



International
Labour
Organization

The ILO in Timor-Leste



Key Facts and Figures

Population (2012): 1.1 million
GDP per capita (2012): US\$ 1,472
Labour force (2012): 228,000

- 155,000 male
- 73,000 female

Labour force participation rate (2012): 38.1%

- 51.1% male
- 24.7% female

Employment to population ratio (2012): 36.5%

- 49.4% male
- 23.3% female

Unemployment rate (2012): 4.0%

- 3.2% male
- 5.6% female

Timor-Leste is a young country gradually recovering from the post-conflict disorder and the political crisis of the early 2000s. The peaceful Presidential election in 2012 laid a good foundation for political stability and economic development.

In recent years Timor-Leste benefited from high global oil prices, and the country achieved lower middle-income status in 2011. However it is still one of the least-developed countries in Asia and the Pacific. Its economy is essentially agricultural and poverty remains high, especially in rural areas where approximately 75 per cent of the population live. The country faces huge challenges in improving infrastructure, creating jobs for its large youth population, building a skilled labour force and diversifying the economy.

Ratified Conventions

Timor-Leste has ratified four ILO Fundamental Conventions:

- C.29 - Forced Labour Convention, 1930
- C.87 - Freedom of Association and Protection of the Right to Organise Convention, 1948
- C.98 - Right to Organise and Collective Bargaining Convention, 1949
- C.182 - Worst Forms of Child Labour Convention, 1999



About 60 percent of the population are under the age of 25. The large number of young job seekers face a mismatch between the skills they offer and those employers want. A major reason for this is many young people leave school at an early age or receive education and training that does not prepare them for the labour market.

The formal sector remains small, employing only about 15 per cent of the labour force. The rest, mostly women, are engaged in the vast and growing informal sector.

In order to address these challenges and improve people's livelihoods, the Government of Timor-Leste outlined four development priorities in its Strategic Development Plan for 2011 – 2030:

- Social capital covering health, education and social protection.
- Infrastructure including transport, telecommunication, power, and water supply and sanitation.
- Economic foundations targeting the agriculture, tourism and petrochemicals sectors.
- Macroeconomic management and improving the capacity and effectiveness of Government institutions.

Sources: ILO KILM.

The ILO - Who We Are

The International Labour Organization (ILO) is the UN specialized agency dealing with work and workplace issues, and related rights and standards. Its overarching goal is to achieve decent work for all so everyone benefits from working conditions that offer freedom, equity, security and human dignity. In working towards this goal the ILO has four principal strategic objectives:

- To promote and realize standards, and fundamental principles and rights at work.
- To create greater opportunities for women and men to secure decent employment.
- To enhance the coverage and effectiveness of social protection for all.
- To strengthen the relationship between workers, employers and governments, and encourage social dialogue.

Founded in 1919, the ILO is the only surviving major creation of the Treaty of Versailles, which established the League of Nations. It became the first specialized agency of the United Nations in 1946.

The ILO in Timor-Leste

Timor-Leste became the 177th member State of the ILO in 2003. The ILO's work in Timor-Leste is managed by the ILO Country Office for Indonesia. The ILO has been helping to implement the Decent Work Country Programme (DWCP) for Timor-Leste (2008-13), which was developed through close consultations between the tripartite constituents. The DWCP highlights three main priority areas:

- Enhancing youth employment promotion.
- Integrating employment into rural economic development.
- Improving labour market governance.

In addition, gender equality, tripartism and capacity building of constituents are cross-cutting themes in all three priority areas.

Current areas of work

Under the framework of Decent Work Country Programme, several projects have been initiated, and are contributing to the social and economic development in Timor-Leste. These include:



The Business Opportunities and Support Services (BOSS)

The project assists the social partners and stakeholders to deliver market-oriented services to micro and small enterprises, develop value chains, promote better coordination and alignment of private sector initiatives, and contribute to sound private sector development. Achievements have been made in horticulture, beef cattle and tourism sectors, including:

- Rehabilitated the national abattoir, and created jobs for cattle farmers.
- Strengthened market linkages between agriculture and horticulture farmers and the private sector.
- Trained more than 1,000 entrepreneurs and organised business matchmaking events.
- Supported the development of the National Strategy and Action Plan for Gender and Private Sector.
- Facilitated the establishment of a unified Timor-Leste Tourism Association.

The Road for Development (R4D)

The project is designed to drive rural roads development and maintenance, including approaches, planning, implementation, coordination and the establishment of systems, standards and procedures. Rural residents are expected to benefit from the improved road access. Achievements include:

- Developed the five-year rural road action plan for the Government, including a detailed rural roads investment plan.
- Rehabilitated 94 km of rural roads and maintained 145 km of rural roads.
- Generated approximately 240,000 labour days of short-term employment, of which 30 per cent was for women.
- Produced standardised drawings, systems and guidelines, including rate analysis systems, bio-engineering guidelines, and Social and Environmental Safeguards' Frameworks.

Enhancing Rural Access (ERA)

The ERA project aims to improve access to rural areas through the rehabilitation and maintenance of 150 km of priority rural roads. Since it began in 2011 the project has made great progress in the following areas:

- Organized labour-based technical and business training for civil works' contractors.
- Completed rehabilitation of 23 km of rural roads, with another 55 km in progress.
- Created nearly 5,000 jobs for local communities, generating approximately 200,000 work days.

Training and Employment Support Programme (TESP)

The project aims to support employment growth in Timor-Leste through the development and delivery of demand-driven skills training. The two-year project has contributed to the creation of a pool of skilled workers.

- Improved the technical and vocational education and the employment policy environment, through technical assistance to the Secretary of State for Vocational Training and Employment Policy (SEPFPOE).
- Improved labour market information and workforce planning and projections.
- Improved linkages between investment in training and the growth of priority economic sectors.

Social partners

The ILO in Timor-Leste works closely with the Government of Timor-Leste, the Confederation of Trade Unions of Timor-Leste, representing the workers, and Timor-Leste Employers' Forum, representing the employers.

The International Labour Organization

The International Labour Organization (ILO) is the UN agency for the world of work. It was founded in 1919 as part of the Treaty of Versailles that ended World War I, to reflect the principle that universal and lasting peace can only be achieved if it is built on social justice. The ILO is the only 'tripartite' United Nations agency that brings together representatives of governments, employers and workers to shape policies and programmes for social justice and decent working and living conditions for all women and men. For this it was awarded the Nobel Peace Prize in 1969. The ILO is also responsible for drawing up and overseeing international labour standards (Conventions and Recommendations). This unique arrangement gives the organization an edge in incorporating 'real world' knowledge about employment and work into its activities.



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