

As a newly independent country with a fledgling economy, Timor-Leste faces many social and economic challenges. To help the Timorese people find decent work the ILO has started three new initiatives. Each is designed to address a different aspect of the labour market while complementing each other and promoting employment, income generation and decent work.

Work for Peace

The Work for Peace project is designed to reduce the potential for conflict and further destabilization in Timor-Leste by providing short-term employment opportunities. It is designed to focus particularly on young people but other vulnerable groups such as women, displaced persons and former soldiers also benefit.

Limited access to jobs and training has been a major source of frustration for young Timorese and has also been associated with the violence and destruction that took place during the April/May 2006 crisis. The fear is that this lack of work could create a vicious cycle of poverty and social exclusion that could lead unemployed young people to become involved in criminal activities, or prevent them from returning to legitimate occupations.

The Project (Projektu Serbisu Ba Dame) started in April 2007 and, in its six months timeframe, will provide short-term employment for 23,350 people in all 13 districts of Timor-Leste, equivalent to 350,250 days of work. This should decrease the demographic pressure on the urban areas and ease the burden on rural households which still host thousands of internally displaced persons.

The project promotes an approach that focuses on manual work rather than investment in equipments and materials. Ideas are identified after discussions with communities and local authorities at all levels, from district to sub-village. In line with the project's strategy of using rural infrastructure-related projects to generate jobs, the activities concentrate on repairing and rehabilitating rural roads, cleaning and restoring irrigation canals, cutting grass, restoring road drainage systems and rehabilitating sports facilities. Other schemes are selected in response to concrete proposals by local communities.

The project is executed by UNDP/ILO in partnership with the Ministry of Labour and Community Reinsertion, supported by the Ministry of Public Works and the Ministry of Agriculture, Forestry and Fisheries. It is funded by the European Union in the amount of US\$2.7 million.

Skills Training

Terezinha, a mother of three from the town of Maliana is an example of how the second initiative - Skills Training for Gainful Employment (STAGE) - uses training to help rural Timorese communities to find decent and productive employment.

Terezinha's husband died in the clashes which erupted after the 1999 independence referendum, leaving her to raise their three daughters alone. For almost three years Terezinha has been sustaining her family by selling vegetables along the road. However, this work did not allow her to dedicate enough time to her family or generate enough income to pay the school fees for her kids.

Terezinha decided to ask for assistance from the local District Employment Centre of the Ministry of Labour and Community Reinsertion. They referred her to a Business Development Centre where she took a two-week training course, "Start Your Business".

During the course Terezinha came up with a good business idea and learned how to develop it into a micro-enterprise. With the help of the District Employment Centre she managed to obtain a credit from a microfinance institution and opened a shop selling kitchen equipment. The shop – now one of the largest of its kind in Maliana town – has allowed Terezinha to repay the loan, support her family and even save enough money to open a second business in town.

"The training made me change my mindset about business," Terezinha said. "I also learned a lot of very useful things that I apply every day in my new business, such as how to determine cost and prices of the products, how to do good planning, how to keep family expenses separate from business and how to deal with suppliers."

The STAGE Programme is a partnership between the ILO, the Ministry of Labour and Community Reinsertion and local training providers. It is funded by the European Union and UNDP, totaling US\$6.2 million. So far almost 10,000 (more than 40 per cent of them women) jobseekers have been registered at the District Employment Centres of Dili, Baucau, Bobonaro and Oecusse.

With STAGE support about 1,700 people registered as unemployed took part in enterprise training courses organized under the programme and more than 3,000 subsequently found jobs or created their own income-generating activities.

In addition, the first National Vocational Training Meeting, involving all those engaged in skills training in Timor-Leste, was organized to promote the launch of the "Partnership in Training" concept, which brings together training centres and employers. This was an important step towards developing a vocational training system that reflects the needs of the labour market. After the meeting a Memorandum of Understanding was signed by the Ministry of Labour and Community Reinsertion and 12 training centres. Under this the Ministry will provide financial and technical support for skills training programmes.

STAGE has also upgraded the capacity of the Ministry's Division of Employment and Skills Development, by providing training in managerial and technical skills to its staff. The Division now provides job counseling and job mediation, organization, monitoring and supervision of training and employment programmes. The Labour Market Information Unit and the Employment and Vocational Training Fund also received support.

Labour Market Information

To support the STAGE Programme the Ministry of Labour and Community Reinsertion has set up a new Labour Market Information Unit (LMI) in its Division of Employment and Skills Development. The aim is to design and implement a computerized database system (SIMU) that will register jobseekers, match them with employment offers and log training needs and opportunities.

The lack of accurate and up-to-date data in Timor-Leste, particularly related to the labour market, and the Government's ambitious Accelerated National Development Plan, has highlighted the importance of SIMU. This was the rationale for the launching of the Labour Market Information Project, funded by Irish Aid (US\$162,000) and executed by the ILO.

SIMU will help unemployed Timorese registered at District Employment Centres get access to new job opportunities created by public investment in the different governmental departments. It will track the progress of clients who register for services at the District Employment Centres. SIMU will also provide insights into labour market questions such as the education levels of different categories of jobseekers, how training affects an individual's chances of finding employment, and whether those who get access to micro-credit can then generate enough income to live on.

2006 and 2007 are challenging years for Timor-Leste. Despite the crisis, however, the Timorese people believe they have the ability to turn the gloomy present into a bright future. These initiatives also continue undeterred with the intention of making a positive contribution and helping the country and its people fulfill their aspirations.