

# The ILO in Maldives



## **Key Facts and Figures**

Population (2014): 341,256 GDP per capita (2012): US\$7,819\* Labour force (2012): 160,000

- 93,000 male
- 67,000 female

Labour participation rate (2013): 64%

- 75.1% male
- 54.3% female

Employment to population ratio (2012): 59%

- 72.1% male
- 45.9% female

Unemployment rate (2013): 28.1%

- 18.9% male
- 39.3% female

Youth unemployment rate (2013): 43%\*

- 51% male
- 49% female

The Republic of Maldives is an island nation in the Indian Ocean composed of 26 atolls. Despite the dispersion of land, small population and limited resources, Maldives has achieved remarkable economic progress over the last two decades with an average growth rate of 6.6 per cent from 1992 to 2014. This economic success was largely driven by its booming tourism industry which accounts for 28.7 per cent (2013) of total GDP, and other related industries including construction, transportation, telecommunications and distribution.

#### **Ratified Conventions**

Maldives has ratified all eight 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.100 Equal Remuneration Convention, 1951
- C.105 Abolition of Forced Labour Convention, 1957
- C.111 Discrimination (Employment and Occupation)
  Convention, 1958
- C.138 Minimum Age Convention, 1973
- C.182 Worst Forms of Child Labour Convention, 1999



Economic development has improved social development. Extreme poverty (US\$1.25 a day) declined from 12 per cent in 2003 to 8 per cent in 2010. In 2011 Maldives became a middle-income country.

Though Maldives has made great strides in raising incomes, tackling poverty and improving human and social development, a number of critical challenges remain. On the macroeconomic level, the economy continues to be vulnerable to external shocks due to a lack of economic diversification and overdependence on the tourism industry.

Unemployment among young women and men continues to be very high, reaching 43 per cent in 2013. The economic growth of the past few years appears to have created more jobs for expatriates than for the locals and nearly half of the total employed workforce is foreign. Lack of a skilled workforce for high-end jobs and reluctance to take "low status" jobs are the main reasons for the high unemployment rate among local Maldivians.

The sustainability of long-term development for a resource-scarce country like Maldives depends on a well-trained workforce. This calls for the formulation and implementation of an employment policy that will link labour market and employment challenges to create decent and productive employment for its population, especially for its young people.

Source: ILO KILM 8th Edition; \* Department of National Planning.

## 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 Maldives

Maldives is the 183<sup>rd</sup> member of the ILO. Soon after Maldives joined the ILO in 2009, a framework for assistance was signed to prioritize the main areas of the ILO's support. These areas include developing a National Human Resource Development and Employment Policy, Labour Inspection Policy, Labour Policy, Labour Administration Strategy, Labour Dispute Prevention and Resolution Strategy, Industrial Relations Act, Occupational Safety and Health Act and National Technical and Vocational Education and Training (TVET). The Decent Work Country Programme (2016-20) for Maldives is being carried out in consultation with the ILO constituents. ILO's work in the Maldives is managed by the ILO Office in Colombo, Sri Lanka.

#### Current areas of work

#### National Human Resource Development and Employment Policy (NHRDEP)

In line with the Maldives National Development Plan and the Maldives Economic Diversification Strategy 2013, the National Human Resource Development and Employment Policy (NHRDEP) aims to promote decent work for all through the following objectives:

- Promoting economic diversification that leads to productive employment.
- Enhancing education and skills development that strengthens employability.
- Supporting the youth transition from school to work and improving labour market outcomes, especially for school drop-outs and young women.
- Improving the management of the expatriate labour force to protect workers and encourage the participation of Maldivians in the labour market.
- Improving the labour market information system.



#### Project on Promoting Fundamental Rights and Strengthening Labour Market Governance in the Maldives (2011-2014)

The ILO supports the establishment of new legal frameworks for governance of the labour market and building the capacity of the Government and civil society. The project achieved the following outcomes:

Developing and improving the legal framework.

The ILO supported the government and social partners to develop proposals for key legislation based on ILO international labour standards and comparative practices. Priorities were given to legislation providing for the establishment of trade unions and employers' organizations, and regulating collective negotiations and industrial action. The ILO supported the passage of these laws through parliament. Efforts were also made to amend the Employment Act and develop proposals to improve laws relating to occupational safety and health, compensation for workplace injuries and the employment of migrant workers.

• Strengthening labour administration.

Based on the outcomes of a full assessment of the labour administration, the ILO helpted to strengthen the capacity of the Labour Relations Authority and Employment Tribunal to provide services to workers and employers in three main areas: legal framework implementation, labour dispute resolution and labour relations improvement.

• Promotion of freedom of association and the right to collective bargaining.

In view of the inadequate understanding of industrial relations among the social partners, the project conducted awareness-raising campaigns on basic concepts of industrial relations in different sectors, including tourism, government and construction. Subsequently it covered negotiation skills and collective bargaining.

### Social partners

The ILO's main social partners in Maldives include the Ministry of Economic Development, the Labour Relations Authority, the Employment Tribunal, the Tourism Employees Association of Maldives, and Maldives Association for Construction Industries. The strategic objectives of the ILO include strengthening social dialogue among the tripartite constituents and establishing sound labour relations, adapting labour laws to meet changing economic and social needs, and improving labour administration.

#### 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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