

► Labour market trends in CARICOM Countries

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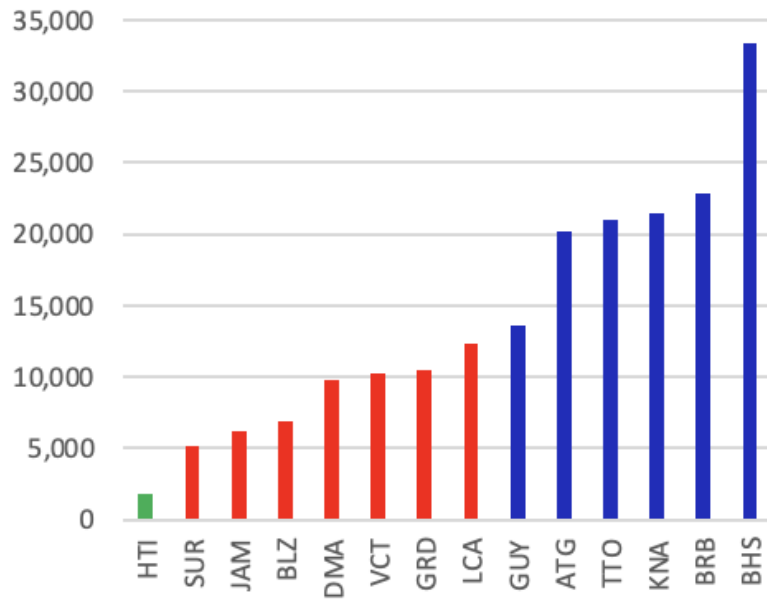


► Drivers of future of work in the Caribbean

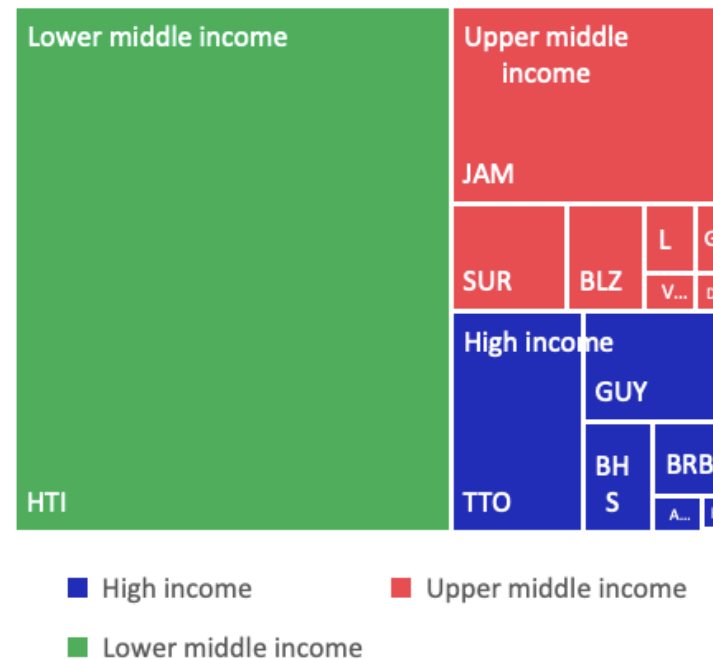
- Demographics: focus on labour force characteristics, including skills
- Climate Change impact on the labour market
- Migration and Skills

Significant economic differences within the region

Panel A: Gross national income (GNI) per capita, Atlas method (current US\$), CARICOM Member States, 2023

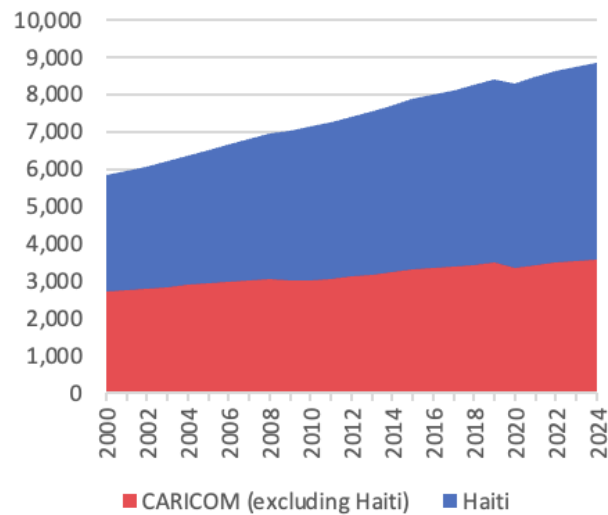


Panel B: Distribution of the total population (aged 0+) in the CARICOM region, by CARICOM Member State, 2022

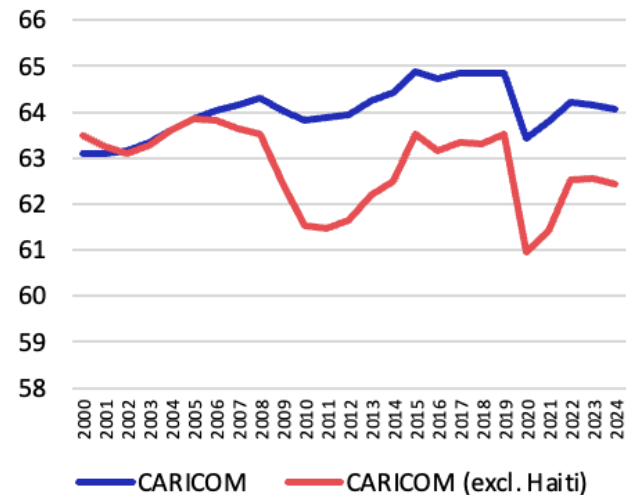


► Population growth in Haiti driving regional labour force growth

Panel A: Labour force (millions)



Panel B: Labour force participation rates (percentages)

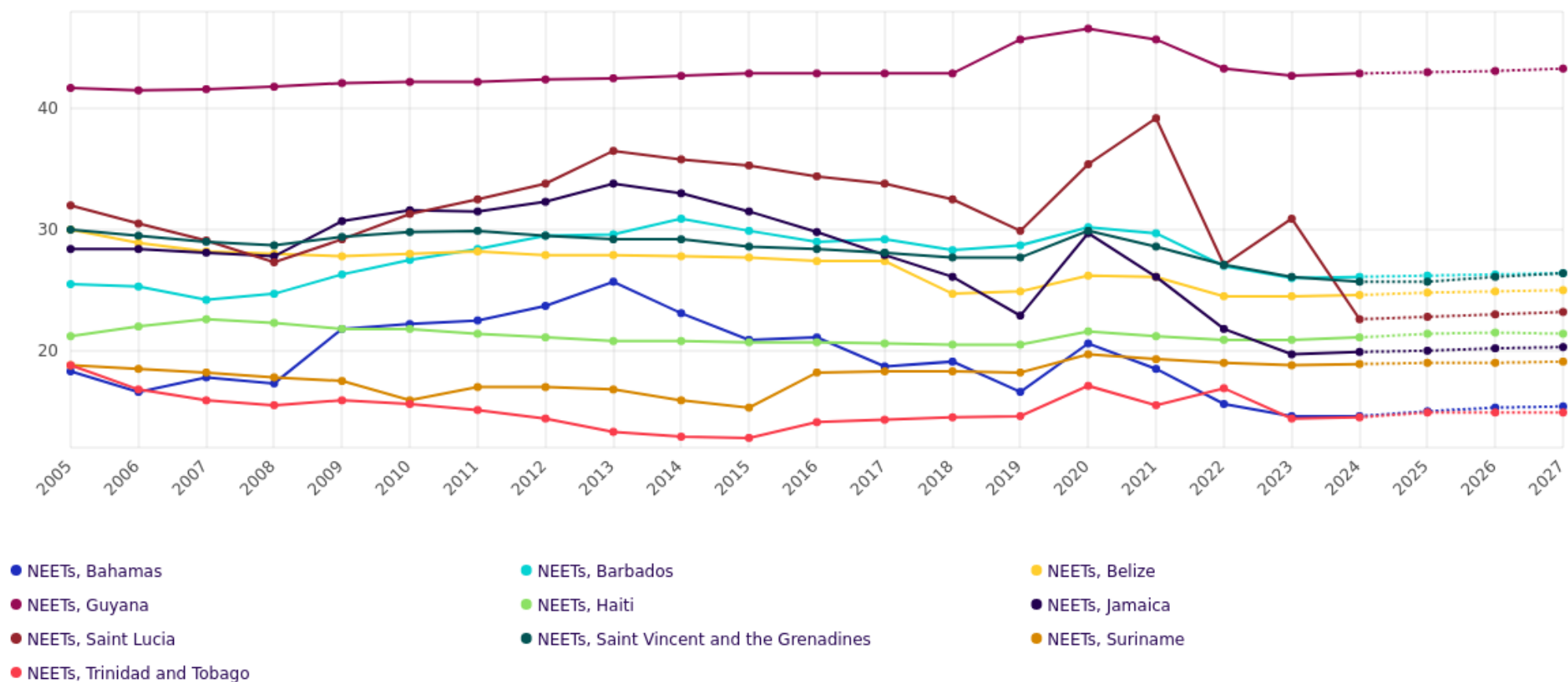


- Participation rates relatively stagnant
- Structural labour absorption challenges persist

Source: ILO Trends Econometric Models, November 2024.

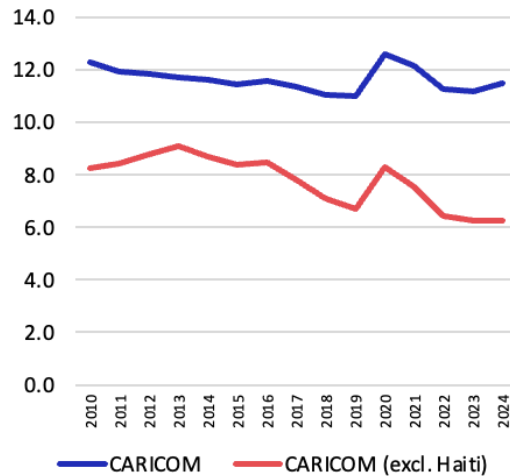
High NEET rates indicate: Weak school-to-work transition systems, skills mismatch, limited apprenticeship or work-based learning, barriers to employment, potential gender dimensions

Rate %

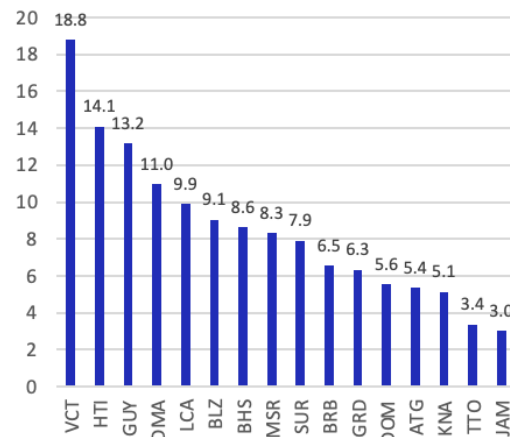


Heterogeneity in unemployment rates within the region

Panel A: Regional rates (percentages)



Panel B: National rates (percentages)

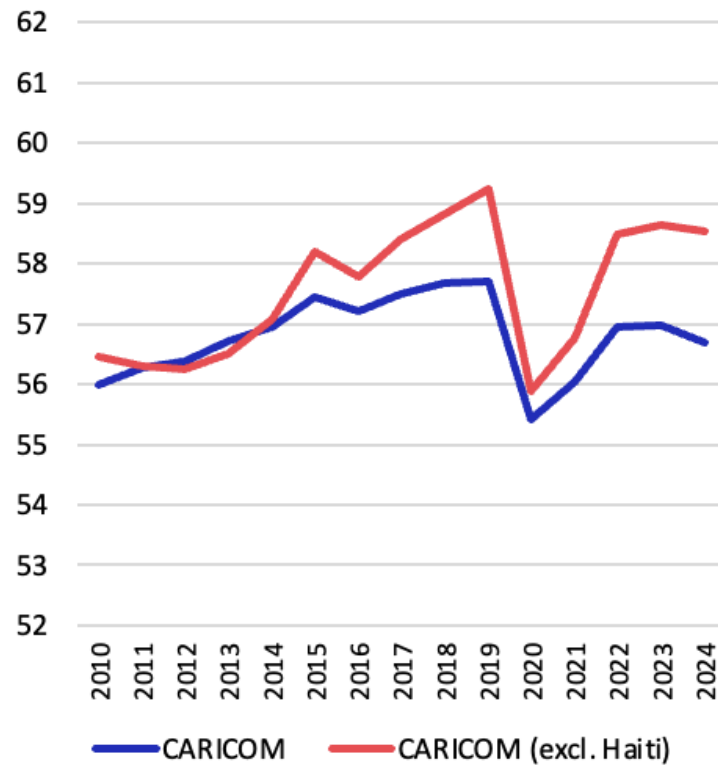


- ▶ Excluding Haiti: moderate unemployment (6%)
- ▶ Including Haiti: regional rate doubles
- ▶ Wide disparities across Member States

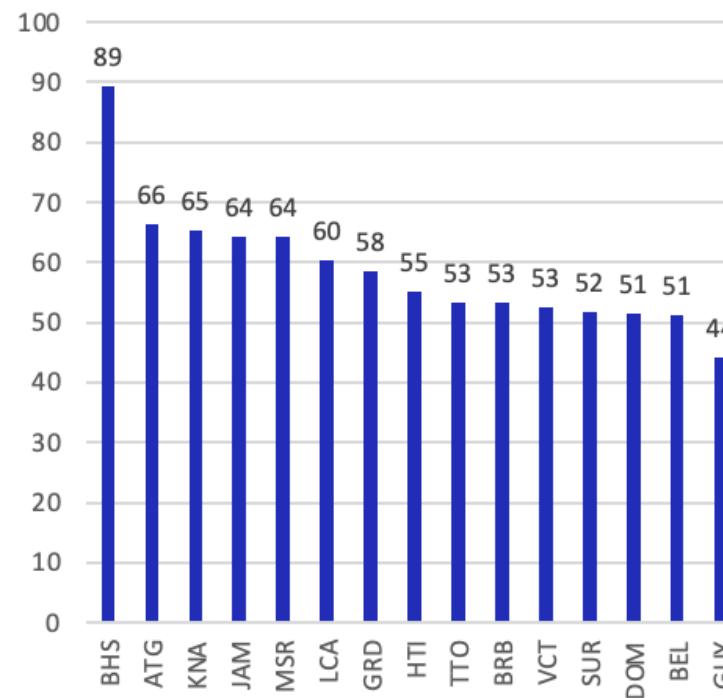
Source: ILO Trends Econometric Models, November 2024; national data sources.

► Employment-to-population rates had been increasing prior to COVID-19

Panel A: Regional rates (percentages)



Panel B: National rates

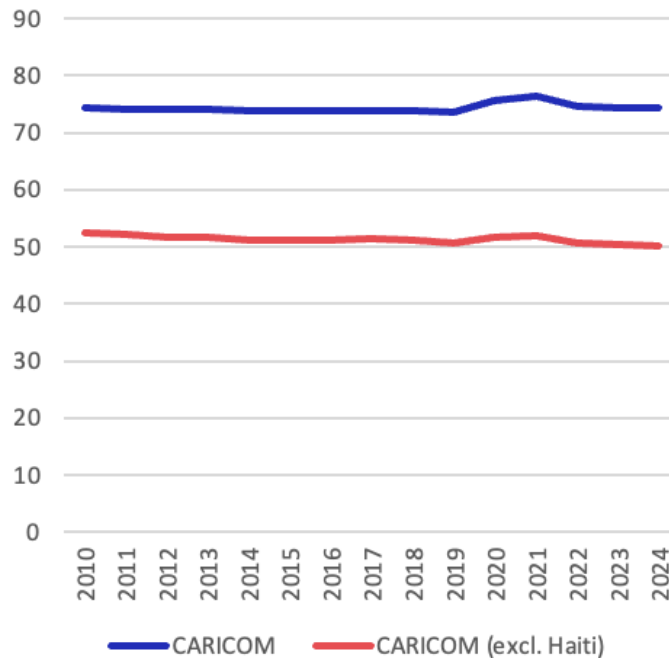


- Large variation across Member States
- Uneven labour absorption capacity

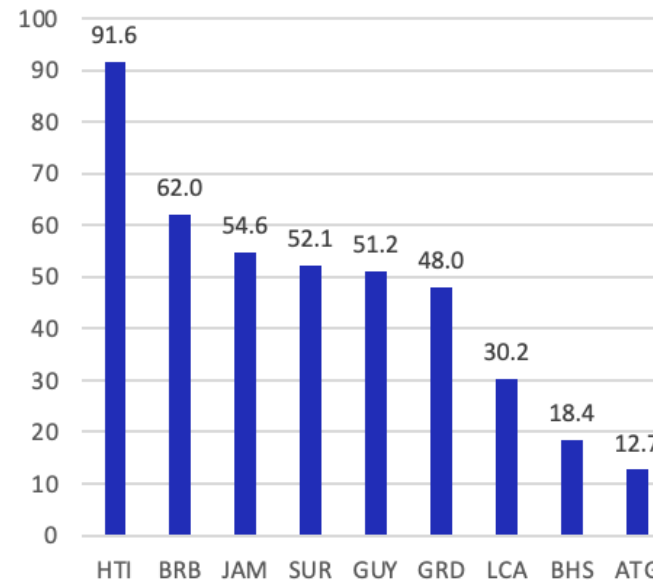
Source: ILO Trends Econometric Models, November 2024; national data sources.

Informal employment is significantly high in the region

Panel A: Regional informal employment rates, 2010-2024 (percentage)



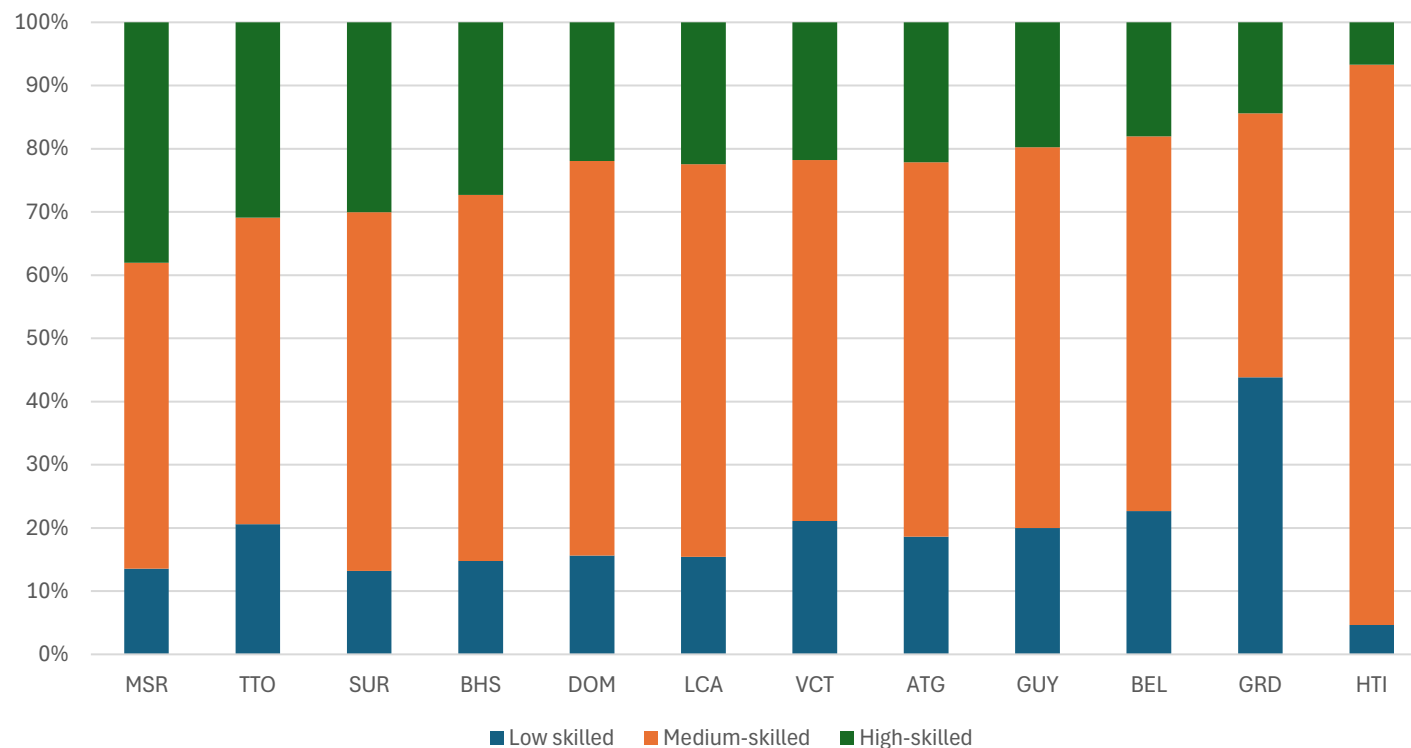
Panel B: National informal employment rates, latest available year (percentage)



- ▶ 75% informal region-wide
- ▶ 50% excluding Haiti
- ▶ Major decent work deficit
- ▶ Limits productivity and social protection coverage

Source: ILO modelled estimates, national data sources.

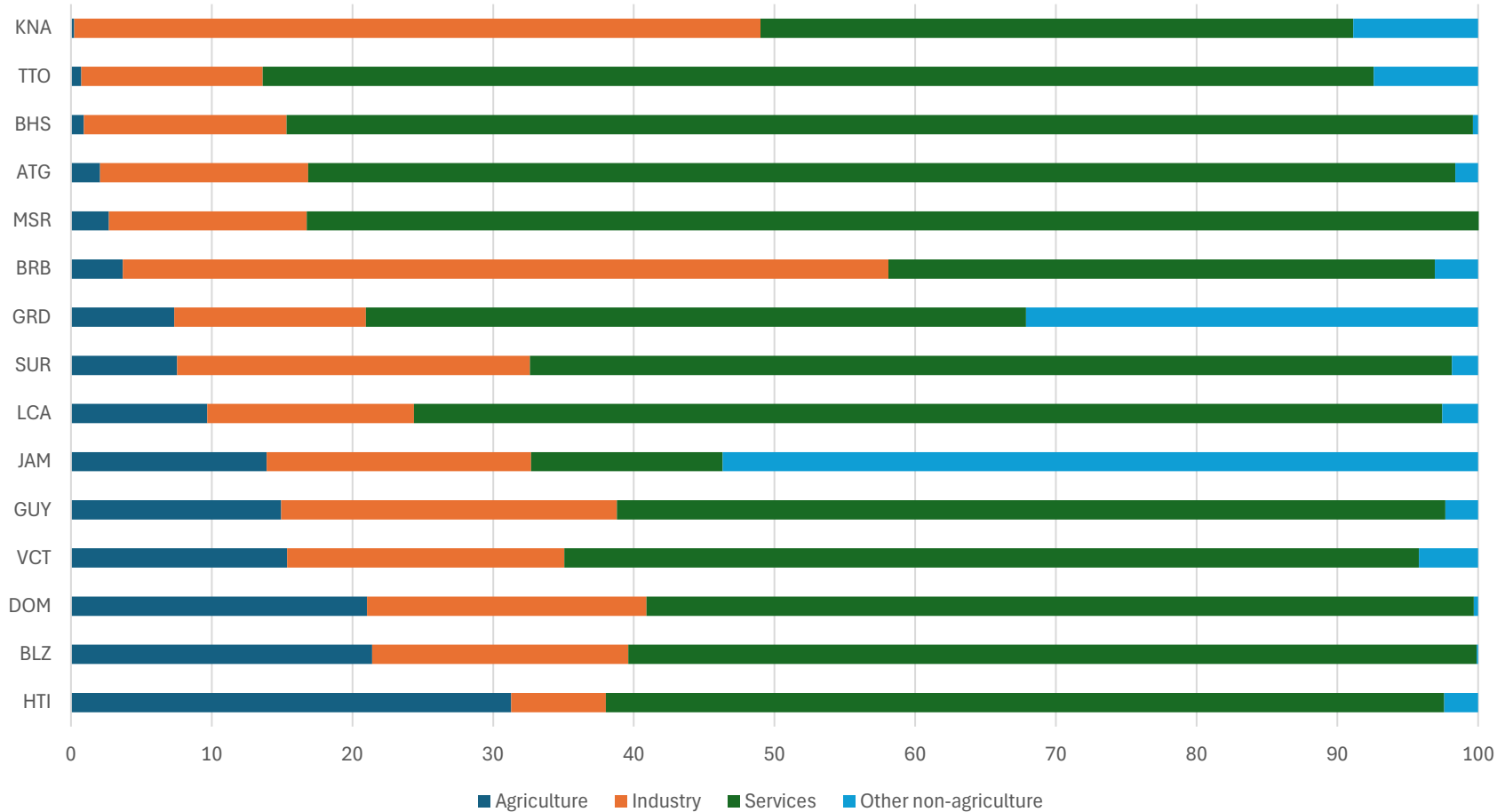
Occupational skill levels, predominantly low and medium skilled



- ▶ High-skilled employment concentrated in few states
- ▶ Skills upgrading essential for productivity growth
- ▶ Skill mismatches persist

employment is primarily distributed in service sector

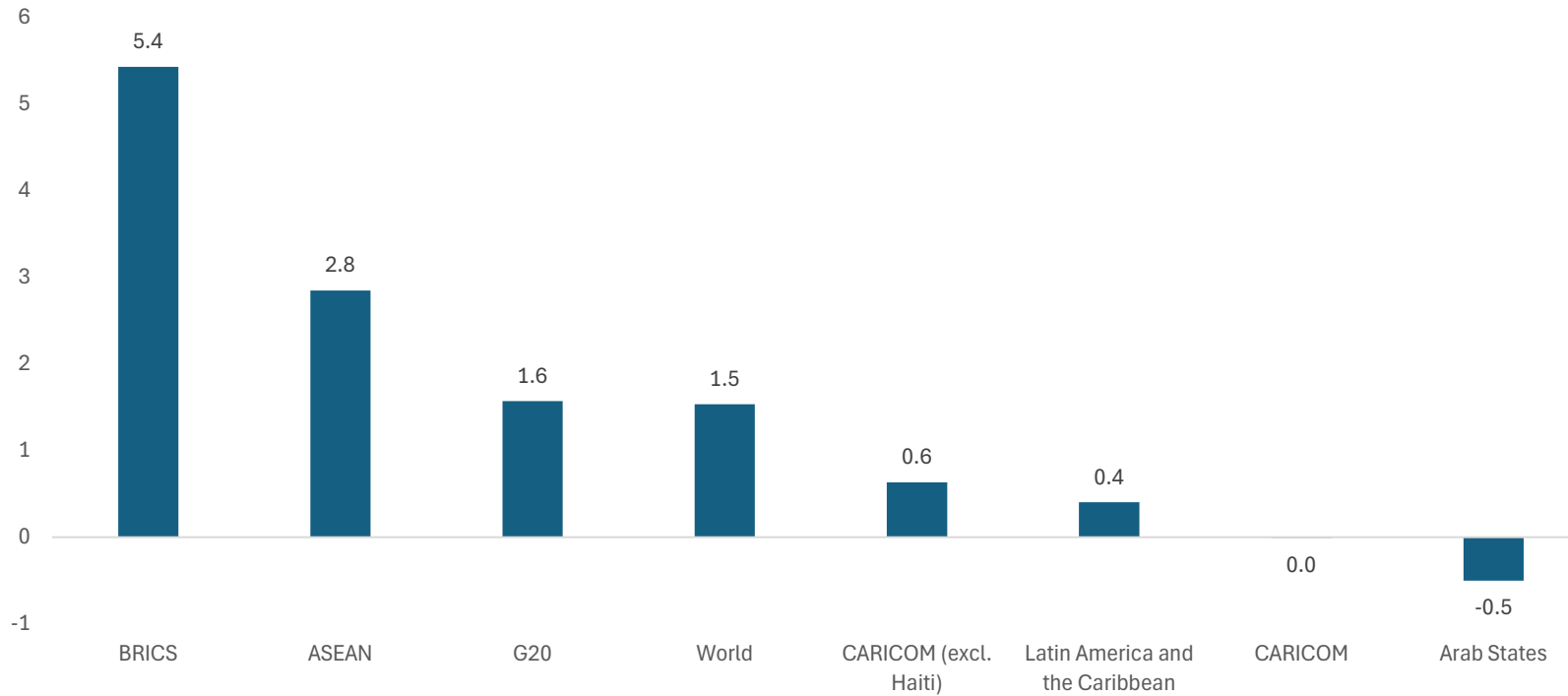
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- ▶ Services dominate (70% excl. Haiti)
- ▶ Agriculture significant in Haiti & Belize
- ▶ Sectoral concentration increases vulnerability

Labour productivity is nearly zero

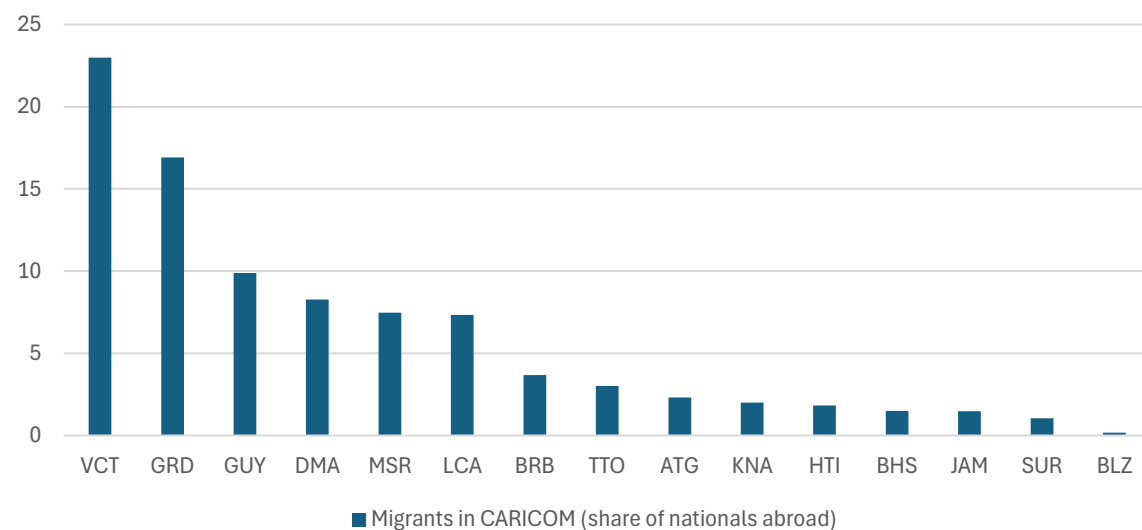
Labour productivity, selected regions and groups, annual-average growth 2005-2023 (percentages)



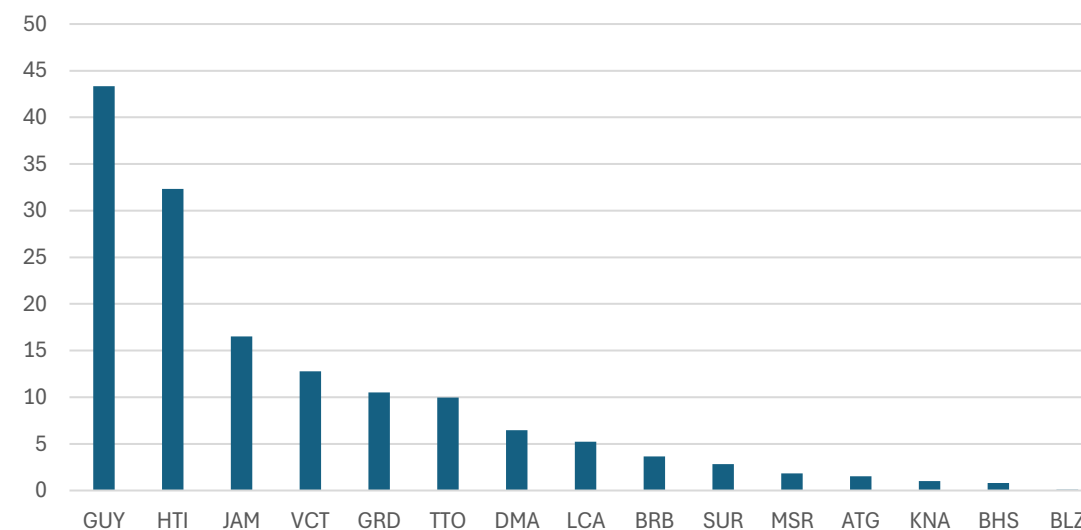
- ▶ CARICOM productivity growth near zero
- ▶ Below global benchmarks
- ▶ Informality & skill gaps constrain growth

- ▶ Minority remain within CARICOM
- ▶ OECS mobility significant
- ▶ Regional integration still limited

Panel A: Share of nationals abroad in other CARICOM Member States, 2023, percentages

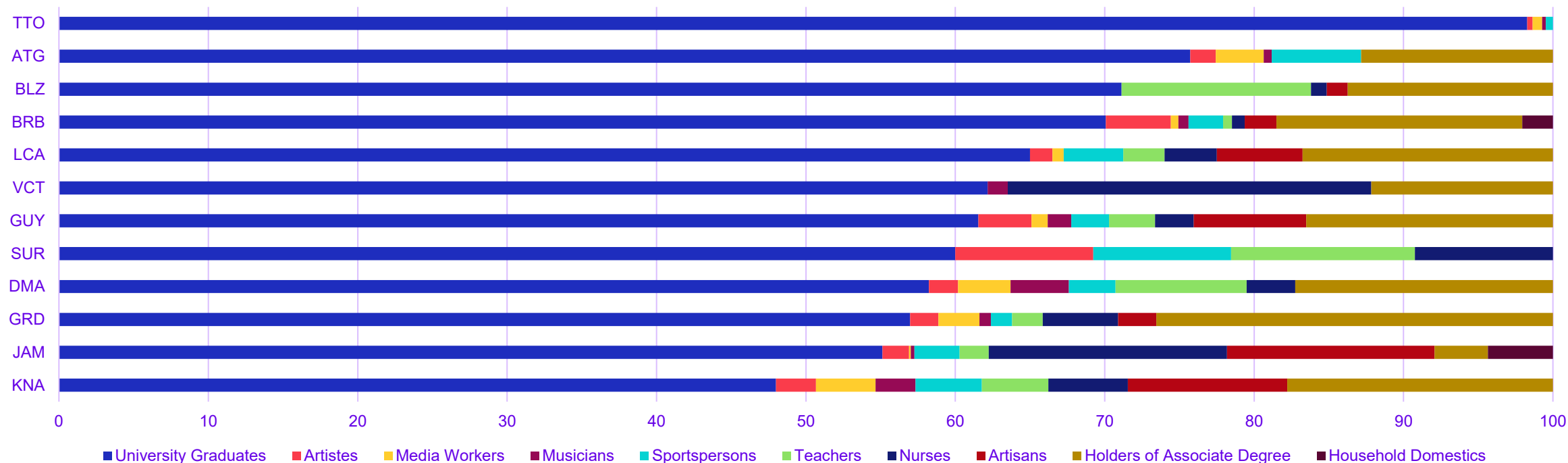


Panel B: Nationals abroad in other CARICOM Member States, 2023, thousands



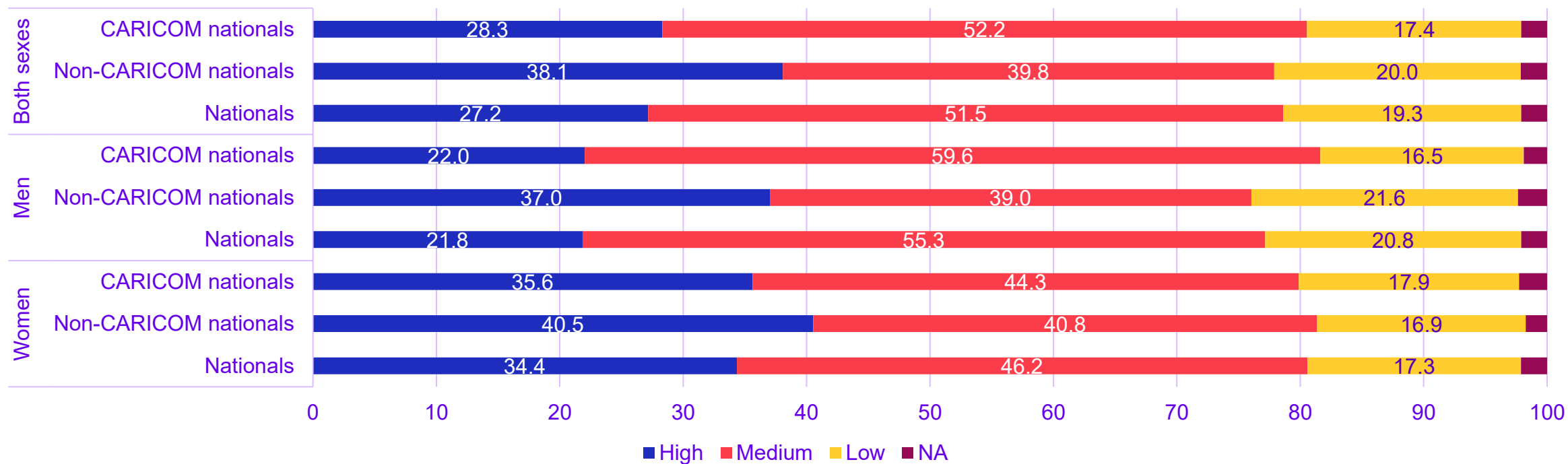
Mostly university graduates being issued skills certificates

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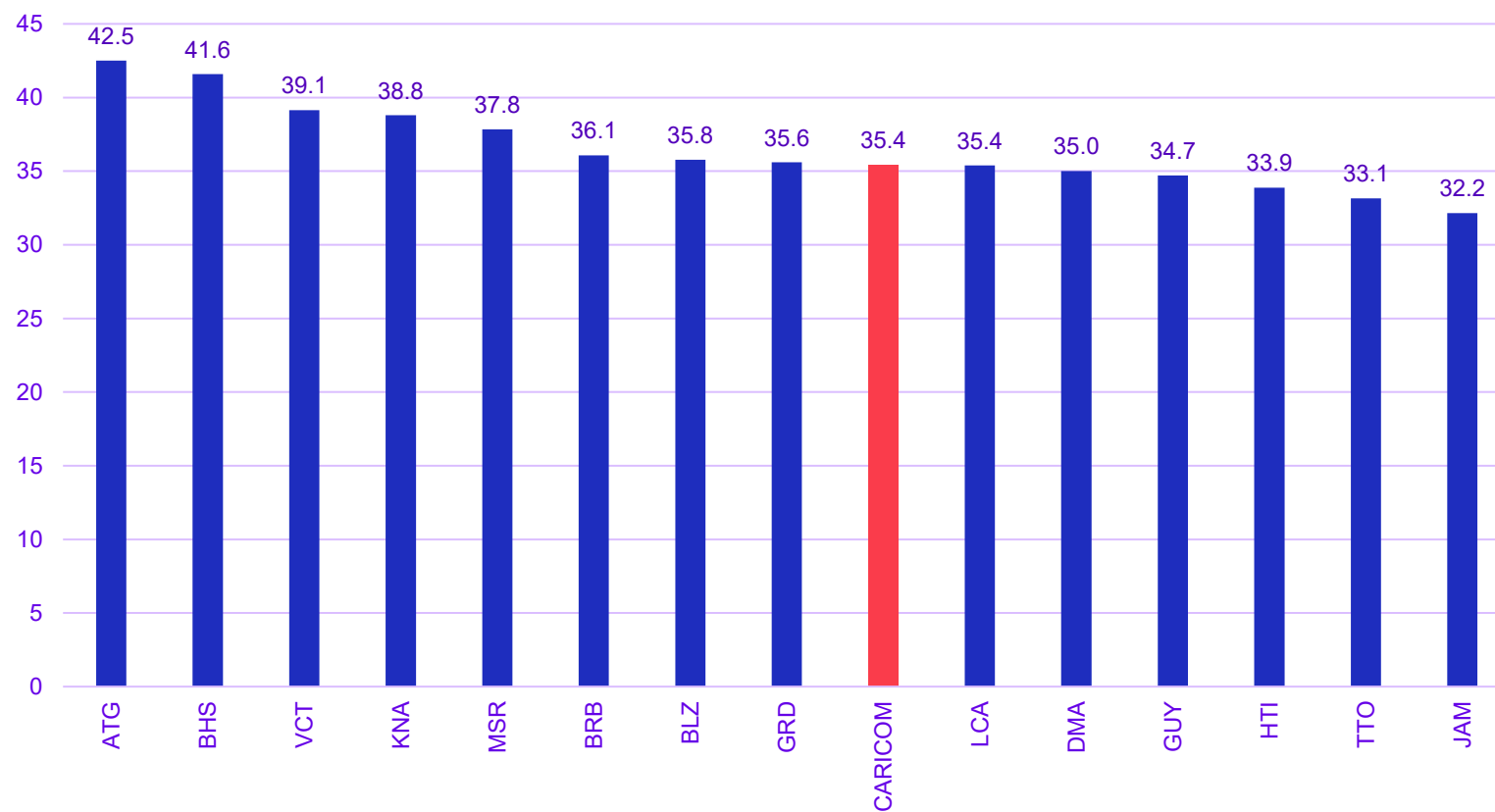
- ▶ Majority issued to university graduates
- ▶ Occupational categories underutilized

Occupational skill levels reflect demand for CARICOM and non-CARICOM nationals



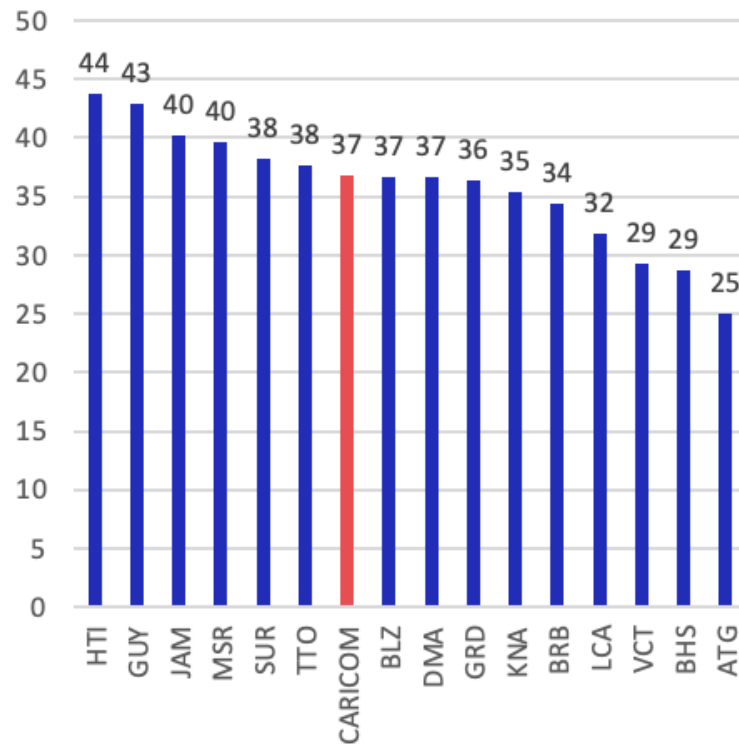
- ▶ Non-CARICOM migrants concentrated in high-skill roles
- ▶ Reliance on external high-skilled labour

CARICOM nationals in OECD countries with 'high' levels of education

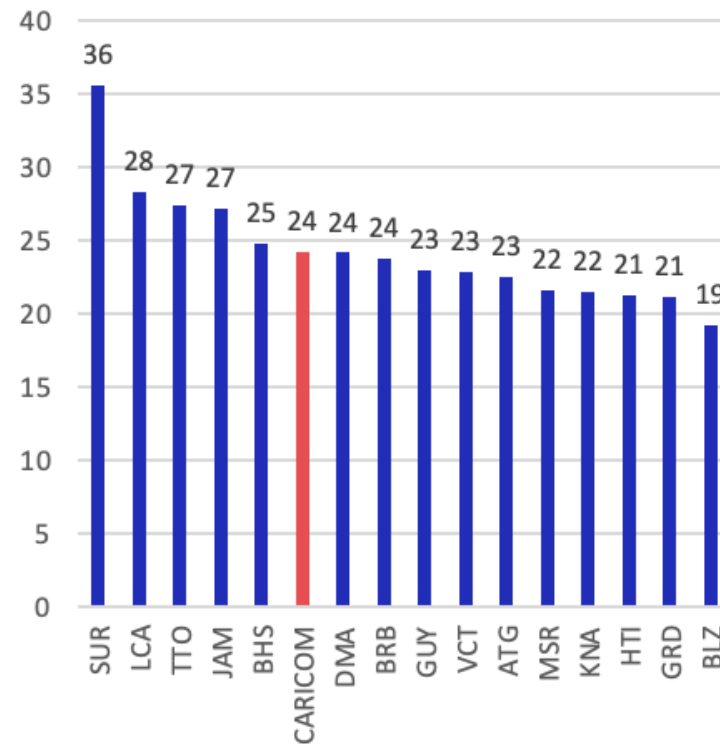


► Skill mismatches are rife for CARICOM migrants in OECD countries

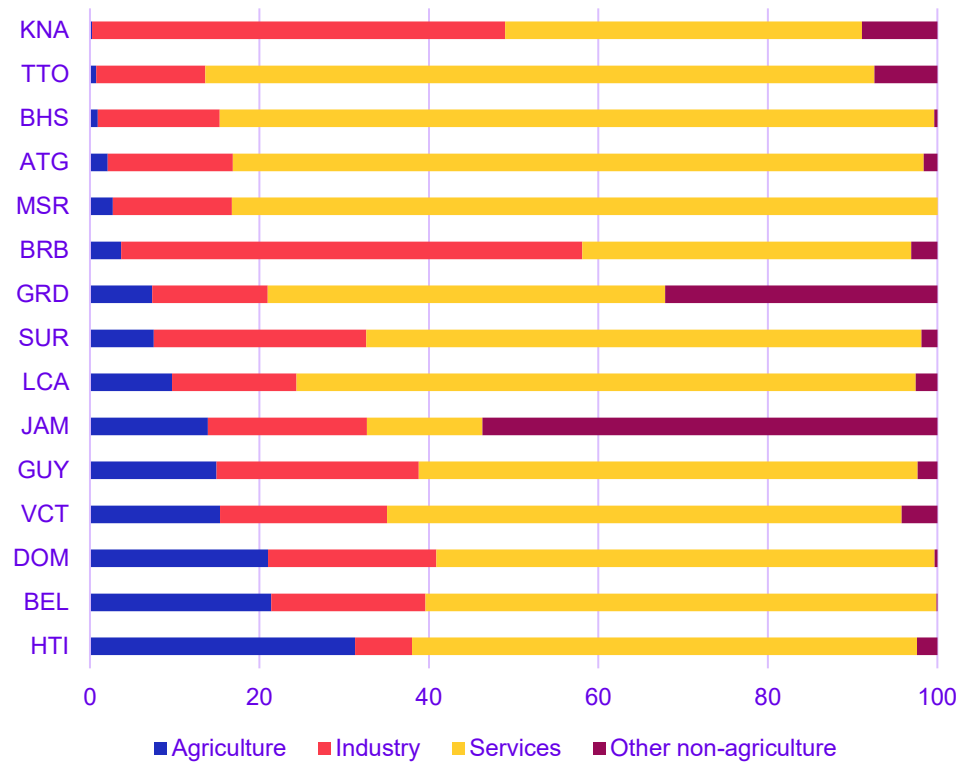
Panel A: Underqualified share of the employed population (percentage)



Panel B: Overqualified share of the employed population (percentage)



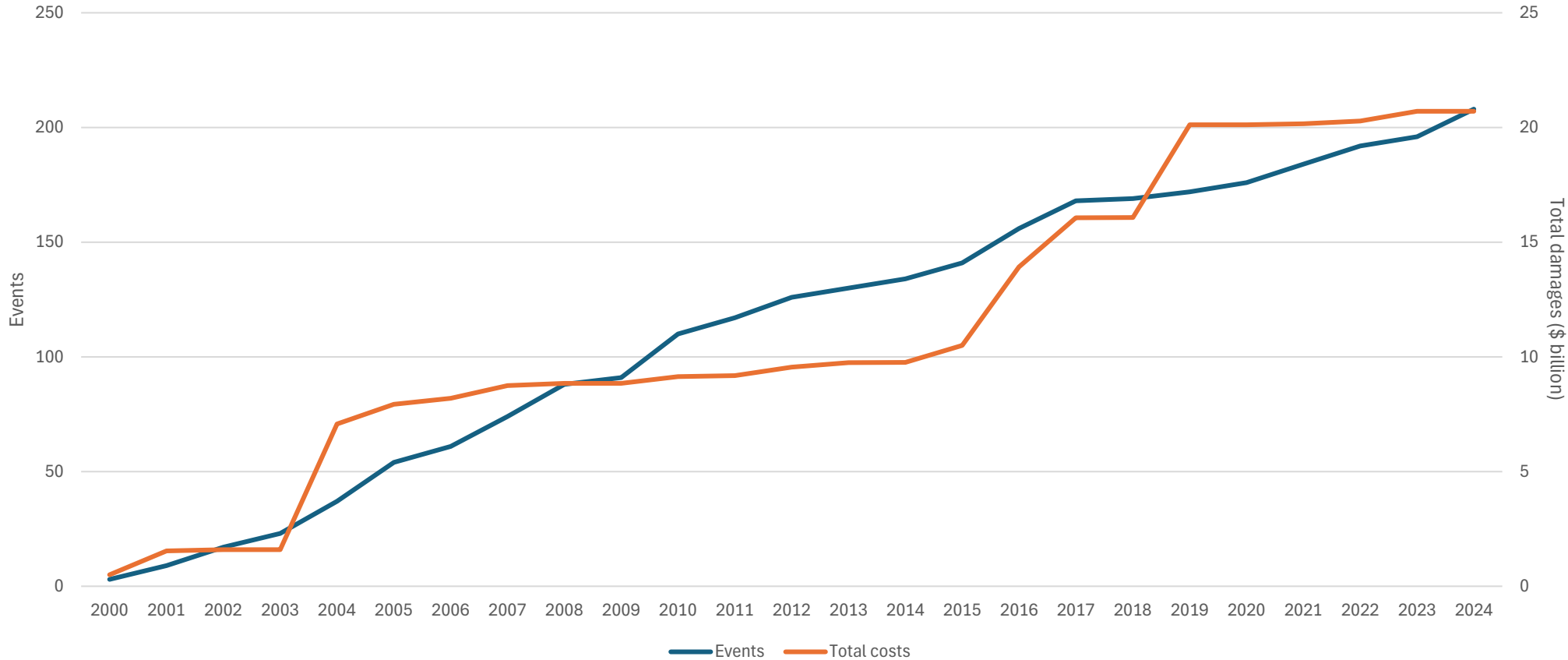
Labour shortages by sector caused by and addressed by labour migration



Reported labour shortages

- ▶ Health sector shortages, driven by exodus of workers out of the region
- ▶ Education sector shortages, also driven partly by emigration
- ▶ Agricultural shortages in mainland CARICOM often filled by mainland neighbouring countries and Philippines
- ▶ Need for high skilled workers to drive productivity growth in specific service sectors

Climatic shocks are frequent and devastating in each region 18

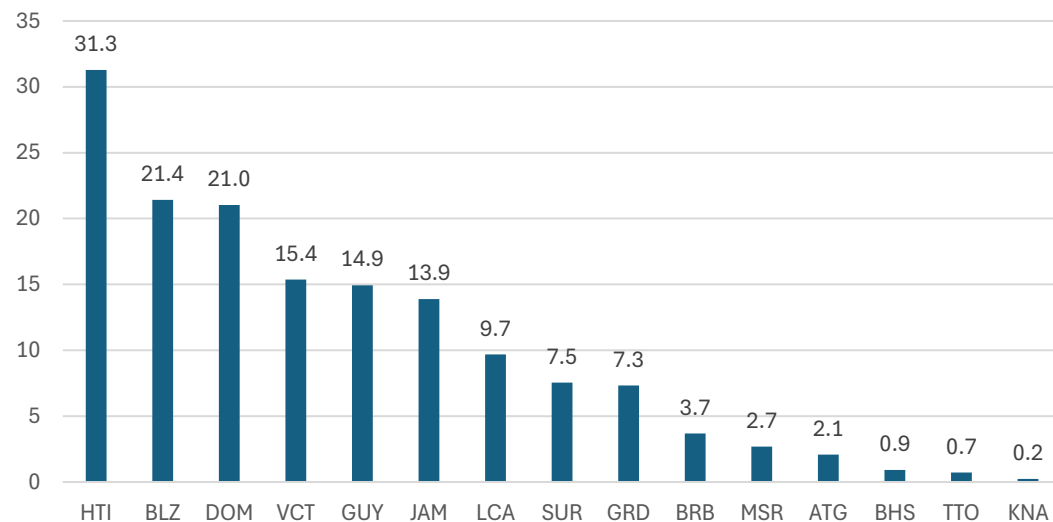


- ▶ 200+ climate-related events since 2000
- ▶ Billions in damages, 16,000 deaths; and 12 million people affected
- ▶ Direct impact on jobs & displacement

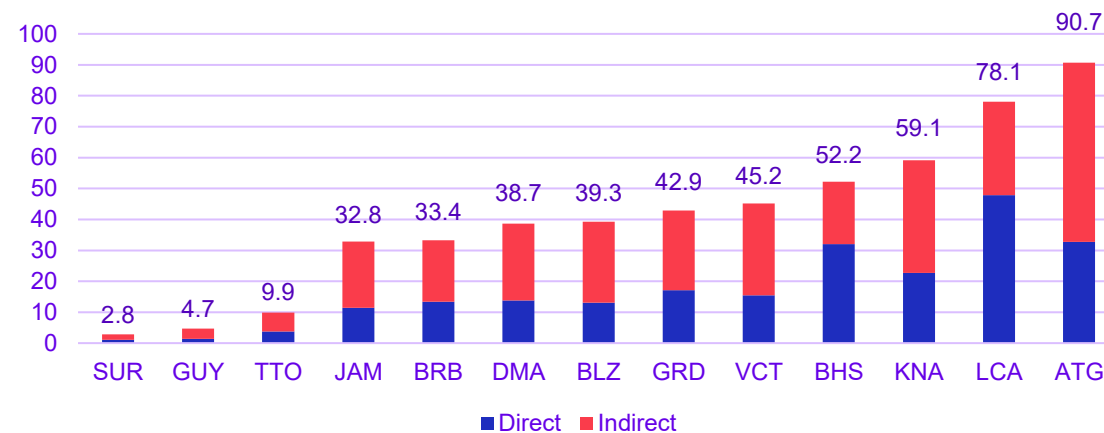
Impacts on climate change on key sectors

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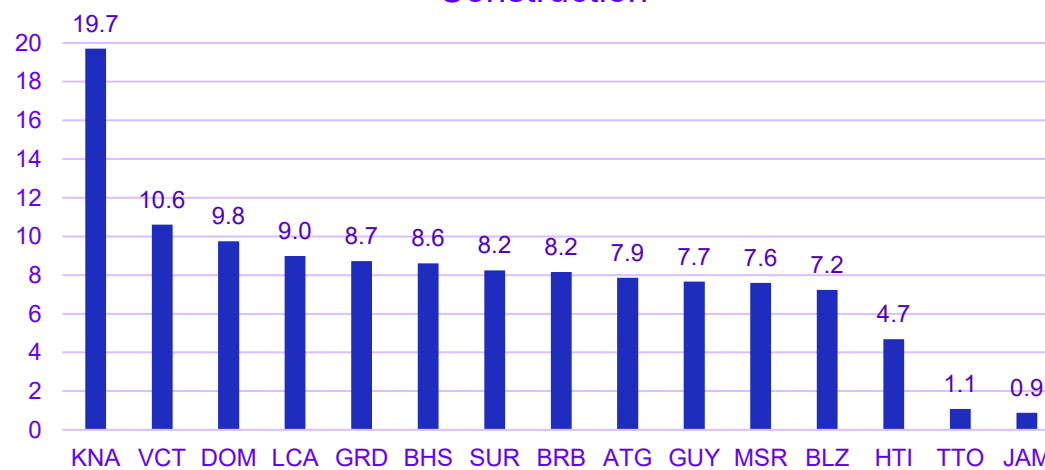
Agriculture



Tourism



Construction



► **Thank you**