some elements about the occupational safety and health of the employed population.

Table 4. Employment by occupation (ISCO 08, level 1) and sex - 19th ICLS

Occupation (1-digit ISCO)	Share of total employment by sex (%)		
	Female	Male	Total Employed Population
0 - Armed forces occupations	0.6	1.2	1.0
1 - Managers	0.4	0.9	0.8
2 - Professionals	6.5	6.7	6.6
3 - Technicians and associate professionals	2.3	3.3	3.1
4 - Clerical support workers	0.8	1.0	0.9
5 - Service and sales workers	27.0	14.7	17.9
6 - Skilled agricultural, forestry and fishery workers	34.1	32.9	33.2
7 - Craft and related trades workers	1.4	6.9	5.4

Occupation (1-digit ISCO)	Share of total employment by sex (%)		
	Female	Male	Total Employed Population
8 - Plant and machine operators, and assemblers	6.0	11.6	10.1
9 - Elementary occupations	8.2	4.7	5.6
X - Not elsewhere classified	12.7	16.1	15.4
Total	**100**	**100**	**100**

Source: Timor-Leste Population and Housing Census 2022

- *Notwithstanding some significant gaps in classification of employment by occupation* (over 15 per cent of the records appear to be not classified), data presented in Table 4 shows that the distribution of employment by occupation is largely consistent with the one by industry. 'Service and sales worker' and, interestingly enough '*skilled* agricultural, forestry and fishery workers' are the occupations most represented in the labour force for both men and women. The latter represents 34.1 per cent of the total women employed and 32.9 per cent of total men. The former represents over one quarter of total women employed and slightly less than 15 per cent of total men employed.
- Remarkably, armed force occupations represent only about one per cent of the total employment, suggesting that employment in ISIC industry 'O-Public administration and defence, and social security' (see Table 3 and Figure 2 above) mostly consists of workers employed by public administration rather than defence.
- Amongst the other most representative occupations, it is worth highlighting how 'Plant and machine operators, and assemblers' represent, respectively, 11.6 and 6.89 per cent of men and women employment.

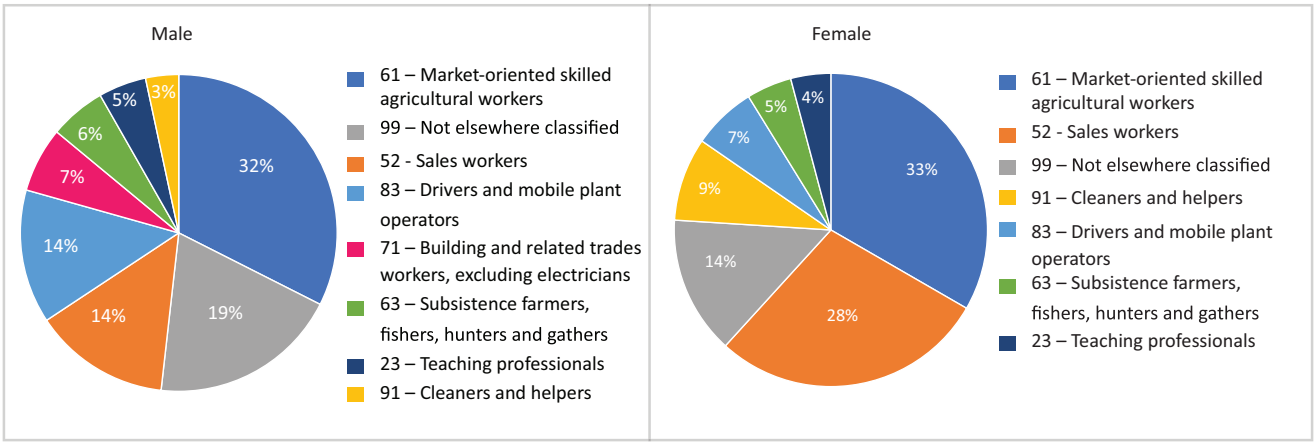
Table 5. Employment by occupation (ISCO 08, level 1) and disability status - 19th ICLS

ISCO 08, level 1	Share of total employment (%)		
	1 - Persons without disability	2 - Persons with disability	Total
0 - Armed forces occupations	1.0	0.2	1.0
1 - Managers	0.8	0.5	0.8
2 - Professionals	6.7	4.0	6.6
3 - Technicians and associate professionals	3.0	1.2	3.0
4 - Clerical support workers	0.9	0.4	0.9
5 - Service and sales workers	17.9	16.6	17.9
6 - Skilled agricultural, forestry and fishery workers	33.0	51.8	33.2
7 - Craft and related trades workers	5.5	3.4	5.4
8 - Plant and machine operators, and assemblers	10.2	5.6	10.1
9 - Elementary occupations	5.6	4.9	5.6
X - Not elsewhere classified	15.3	11.5	15.3
Total	**100**	**100**	**100**

Source: Timor-Leste Population and Housing Census 2022

- As Table 5 indicates, *notwithstanding some significant gaps in the classification of employment by occupation*, the distribution for persons with disabilities somehow reflects the overall distribution of employment by occupation for persons without disability with 'Skilled agricultural, forestry and fishery workers' and 'Service and sales workers' accounting for over 58 per cent of the total. At the same time, and not uncommonly, it appears that disability status represents a main barrier for accessing occupations where, usually, higher qualifications are required such as managers, professionals and technicians and associate professionals: only 5.7 per cent of persons with disabilities are employed in such occupations (vs over 10.5 per cent for individuals without disabilities).

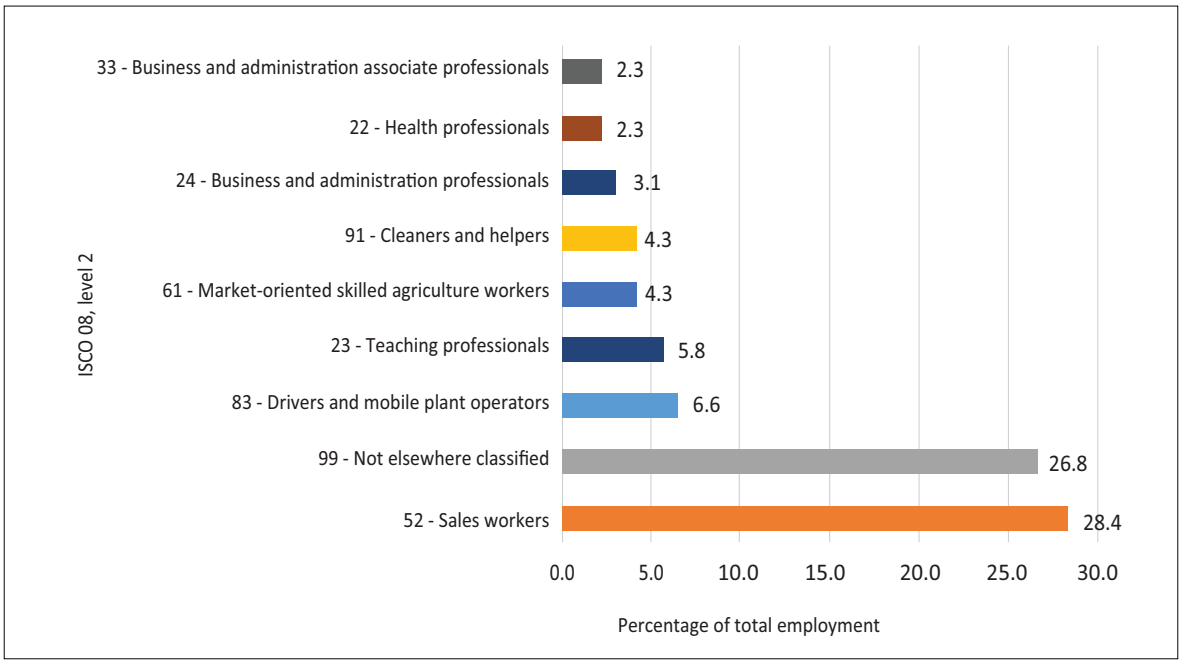
Figure 5. Employment by occupation, top six occupations by sex, percentage of total employment (ISCO 08, 2-digit level) - 19th ICLS



Source: Timor-Leste Population and Housing Census 2022

- Figure 5 provides, *notwithstanding some significant gaps in classification of employment by occupation*, a deeper overview of the top six occupations of employed persons by sex by presenting the breakdown for the 2-digit ISCO classification. The top two occupations for men 'market oriented agricultural skilled workers' and 'sales workers' represent over 46 per cent of the total. The top two occupations for women 'sales workers' and 'market oriented agricultural skilled workers' represent over 61 per cent of the total. The labour market in 2022 seemed highly concentrated in a limited number of occupations, an indirect confirmation of the low degree of diversification in the economy.

Figure 6. Employment by occupation, top eight occupations for 15-24 years old with tertiary education or higher (ISCO 08, 2-digit level) -19th ICLS



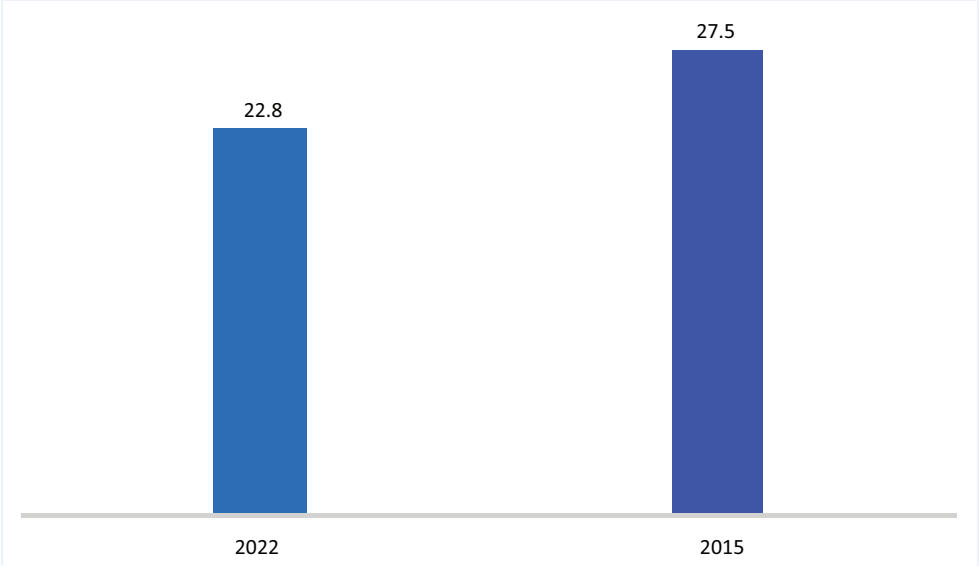
Source: Timor-Leste Population and Housing Census 2022

- Finally, Figure 6 presents, *notwithstanding some significant gaps in classification of employment by occupation*, the top eight occupations of employed persons for youth aged 15-24 who have completed tertiary education (at their main job). Similarly, to the situation of the general population, sales workers and drivers and mobile plant operators account for a substantial share: over 36 per cent of the total employment. Such situation hints at a lack of qualified job opportunities for most of the youth who completed the tertiary education, in turn possibly suggesting the presence of (at least vertical) mismatch between qualifications required in the labour market and the ones acquired by the young population.

SDG Indicator 5.5.2: Proportion of women in managerial positions

- The women share of employment in managerial positions conveys the number of women in management as a percentage of employment in management (total management, category 1 of ISCO-08 or ISCO-88). The value calculated using the 19th ICLS shows that women in the occupational group 'managers' represent 29.4 per cent of the total.
- Comparing the 2015 and 2022 indicators calculated using the 13th ICLS, however, there appears to have been a not encouraging reduction in women representation in managerial position.

Figure 7. SDG Indicator 5.5.2: Proportion of women in managerial positions - 13th ICLS



Source: ILOSTAT- SDG database (based on census 2022 and census 2015)

Employment by status in employment

- The Timor-Leste Population and Housing Census 2022 allows to determine the share of the employed population who (a) works for wages or salaries; (b) runs their own enterprises, with or without hired labour; or (c) works without pay within the family unit. In turn, such breakdown helps to draw conclusions on the type of authority and economic risks the workers are enjoying or are subject to and, possibly, the degree of vulnerability to economic shocks or contingencies.

Table 6. Status in employment, by sex and age-19th ICLS

Sex	Age	Share of total employment (%)				
		Employees	Self employed			
			Employers	Own-account workers	Contributing family workers	Total
Female	15-24	20.1	20.5	36.6	22.8	100.0
	25-54	32.2	22.7	34.8	10.4	100.0
	55-64	17.1	24.5	44.4	13.9	100.0
	65+	9.3	25.4	50.2	15.2	100.0
	15+	27.3	22.7	37.1	13.0	100.0
Male	15-24	23.4	23.6	34.9	18.1	100.0
	25-54	43.4	22.9	27.7	6.0	100.0
	55-64	34.0	22.7	34.5	8.8	100.0
	65+	15.9	24.5	46.2	13.4	100.0
	15+	37.7	23.1	30.7	8.5	100.0
Total population	15-24	23.4	23.6	34.9	18.1	100.0
	25-54	43.4	22.9	27.7	6.0	100.0
	55-64	34.0	22.7	34.5	8.8	100.0
	65+	15.9	24.5	46.2	13.4	100.0
	15+	35.0	23.0	32.3	9.7	100.0

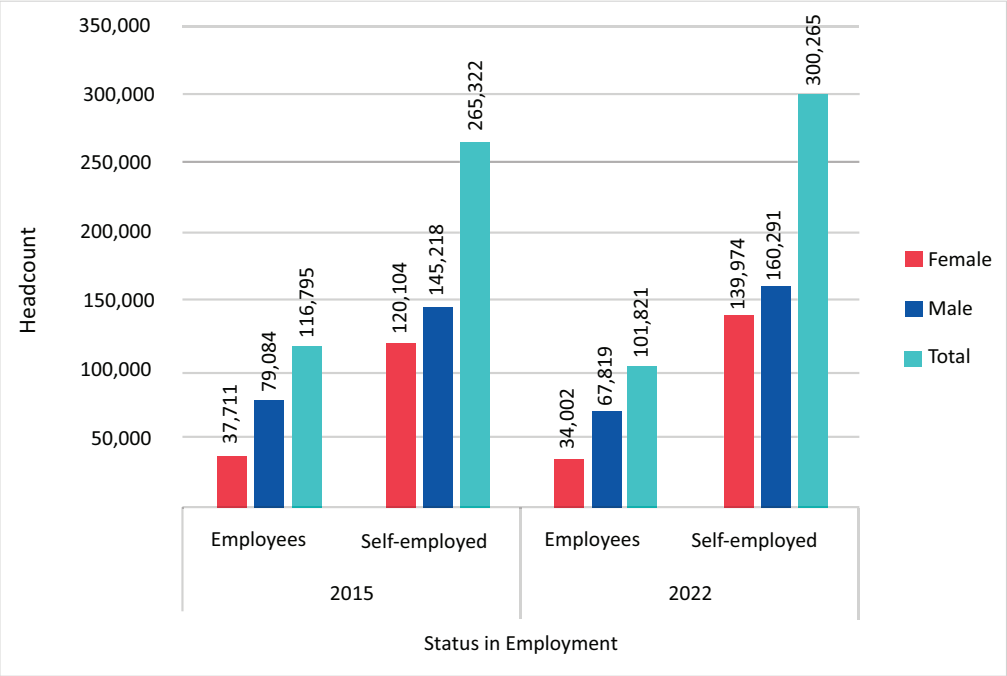
Source: Timor-Leste Population and Housing Census 2022

- Table 7 presents the distribution of status in employment derived from the Timor-Leste Population and Housing Census 2022. The classification presented adheres to the next to last international classification of status in employment (ICSE-93)[13] but is none the less very helpful to illustrate the profile of the economy.
- Employees (37.7 per cent) represent the minority of the employed population as 62.3 per cent of the workers are self-employed (employers, own account workers or contributing family workers). Men are more likely than women to be employees (37.7 vs 27.3 per cent), while women are more likely to be own account workers (37.1 vs 30.7 per cent) or contributing family workers (13.0 vs 8.5 per cent). Men and women are similar in terms of proportion of employers over the total employed population (about 23 per cent). Altogether, such indicators seem to depict a situation where self-employment is, particularly for women, more of a necessity to guarantee livelihood rather than a deliberate choice. Indeed, own account workers tend to operate economic units which are smaller in size and usually in profitability while employers are normally managing bigger and more profitable units.
- Age is, for both men and women, associated with a reversed U-shaped relationship with respect to the employee status: people become (or remain) employees in the adulthood (25 to 54) or late adulthood and, conversely, resort to self-employment in the early and late stages of their working life.

13 The 2022 is consistent with ICSE 93 without adopting the latest International Classifications of Status in Employment and Status at Work (ICSE and ICSaW adopted in 2018.

14 See also ILOSTAT, indicator "Employment by sex and status in employment (thousands) – Annual"

Figure 8. Status in employment by sex, 2015 vs 2022 - 13th ICLS

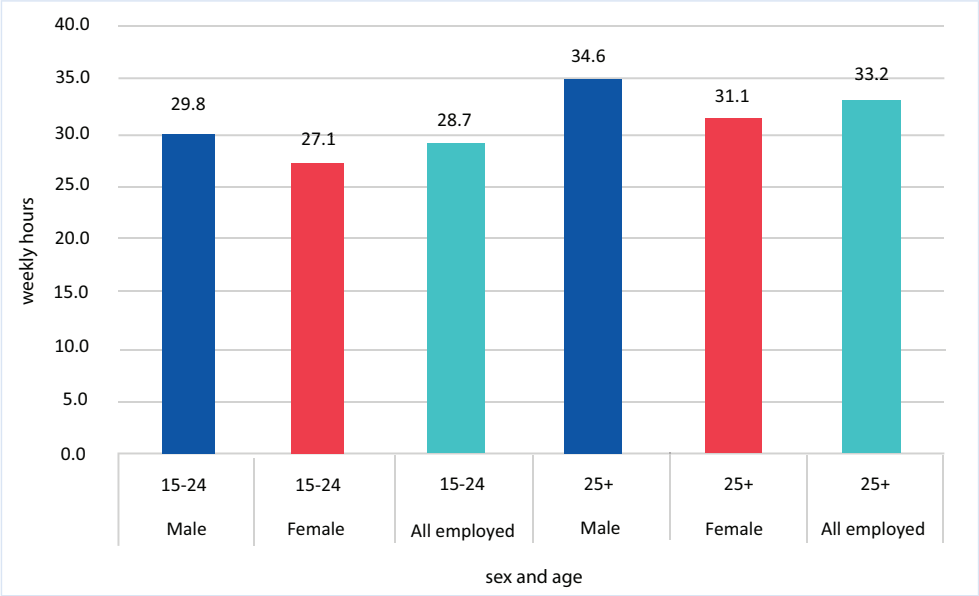


Source: Timor-Leste Population and Housing Census 2022 [14]

- To investigate possible changes over time, Figure 8 provides a snapshot of the distribution of women and men by status in employment over time. Comparing the Timor-Leste Population and Housing Census 2015 and 2022 data (both computed according to the 13th ICLS standards), it appears that the number of self-employed increased between 2015 and 2022 in both absolute (300,265 in 2022 vs 265,322 in 2015) and relative terms: 74.6 per cent of the workers in 2022 were self-employed (vs 69.4 per cent in 2015), and for both men, 70.2 per cent of men workers were self-employed in 2022 (vs 64.7 in 2015) and women 80.4 per cent of women workers were self-employed in 2022 (vs 76.1 per cent 2015) while the number of employees decreased correspondingly.
- While not necessarily a negative incidence, the increase in the number of self-employed is most likely associated with the limited opportunities for wage employment in the country which appear to have not kept pace with the growth in the labour force.

Working time

Figure 9. Average weekly usual hours of work, by sex and age - 19th ICLS



Source: Timor-Leste Population and Housing Census 2022

- Figure 9 presents the distribution of the average number of weekly hours of work by sex and age. It shows that men tend to work longer hours per week than women for both youth and adults and that adults tend to work longer hours than youth. Interestingly, the number of weekly hours of work per youth is close or below what is commonly utilize as threshold to distinguish between full and part time job (30 hours week).

6. Unemployment-labour underutilization

The unemployment rate is probably the best-known measure of the underutilization of the labour supply, reflecting the inability of an economy to generate employment for those persons who want to work but are not doing so, even though they are available for employment and actively seeking work. The present section further explores the unemployment beyond the analysis suggested in Table 1 looking at differences by municipality and educational attainment.

Unemployment by municipality

Table 7. Unemployment, by sex and municipality - 19th ICLS

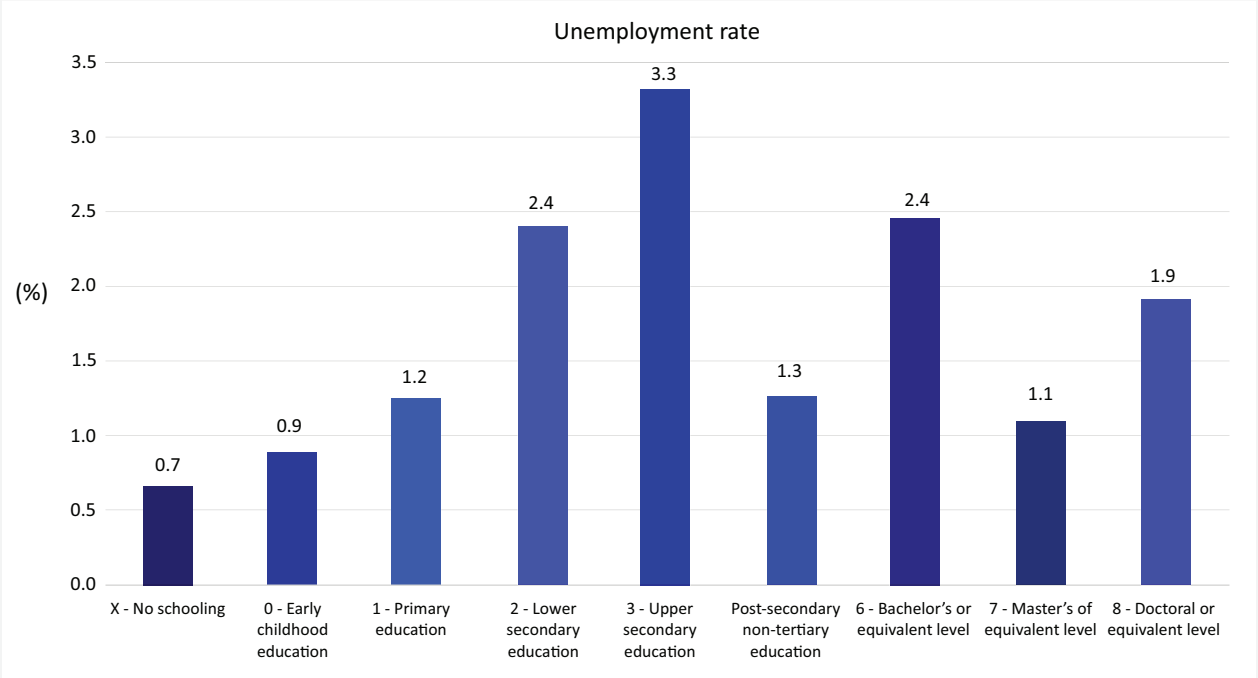
Municipality	Unemployed			Unemployment rate (%)		
	Male	Female	Total	Male	Female	Total
Aileu	290	172	462	3.0	2.6	2.8
Ainaro	416	342	758	4.9	5.3	5.1
Atauro	40	50	90	2.4	4.6	3.3
Baucau	266	226	492	1.5	1.8	1.6
Bobonaro	373	314	687	3.0	3.5	3.2
Covalima	135	98	233	1.4	1.6	1.5
Dili	1,709	1,486	3,195	3.3	4.5	3.8
Ermera	606	439	1,045	3.9	4.1	4.0
Lautém	240	168	408	4.2	4.4	4.3
Liquiça	247	167	414	1.7	1.6	1.7
Manatuto	161	84	245	2.0	1.6	1.8
Manufahi	195	128	323	2.5	2.6	2.6
Oe-Cusse	184	102	286	1.4	0.9	1.2
Viqueque	205	133	338	2.2	1.9	2.1
Timor-Leste	**5,067**	**3,909**	**8,976**	**2.7**	**3.0**	**2.9**

Source: Timor-Leste Population and Housing Census 2022

- The analysis of the unemployment rate by municipality provides some notable insights. Mindful of the fact that necessary condition to become unemployed is the fulfilment of the active search criterion, figures indicate that in Ainaro and Lautem the unemployment rate is highest. While for Lautem, the value is possibly less surprising, as the employment to population rate also appears extremely low (see Table 3 above) and the compelling necessity to guarantee livelihood is likely pushing people into an active search for whatever scarce job available, the relatively high unemployment rate in Ainaro is harder to explain. The rather vibrant agricultural activities (coffee in particular) may be a pull factor for people to actively search for employment.
- The most sizable differences by sex appear in Atauro, where the unemployment rate for women is almost double that of men (4.6 per cent vs 2.4 per cent) and in Dili (4.5 per cent for women vs 3.5 per cent for men).

Unemployment by educational attainment

Figure 10. Unemployment by educational attainment - 19thICLS



Source: Timor-Leste Population and Housing Census 2022

- While the low level of unemployment and the high proportion of the population outside the labour force advise caution in the interpretation of the indicator, a look at Figure 10, presenting the breakdown of unemployment by educational attainment suggests a mixed picture. While higher educational attainment after completion of upper secondary education reduces the likelihood of unemployment, there are spikes in the unemployment rate for both tertiary education and doctoral degree holders which may be due to job or wage reservation (respectively the profile and the lowest wage rate at which a worker would be willing to accept a particular job) of the educated labour force who may prefer to wait until employment with desirable conditions is obtained rather than to accept employment at any condition.

Labour underutilization

- In the Timor-Leste context, the active search for job criterion, necessary to be considered unemployed, may be less relevant than elsewhere due to concurrent reasons such as stagnant growth, limited size of labour market intermediation and the possibly inadequate job search skills. In turn, to have a better picture of labour underutilization, other indicators able to provide a more trustworthy view are warranted.
- The present section provides an in depth look at another indicator of labour underutilization, LU3, defined as the combined rate of unemployment and potential labour force. LU3 represents the share of the extended labour force that is in unemployment or belongs to the potential labour force, i.e. the individuals seeking work but not immediately available to start it and those available to start but not actively seeking. Overall, LU3 is a more complete indicator of unmatched labour supply and demand and is particularly useful for countries, like Timor-Leste, where the job search is limited in size and time.

Table 8. Labour underutilization LU3 (unemployment and potential labour force) by sex, area of residence, disability status, age - 19th ICLS (2022), 13th ICLS (2015, 2022)

LU3	2022 ICSE 19th (%)	2022 ICLS 13th (%)	2022 ICLS 13th (%)
Total	6.8	3.6	4.8
Male	6.4	2.8	5.2
Female	7.5	3.9	4.2
Urban	6.8	5.7	9.2
Rural	6.9	2.9	3.3
Persons without disability	6.7	3.7	4.8
Persons with disability	8.9	1.7	5.7
15-24	12.3	8.4	12.3
25+	5.8	3.4	3.5

Source: Timor-Leste Population and Housing Census 2015 and 2022[15]

- As expected LU3 is higher than the unemployment rate standing at 6.8 per cent (17,846 individuals) and the youth is the group with the highest labour underutilization rate as 12.3 per cent of the youth population is either unemployed or in the potential labour force. Women share of underutilization is higher than the men one (7.5 vs 6.4 per cent) and so is the one for persons with disability vis à vis those without (8.9 percent vs 6.7 percent). The value for individuals aged 25 is also noteworthy and indicating a certain disadvantage for older share of the population in finding a job or, rather, in successfully looking for one. There do not seem to be main differences in the underutilization rate between urban and rural areas suggesting that giving up active search for work is not strongly associated with the area of residence.
- Interestingly, if one compares the values for LU3 for 2022 and 2015 (both calculated adopting the 13th ICLS standards), there appears to be a marked improvement over time, with all categories of population showing a decline in the labour underutilization rate. Such decline is topped by persons with disability (-70 per cent) and men (-46 per cent).

7. Population outside the labour force

Individuals are outside the labour force, if they are neither employed nor unemployed, that is, not actively seeking work. There is a variety of reasons why some individuals do not participate in the labour force: caring for family members, be retired, sick or disabled, attending school, believing no jobs are available; or simply not wanting to work. This section furthers the analysis presented in Table 1 by looking at the population outside the labour force and its distribution by municipality and educational attainment. In addition, the youth (Not in Employment Education or Training) situation is analysed with more detail, together with the one of discouraged jobseekers (persons not in the labour force, who are available for work but no longer looking for work due to specific labour market-related reasons). To conclude, and of particular importance given the Timor-Leste context, an analysis of engagement in agricultural production for own use is provided to assess its incidence and its relevance as an explanatory factor behind the low labour force participation rate.

15 See also ILOSTAT Indicator "Combined rate of unemployment and potential labour force. (LU3) by sex and age () – Annual" and Combined rate of unemployment and potential labour force (LU3) by sex and age -- 19th ICLS () – Annual. Download 7/2024.

Table 9. Persons outside the labour force, by sex and municipality - 19th ICLS

Municipality	Outside the labour force			Outside the labour force/inactivity rate (%)		
	Male	Female	Total	Male	Female	Total
Aileu	8,508	9,915	18,423	47.2	59.6	53.1
Ainaro	14,572	15,634	30,206	63.2	70.8	66.9
Atauro	1,788	2,395	4,183	52.0	68.8	60.5
Baucau	25,456	30,690	56,146	58.3	70.6	64.4
Bobonaro	21,536	25,053	46,589	63.1	73.8	68.4
Covalima	14,703	17,638	32,341	60.1	73.9	66.9
Dili	60,597	77,308	137,905	54.0	70.1	62.0
Ermera	29,063	31,969	61,032	65.4	74.7	70.0
Lautém	15,929	18,658	34,587	73.8	82.9	78.4
Liquiça	12,786	15,865	28,651	47.4	59.9	53.6
Manatuto	8,743	10,898	19,641	52.3	67.1	59.6
Manufahi	12,915	13,914	26,829	62.4	74.2	68.0
Oe-Cusse	13,484	14,901	28,385	51.2	57.7	54.4
Viqueque	16,536	18,938	35,474	64.0	72.5	68.3
Timor-Leste	**256,616**	**303,776**	**560,392**	**58.1**	**70.3**	**64.1**

Source: Timor-Leste Population and Housing Census 2022

- A closer look at the incidence of being outside the labour force by municipality allows to detect marked differences. In Lautém almost 8 out of 10 individuals (78.4 per cent) are outside the labour force but only 17 per cent of those are engaged in agriculture activities for self-consumption (see Table 14 below) while such share is lowest in Aileu (53.1 per cent), Liquiça (53.6 per cent) and Oe-Cusse (54.4 per cent). While, for the whole country, active participation in the labour market is low, there appear to be some municipalities where the labour market could be deemed slightly more 'vibrant'.
- In all the municipalities, the percentage of women outside the labour force is superior to that of men with gaps generally well over ten percentage points. The narrower differences appear to be in Oe-Cusse (+6.5 per cent) and Ainaro (+7.6 per cent).

Table 10. Working age population outside the labour force by sex and educational attainment - 19th ICLS

	Share of working age population outside the labour force (%)		
	Male	Female	Total
No schooling	29.6	33.8	31.9
Early childhood education	11.5	8.9	10.1
Primary education	13.9	12.4	13.1
Lower secondary education	32.5	31.7	32.1
Upper secondary education	10.8	11.5	11.2
Post-secondary non-tertiary education	0.6	0.6	0.6
Bachelor's or equivalent level	1.0	1.0	1.0
Master's or equivalent level	0.0*	0.0*	0.0*
Doctoral or equivalent level	0.0*	0.0*	0.0*

Source: Timor-Leste Population and Housing Census 2022. * The value 0 indicates that there is no observation available in the dataset, not necessarily a complete absence of individuals in real life.

- It is informative to compare the composition of the unemployed population by educational attainment (Figure 10 above) with the corresponding figures for the population outside the labour force presented in Table 10. It appears clear that (once employment is not available) people with lower-level educational attainment prefer to opt out of the labour force, possibly engaging in activities destined to production for own consumption of goods or provision of services rather than actively engage in job search. The contrary applies with people with higher level of education who, except for 1.0 per cent of them with tertiary education and above, prefer-if not already employed-to actively search for employment. Aside from personal preferences and economic opportunities, this finding likely reflects different levels of job search skills or social capital of people with lower educational attainment.

Youth not in employment, education, or training

Table 11. Youth not in employment, education, or training (NEET) by sex - 19th ICLS

	19th ICLS		13th ICLS	13th ICLS
	NEET (Persons)	Share of total youth population (%)	Proportion of total youth population (%) 2022 Census *	Proportion of total youth population (%) 2015 Census **
Total	93,776	32.4	29.1	20.3
Male	47,396	32.2	29.1	16.8
Female	46,380	32.6	29.2	23.7

Source: Timor-Leste Population and Housing Census 2022. *ILOSTAT indicator Share of youth NEET, by sex—Annual, and ** GDS, ILO and UNFPA (2018)[16]

- Table 11 provides a more detailed picture of the situation of youth not employment, education or training. In 2022, about 32.4 per cent of the youth population was not in employment and not in education or training. Some of those were unemployed, but the bulk of them were outside the labour force (economically inactive). The NEET indicator was substantially equal for women and men.

16 GDS, ILO and UNFPA (2018:) Timor-Leste Population and Housing Census 2015, Thematic Report Volume 10 Analytical Report on Labour Force

- Notwithstanding the caveats mentioned on comparability between 2015 and 2022 data, if one compares the NEET rates for 2022 and 2015, two trends seem to emerge:
  - First the flattening of the differences by sex. While in 2015 the share of women NEET (23.7 per cent) was substantially higher than that of men (16.8 per cent), this seems to be no longer the case.
  - Second, and worryingly, the NEET rate seems to be increasing over time.

Table 12. Youth not in employment, education, or training (NEET) by municipality - 19th ICLS

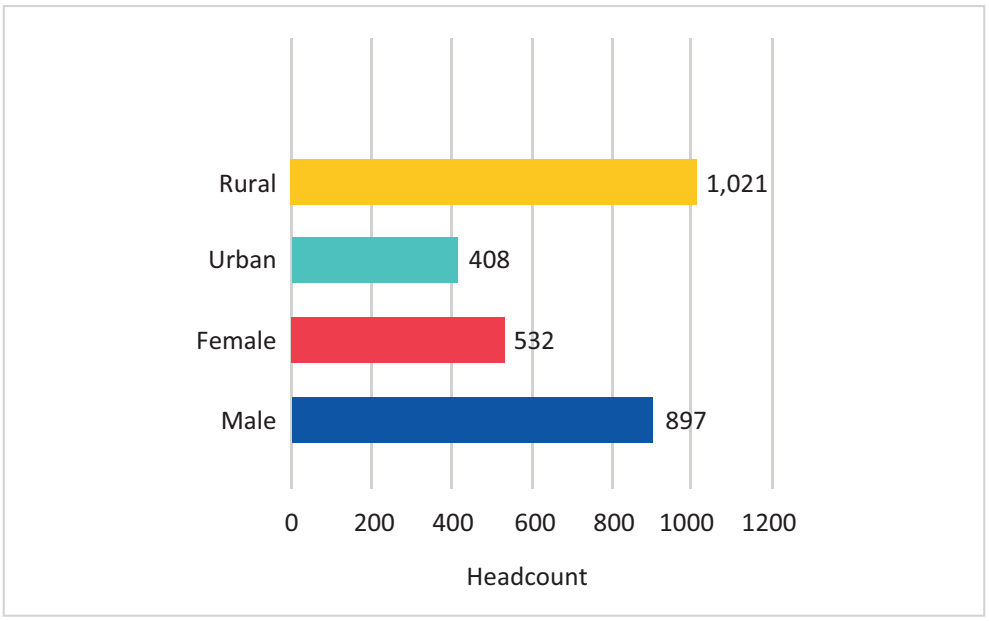
Municipality	NEET (Persons)			Share of total youth population (%)		
	Total	Male	Female	Total	Male	Female
Aileu	3,158	1,549	1,609	27.8	26.1	29.7
Ainaro	5,574	2,907	2,667	36	36.2	35.8
Atauro	643	271	372	32.6	26.7	38.9
Baucau	8,892	4,543	4,349	32.6	32.1	33.1
Bobonaro	8,652	4,622	4,030	41.8	42.7	40.8
Covalima	6,166	3,234	2,932	41.6	41.6	41.5
Dili	21,344	10,896	10,448	26	27.2	24.8
Ermera	11,718	5,495	6,223	39.6	37	42.2
Lautém	5,156	2,675	2,481	35.2	35.2	35.2
Liquiça	5,204	2,468	2,736	31.7	29.7	33.7
Manatuto	2,758	1,376	1,382	27.7	26.6	29
Manufahi	4,444	2,279	2,165	35.2	34.3	36.1
Oe-Cusse	4,981	2,498	2,483	29.4	28.8	30.1
Viqueque	5,086	2,583	2,503	32.7	31.6	33.9

Source: Timor-Leste Population and Housing Census 2022

- A look at the distribution of NEET by municipality (Table 12) allows to highlight that while discrepancies exist, the total number of NEETs is sensibly different across the national territory. In Dili over 21,344 youth resulted NEET in 2022, corresponding to 26 per cent of the population. The NEET incidence rate is, however, highest in Bobonaro (41.8 per cent).
- With some minor but possibly interesting differences, the distribution of the NEET population by municipality is similar to the one of the population outside the labour force. Bobonaro, Covalima and Ermera, the three municipalities with the highest NEET rate are also amongst the ones with the highest percentage of the population outside the labour force (68.4, 66.9 and 70 per cent respectively) suggesting that the lack of jobs and/or the choice to exit the labour force is similar for young and adults and possibly related to demand side elements (lack of economic opportunities).

Discouraged job seekers

Figure 11. Discouraged job seekers by sex and place of residence - 19th ICLS



Source: Timor-Leste Population and Housing Census 2022

- Figure 11 presents the situation for a particular group within the population outside the labour force: the discouraged job seekers. Those are the ones who during the reference period had not look for jobs for reasons linked to their perception of the labour market (feeling no job is available or discouragement) but declare themselves available to work. 1,429 individuals belong to the group, with the men and rural residents representing the majority. Two conclusions seem warranted: on the one hand, as educational attainment of men and women of working age is similar (see Table 2 above), a higher incidence of discouragement amongst the former is likely unrelated to their qualifications. On the other hand, the higher level of discouragement for the rural population is possibly associated with the actual, or perceived, limited economic opportunities in rural areas.

Own-use production work (subsistence farming, fishing, and animal production)

Table 13. Engagement in agricultural production for own-use, by municipality – 19th ICLS

Municipality	Own-use producers (persons)			Share of own-use producer over population outside the labour force (%)		
	Male	Female	Total	Male	Female	Total
Aileu	2,658	2,888	5,546	31.2	29.1	30.1
Ainaro	4,233	4,011	8,244	29.0	25.7	27.3
Atauro	601	768	1,369	33.6	32.1	32.7
Baucau	4,510	4,652	9,162	17.7	15.2	16.3
Bobonaro	3,256	3,066	6,322	15.1	12.2	13.6
Covalima	4,054	3,429	7,483	27.6	19.4	23.1
Dili	2,519	3,066	5,585	4.2	4.0	4.0
Ermera	8,478	8,978	17,456	29.2	28.1	28.6
Lautém	2,891	2,981	5,872	18.1	16.0	17.0

Municipality	Own-use producers (persons)			Share of own-use producer over population outside the labour force (%)		
	Male	Female	Total	Male	Female	Total
Liquiça	2,253	2,744	4,997	17.6	17.3	17.4
Manatuto	1,938	1,954	3,892	22.2	17.9	19.8
Manufahi	3,070	2,857	5,927	23.8	20.5	22.1
Oe-Cusse	2,700	2,724	5,424	20.0	18.3	19.1
Viqueque	5,115	5,129	10,244	30.9	27.1	28.9
Timor-Leste	**48,276**	**49,247**	**97,523**	**18.8**	**16.2**	**17.4**

Source: Timor-Leste Population and Housing Census 2022

- Table 13 presents the number of individuals who engage in production of agricultural products via farming, rearing, collection of animals and/or fishing and who carried out such activities *mainly or only* for own/family consumption.[17] Those individuals, according to the 19th ICLS, are not classified as employed (and thus part of the labour force) but as carrying out 'work', specifically agricultural production, and thus being considered out of the labour force.
- In 2022, 97,523 individuals engaged in such activities, corresponding to:
  - 11.2 per cent of the total working age population.
  - 17.4 per cent of the total population outside the labour force. Such finding is particularly relevant as it confirms that most of the population outside the labour force is not so because engaged in self-subsistence agricultural activities but rather because of other choices.
  - 32 per cent of the total employed population. In other words, in 2022, for every ten-person employed for pay or profit, there were three engaged in own use production.
- Ermera (17,456), Viqueque (10,244) and Baucau (9,162) were the municipality with the highest number of individuals engaged in agricultural production destined to own-use. In Dili, the capital and main urban centre, those individuals represent an extremely low share of the population outside the labour force (4 per cent), while in Aileu (30.1), Viqueque (28.9) and Ermera (28.6) such share is the highest.
- Across all municipalities, the total number of men and women engaged in in own-use production is generally similar, with the highest discrepancies in the number of men and women emerging in Covalima, Ermera, Dili, and Liquica. Covalima is the municipality where the relative share of men engaged in agricultural production for own-use and outside the labour force (27.6 per cent) is highest with respect to the share of women (19.4 per cent).

8. Working children

To allow for comparison with the 2015 Census and the indicators presented in GDS, ILO and UNFPA (2018)[18] on the number of working children, Table 14 below presents summary indicators regarding the total number and the share of children aged 10-17 years engaged in economic activities (SNA production boundary basis, i.e. including paid employment *and* work). Importantly, such indicator *per se* is not sufficient to determine child labour but is, rather, a helpful as a starting point.[19]

17 Questions E43 and E44 of the Census questionnaire are utilized to, respectively, detect subsistence farming, fishing and animal production and distinguish the destination of the production.

18 GDS, ILO and UNFPA (2018:) Timor-Leste Population and Housing Census 2015, Thematic Report Volume 10 Analytical Report on Labour Force

19 The international standard concerning statistics of child labour, i.e. the 20th International Conference of Labour Statisticians, Resolution to amend the 18th ICLS Resolution concerning statistics of child labour: (i) defines the target population for measuring child labour all persons in the age group from 5 to 17 years, (ILO 2018, para. 9), while the 2022 Timor-Leste Population and Housing Census collects information about employment from 10 years and above only; (ii) determines as broader concept relating to the measurement of child labour, the one of working children, i.e. children engaged in any activity falling within the general production boundary as defined in the 2008 System of National Accounts (SNA, or, in other words, all children below 18 years of age engaged in any activity to produce goods or to provide services for use by others or for own; (iii) identifies, for the purpose of statistical measurement, children engaged in child labour as including all persons aged 5 to 17 years who, during a specified time period, were engaged in one or more of the following categories of activities: (a) worst forms of child labour; (b) work within the SNA production boundary performed by children below the minimum age, and (c) work outside the SNA production boundary but within the general production boundary consisting of hazardous unpaid household services.

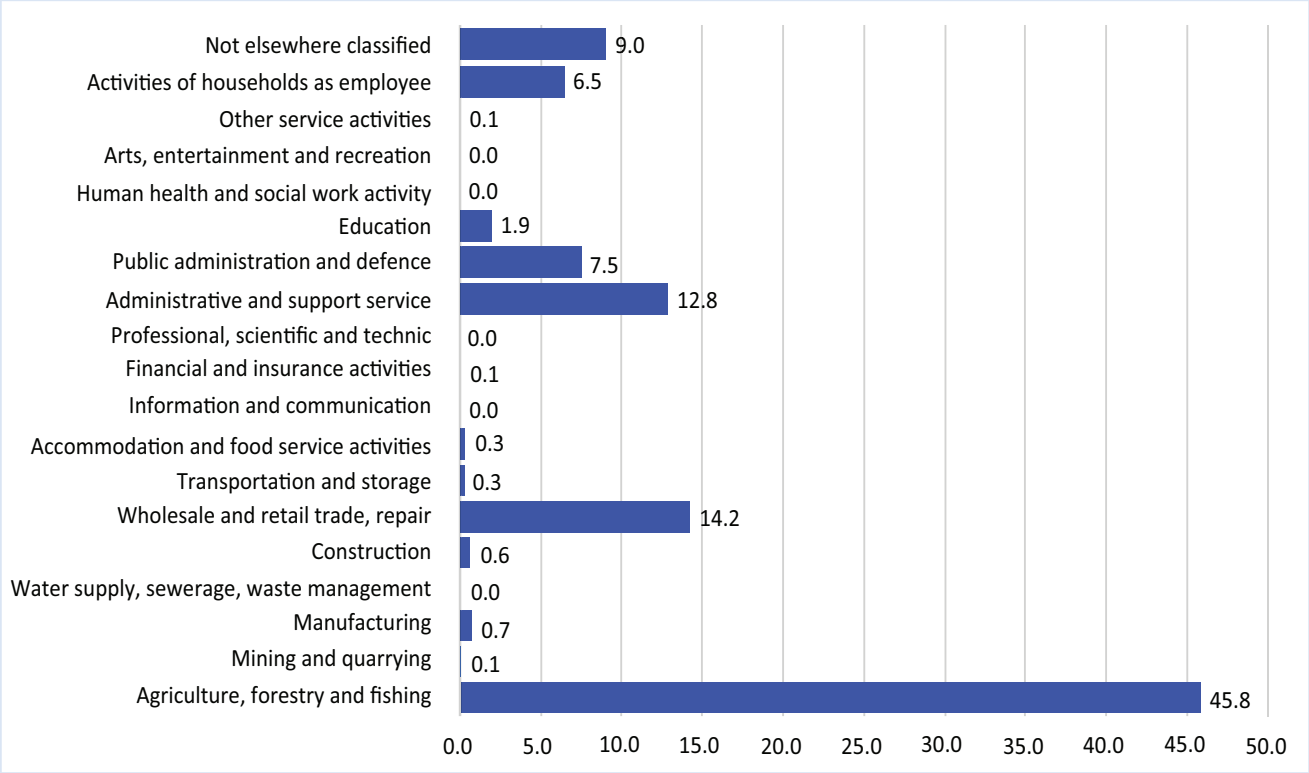
Table 14. Working children (age 10 to 17) and average usual hours of work, by sex - 13th ICLS

	2022 Timor-Leste Population and Housing Census*			2015 Timor-Leste Population and Housing Census **		
	Total	Boys	Girls	Total	Boys	Girls
Working children	24,122	13,101	11,021	13,409	n/a	n/a
Working children as share of the population (%)	10.0	10.6	9.3	5.5	6	5.1
Average usual hours worked	21.0	21.5	20.4	n/a	n/a	n/a

*Source: Timor-Leste Population and Housing Census 2022 ** GDS, ILO and UNFPA (2018)[20]

- Census 2022 data indicate that utilizing 13th ICLS standards (i.e. including own-use production work), there were 24,122 working children aged 10 to 17. Those represented 10 per cent of the total child population (10 to 17 years old), with a slight prevalence of boys over girls (13,101 vs 11,021). Such figures show an increase in headcount and rates over 2015 (13,409 and 5.5 per cent respectively for the total child population) and over 2010 (8.3 per cent[21]). On average, children were working slightly more than 20 hours per week.

Figure 12. Working children by economic activity - 13th ICLS



Source: Timor-Leste Population and Housing Census 2022

20 GDS, ILO and UNFPA (2018:) Timor-Leste Population and Housing Census 2015, Thematic Report Volume 10 Analytical Report on Labour Force

21 Ibid., page iv.

- *Notwithstanding some significant gaps in classification of working children by economic activity*, Figure 12 shows that in 2022 most working children (45.8 per cent) were engaged in agriculture forestry and fishing, followed by wholesale and retail trade activities (14.2 per cent) and administrative and support services (12.8 per cent). Additional analysis also shows a substantial balance in the relative share of boys and girls employed in each industry with the highest differences appearing for agriculture, forestry, and fishing (47.9 of boys and 43.3 of girls therein employed) and activities of households as employers (5.9 of boys and 7.2 of girls therein employed).
- Consistently with the breakdown by industry of employment, working children in 2022 resulted extremely concentrated in three occupations: sales workers (26.6 per cent), and occupations linked to agricultural activities: subsistence farmers, fishers, hunters (26.5 per cent) and market-oriented skilled agricultural workers (23.5 per cent).

Appendix. Metadata and definitions

Labour force statistics	Further information
Discouraged job seekers. Discouraged job seekers are those persons of working age who during a specified reference period were without work and available for work, but did not look for work in the recent past for specific labour market-related reasons (such as past failure to find a suitable job, lack of experience, believing that there were no jobs available, believing there were none for which they would qualify, or having given up hope of finding employment). Questions of reference in the 2022 Timor-Leste Census: module E, question E44, E46, E47, E48, E53, E54	ICLS/21/2023/RES. II
Employment/unemployment by disability status. Disability status characterises the population into those with and without a disability. Persons with disabilities are defined as those persons who are at greater risk than the general population for experiencing restrictions in performing specific tasks or participating in role activities. This group would include persons who experience limitations in basic activity functioning, such as walking or hearing, even if such limitations were ameliorated using assistive devices, a supportive environment or plentiful resources. Such persons may not experience limitations in specifically measured tasks, such as bathing or dressing, or participation activities, such as working or going to church or shopping, because the necessary adaptations have been made at the person or environmental levels. These persons would still, however, be at greater risk of restrictions in activities and/or participation than the general population because of the presence of limitations in basic activity functioning, and because the absence of necessary accommodations would jeopardise their current levels of participation. Questions of reference in the 2022 Timor-Leste Census: module E, question E44, E46, E47, E48, E53, E54, E55.E59 to E65.	Disability Labour Market Indicators (DLMI database)- ILOSTAT
Employment by economic activity (ISIC) - 1 Digit - 21 categories ISIC is an international standard for classifying data by type of economic activity in the areas of production, employment, gross domestic product, and others. This classification refers to the main activity of the establishment in which a person worked during the reference period, or last worked if unemployed. The branch of economic activity of a person does not depend on the specific duties or functions of the person's job, but on the characteristics of the economic unit in which this person works. The 2022 Timor-Leste Census is based on the fourth revision of the ISIC (rev 4) and allows workers to be classified up to fourth ISIC level. Questions of reference in the 2022 Timor-Leste Census: module E, question E44, E46, E47, E48, E51, E49.	International Standard Industrial Classification of All Economic Activities (ISIC)- ILOSTAT
Employment/unemployment by educational attainment (ISCED). ISCED is a statistical framework for organizing information on education maintained by the United Nations Educational, Scientific and Cultural Organization (UNESCO). The ISCED classification corresponds closely with the questions asked in the Timor-Leste Population and Housing Census 2022 in module E (questions E35 and E36). Specifically, completion of grade 12 is equivalent to post-secondary education (ISCED level 4) and a post-graduate certificate is equivalent to a bachelor (ISCED level 6), while there is no correspondence with ISCED level 2, i.e., lower secondary education. For the sake of presenting the data, aggregate ILO level of education is considered. See here for equivalence between ILO Aggregate levels and ISCED. Questions of reference in the Timor-Leste Population and Housing Census 2022: module E, question E34, E35, E36, E44, E46, E47, E48, E53, E54, E55.	International Standard Classification of Education (ISCED 2011) see also: International Standard Classification of Education (ISCED)- ILOSTAT

Labour force statistics	Further information
Employment by occupation (ISCO). ISCO is an international classification for organizing jobs into clearly defined groups according to the tasks and duties undertaken in them. It is maintained by the ILO. The Timor-Leste Population and Housing Census 2022 allows workers to be classified up to the fourth level of ISCO. However, the limited sample size of most breakdowns undermines statistical significance beyond the second level. Questions of reference in the Timor-Leste Population and Housing Census 2022: module E, question E44, E46, E47, E48, E49.	International Standard Classification of Occupations (IS-CO)- ILOSTAT
Employment-to-population ratio. The number of employed persons over the total number of persons of working age (>15). The employment-to-population ratio expresses the number of persons who are employed as a percentage of the total working age population. Questions of reference in the Timor-Leste Population and Housing Census 2022: module E, question E44, E46, E47, E48.	
Hours usually worked. The concept of hours usually worked relates to the typical value of hours actually worked in a job per a short reference period such as one week, over a long observation period of a month, quarter, season, or year that comprises the short reference measurement period used. The typical value may be the modal value of the distribution of hours actually worked per short period over the long observation period, where meaningful. The short reference period for measuring hours usually worked should be the same as the reference period used to measure employment. Questions of reference in the Timor-Leste Population and Housing Census 2022: module E, question E44, E46, E47, E48, E52.	Wages and Working Time Statistics (COND database)- ILOSTAT
Labour force participation rate: The number of active persons (em-ployed or unemployed) over the total number of persons of working age (>15). The labour force participation rate expresses the labour force as a percentage of the working-age population. Questions of reference in the Timor-Leste Population and Housing Census 2022 : module E, question E44, E46, E47, E48, E53, E54, E55.	ICLS/21/2023/RES. II
Labour underutilization (indicator of). Labour underutilization refers to mismatches between labour supply and demand, which translate into an unmet need for employment among the population. Measures of labour underutilization include time-related underemployment, unemployment, and the potential labour force. Other dimensions of underutilization of labour at the level of individuals as well as the economy are skills mismatches and slack work, particularly among the self-employed. In line with the resolution adopted by the 19th ICLS, the bulletin presents the following indicator of labour underutilization: • LU3: Combined rate of unemployment and potential labour force: [(persons in unemployment + potential labour force) / (labour force + potential labour force or extended labour force)] x 100 Questions of reference in the Timor-Leste Population and Housing Census 2022: Module E, question E44, E46, E47, E48, E53, E54, E55.	ICLS/21/2023/RES. II

Labour force statistics	Further information
Persons outside the labour force (inactivity) rate. Persons outside the labour force comprise all persons of working age who, during the specified reference period, were not in the labour force (that is, were not employed or unemployed). The working-age population is commonly defined as persons aged 15 years and older, but this varies from country to country. In addition to using a minimum age threshold, some coun-tries also apply a maximum age limit. Questions of reference in the Timor-Leste Population and Housing Census 2022: E43, E44, E46, E47, E48, E53, E54, E55, E56.	ICLS/21/2023/RES. II
Potential labour force. Potential labour force is defined as all persons of working age who, during the short reference period, were neither in employment nor in unemployment and: (a) carried out activities to 'seek employment', were not 'currently available' but would become available within a short subsequent period established in the light of national circumstances (i.e., unavailable job seekers); or (b) did not carry out activities to 'seek employment', but wanted employment and were 'currently available' (i.e., available potential job seekers). Questions of reference in the Timor-Leste Population and Housing Census 2022: Module E, question E44, E46, E47, E48, E53, E54, E55.	ICLS/21/2023/RES. II
Proportion of women in managerial positions (SDG 5.5.2). This indicator refers to the proportion of females as a share of the total number of persons employed in senior and middle management. For the purposes of this indicator, senior and middle management correspond to major group 1 (Managers) in ISCO-08. Questions of reference in the Timor-Leste Population and Housing Census 2022: Module E, question E0d, E44, E46, E47, E48, E49	SDG indicator metadata See also Labour statistics for the Sustainable Development Goals
Status in employment (ICSE). Jobs can be classified with respect to the type of explicit or implicit contract of employment the person has with other persons or organizations. The basic criteria used to define the groups of the classification are the type of economic risk and the type of authority over establishments and other workers which the job incumbents have or will have. Indicators disaggregated by status in employment are provided according to the ICSE-93. The latest standard, the ICSE-18 is not applicable to the Census questionnaire. ICSE-93 refers to the following six categories: People with paid employment jobs: 1-Employees. People with self-employment jobs: 2-Employers, 3-Own account workers, 4- Members of producers' cooperatives and 5- Contributing family workers. Others: 6- Workers not classifiable by status. Questions of reference in the Timor-Leste Population and Housing Census 2022: Module E, question E44, E46, E47, E48, E50, E49	International Classifications of Status at Work and Status in Employment (ICSE and ICSaW)- ILOSTAT
Unemployment rate. The unemployment rate expresses the number of unemployed as a percentage of the labour force. Persons in unemployment are defined as all those of working age who were not in employment, carried out activities to seek employment during a specified recent period, and were currently available to take up employment given a job opportunity. Questions of reference in the Timor-Leste Population and Housing Census 2022: Module E, question E44, E46, E47, E48, E53, E54, E55.	ICLS/21/2023/RES. II

Labour force statistics	Further information
Youth not in education and not in employment (NEET rate. The share of youth not in education, employment, or training, also known as the 'NEET rate', conveys the number of young persons not in education, employment or training as a percentage of the total youth population. It provides a measure of youth who are outside the educational system, not in training, and not in employment. It thus serves as a broader measure of potential youth labour market entrants than youth unemployment, since it also includes young persons outside the labour force not in education or training. For the purposes of this indicator, youth is defined as all persons between the ages of 15 and 24 (inclusive). The youth NEET rate is calculated as follows: NEET rate = (Youth – Youth in employment – Youth not in employment but in education or training) / Youth) *100 Questions of reference in the Timor-Leste Population and Housing Census 2022: Module E, question E38, E46, E47, E48.	ICLS/21/2023/RES. II

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