

LFS LABOUR FORCE SURVEY

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UNEMPLOYMENT RATE AT 11.2% IN APRIL 2021

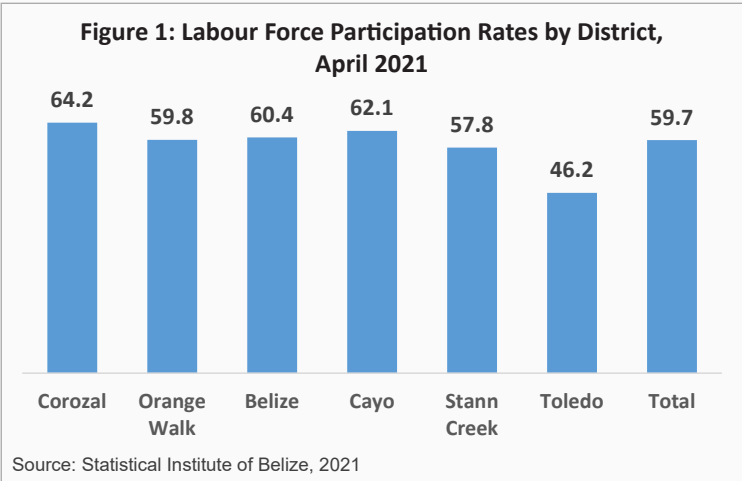
Preliminary results from the Statistical Institute of Belize’s April 2021 Labour Force Survey (LFS) showed that the national unemployment rate stood at 11.2 percent during that month. The country’s labour conditions continued to be dramatically affected by COVID-19, with more than 19,000 persons who had lost their jobs as a result of the pandemic still without work more than a year later. Additionally, employed persons worked fewer hours per week on average and a substantial proportion were engaged in informal employment.

As was done for the September 2020 LFS, the revised definitions that were recommended by the International Labour Organization (ILO) to classify the employed, unemployed, and underemployed, were used for the April 2021 LFS. This round of the survey also provided some insight about the Potential Labour Force, which is a sub-group of persons who are not in the labour force.

LABOUR FORCE:

The labour force, which consists of all employed and unemployed persons, was estimated to be 181,734 in April 2021. This indicates that almost 60 percent of the working age population (persons 14 years and older), were either employed or unemployed during that month. It should be noted that this rate of participation in the labour force is lower than that estimated in previous rounds of the LFS before September 2020, primarily due to the reclassification of persons who are not actively seeking employment from unemployed to being out of the labour force. Notwithstanding the refined definitions used, the labour force grew by 3,235 compared to April 2019¹.

About 72.9 percent of working age males were in the labour force in April 2021, compared to just 47.0 percent of females within the same age group. The Corozal district registered the highest labour force participation rate at 64.2 percent (see Figure 1) while the Toledo district had the lowest at 46.2 percent.



UNEMPLOYED:

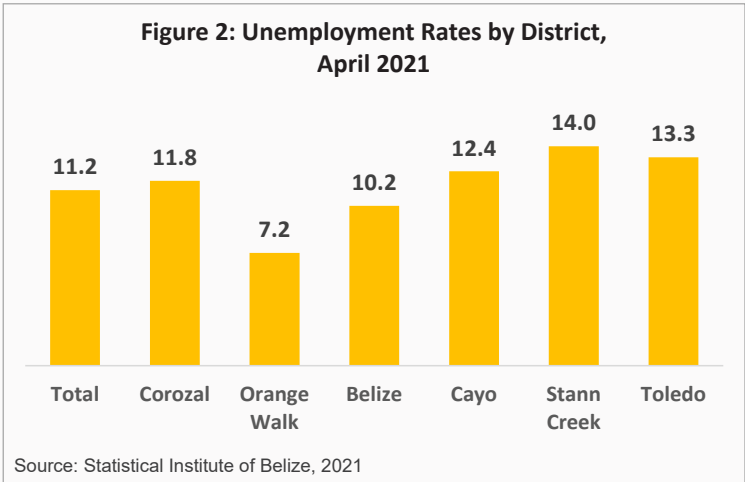
There were an estimated 20,318 unemployed persons in April 2021, representing an unemployment rate of 11.2 percent. It should be noted that, even with the revised definitions, the number of unemployed persons in April 2021 increased by more than 6,600 persons when compared to April 2019. The rate of joblessness among females was at 17.4 percent, more than double that of their male counterparts whose unemployment rate stood at 7.0 percent.

The results of the survey showed that the vast majority or 83.3 percent of unemployed persons had some previous work experience. About half of these persons had stopped working due to layoffs or business failure as a result of COVID-19, particularly in the ‘Tourism’ industry. Almost two-thirds of unemployed persons in April 2021, had been jobless since March of 2020.

Persons with a secondary school education had the highest levels of unemployment at 16.2 percent, while persons with a tertiary level

education experienced the lowest unemployment rate at 8.9 percent. Across the age groups, youths (persons 14 to 24 years old) continued to have the highest rate of unemployment at 20.6 percent.

The Stann Creek district had the highest levels of unemployment at 14.0 percent (see Figure 2), due to losses in employment and an increase in the number of persons not being able to find jobs. In contrast, Orange Walk experienced the lowest unemployment rate at 7.2 percent, due mostly to an increase in informal employment.

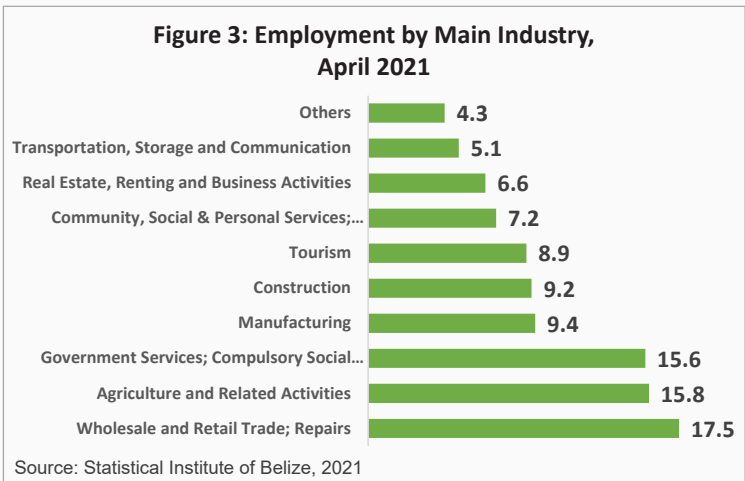


EMPLOYED:

The number of employed persons in April 2021 was estimated to be 161,416 persons, with males accounting for the majority at 62.5 percent. The largest share of employed persons (24.5 percent) were working in ‘Elementary Occupations’, most of which were held by males working as crop farm labourers, building construction workers and yard cleaners. ‘Services and Sales’ accounted for the second largest share of employed persons at 22.1 percent and was dominated by females. About half of all employed persons worked in private entities.

With respect to employment by industry, the largest proportion of employed persons worked in the ‘Wholesale and Retail trade; Repairs’ industry at 17.5 percent (see Figure 3). Notably, the ‘Tourism’ industry accounted for just under 9 percent of employed persons. Prior to the COVID-19 outbreak, about 13 to 15 percent of employed persons worked in this industry during the month of April.

About 42.1 percent of all employed persons were in informal employment. More than half of these persons were self-employed and three out of every five jobs in informal employment were held by males. A combined 40.3 percent of informal jobs were found in the ‘Wholesale and Retail trade; Repairs’ category and the ‘Agriculture and Related Activities’ category. The average monthly income of persons in informal employment was estimated at \$679, about one-half the income of those not in informal employment, who earned on average \$1,318 per month.



UNDEREMPLOYED:

The estimated number of underemployed persons in April 2021 was 34,053 persons, an underemployment rate of 21.1 percent. Males and females experienced the same levels of underemployment, a change from trends seen in previous years, where the level of underemployment among females was about two times higher than that of males. This change can be attributed to more males finding jobs where they work less than 35 hours per week. Underemployed persons worked an average of 17.3 hours per week and earned about \$631 per month.

POTENTIAL LABOUR FORCE:

The April 2021 LFS showed that there were about 122,886 or 40 percent of working age persons not in the labour force. Of this total, about 26,082 persons or 21.2 percent were classified as being part of the Potential Labour Force. These are persons who may have looked for work but were not currently available to work, or those who did not actively seek work but were currently available to work. The latter group accounts for the overwhelming majority (93.3 percent) of the potential labour force. The main reason why persons did not actively seek work was because of family responsibilities.

The rural areas accounted for most of the potential labour force at 58 percent. About 37 percent of the potential labour force were youths.

IMPACT OF COVID-19 ON THE LABOUR FORCE:

In April 2021, there were approximately 19,477 persons who were not working because they had lost their jobs due to COVID-19. Of this group, 43.8 percent or 8,530 persons were actively seeking work and classified as unemployed. Notably, the number of job losses reported in April 2021 due to the pandemic was substantially less than what was found in the September 2020 round, when the number of persons who had lost their jobs due to COVID-19 was estimated at over 34,000.

Similar to what was observed in September 2020, the ‘Tourism’ industry accounted for the largest share or one-third of job losses due to COVID-19. This was the case across all districts, except for Corozal where most job losses were reported in the ‘Wholesale and Retail Trade; Repairs’ industry, despite the reopening of the Corozal Free Zone in January 2021. About 81 percent of persons who lost their previous job due to the pandemic were sustained by a parent, spouse or child or depended on their own savings.

Additionally, 16 percent of employed persons were receiving partial or reduced salaries. There was also a decline in the number of hours worked per week since the pandemic, from an average of 43.9 hours to 38.5 hours.

COMPARISON OF MAIN LABOUR FORCE INDICATORS USING PREVIOUS AND REVISED DEFINITIONS:

As of September 2020, revisions were made to some of the key concepts used in the Labour Force Survey as per recommendations of the International Labour Organization (ILO).

The revised definitions are as follows:

EMPLOYED - Persons who worked for pay or profit for at least one hour in the reference week or had a job but were not at work during the reference week. Persons who produce goods mainly or exclusively for household use, do volunteer work or are unpaid trainees or interns, are no longer classified as employed.

UNEMPLOYED - Persons who were without work and were available to start work within the next two weeks, and who have looked for work within the last four weeks.

UNDEREMPLOYED - Employed persons who worked less than 35 hours in the reference week, and who want and are available to work additional hours.

POTENTIAL LABOUR FORCE - This is a subset of persons who do not meet the criteria of being in the labour force. It includes persons seeking employment, but not available to work, and those who are not actively seeking employment but are available to work or start a business if the opportunity arises. The latter group was previously included in the unemployed population.

Due to the revisions in the definitions of key labour force indicators, the results have become less comparable to previous April rounds of the LFS. Table 1 below shows a comparison of the main indicators for April 2021 and September 2020 based on the revised and previous definitions.

Using the revised definitions, the unemployment rate was estimated at 11.2 percent in April 2021, compared to 18.7 percent using the previous definition. This is mainly due to the reclassification of persons who were not working and were not actively seeking work from unemployed to out of the labour force.

The underemployment rate was also lower when using the revised definitions, since persons who were working less than 35 hours per week also had to want and be available to work additional hours to be classified as underemployed.

Table 1: Main indicators - Previous and Revised Definitions, April 2021 and September 2020

Indicator	Official April 2021 Estimates	April 2021 Estimates Utilizing Previous Definitions	Difference Between Revised and Previous Definitions, April 2021	Official September 2020 Estimates	September 2020 Estimates Utilizing Previous Definitions
Employed	161,416	171,011	-9,595	145,455	153,098
Unemployed	20,318	39,337	-19,019	23,175	64,373
Labour Force	181,734	210,348	-28,613	168,630	217,471
Outside the Labour Force	122,886	94,272	28,613	137,208	88,366
Participation Rate	59.7%	69.1%	-9.4%	55.1%	71.1%
Unemployment Rate	11.2%	18.7%	-7.5%	13.7%	29.6%
Underemployment Rate	21.1%	30.4%	-9.3%	23.6%	38.0%

Source: Statistical Institute of Belize, 2021

1 There was no LFS conducted in April 2020 due to preparations for the 2020 Population and Housing Census, which was subsequently postponed due to the COVID-19 pandemic.