

IMPROVING LABOR MARKET DYNAMICS:

Understanding Unemployment & Workforce Inactivity



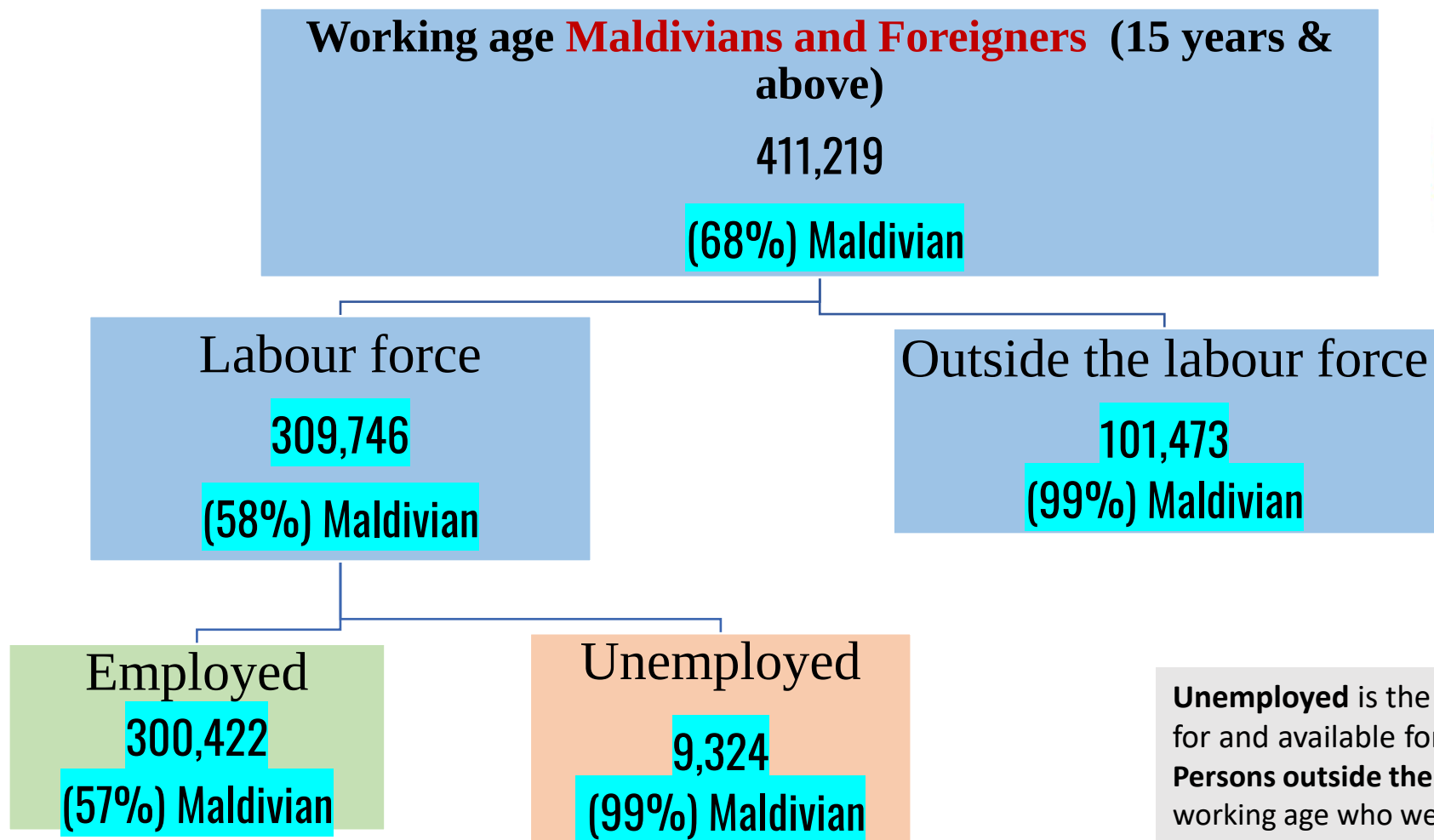
Outline of presentation



- Labour force status of Resident population
- Trends in working-age Maldivian population
- Degree of labour market attachment: Maldivians
- Labour under-utilization measures: Maldivians
- Unemployed Maldivians
- Maldivians Outside the labour force (including Potential labour force)
- Unemployment rates, Youth unemployment rate: Maldivians
- Youth Not in Education, Employment or Training (NEET rate): Maldivians



Resident population in working-ages, Census 2022



Unemployed is the number of people looking for and available for income generating work. **Persons outside the labour force** are those of working age who were neither in employment nor in unemployment

Labour force status: Resident working age population

Labour Force Status	Maldivians	Foreigners	Total	% Maldivians	% Foreigners
Employed	171,130	129,292	300,422	57.0%	43.0%
Unemployed	9,244	80	9,324	99.1%	0.9%
Outside Labour Force	100,757	716	101,473	99.3%	0.7%
Total	281,131	130,088	411,219	68.4%	31.6%

- Total working-age population comprising individuals aged 15 years and older, amounted to 411,219

1 in 3 people of working-age is a foreigner

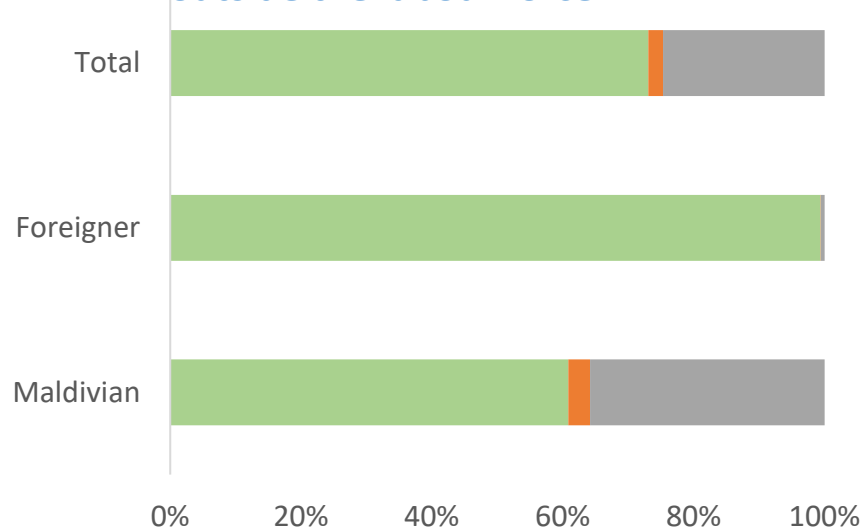
- Maldivians 281,131 (68%) and Foreigners 30,088 (32%)



- Maldivians constitute 99% of the unemployed population as well as persons outside the labour force

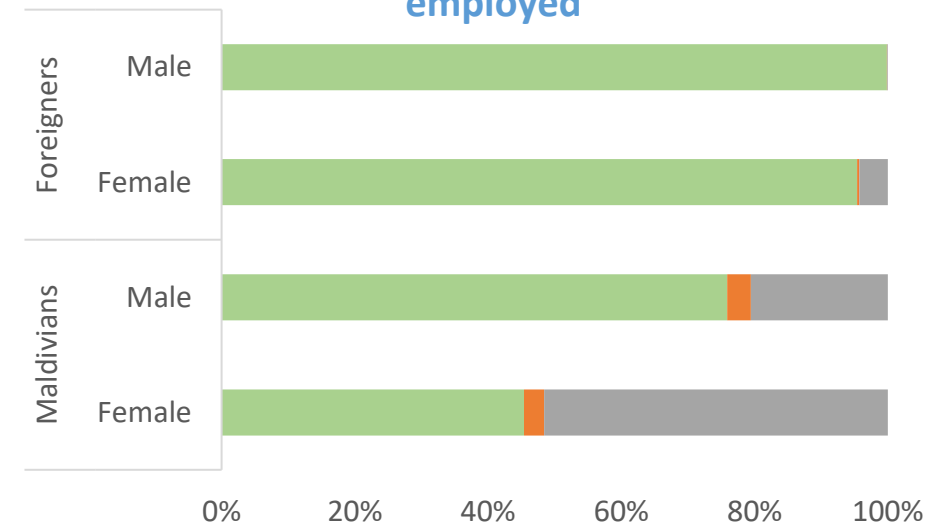
Labour force status: Resident population

Over one third of Maldivian women is outside the labour force



	Maldivian	Foreigner	Total
1 - Employed	60.9%	99.4%	73.1%
2 - Unemployed	3.3%	0.1%	2.3%
3 - Outside Labour Force	35.8%	0.6%	24.7%

Higher share of Maldivian women outside labour force and smaller share among employed



	Maldivians		Foreigners	
	Female	Male	Female	Male
Employed	45.4%	75.9%	95.4%	99.9%
Unemployed	3.0%	3.5%	0.4%	0.0%
Outside Labour Force	51.6%	20.5%	4.3%	0.1%

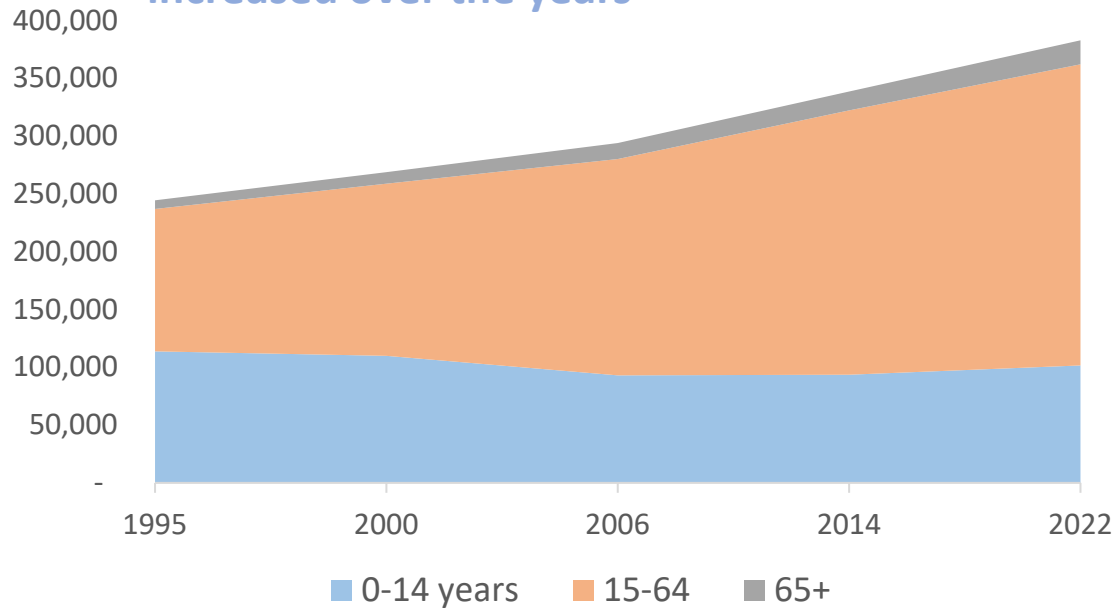
Rest of the presentation



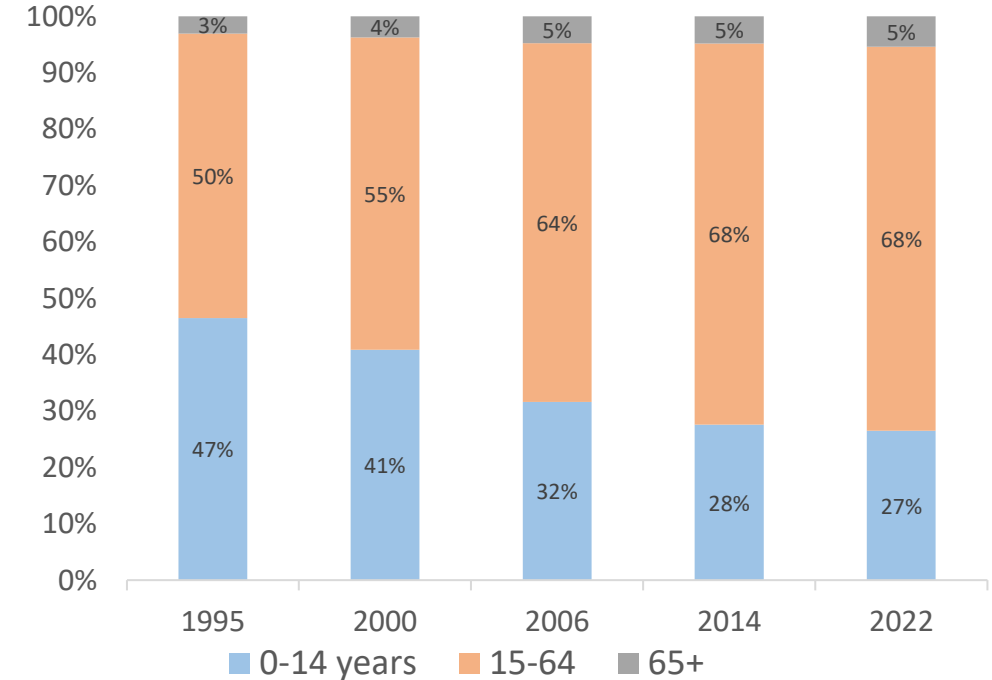
- ✓ Will focus mainly on Maldivians

A demographic window of opportunity exists now

Maldivian population in the working-age has increased over the years



Percentage share Maldivian population by broad age-groups



1 in 7 Maldivians are in the working-age (15+)



73% of the resident Maldivians are aged 15 years and above



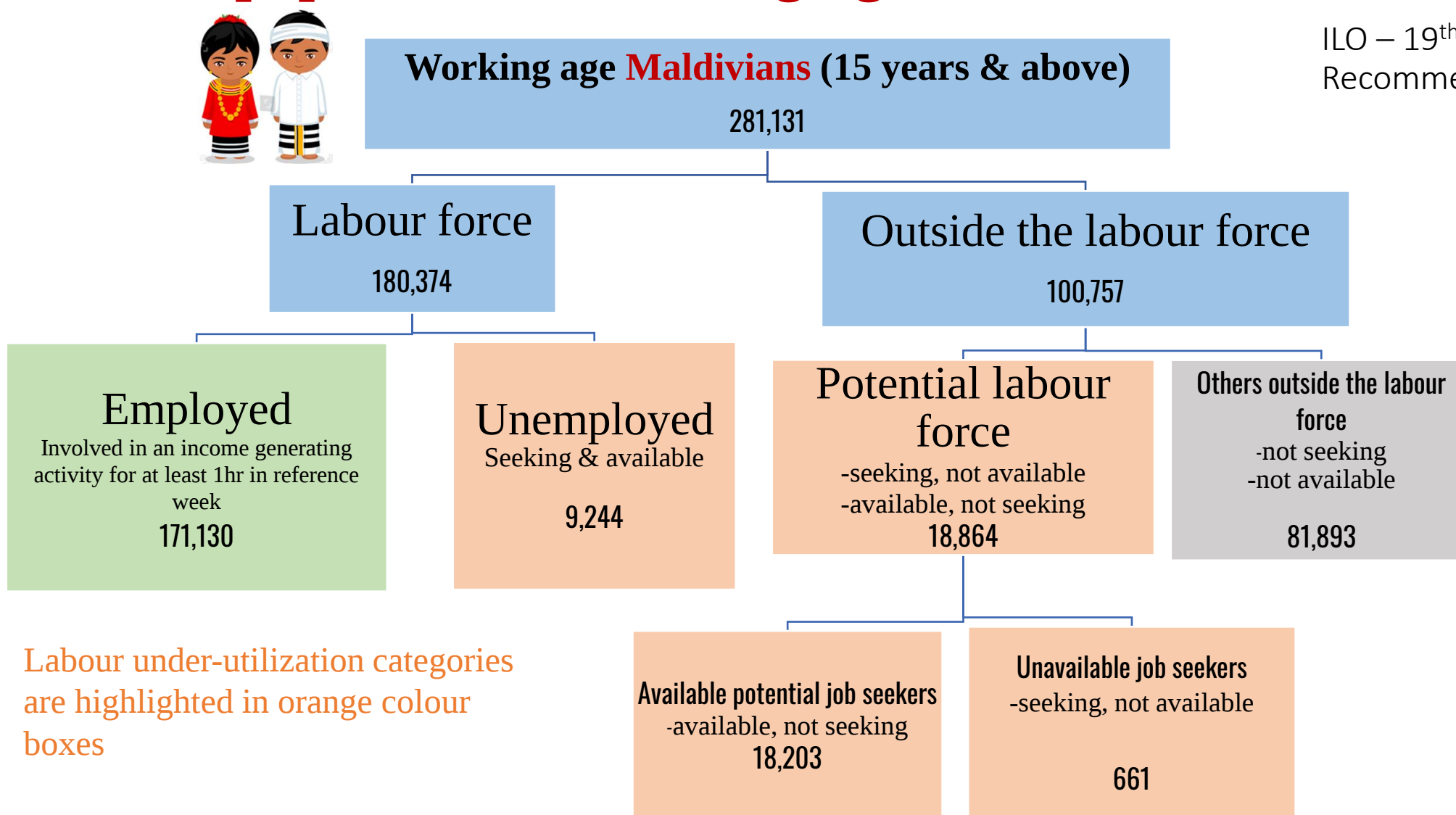
labour under-utilization measures

Labour underutilization refers to mismatches between labour supply and demand, which translate into an unmet need for employment among the population.

“Unemployment is the most widely used labour under-utilization indicator”

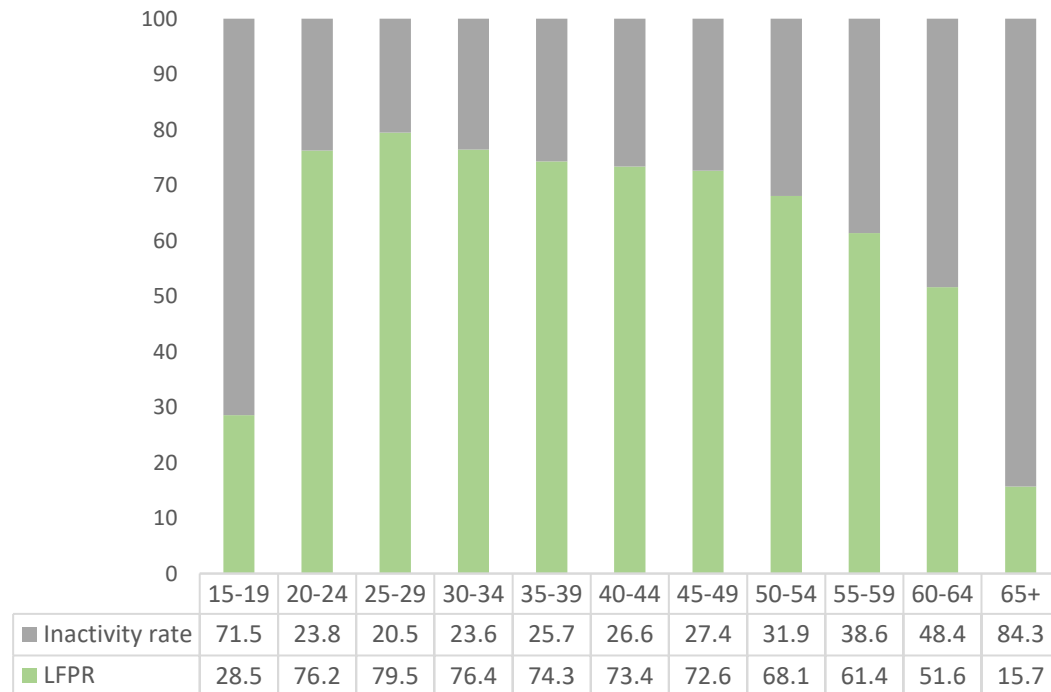
“Potential labour force is an additional measure of labour under-utilization that is recommended by ILO to be used along with unemployment”

Maldivian population in working-ages, Census 2022

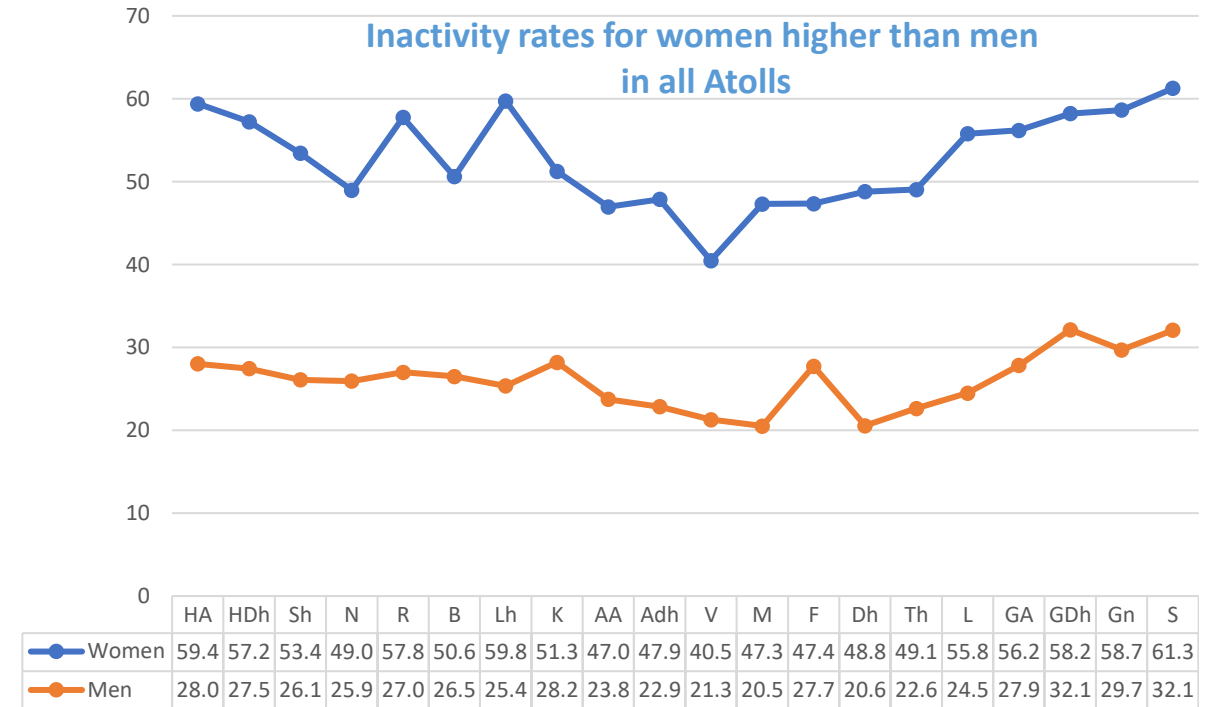


labour force participation & inactivity rates

Higher inactivity rates among teens and elderly

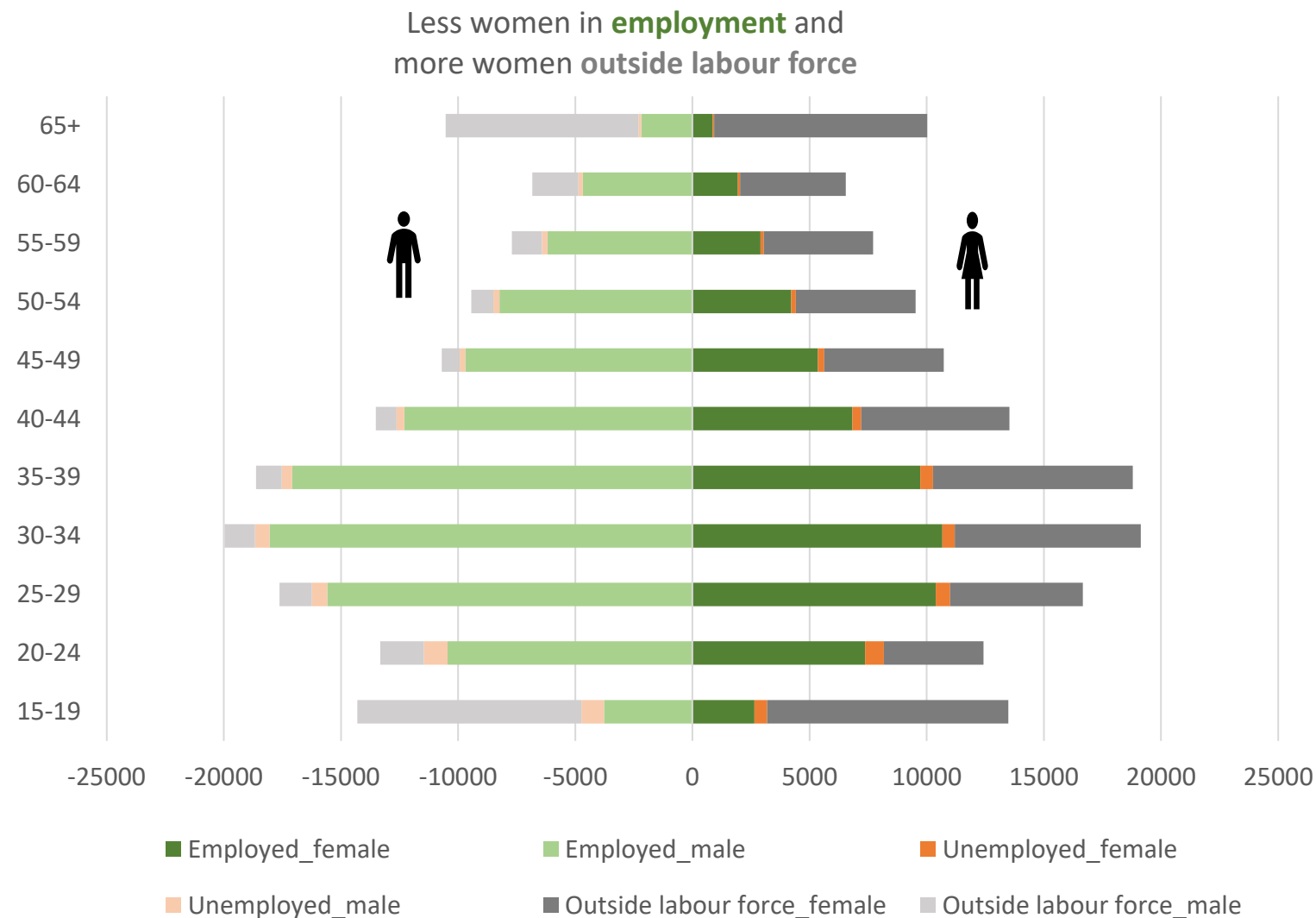


Inactivity rates for women higher than men in all Atolls



Inactivity rate is the proportion of the working-age population that is not in the labour force

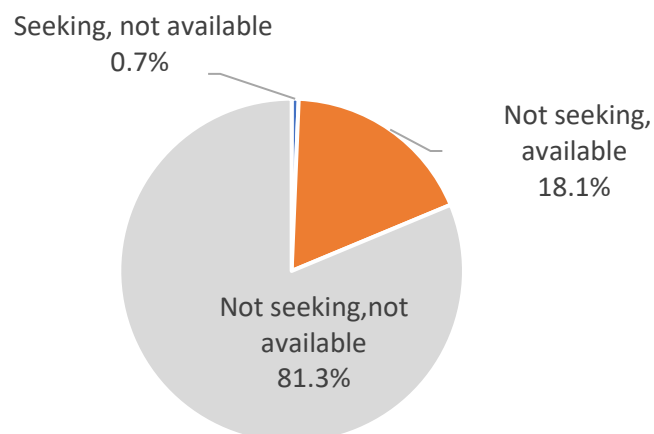
Labour force status of working-age Maldivians



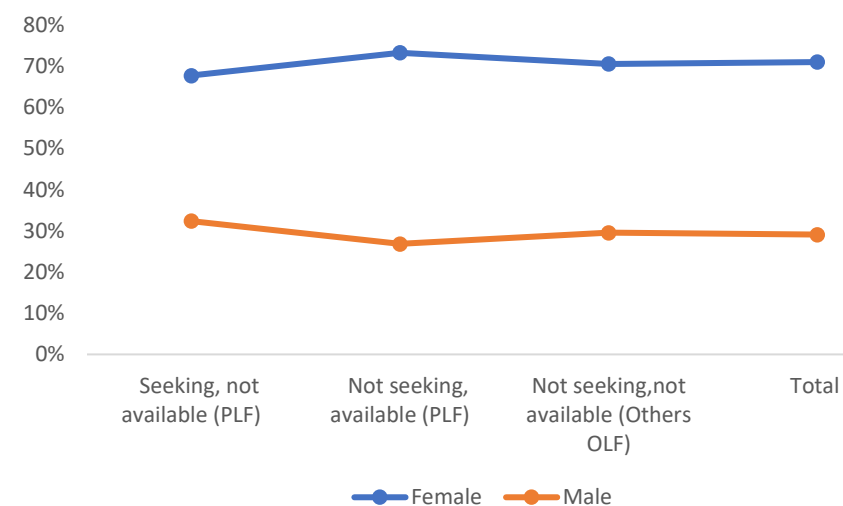
Outside labour force by degree of labour market attachment

Outside labour force	Numbers			% share			% share		
	Female	Male	Total	Female	Male	Total	Female	Male	Total
Potential labour force	13,773	5,091	18,864	19.3%	17.4%	18.7%	73.0%	27.0%	100%
Seeking, not available (PLF)	447	214	661	0.6%	0.7%	0.7%	67.6%	32.4%	100%
Not seeking, available (PLF)	13,326	4,877	18,203	18.6%	16.7%	18.1%	73.2%	26.8%	100%
Not seeking, not available (Others OLF)	57,700	24,193	81,893	80.7%	82.6%	81.3%	70.5%	29.5%	100%
Total	71,473	29,284	100,757	100%	100%	100%	70.9%	29.1%	100%

Available potential job seekers account for 18 percent of persons outside labour force



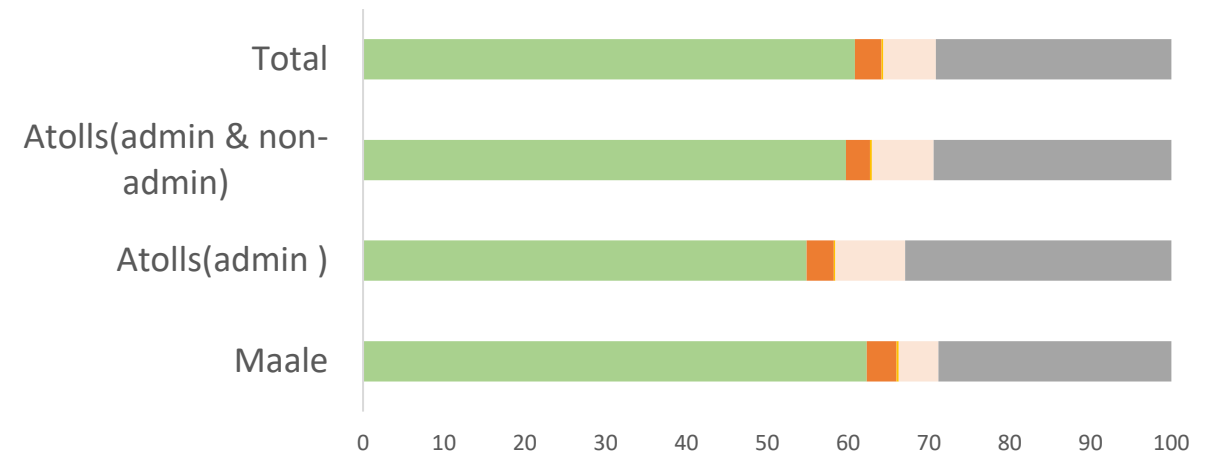
Larger share of women in all categories of persons Outside labour force by sex



Labour force status of Maldivians: by locality

- Share of **employed** are higher in Maale (62%) compared to admin islands in the Atolls (55%).
- Share of **available potential job seekers** are higher in the admin islands in Atolls (8.6%) compared to Maale (4.9%).
- Share of **Others outside labour force** are also higher in the admin islands in Atolls (32%) compared to Maale (29%).

Percentage shares of working-age Maldivians by Labour force status and locality ,2022



	Maale	Atolls(admin)	Atolls(admin & non-admin)	Total
Employed	62.3	54.9	59.8	60.9
Unemployed	3.7	3.3	3.0	3.3
PLF(unavailable jobseekers)	0.3	0.2	0.2	0.2
PLF(available non-jobseekers)	4.9	8.6	7.7	6.5
Others Outside Labour force	28.8	32.9	29.4	29.1

Unemployment by age and sex

Number of unemployed Maldivians: 9,244



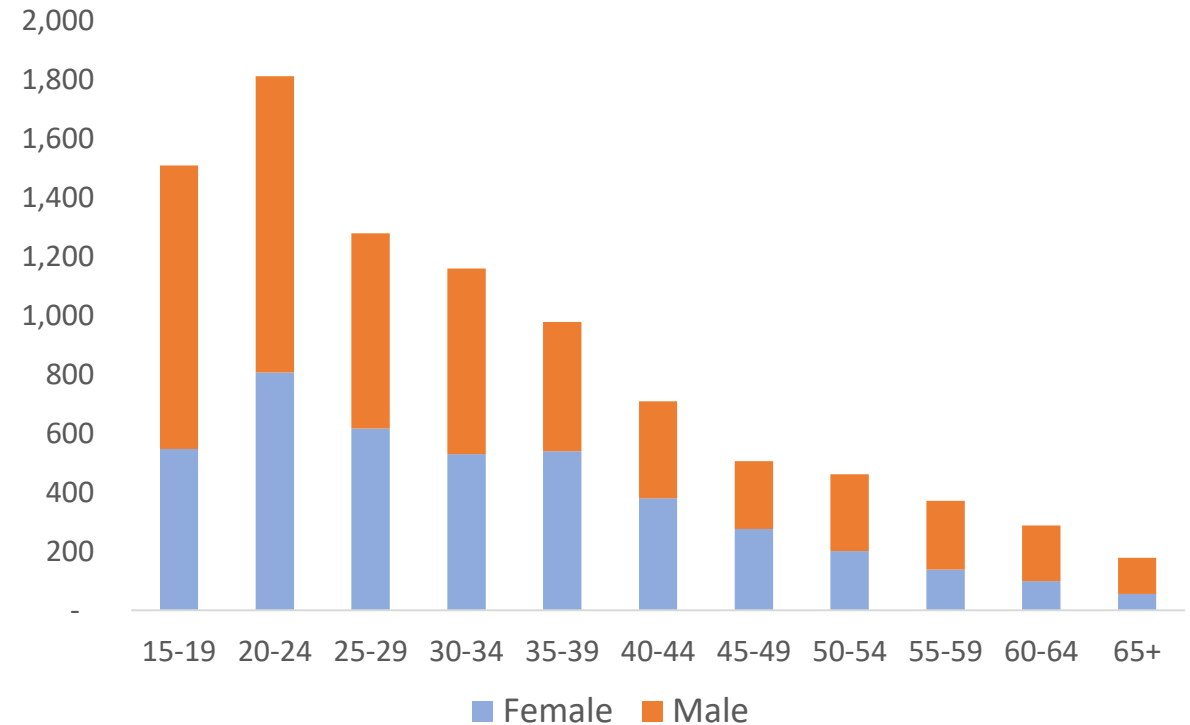
Female: 4,184



Male: 5,060

- Larger share of men than women are unemployed
 - Women (45%)
 - Men (55%)

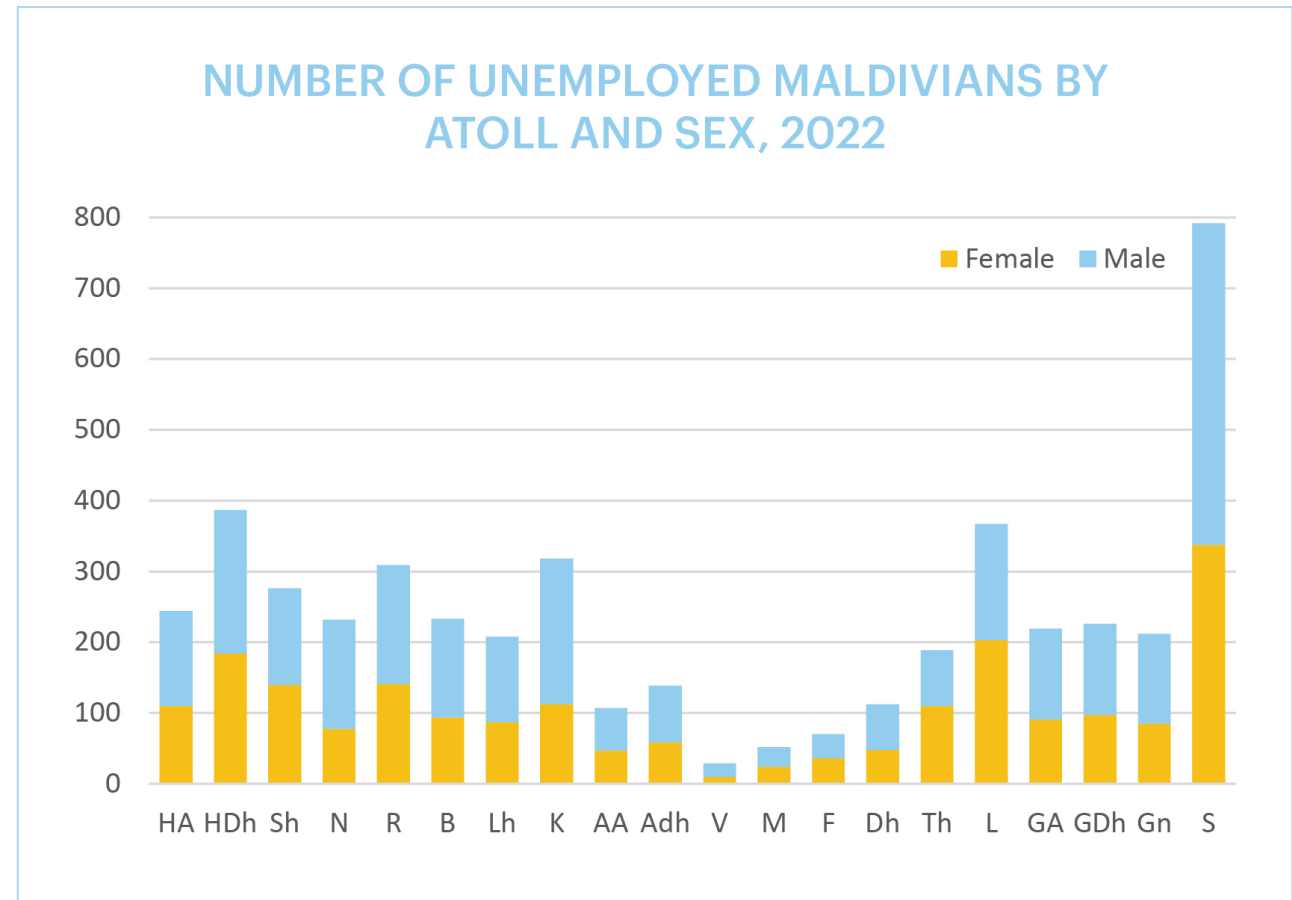
Highest number of unemployed are among 20-24 year olds, followed by 15-19



Unemployed is the number of people actively looking for and available for income generating work. They are willing and available to work but are currently jobless and actively seeking employment.

Unemployment by locality and sex

- Almost half of the unemployed individuals (48%) were located in the capital city, Maale
- In the Atolls, Seenu (S) had the highest number of individuals unemployed (792).
- In specific Atolls (Thaa-Th, Laamu-L, Faafu-F, and Shaviyani-Sh), there are more unemployed women than men.



Maldivians outside Labour force

Number of Maldivians outside labour force: 100,757



Female: 71,473



Male: 29,284

- Larger share of women than men are outside labour force
 - Men (29%)
 - Women (71%)

Persons outside the labour force are those of working age who were neither in employment nor in unemployment. They are not in income generating activities nor actively seeking employment.

Teens and the elderly are highest among persons outside labour force





Individuals outside the labor force are engaged in productive activities in **forms of work other than employment.**

Especially a high proportion of Maldivian females are engaged in care work/household responsibilities

- **Own-use production work of goods and services**
- **Volunteer work**
- **Unpaid trainee work**

Resolution concerning statistics of work, employment and labour underutilization (19th ICLS adopted in 2013)

Potential labour force
-seeking, not available
-available, not seeking
18,864

Available Potential job seekers by main reason for not seeking work



Available potential job seekers
-available, not seeking
18,203

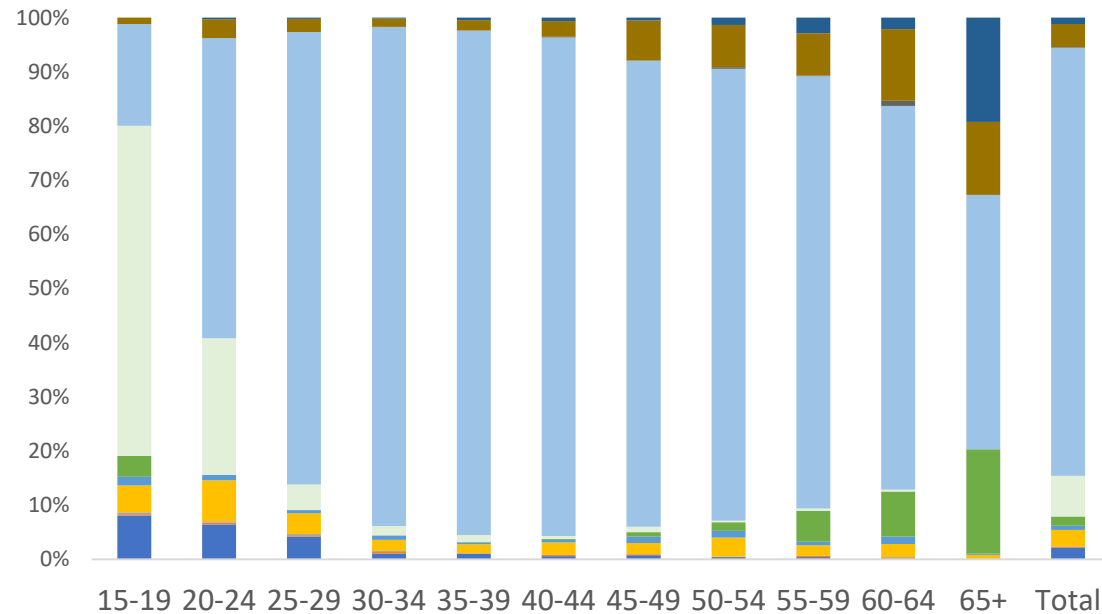
Unavailable job seekers
-seeking, not available
661

Job seekers seeking	Unavailable job seekers -seeking, not available 661								
			Number		%		%		
		Female	Male	Total	Female	Male	Total	Female	Male
Family/household responsibilities		10,263	950	11,213	92%	8%	62%	77%	19%
In studies, training		972	743	1,715	57%	43%	9%	7%	15%
Own disability, injury, illness		551	496	1,047	53%	47%	6%	4%	10%
Waiting for the season to start		271	661	932	29%	71%	5%	2%	14%
Tired of looking for jobs, no jobs in the area		388	460	848	46%	54%	5%	3%	9%
Considered too old/young by employers		226	320	546	41%	59%	3%	2%	7%
Retired, pensioner, other source of income		154	389	543	28%	72%	3%	1%	8%
No jobs matching skills, lacks experience		103	223	326	32%	68%	2%	1%	5%
Waiting for the season to start		16	134	150	11%	89%	1%	0%	3%
Awaiting recall from a previous job		24	59	83	29%	71%	0%	0%	1%
In agriculture/fishing for family use		13	31	44	30%	70%	0%	0%	1%
Other (specify)		345	411	756	46%	54%	4%	3%	8%
Total		13,326	4,877	18,203	73%	27%	100%	100%	100%

- These top 5 reasons account for 87% of reasons for total PLF (available, not seek/potential job seekers). Gender differences observed in reasons

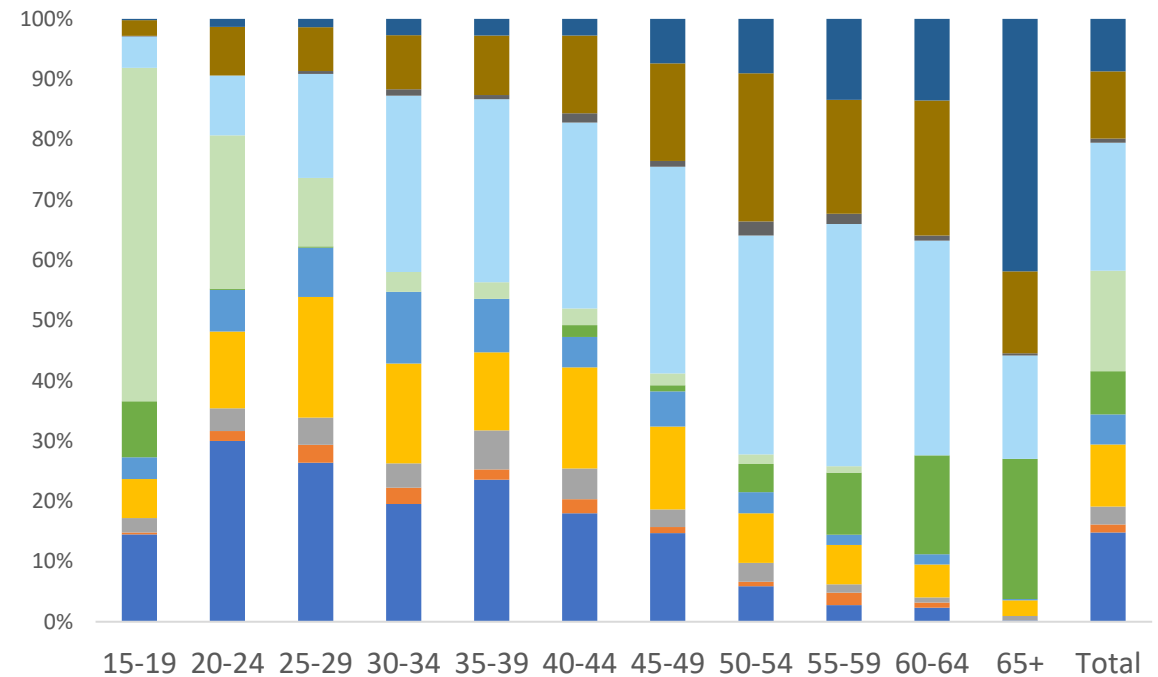
PLF by main reason for not seeking work, age & sex

Female



- Waiting for the result of a pr
- Waiting for the season to star
- No jobs matching skills, lacks
- In studies, training
- In agriculture/fishing for fam
- Retired, pensioner, other sour
- Awaiting recall from a previou
- Tired of looking for jobs, no
- Considered too old/young by em
- Family/household responsibilit
- Own disability, injury, illnes

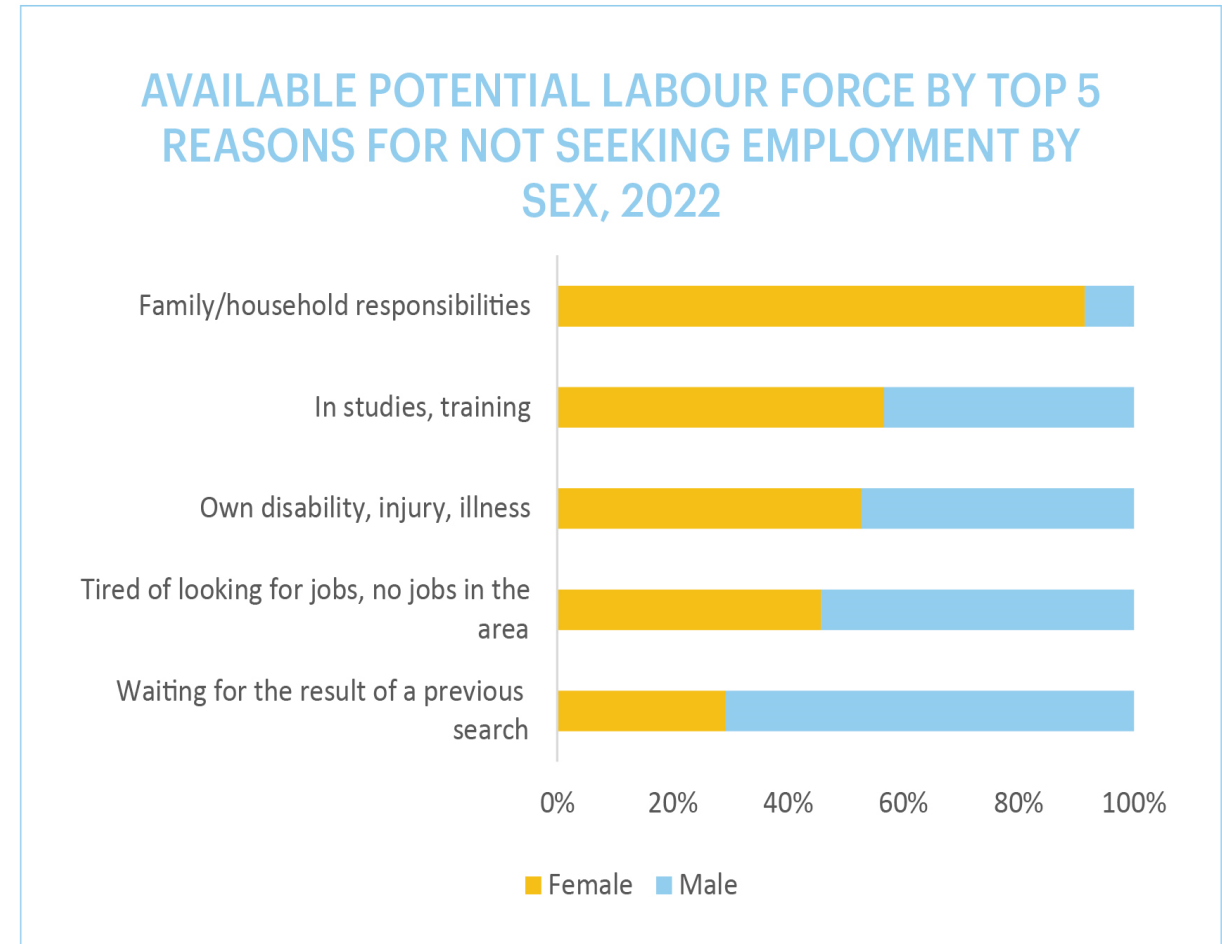
Male



- Waiting for the result of a pr
- Waiting for the season to star
- No jobs matching skills, lacks
- In studies, training
- In agriculture/fishing for fam
- Retired, pensioner, other sour
- Awaiting recall from a previou
- Tired of looking for jobs, no
- Considered too old/young by em
- Family/household responsibilit
- Own disability, injury, illnes

Potential labour force by top 5 reasons for not seeking work, by sex

- Among the top 5 reasons cited by individuals for not seeking employment, the primary factor is fulfilling family and household responsibilities.
- Notably, there is a gender disparity, with 92% of those identifying this as their reason being women.



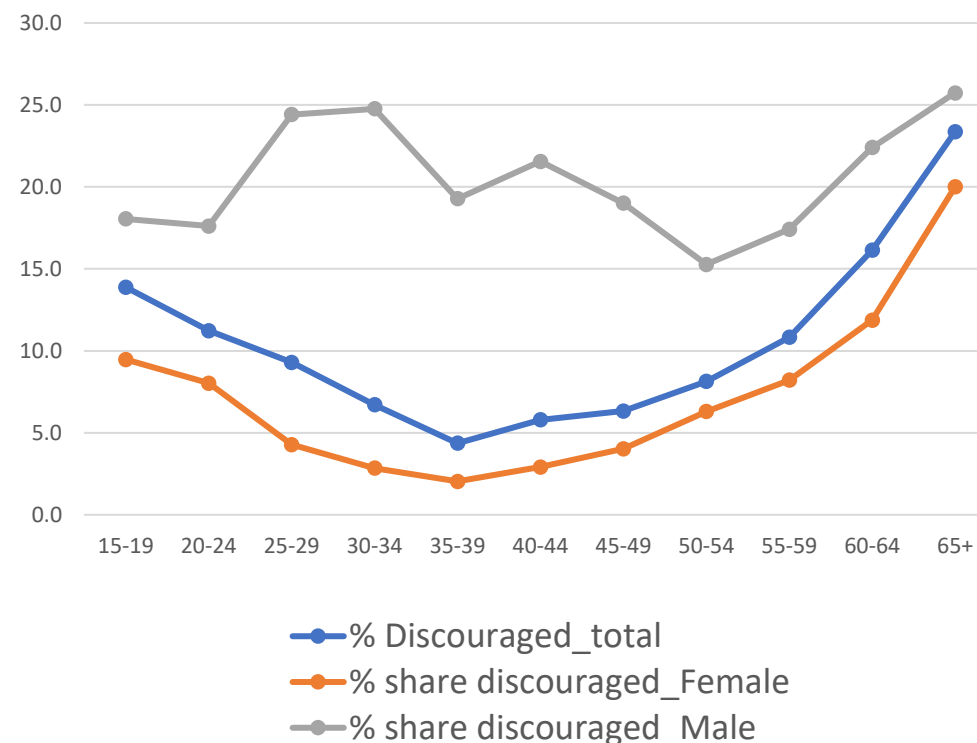
Discouraged workers

- **Discouraged workers** separately, are potential job-seekers who did not carry out activities to “seek employment”, but were “currently available” for employment for employment for **labour market-related reasons**.
- These reasons include: past failure to find a suitable job; lack of experience; qualifications or jobs matching the person’s skills; lack of jobs in the area; considered too young or too old by prospective employers.

Discouraged workers

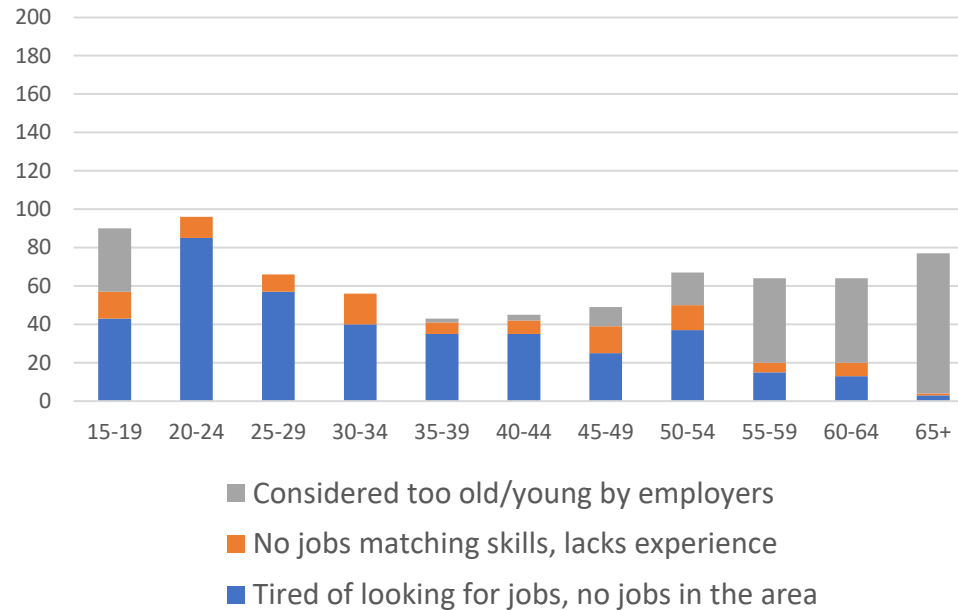
- Discouraged job-seekers totals 1,720 accounting for 9.4 percent of the total potential job-seekers (18,208).
- For females it is 717 out of 13,325 (5.4%) and for males it is 1,003 out of 4,877 (20.6%)
- Higher share of males among discouraged job-seekers. Males (64.5%) Females (35.5%) and varies by age

Percentage share of discouraged job-seekers out of total jobseekers, by sex and age, 2022

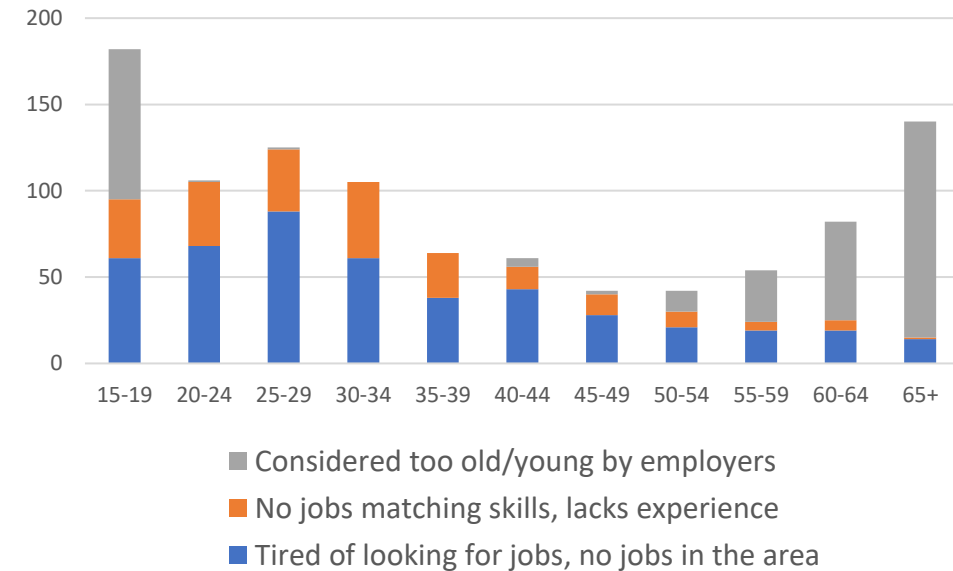


Discouraged workers by reason for not seeking work

Discouraged job-seekers: Female



Discouraged job-seekers: Male



- Differences observed in reasons for males and females and for age-groups

Outside the labour force

100,757

Potential labour force

-seeking, not available
-available, not seeking
18,864

Others outside the labour force

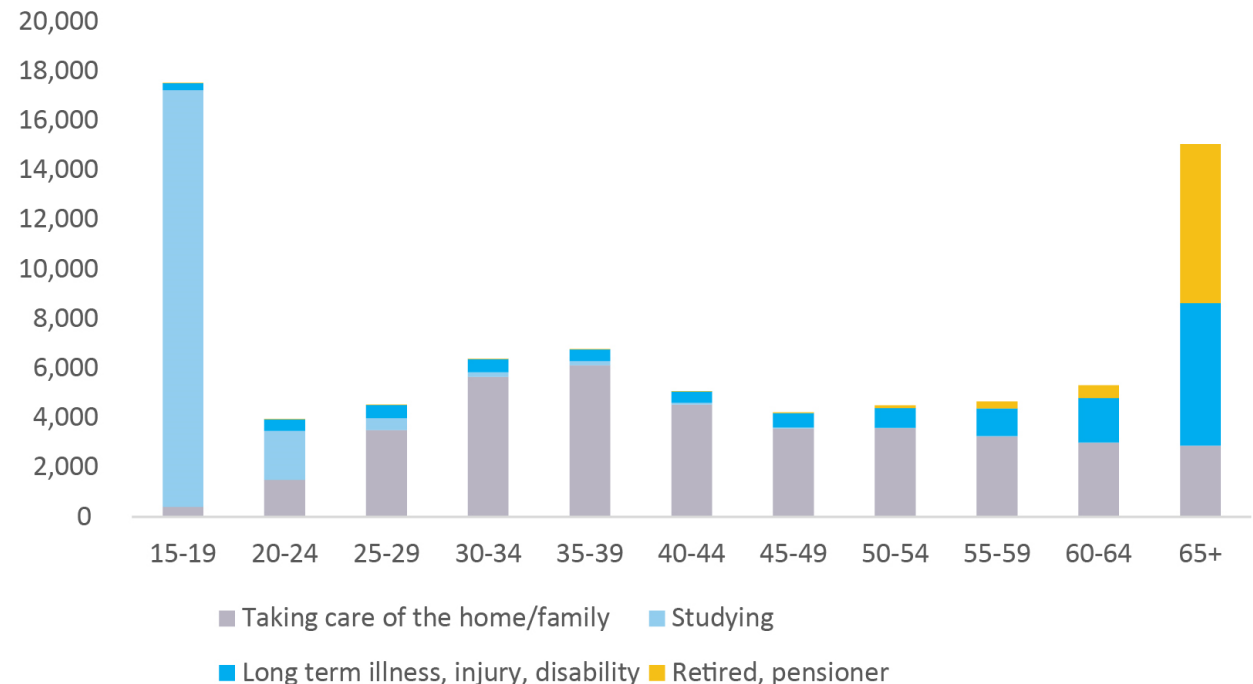
-not seeking
-not available
81,893

Others outside labour force by main activity status, as self-declared



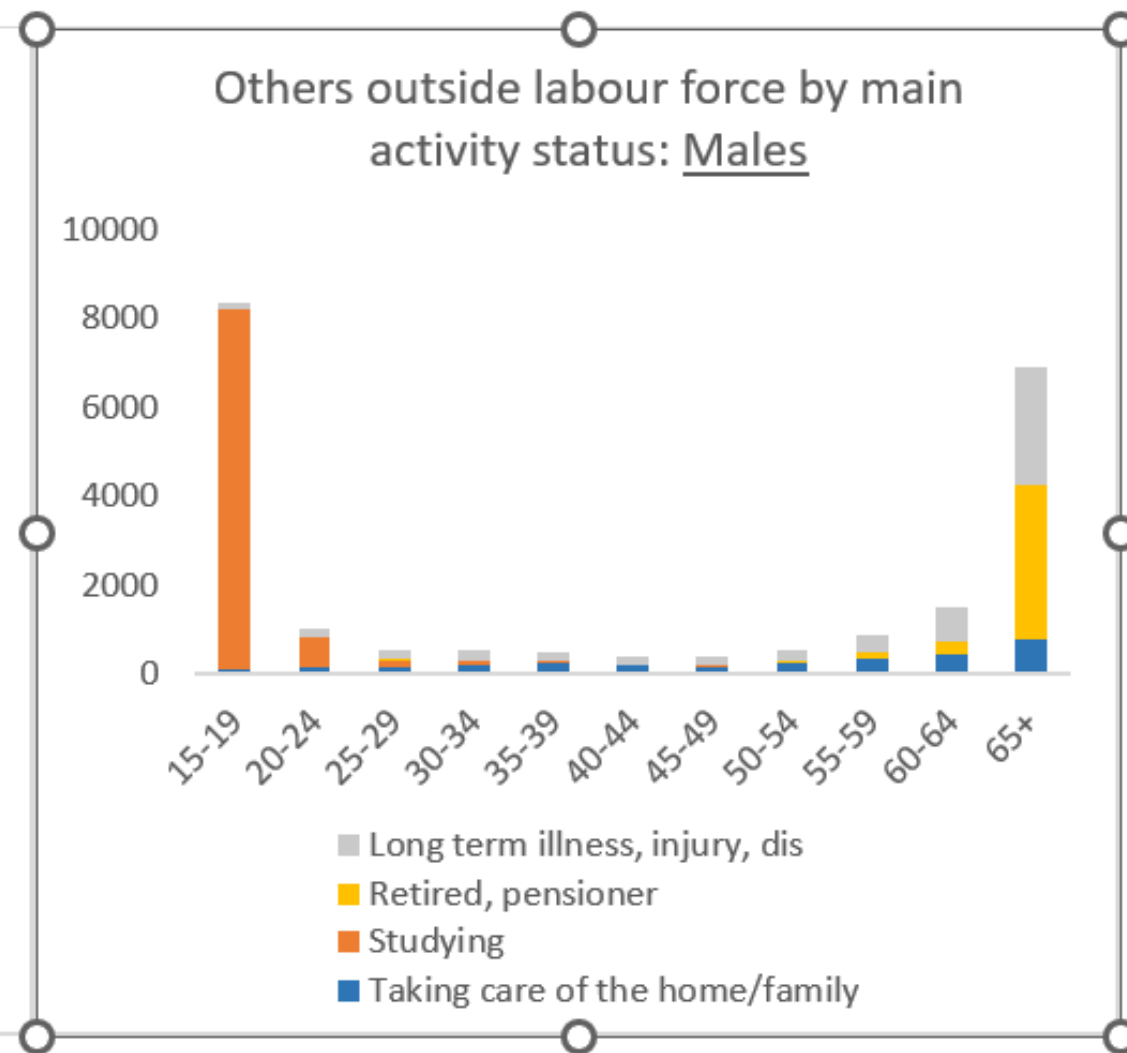
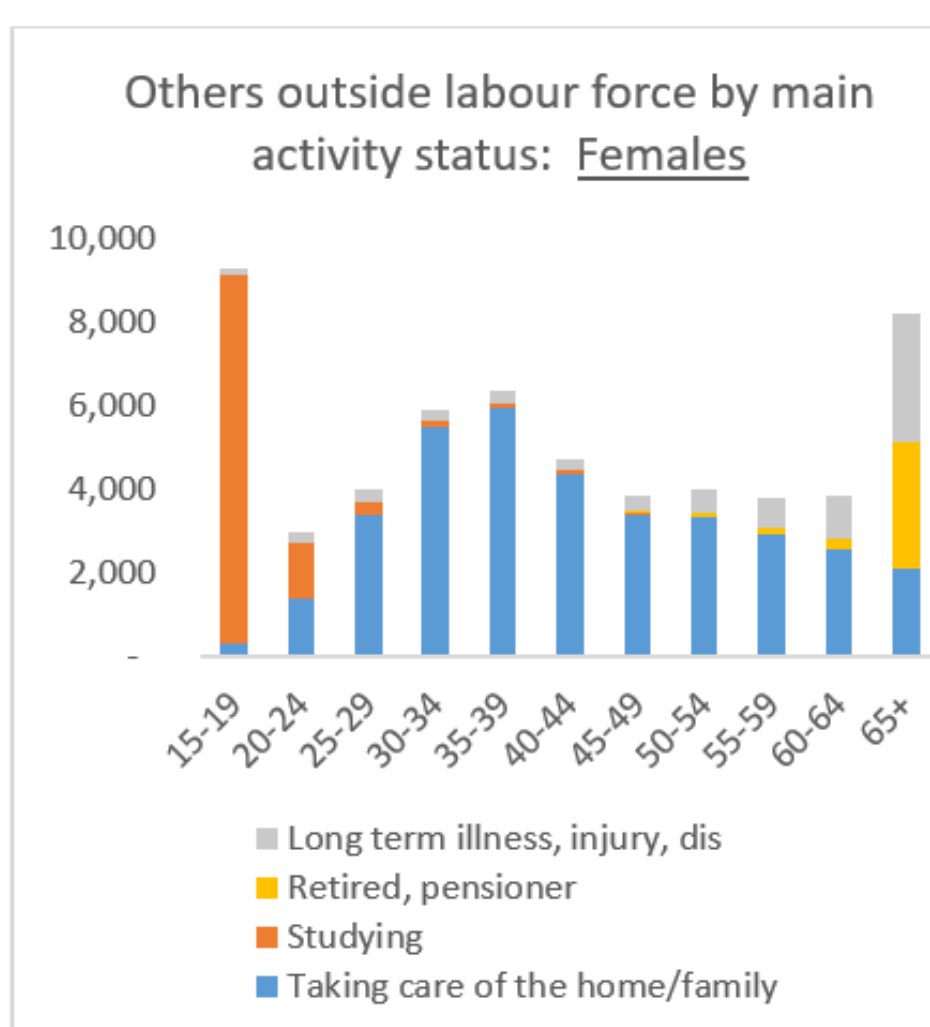
- Among persons outside the labor force a significant majority are Others –Outside labour force (81% of Outside Labour Force)
- Majority are females: mainly engaged in caring for family/household responsibilities
- Young people are in education/training, as majority are pursuing education at this age

OTHERS OUTSIDE LABOUR FORCE BY AGE AND WHAT BEST DESCRIBES WHAT THEY WERE DOING, 2022



	Female	Male	Total
Others Outside labour force	57,700	24,193	81,893
% share	70%	30%	100%

Others outside labour force by main activity status, as self-declared





SDG 8.5.2 unemployment rate by sex, age, and persons with disabilities



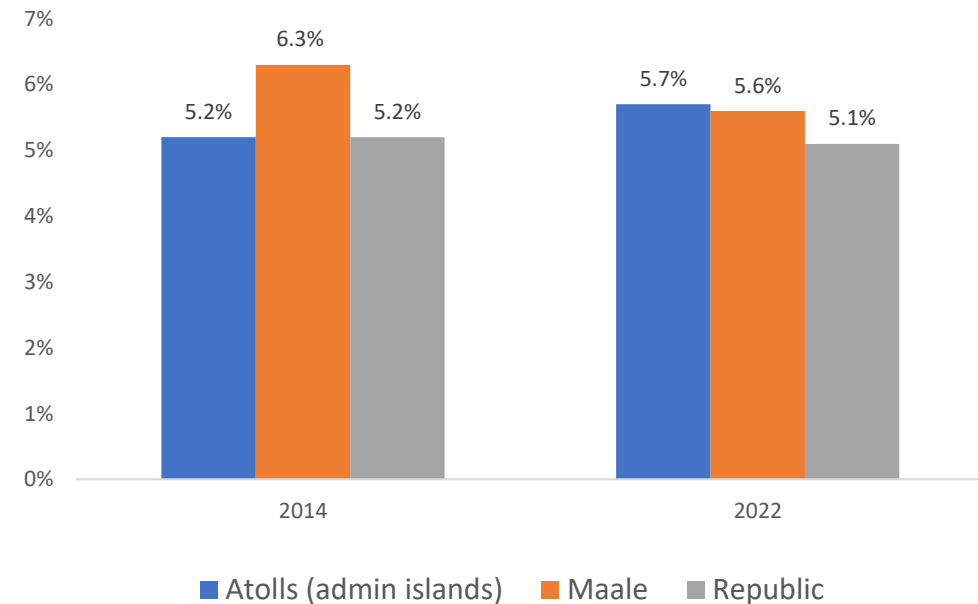
UNEMPLOYMENT RATES OF MALDIVIANS

Unemployment Rate is calculated by expressing the number of unemployed persons as a percentage of the total number of persons in the labour force.

Unemployment rates by locality

- At national level unemployment rate remained around 5 percent (5.2% in 2014 and 5.1% in 2022).
- In Maale, unemployment rate decreased from 6.3% to 5.6% from 2014 to 2022.
- For the administrative islands of Atolls, there was a slight decrease from 5.2% in 2014 to 5.1 % in 2022

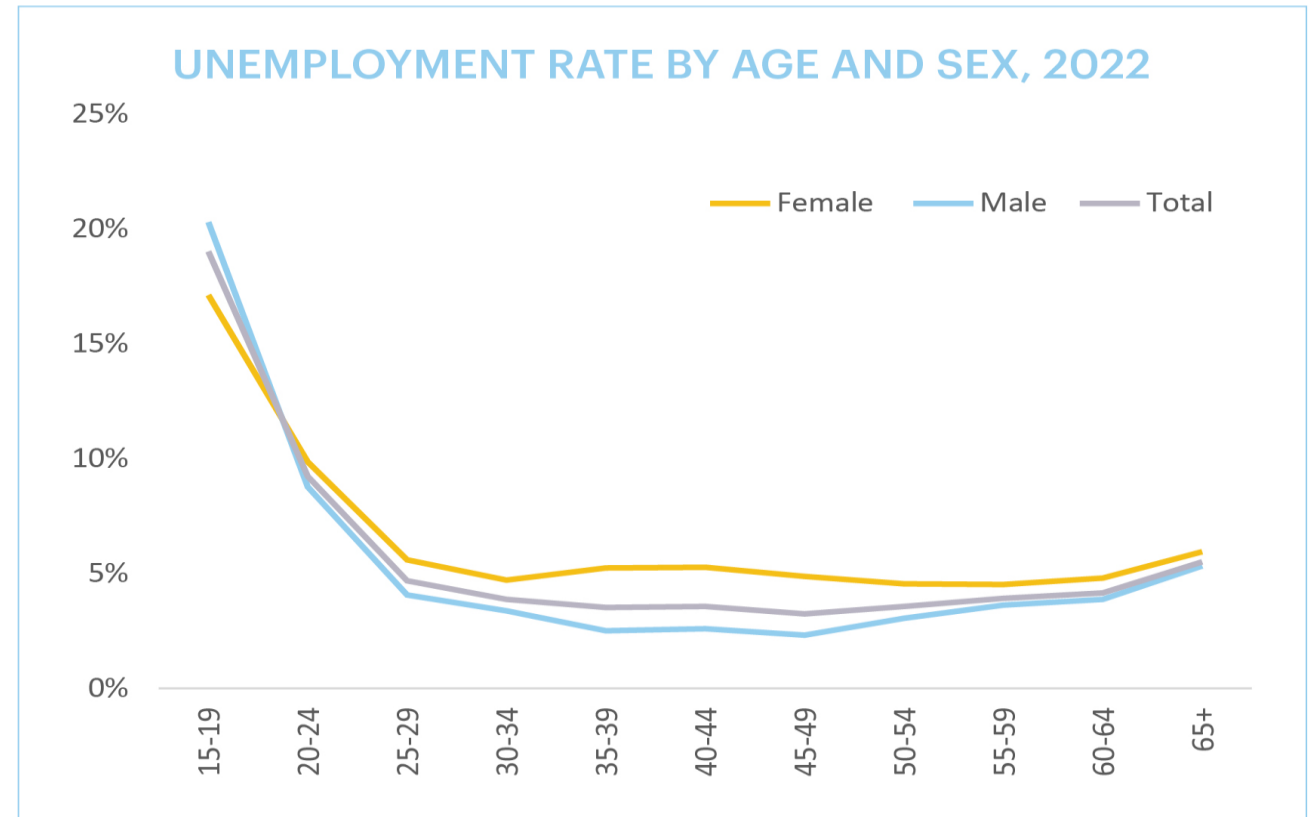
Unemployment rates by locality 2014 and 2022



Unemployment Rate is calculated by expressing the number of unemployed persons as a percentage of the total number of persons in the labour force.

Unemployment rates by age and sex

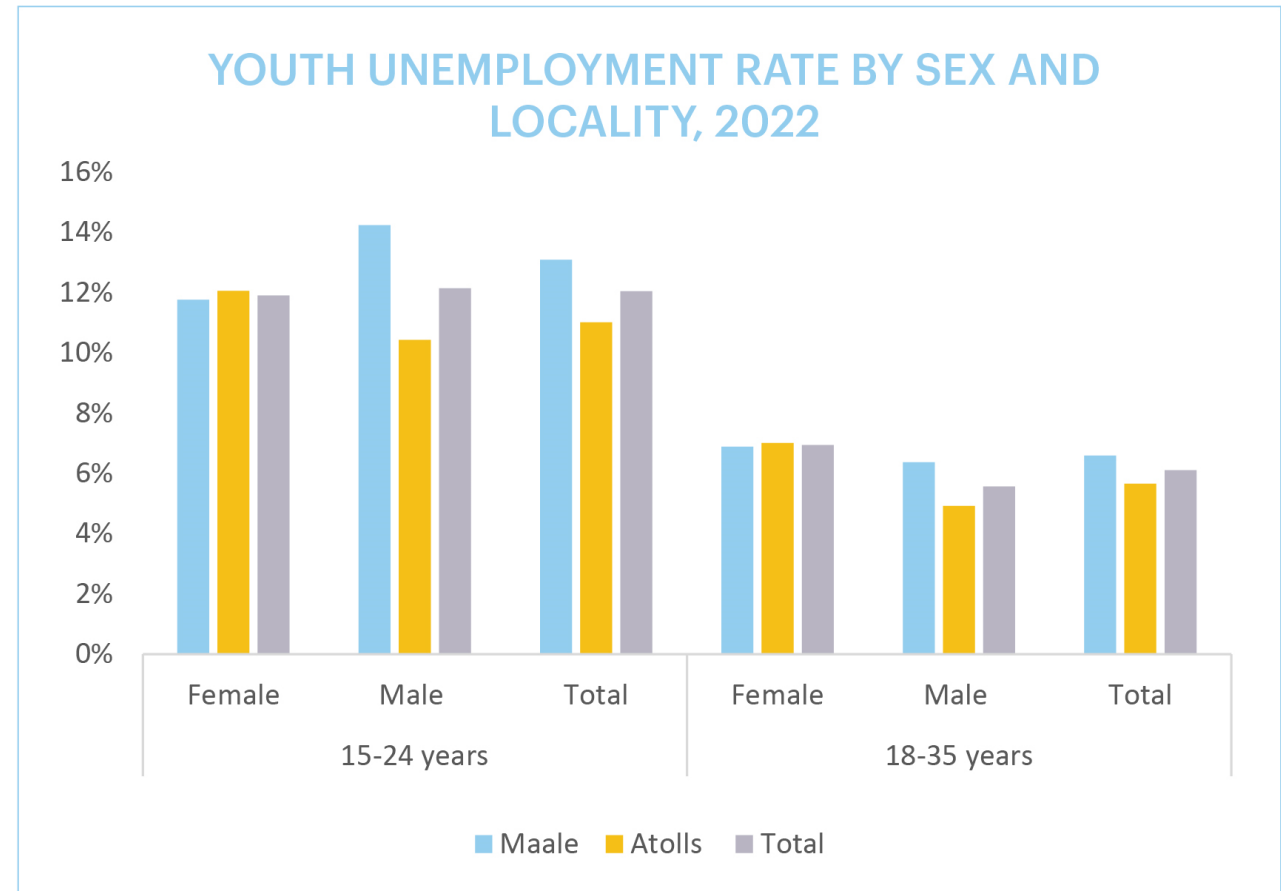
- Young individuals (15 to 19 years) experience higher unemployment rates (20%). Gender gap exists (boys 20.3%, girls 17.1%).
- Significant decline in the for 20-24 age group at 9%.
- Continues to decrease, reaching 5% and below for individuals aged 25 and beyond.
- Gender gap more prominent among individuals aged 35 to 49 years.



Unemployment Rate is calculated by expressing the number of unemployed persons as a percentage of the total number of persons in the labour force.

Unemployment rates: Youth

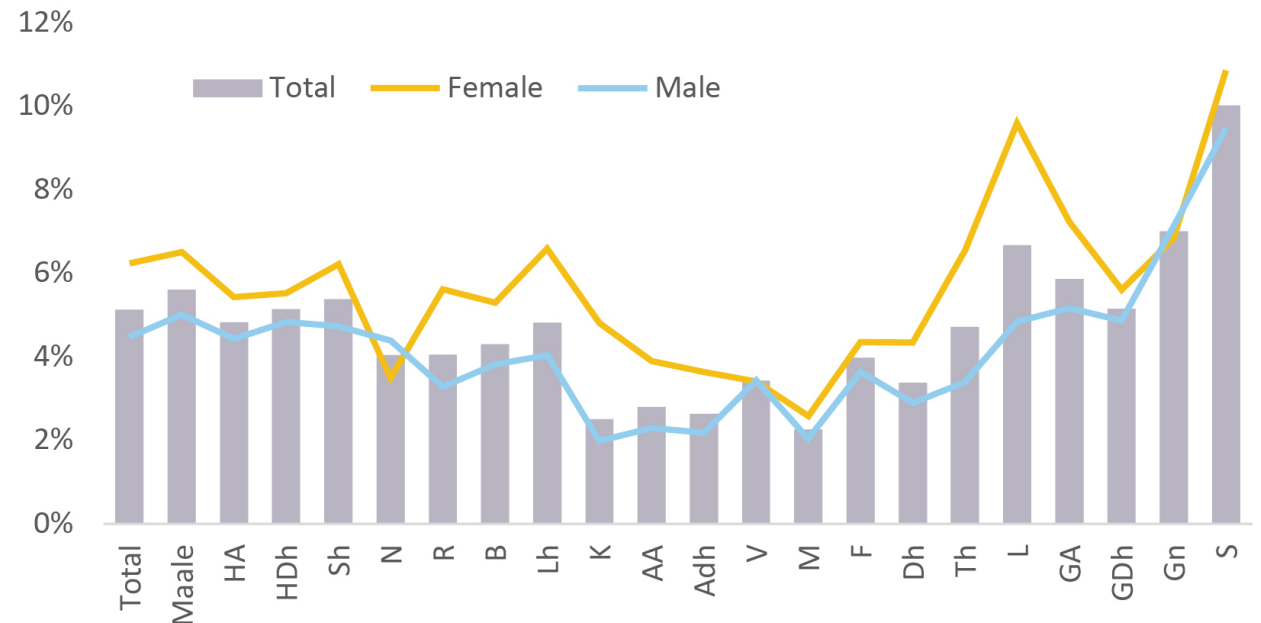
- Youth unemployment constitutes approximately 35.3% of the total unemployment in the country
- Unemployment rate among youth aged 15-24 is at 12.1% at the national level.
- Youth unemployment (15-24) is three times higher than adult (25+) unemployment rate
- Unemployment rate for youth (18-35 years) is significantly lower, standing at 6.1%.



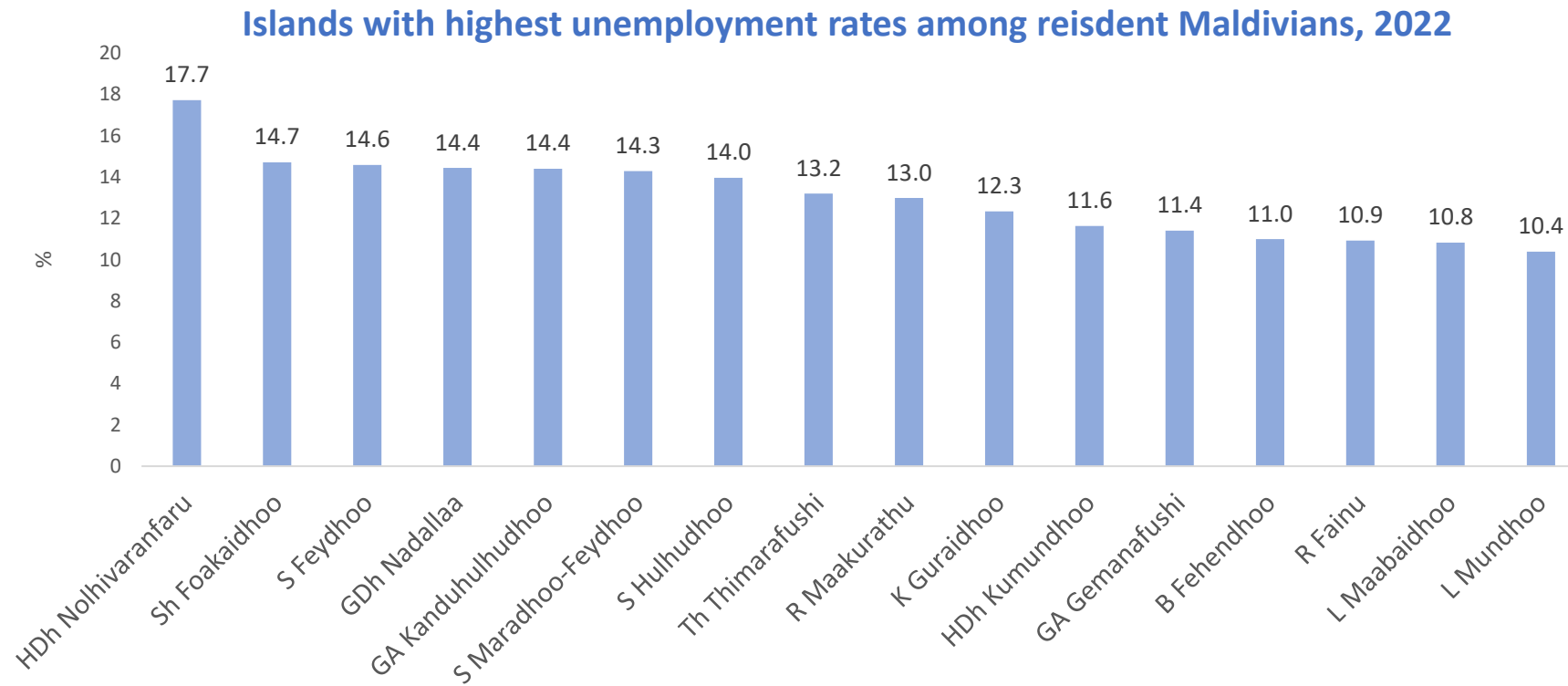
Unemployment rates by Atoll and sex: Maldivians

- Unemployment rate was 5.1% at national level in 2022. It is higher for women (6.2%) compared to men (4.5%)
- In Male' it is 5.6% and slightly higher for women (6.5%) compared to men (5.0%)
- Highest in Seenu-S at 9.5%, Fuvahmulah-Gn at 7.0% and Laamu-L at 6.7%. Much higher rates among women in Laamu compared to men (9.6% vs 4.8%)

UNEMPLOYMENT RATE OF MALDIVIANS IN ADMINISTRATIVE AND NON-ADMINISTRATIVE ISLANDS BY SEX AND LOCALITY, 2022



Islands with highest Unemployment rates

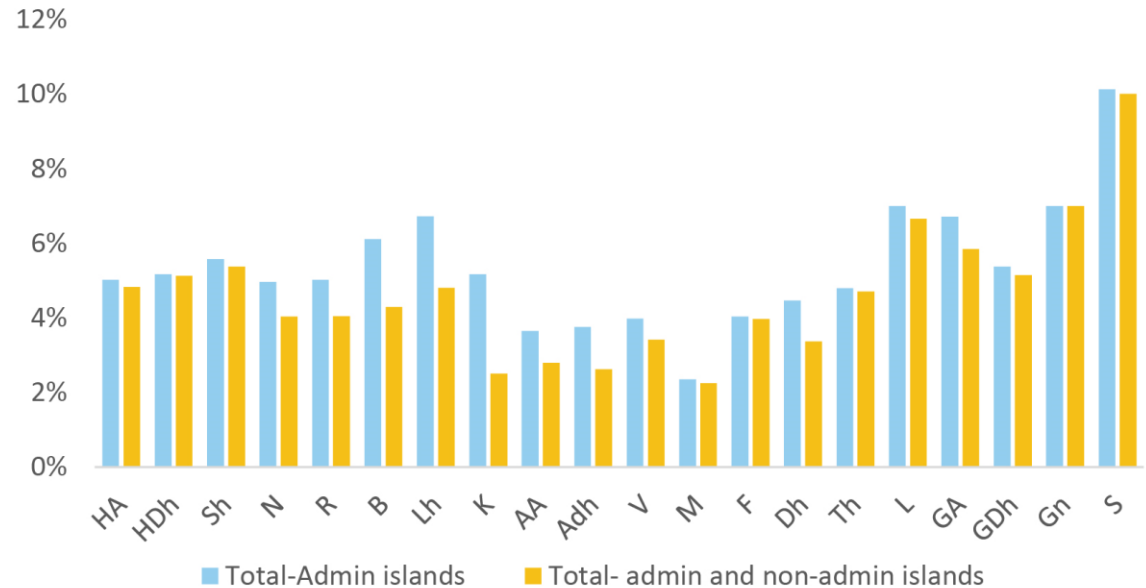


HDh.Nolhivaranfaru is highest at 17.7%.

Unemployment rate by Atoll : including and excluding non-admin islands

- In some Atolls, unemployment rate is much higher in the administrative islands. This is due to higher number of employed persons in non-admin islands (resorts and industrial islands) in some Atolls
- Kaafu-K Atoll (doubles from 2.5% to 5.2%)
- Lhaviyani-Lh Atoll (increased from 4.8% to 6.7%)

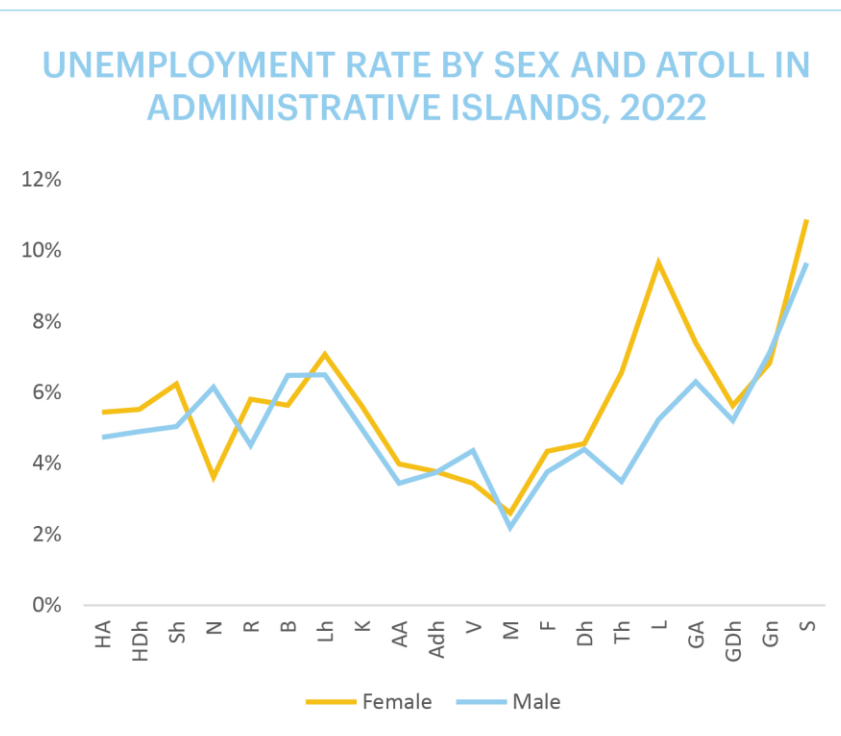
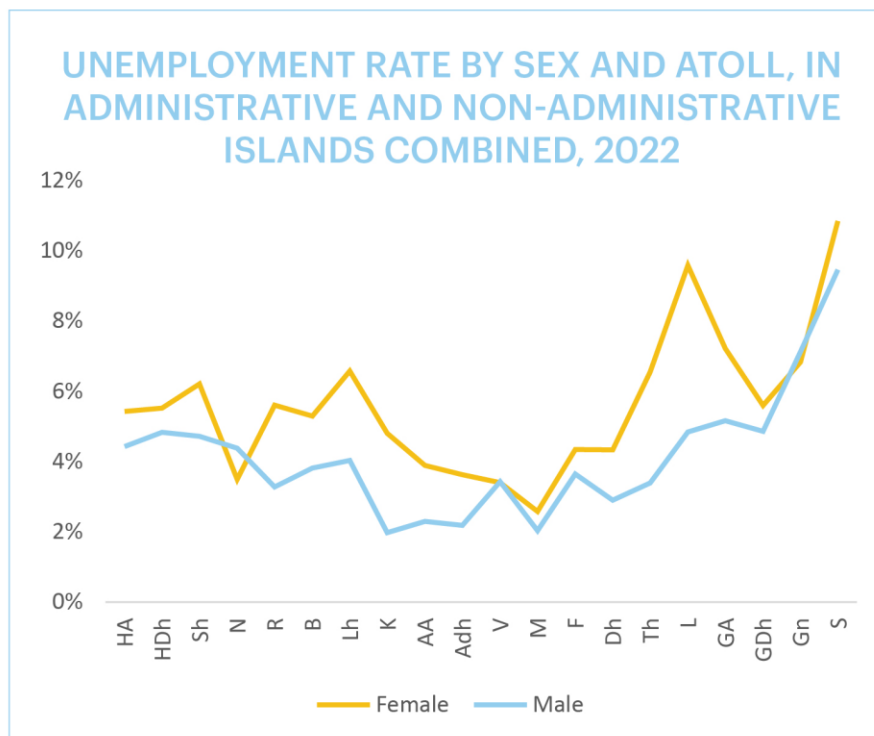
UNEMPLOYMENT RATE OF MALDIVIANS IN ADMINISTRATIVE AND NON-ADMINISTRATIVE ISLANDS, COMPARED TO ADMINISTRATIVE ISLANDS ONLY, BY ATOLL, 2022



Unemployment Rate = (Persons Unemployed / Labour Force) x 100 where;
Labour Force = (Persons Employed + Persons Unemployed)

Gender gap in unemployment rates by Atoll :

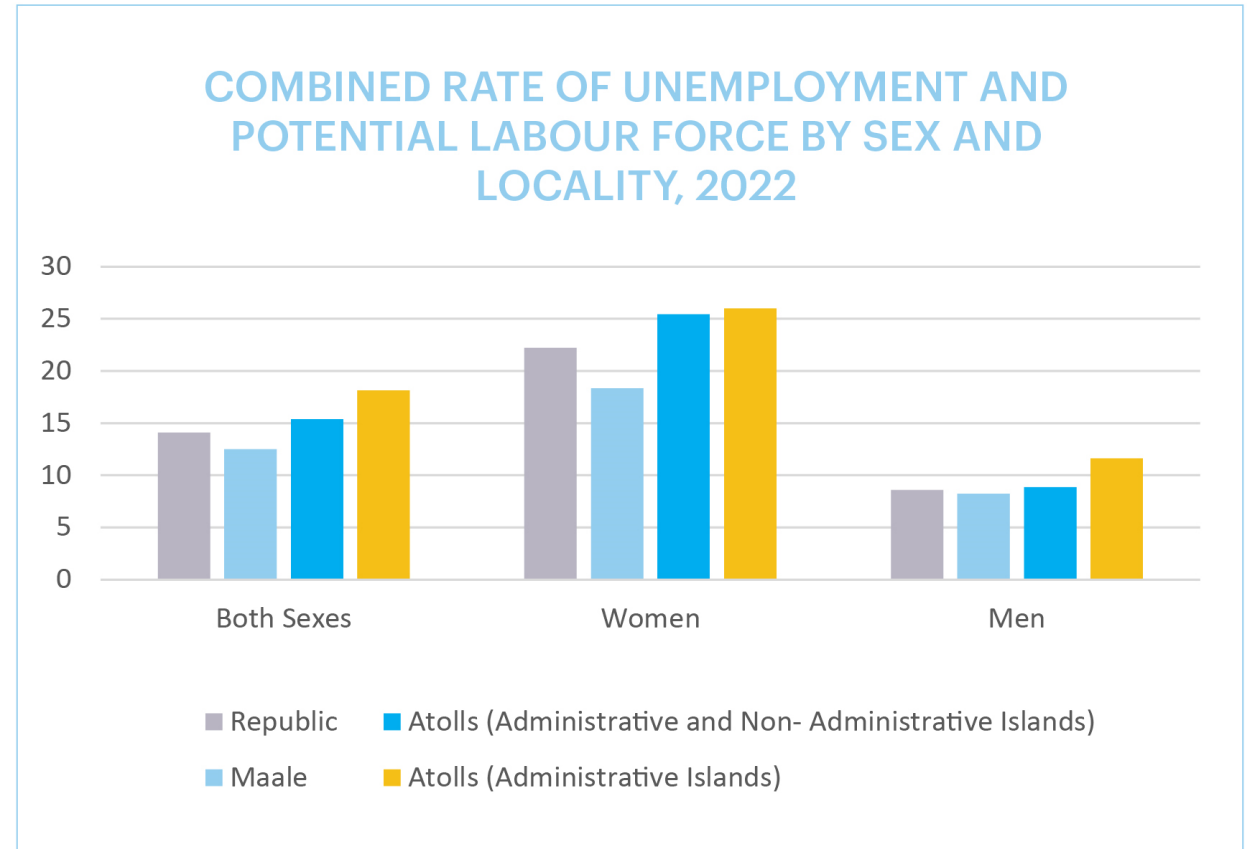
including and excluding non-admin islands



- Gender gap is less prominent for most of the Atolls, when considering only the administrative islands within the Atoll. This is due to high proportion of employed Maldivian men in resorts and industrial islands, compared women)

Combined rate of Unemployment and Potential labour force

- This is an additional measures of labour under-utilisation complementary to the unemployment rate.
- This rate is 14.1% at national level, much high for women (22.2%) than men (8.6%)
- Shows much higher rates among women in the Atolls (26%) compared to Maale (18%).



Combined Rate of Unemployment and Potential labour force = $\left[\frac{\text{Persons Unemployed} + \text{Potential Labour Force}}{\text{Extended Labour Force}} \right] \times 100$

where

Extended Labour Force = Labour Force + Potential Labour Force



SDG 8.6.1 proportion of youth not in education, employment, or training

MALDIVIAN YOUTH NOT IN EDUCATION EMPLOYMENT OR TRAINING (NEET)

- Share of Youth Not in Education, Employment, or Training (NEET Rate): Conveys the number of young person's not in education, employment, or training as a percentage of the total youth population. $NEET\ Rate = [(Youth - Youth\ in\ Employment - Youth\ Not\ in\ Employment\ but\ in\ Education\ or\ Training) / Youth] \times 100$

Youth (15-24) by education and labour force status

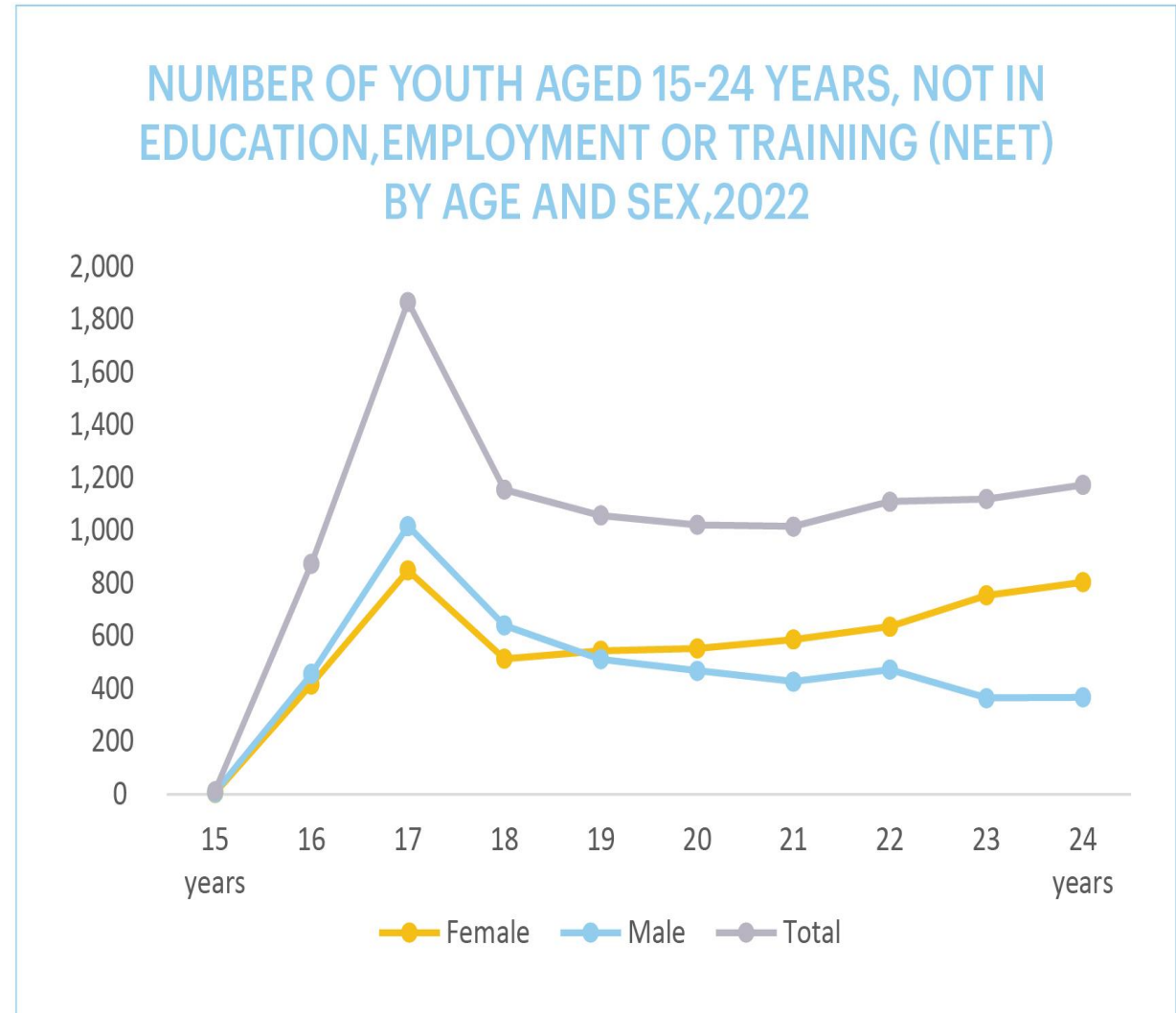


	Female	Male	Total
In education,employed	3,408	2,540	5,948
In education,unemployed	364	292	656
In education,Outside labour force	9,857	8,364	18,221
Not in education,employed	6,611	11,685	18,296
Not in education,unemployed	989	1,674	2,663
Not in education,Outside labour force	4,683	3,070	7,753
Total	25,912	27,625	53,537

- In the Maldives, there are a total of 10,416 individuals categorized as NEET in the age group Among these, of 15 to 24 years.
- 5,672 are females and 4,744 are males

Youth NEET population 15-24 years

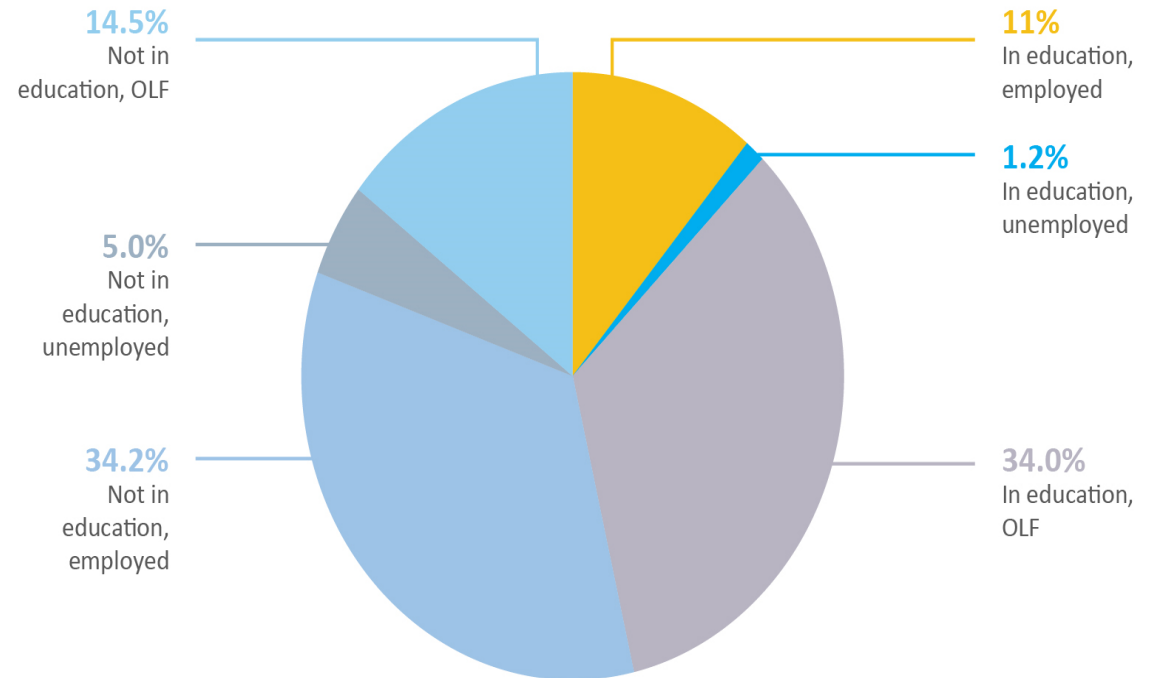
- Number of youth NEET significantly rises within the ages 16 to 18, with males outnumbering females in each age group.
- It remains relatively stable within the ages 19 to 24.
- Females are more among youth NEET especially in the older age groups.



Youth (15-24) by educational attendance and labour force status

- Among the 10,416 youth aged 15-24 years in the NEET category
 - 14.5% are not in education and remain outside labour force: **NEET-unemployed**
 - 5.0% are not in education and are unemployed: **NEET-OLF**

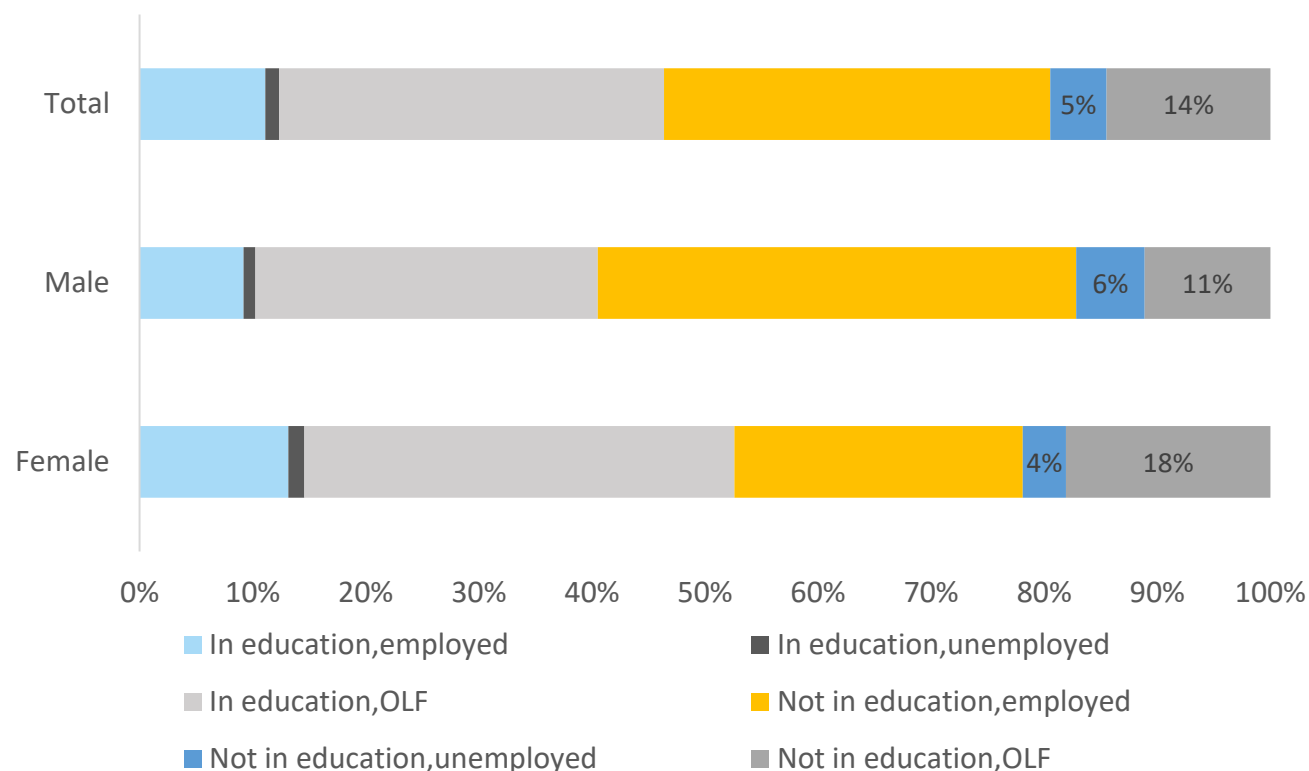
YOUTH (AGE 15-24) BY EDUCATION AND LABOUR FORCE STATUS, 2022



Youth (15-24) by education and labour force status, by sex

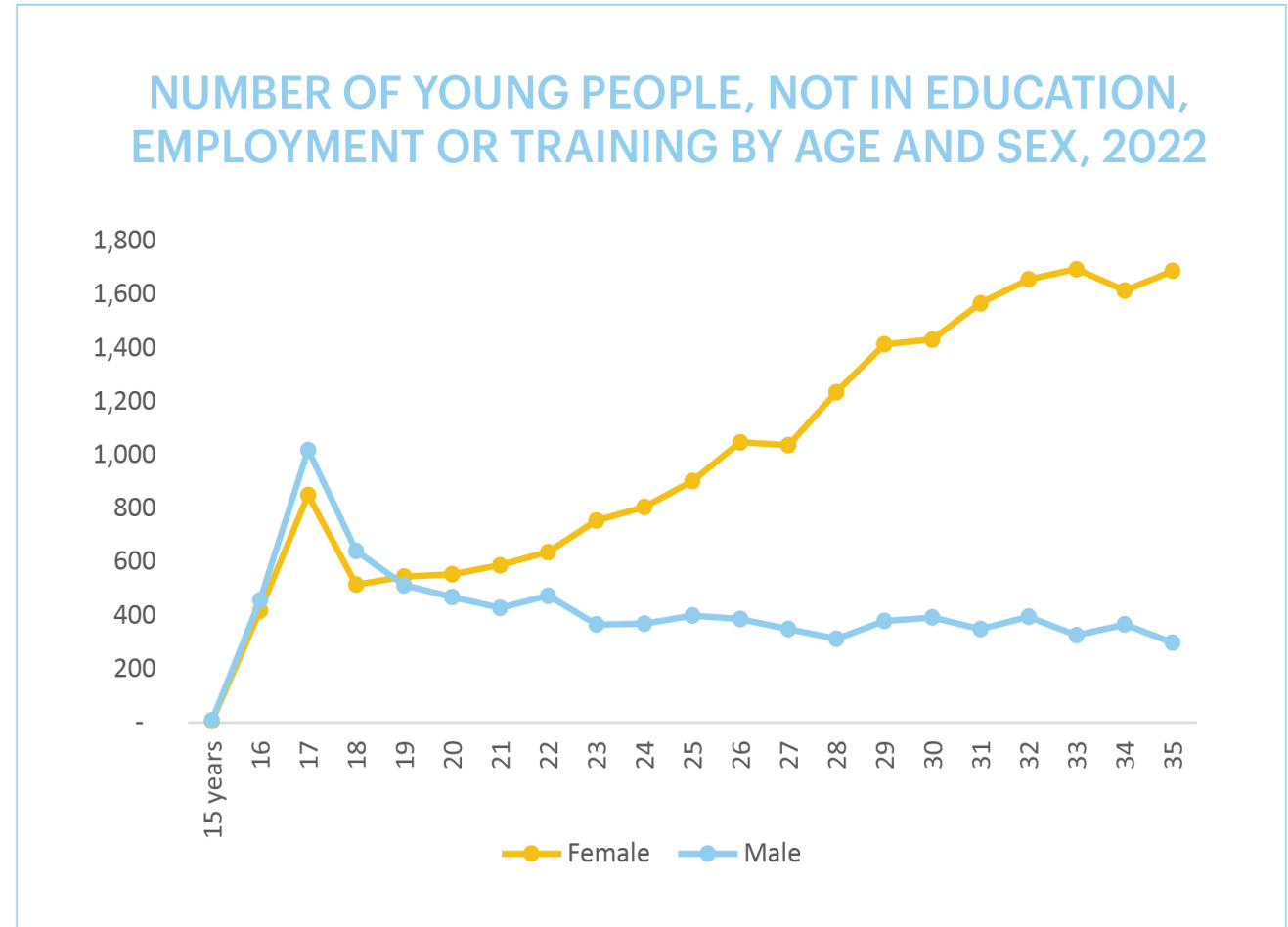
- Approximately one in every five (19%) young Maldivians aged 15-24, totaling 10,416 youths, are categorized NEET population.
- NEET rate among young women is higher (22%) compared to young men (17%).

YOUTH (15-24 YEARS) BY EDUCATION AND LABOUR MARKET STATUS, 2022



Youth NEET population 15-35 years

- Number of youth NEET significantly rises within the ages 16 to 18, with males outnumbering females in each age group.
- A widening gender gap is observed as age increases
- Females are more among youth NEET especially in the older age groups.

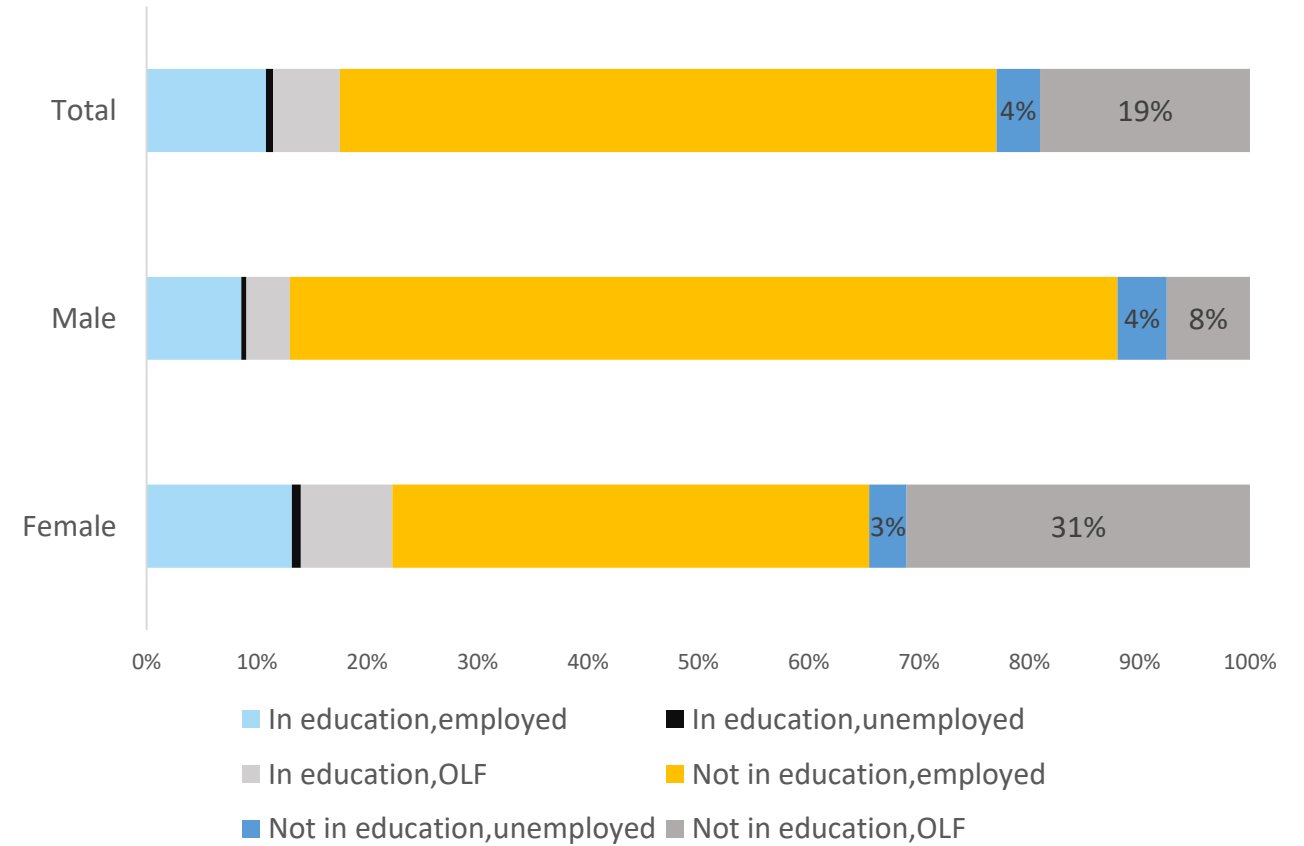


Youth (18-35) by education and labour force status



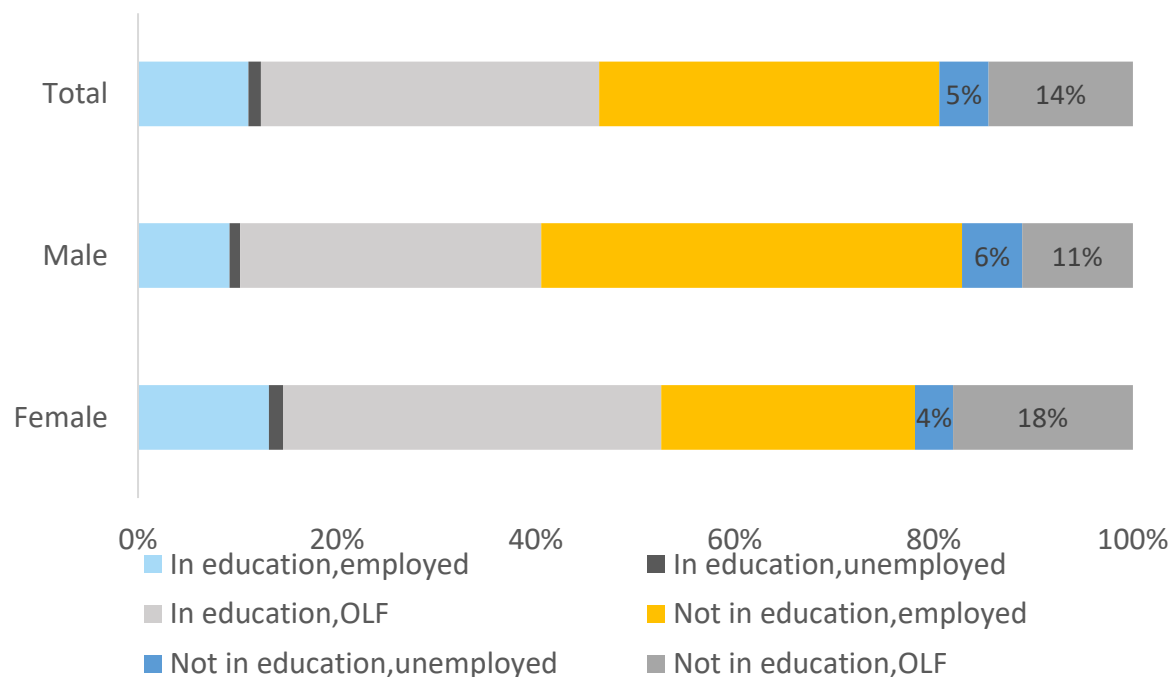
- Approximately one in every four (23%) young Maldivians aged 18-35, totaling 117,076 youth, fall into the category of not being in education, employment, or training (NEET).
- The NEET rate among young women is nearly three times as high as that among young men, with 12% for men and 34% for women.

YOUTH (18-35 YEARS) BY EDUCATION AND LABOUR MARKET STATUS, 2022

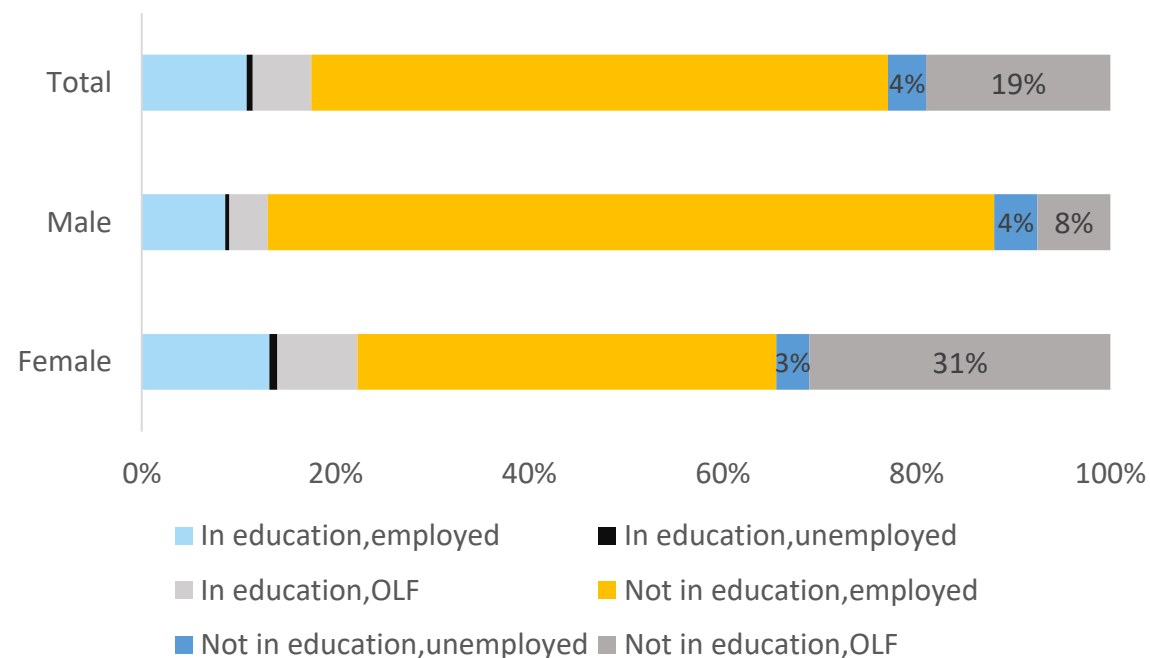


Youth 15-24 & 18-35 : education & labour force status

YOUTH (15-24 YEARS) BY EDUCATION AND LABOUR MARKET STATUS, 2022



YOUTH (18-35 YEARS) BY EDUCATION AND LABOUR MARKET STATUS, 2022

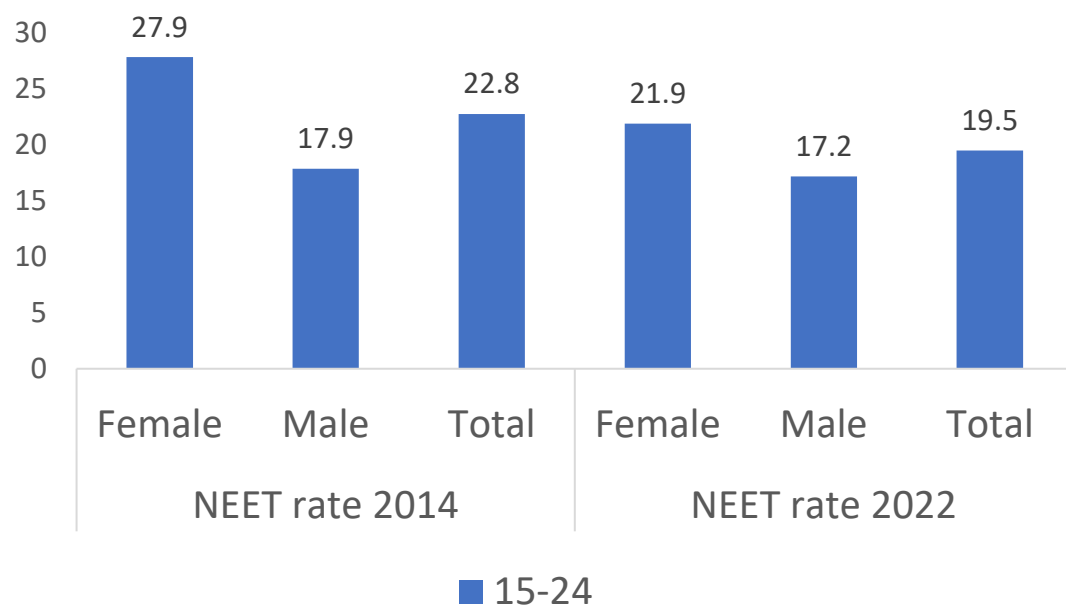


WOMEN: NEET-OLF is substantially higher for women 18-35 years at 31% compared to 18% at 15-24 years .
As for **NEET-unemployed** is around 3 to 4%

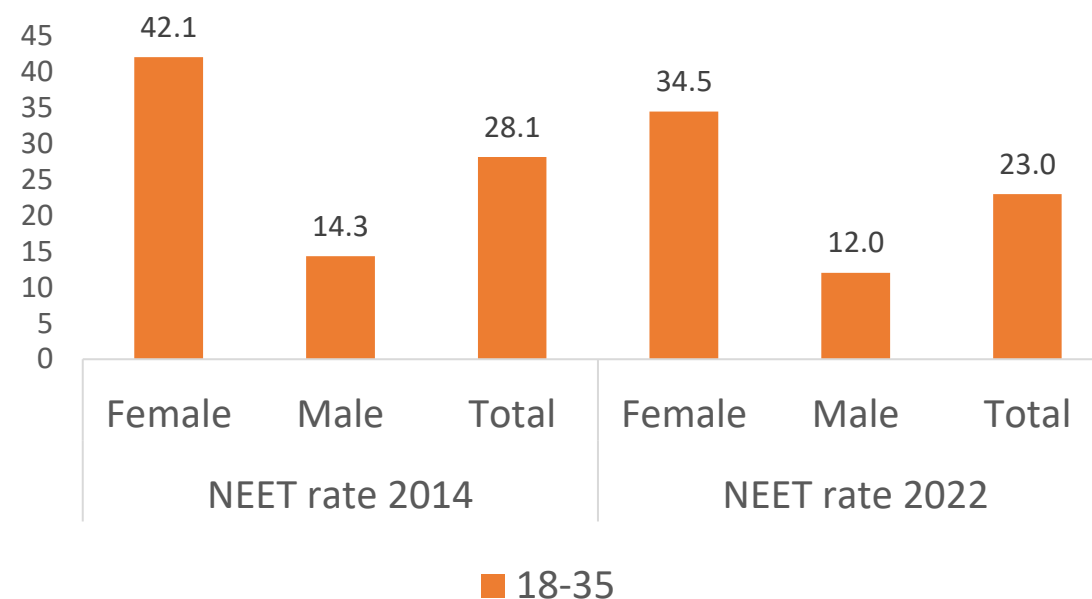
MEN: **Not in education, employed** substantially higher at age 18-35 at 75% compared to 42% at 15-24 years .

Comparison of NEET rates 2014 and 2022

NEET rate for youth 15-24 years has decreased from 23% to 20% between 2014 and 2022



NEET rate for youth 18-35 years has decreased from 28% to 23% between 2014 and 2022



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