



LABOUR MARKET REPORT 2021



WORC

WORKFORCE OPPORTUNITIES & RESIDENCY CAYMAN
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The Unit wishes to thank the Economics and Statistics Office for the data provided from its *Cayman Islands' 2021 Census of Population and Housing Report* and *The Cayman Islands' Labour Force Survey Reports Fall* editions.

The Labour Demands Unit is also grateful for the information provided by the International Labour Organization (ILO) through its publications, statistics and databases. Notably, the *Key Indicators of the Labour Market (Ninth Edition)* and *World Employment and Social Outlook Trends 2022* reports imparted critical insight on labour market developments and emerging trends. A special mention should also be given to *ILOSTAT*, the world's leading source of labour statistics, which provided data to conduct comparative analysis across countries.

Executive Summary

The Labour Market Report presents a comprehensive analysis of the Cayman Islands labour market and provides an overview of international labour developments and trends. The Report commences with a summary of international developments in 2021 and a comparison of key labour market indicators across select developed countries and the Cayman Islands.

This global overview is preceded by an in-depth analysis on eight of the seventeen key indicators of the labour market for the country. These indicators have been identified by the ILO as critical in conducting an assessment on any labour market. An analysis on each indicator across a five-year period (2017 – 2021) is explored including disaggregation by immigration status, sex, age and other criteria where applicable.

After the discussion on the key indicators of the labour market, an outlook is provided locally and globally. The report is concluded by a summary of the main points arising from the analysis of the indicators and recommendations provided to policy makers.

Global Overview

With the COVID-19 pandemic entering its second year in 2021, the global labour market recovery was moderate but unequal. This was due to differences in vaccination coverage and economic outcomes across advanced, and emerging and developing countries; as well as the lack of coordinated domestic and international policies to address reduced employment and lower incomes.

The current crisis has led to increased difficulty in achieving the United Nation's Sustainable Development Goals, in particular Goal 8, which states "promote sustained, inclusive and sustainable growth, full and productive employment and decent work for all." This goal is also aligned with the International Labour Organization's mission of encouraging decent work for all through setting standards and rights at work, creating greater opportunities and enhancing social protection.

The negative impact of not achieving decent work for all will be the continued worsening of the social and economic fabric of economies, particularly developing countries. Therefore, it is imperative that governments undertake policies to address the labour market challenges that the pandemic exacerbated, so as to mitigate the negative, long-term consequences on labour force participation, disposable income and social cohesion.

A comparison between the Cayman Islands and other select countries on some key labour market indicators are presented. This will offer a benchmark for Cayman in terms of its performance against a few advanced economies and a regional counterpart.

Chart 1: Labour Force Participation Rates of Select Countries (%), 2021

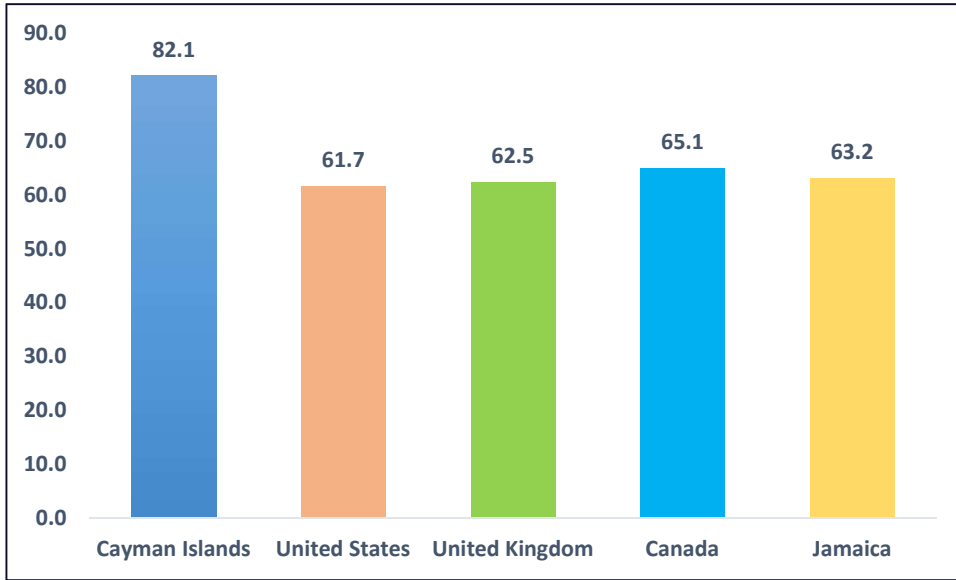
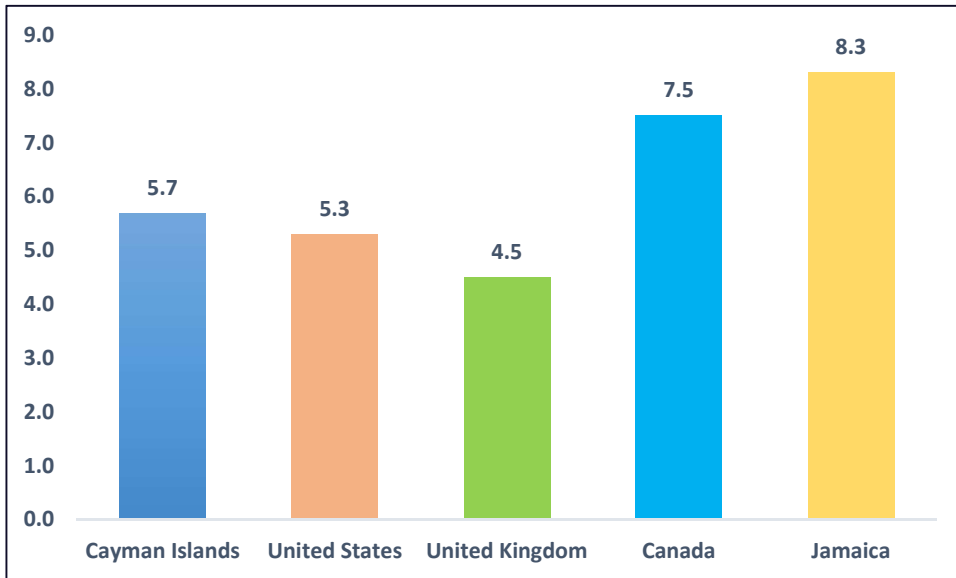


Chart 2: Unemployment Rates of Select Countries (%), 2021



Key Indicators of the Labour Market

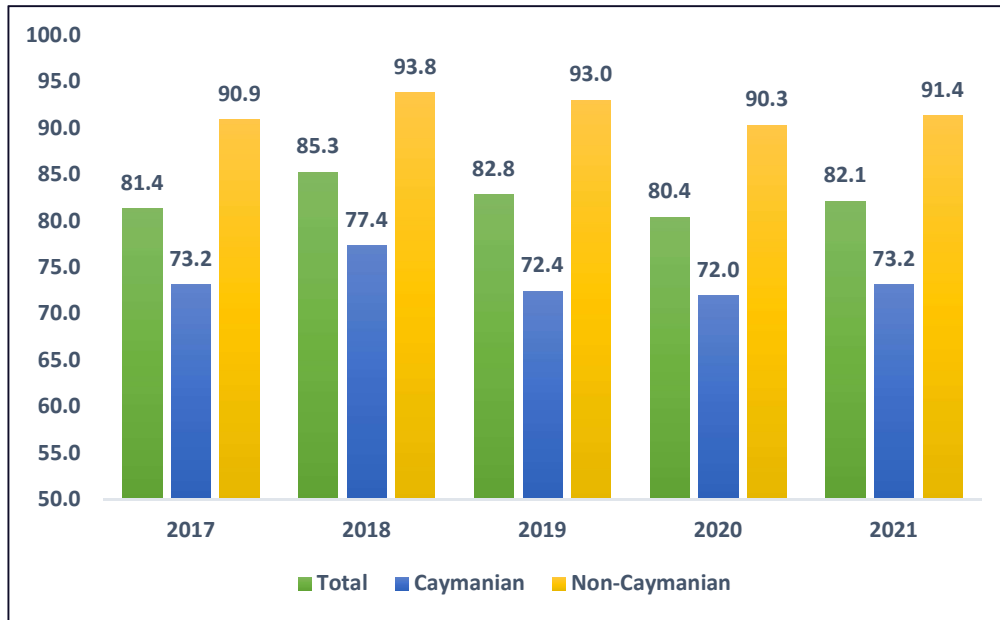
Labour Force Participation Rate

The Labour Force Participation Rate is a measure of the proportion of a country's working-age population that is actively engaged in the labour market, either by working or looking for work. The working-age population is defined as those persons 15 years and older in the non-institutionalised population while the labour force is the sum of the employed and unemployed persons.

The labour force participation rate determines the size and composition of a country's human resources and plays a critical role in forecasting the supply of labour. This information is then used to formulate employment policies, determine training needs and compute the working life of the population.

The chart in Figure 1 shows a similar trend in the labour force participation rates for the total, Caymanian and Non-Caymanian working-age populations. The rates rose in 2018 before falling in 2019 and 2020, after which it increased in 2021 to 82.1 percent, 73.2 percent and 91.4 percent, respectively. The rates in 2018 were due to the country achieving its highest growth rate in real terms relative to the other years. The decline in the labour force participation rates in 2020 resulted from the lockdowns and closures associated with the global pandemic before a partial recovery of the economy in 2021 led to a turnaround in labour force participation.

Figure 1. Labour Force Participation Rate (%)



As seen from Figures 2 and 3, the labour force participation rates by sex display the same trends for the Caymanian and Non-Caymanian working-age populations. Notably, labour force participation peaked in 2018 as a result of the economy performing its best in that year. Additionally, the participation rates for men were shown to be higher than for women in both populations. With respect to Caymanians, this was attributed mainly to more women being in the working-age population while for Non-Caymanians there were more men in the labour force than women. The higher proportion of females in the Caymanian working-age population could be due to more women attending school full time, in retirement and at home performing domestic duties than their male counterparts.

Figure 2. Labour Force Participation Rate of Caymanians by Sex (%)

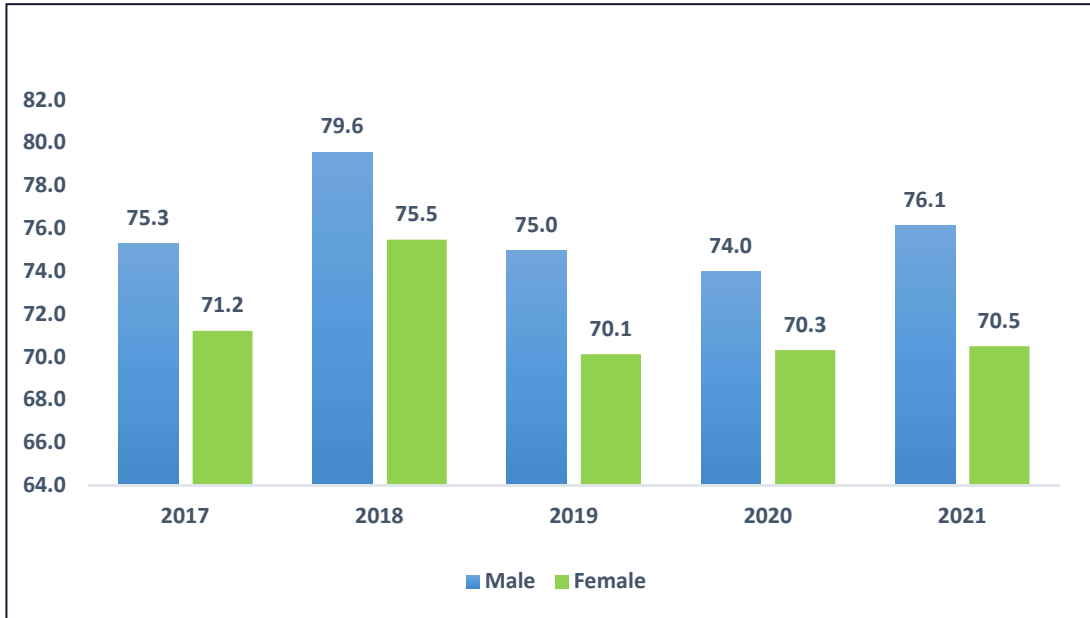
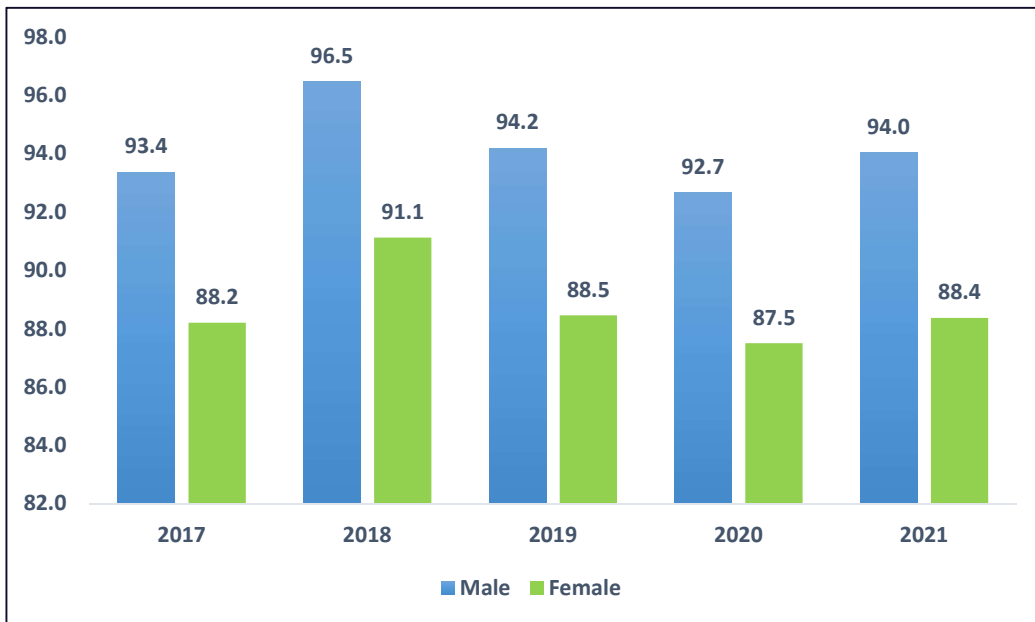
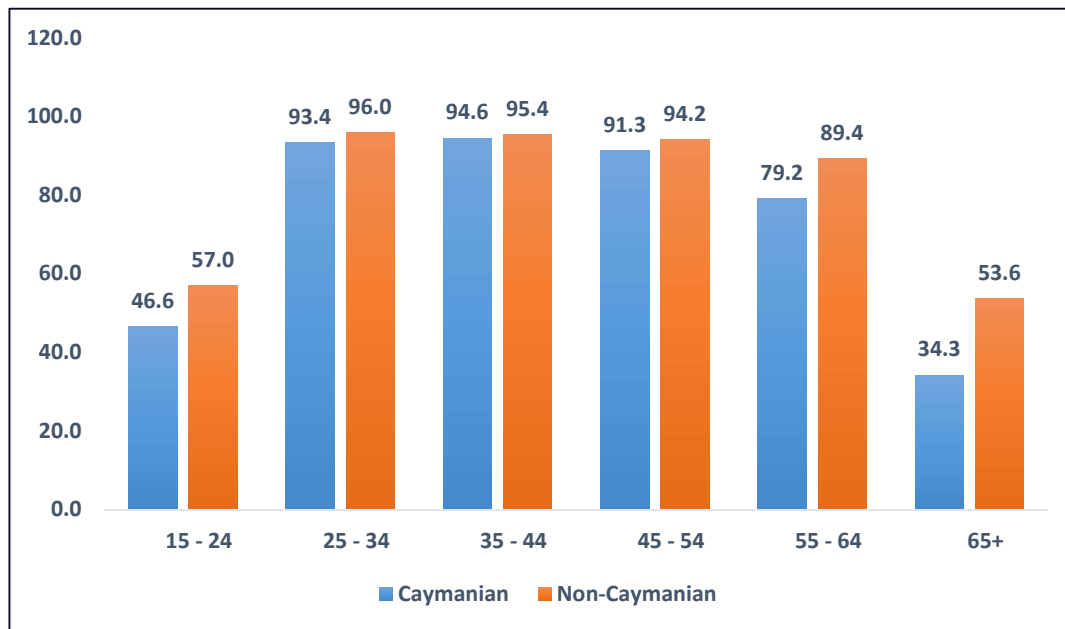


Figure 3. Labour Force Participation Rate of Non-Caymanians by Sex (%)



When analysing the data by age, there was high labour force participation in the age groups 25-34 to 55-64 for the Caymanian and Non-Caymanian working-age populations. Labour force participation was low among youth (persons 15–24) and the elderly (persons 65+) in both populations as most of these individuals are going to school full time and in retirement.

Figure 4. Labour Force Participation Rate by Age (%), 2021

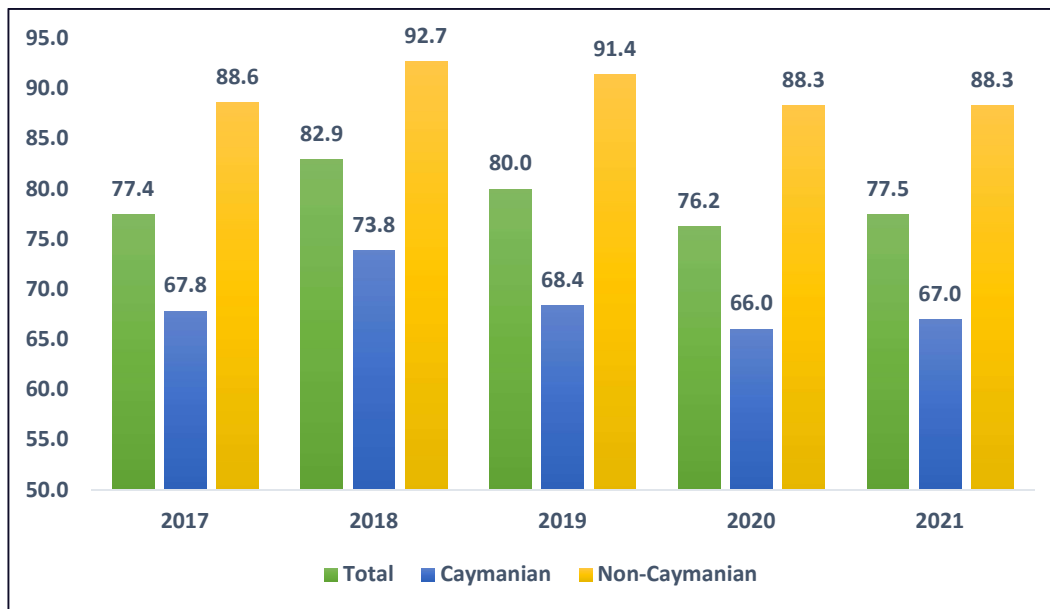


Employment-to-Population Ratio

The employment-to-population ratio is measured by the ratio of the employed persons to the working-age population in a country. A high ratio implies that a large proportion of the country's population is employed while a low ratio means the opposite holds true. This indicator provides information on the ability of an economy to create employment and is directly linked to the economic performance of a country.

Figure 5 displays the employment-to-population ratios for the three populations. The data follows a similar trend to labour force participation where the highest ratios were observed in 2018 with a gradual recovery in 2021 from the global pandemic which began in 2020. The ratios were higher for the Non-Caymanian population relative to the Caymanian population due to a larger representation of Caymanians among the youth and elderly.

Figure 5. Employment-to-Population Ratio (%)



As exhibited by Figures 6 and 7, the employment-to-population ratios for Caymanians and Non-Caymanians displayed the same trends. Furthermore, the ratios for men were higher than for women in both groups.

Figure 6. Employment-to-Population Ratio of Caymanians by Sex (%), 2021

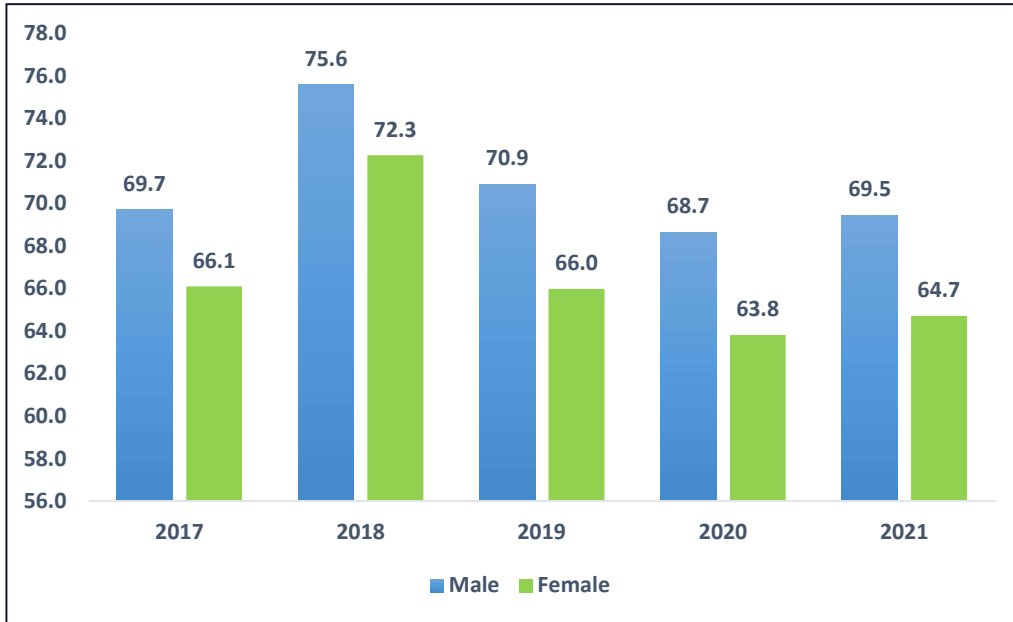
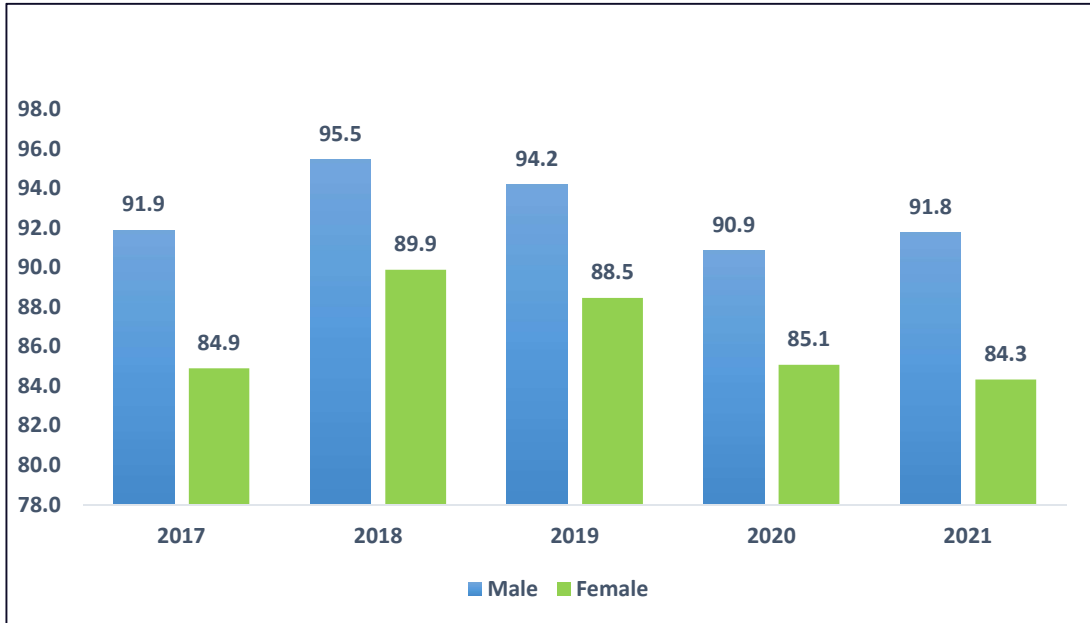
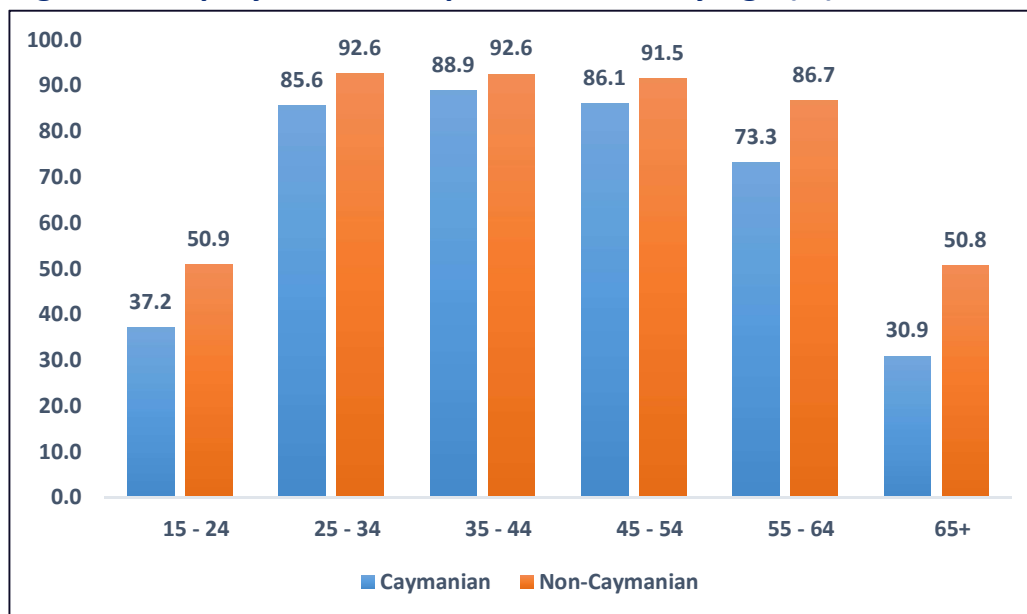


Figure 7. Employment-to-Population Ratio of Non-Caymanians by Sex (%), 2021



The analysis by age for the employment-to-population ratios was consistent with that for labour force participation. A high percentage of persons in the age groups 25 – 34 and 55 – 64 were employed while there was a sharp decline in persons 65 years and older due primarily to retirement (see Figure 8). Youth, aged 15 to 24 years, had low ratios mainly because these individuals had full-time school commitments.

Figure 8. Employment-to-Population Ratio by Age (%), 2021



Status in Employment

Status in employment differentiates between two categories of the employed: employees, also known as wage and salaried workers; and self-employed workers. Within self-employed workers, there are self-employed workers with employees, self-employed workers without employees and contributing family workers (formerly known as unpaid family workers). This indicator can provide useful information on workers' behaviour, conditions of work and a person's socio-economic group. For example, a country with a high proportion of wage and salaried workers usually implies advanced economic development. On the other hand, a country with a high proportion of self-employed workers, particularly contributing family workers, usually signifies low economic development, widespread poverty, high levels of informality and often a large rural sector.

Figures 9 and 10 display employees and the self-employed of the total, Caymanian and Non-Caymanian populations as percentages of total workers across the five-year reference period. Notably, the majority of employed persons are wage and salaried workers as shown in Figure 9. Additionally, Non-Caymanians accounted for a higher percentage of employees than Caymanians. This observation also implied that Caymanians represented a higher proportion of self-employed workers than Non-Caymanians (see Figure 10).

Figure 9. Status in Employment for Employees (%)

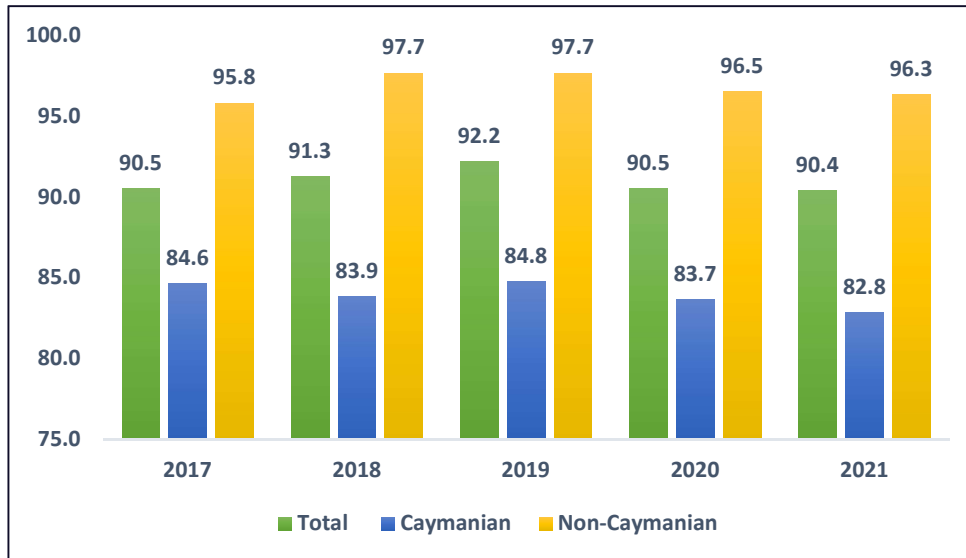
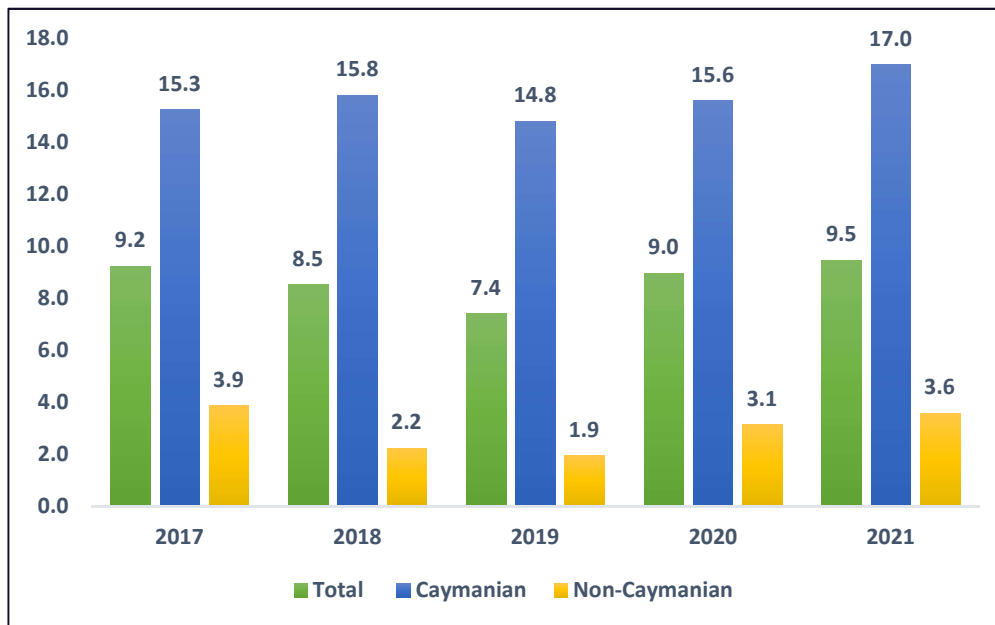


Figure 10. Status in Employment for Self-Employed Workers (%)



The analysis of status in employment by sex revealed that most Caymanians were employed as wage and salaried workers, specifically, 76.2 percent among men and 89.3 percent among women (see Figure 11). Among the Other category, most Caymanians were self-employed. An even larger percentage of Non-Caymanians were employed as employees, notably, 95.7 percent of men and 97.1 percent of women (see Figure 12).

Similar to Caymanians, most Non-Caymanians in other types of employment were self-employed.

Figure 11. Status in Employment for Caymanians by Sex (%), 2021

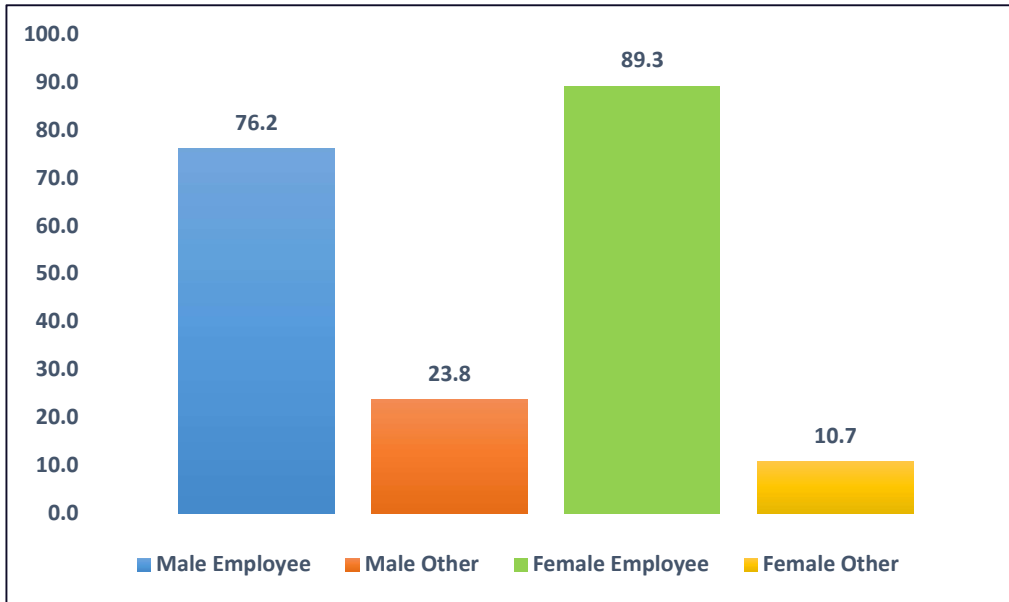
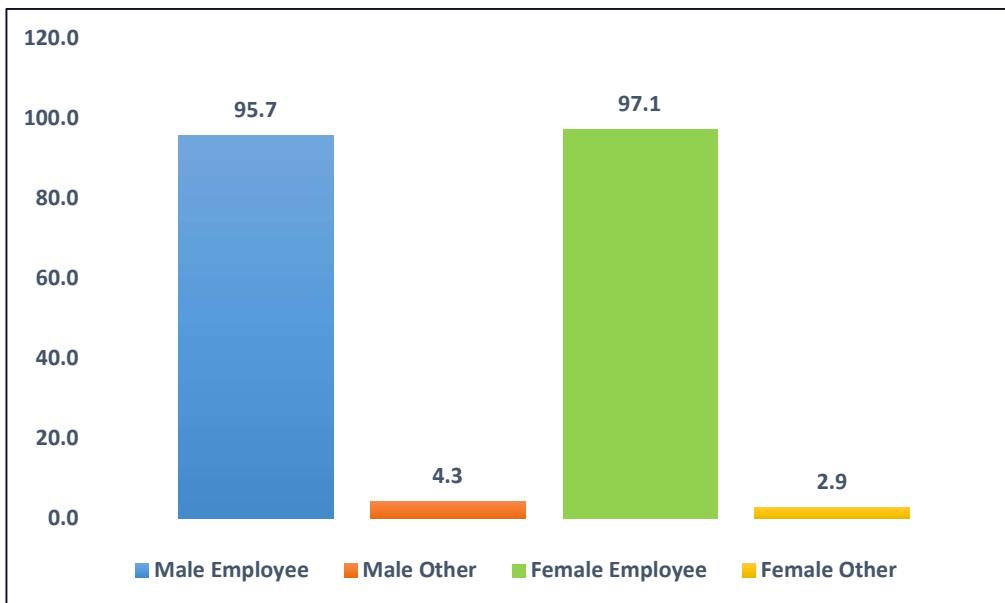


Figure 12. Status in Employment for Non-Caymanians by Sex (%), 2021



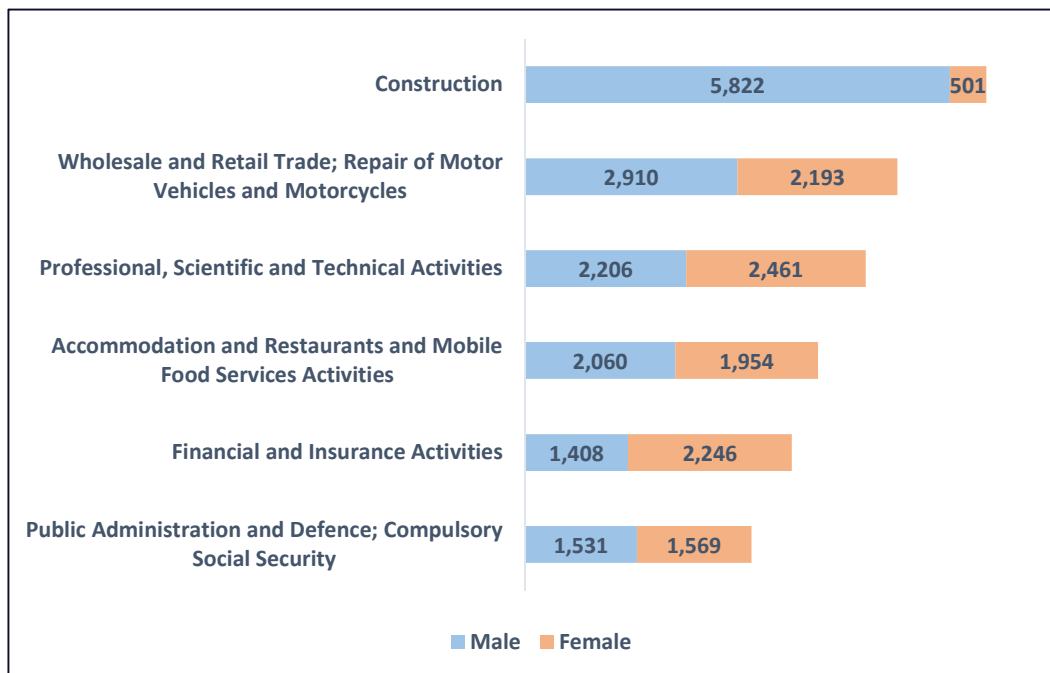
Employment by Industry

This indicator classifies employment into the major industries by economic activity. It is useful for analyzing shifts in employment and stages of economic development.

The Cayman Islands economy is dominated by the services industries in terms of output and employment with the Financial and Insurance Activities industry being the largest contributor to output, that is, the market value of final services provided.

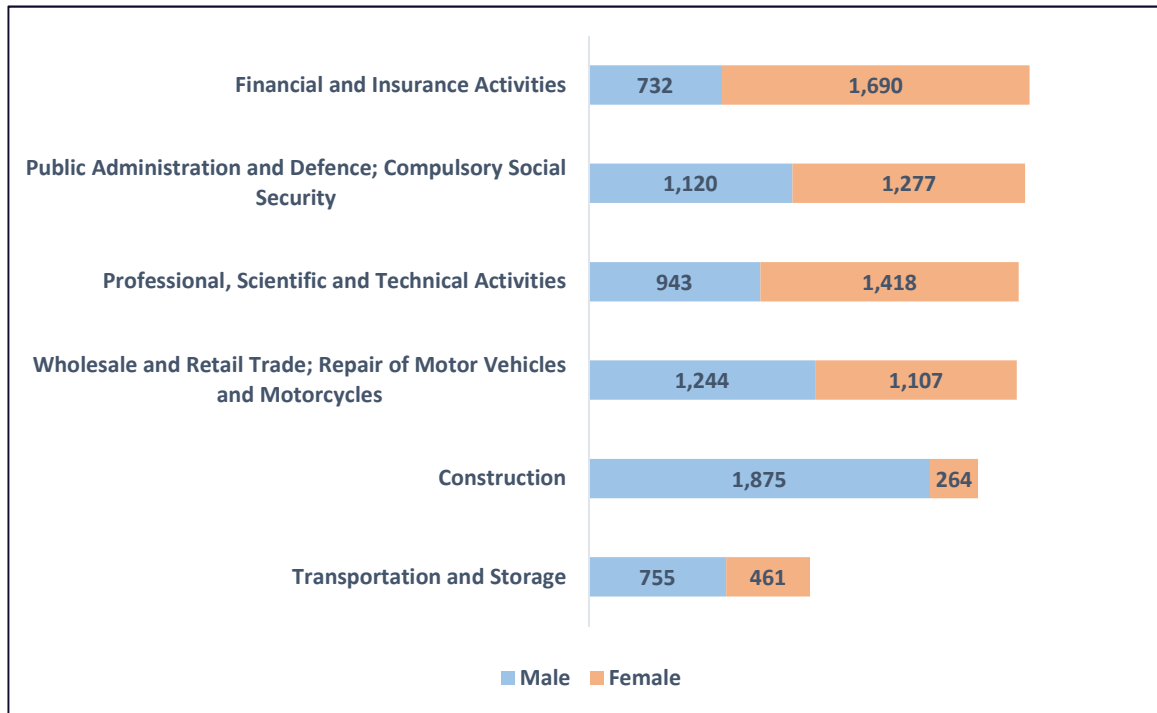
The largest employer in the economy was the Construction industry, employing 6,324 persons (see Figure 13). This industry is dominated by male employment, which accounted for 5,822 persons (92.1% of the total). There were 501 females employed in this industry, which represented 7.9 percent of the total. The Wholesale and Retail Trade industry followed with an employment of 5,103 persons, of which 57.0 percent was male and 43.0 percent female. Central government employed 3,100 persons, of which 1,569 (50.6%) were female and 1,531 were male (49.4%). It should be mentioned that the top six industries by employment shown in Figure 13 represent the largest contributing and fastest-growing in the economy. This reinforces the relationship between economic growth and employment, and underscores the significant impact economic growth has on the Islands.

Figure 13. Total Employment by Industry, 2021



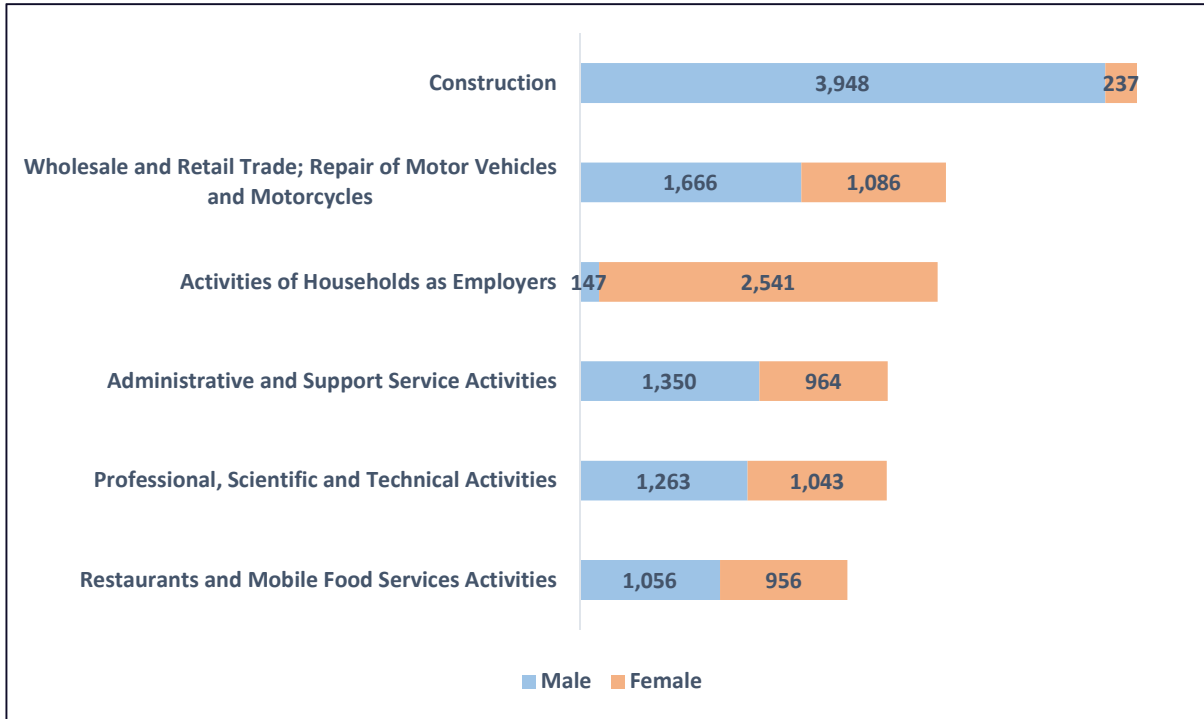
The Financial and Insurance Activities industry employed the most Caymanians, 2,423 persons in total, of which 1,690 were female and 732 were male (see Figure 14). Central Government was next with 2,397 Caymanians followed by the Professional, Scientific and Technical industry with 2,361 persons. These three industries employed a greater proportion of women than men as shown in Figure 14.

Figure 14. Caymanian Employment by Industry, 2021



The Construction industry employed the most Non-Caymanians, 4,185 persons in total, of which 3,948 were male and 237 were female (see Figure 15). The Wholesale and Retail Trade industry followed with 2,752 Non-Caymanians, which was then proceeded by Household Employers with 2,688 persons. For the top-six industries shown in Figure 15, men (58.0%) exceeded women (42.0%) in employment.

Figure 15. Non-Caymanian Employment by Industry, 2021



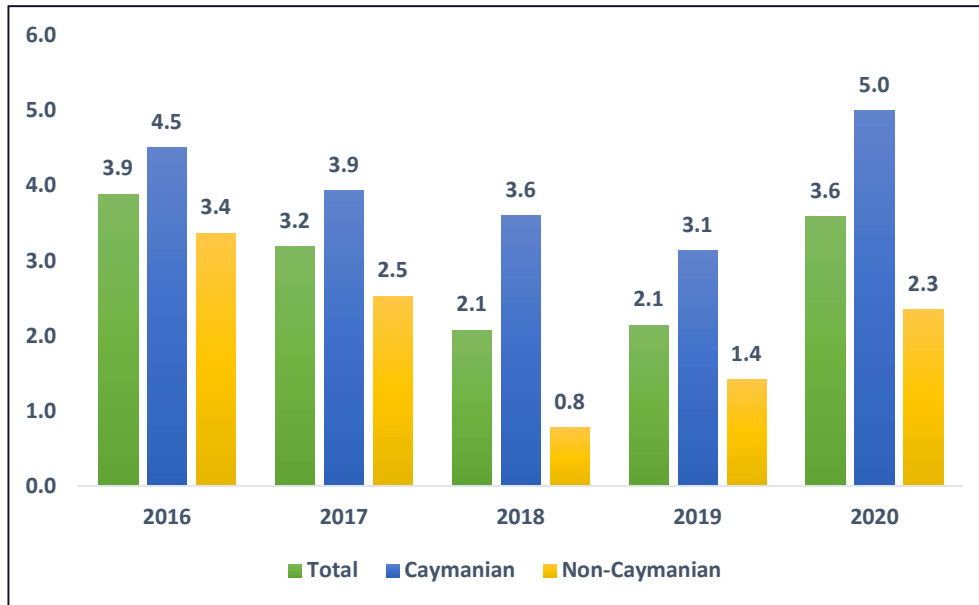
Time-Related Underemployment¹

This indicator measures the number of employed persons whose hours of work in the reference period are inadequate to what they are available and willing to work. Time-related underemployment, similar to unemployment, examines the underutilization of the productive capacity of the labour force. **The underemployment rate is calculated as the number of underemployed persons expressed as a percentage of the number of employed persons.**

Figure 15 displays the underemployment rates for the total, Caymanian and Non-Caymanian populations from 2016 to 2020. Caymanian underemployment declined from 2017 to 2019, then increased in 2020 to 5.0 percent. Non-Caymanian underemployment decreased from 2017 to 2018, then rose in the following years to end at 2.3 percent in 2020. For 2020, the total number of underemployed persons in the total population was 1,494 persons relative to 1,017 persons in 2019. Notably, there were 974 Caymanians underemployed in 2020 compared with 629 persons in 2019. The number of underemployed Caymanians in 2020 was the highest outturn during the five-year period. This was due to the reduced economic activity arising from the global pandemic.

¹ Data not available for 2021.

Figure 15. Underemployment Rate (%)



Figures 16 and 17 show the underemployment rates disaggregated by sex for the Caymanians and Non-Caymanians. In regards to the Caymanian population, there were variations in the male and female underemployment rates. The male underemployment rate declined in the years leading to 2018 then rose to 5.4 percent in 2020. The female underemployment rate was relatively stable up to 2018, after which it fell sharply in 2019 and then increased to 4.6 percent in 2020. The male underemployment rates surpassed the female rates in all years except 2016 and 2017. With respect to the Non-Caymanian population, both male and female underemployment rates displayed a steady decline to 2018 before rising in the years after. In particular, the female underemployment rates dominated the male rates in all the years.

Figure 16. Underemployment Rate of Caymanians by Sex (%)

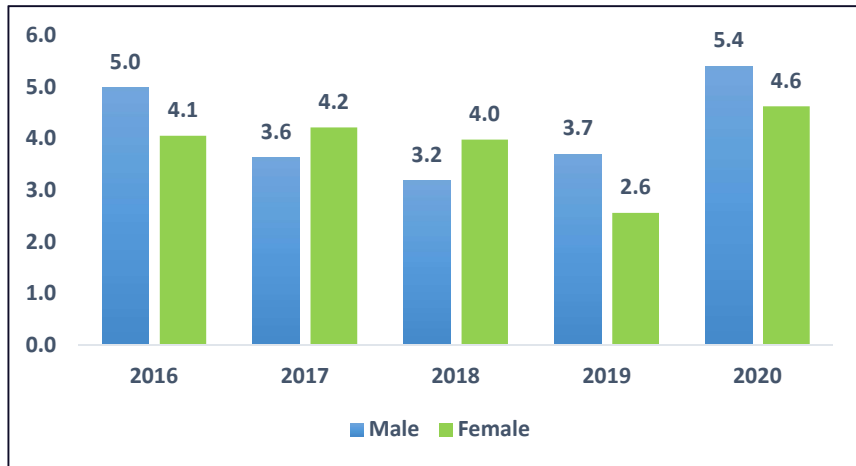
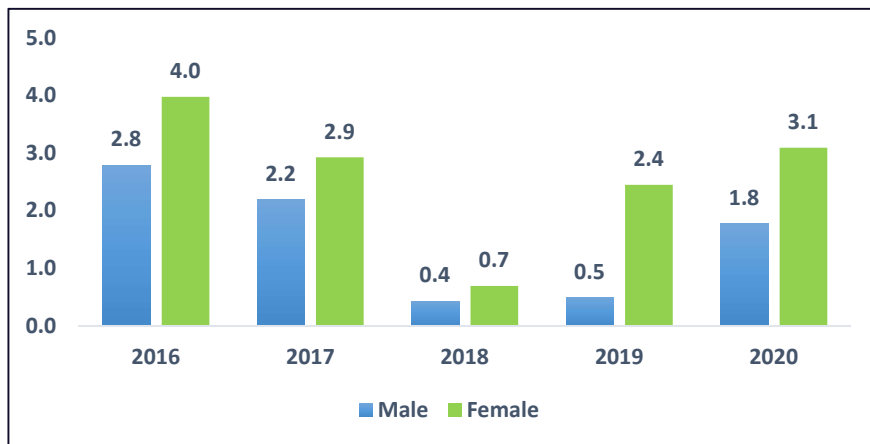


Figure 17. Underemployment Rate of Non-Caymanians by Sex (%)



When examining underemployment by age for the Caymanian population, the majority of the underemployed persons were in the age group 45 to 54 years at 24.4 percent (see Figure 18). This was followed by persons 65 years and older who accounted for 22.0 percent of underemployed Caymanians. With respect to the Non-Caymanian population, it was observed that 47.6 percent of underemployed persons were accounted for in the 35 to 44 age group (see Figure 19). The next largest group for the underemployed were persons aged 25 to 34 years at 28.6 percent. Combined, persons aged 25 to 54 years accounted for 90.4 percent of the underemployed population.

Figure 18. Caymanian Underemployment by Age, 2020

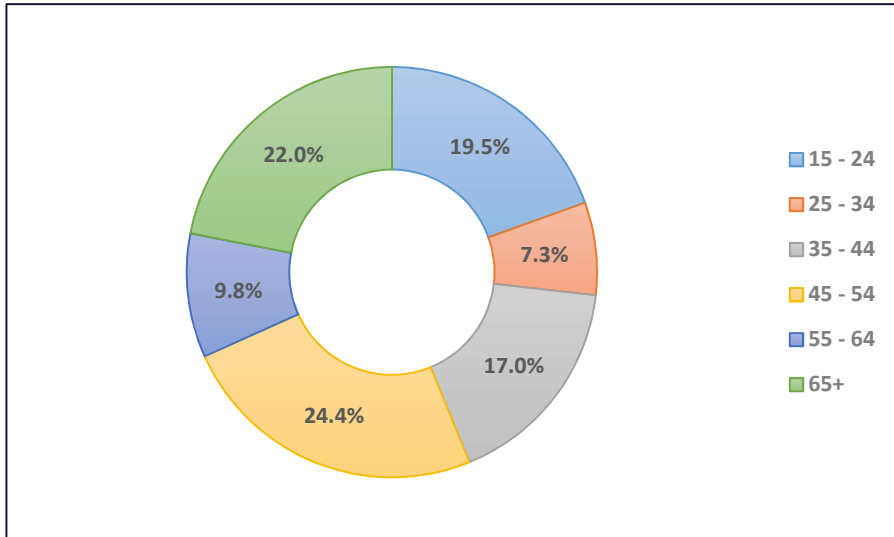
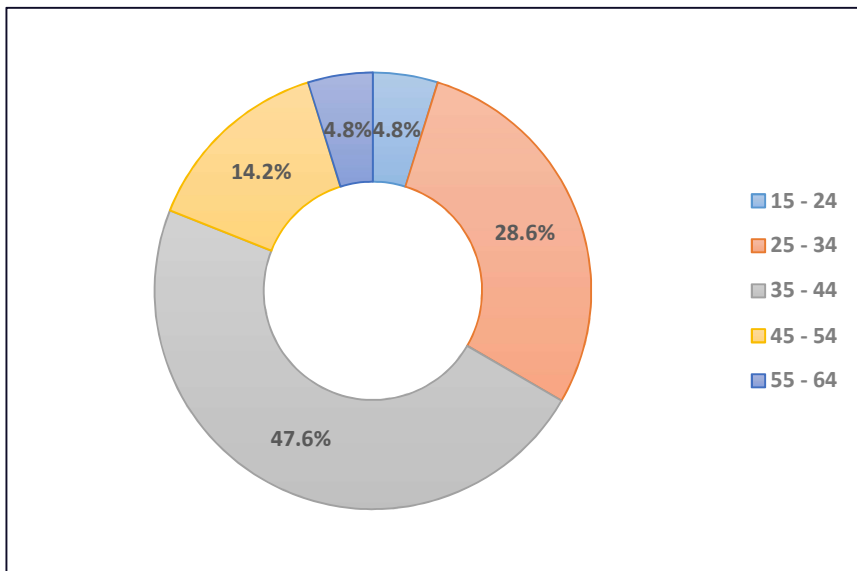


Figure 19. Non-Caymanian Underemployment by Age, 2020



The majority of underemployed Caymanians were employed in the Accommodation industry, 25.9 percent (166 persons) of the total (see Figure 20). The Human Health and Social Work Activities and the Wholesale and Retail Trade industries both followed with 18.6 percent of underemployed Caymanians. Most underemployed Caymanians possessed a high school qualification, 53.6 percent (523 persons) of the total (see Figure 21). The next largest group was college/university students who accounted for 21.9% (214 persons) of underemployed Caymanians. A substantial proportion of underemployed Caymanians did not have a college/university degree, which suggests

that educational attainment needs to be increased to reduce the incidence of underemployment.

Figure 20. Caymanian Underemployment by Industry, 2020

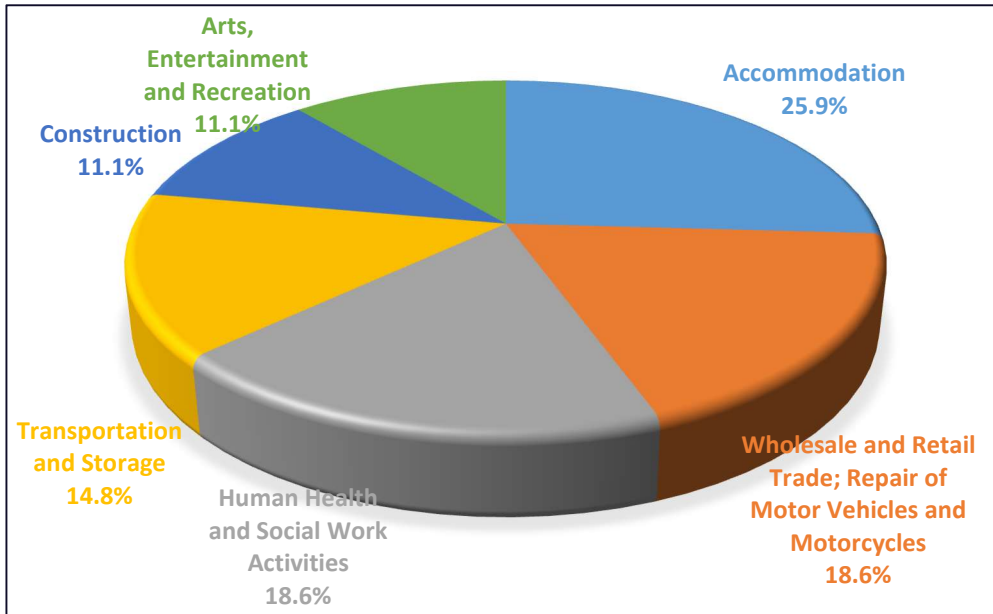
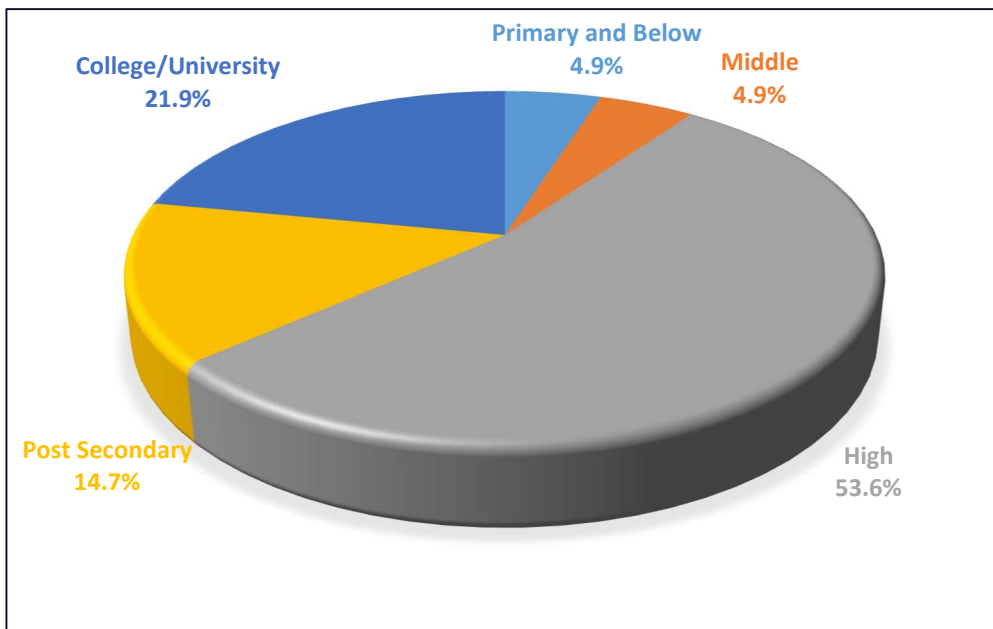


Figure 21. Caymanian Underemployment by Educational Attainment, 2020

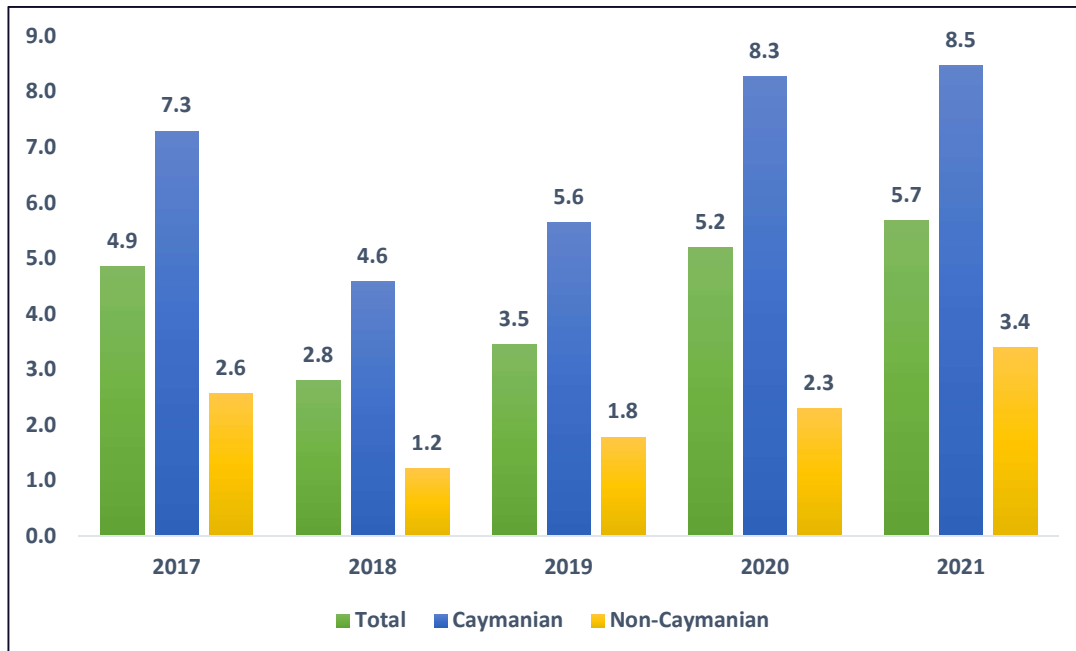


Unemployment

The unemployment rate is defined as the proportion of the labour force that is not working. Unemployed persons are those who are not working but are available and actively seeking work within a specified reference period. The unemployment rate is a measure of the underutilized labour in a country and is usually the most publicized labour market indicator in the media.

Figure 22 displays the unemployment rates for the total, Caymanian and Non-Caymanian populations. All the rates exhibited similar trends, that is, they decreased in 2018 and then rose continually to 2021. The Cayman Islands economy had its best performance in 2018 and this explained the unemployment rates being the lowest in that year. The unemployment rates peaked in 2021 as the country continued to recover from the pandemic.

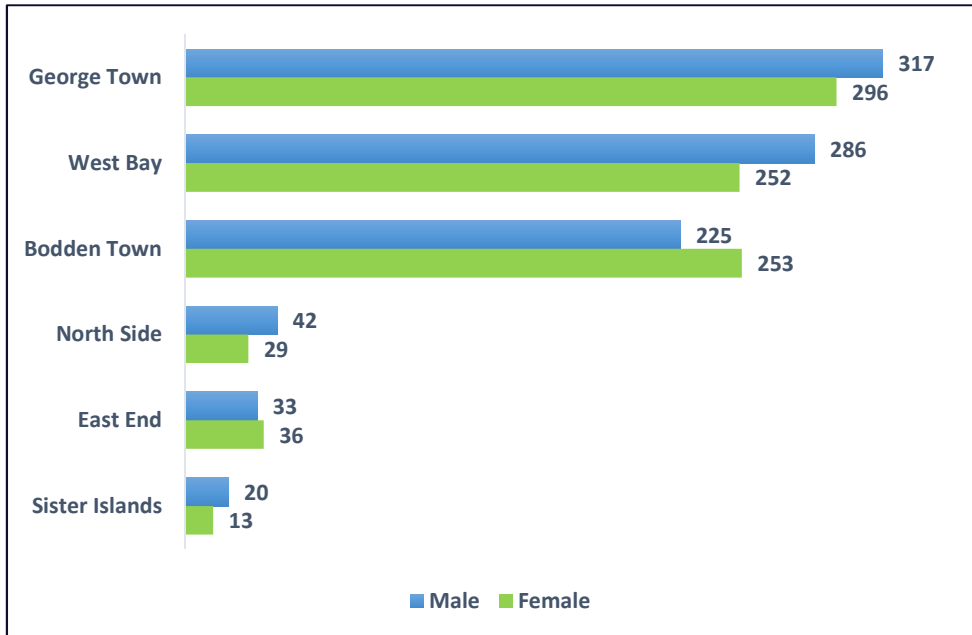
Figure 22. Unemployment Rate (%)



Total unemployment in 2021 was 2,679 persons, of which 1,803 persons (67.3%) were Caymanians. Among the unemployed Caymanians, 923 persons (51.2%) were males while 880 persons (48.8%) were females. As seen in Figure 23, George Town recorded

the most unemployed Caymanians followed by West Bay. There were a larger number of unemployed male Caymanians in all districts except Bodden Town and East End.

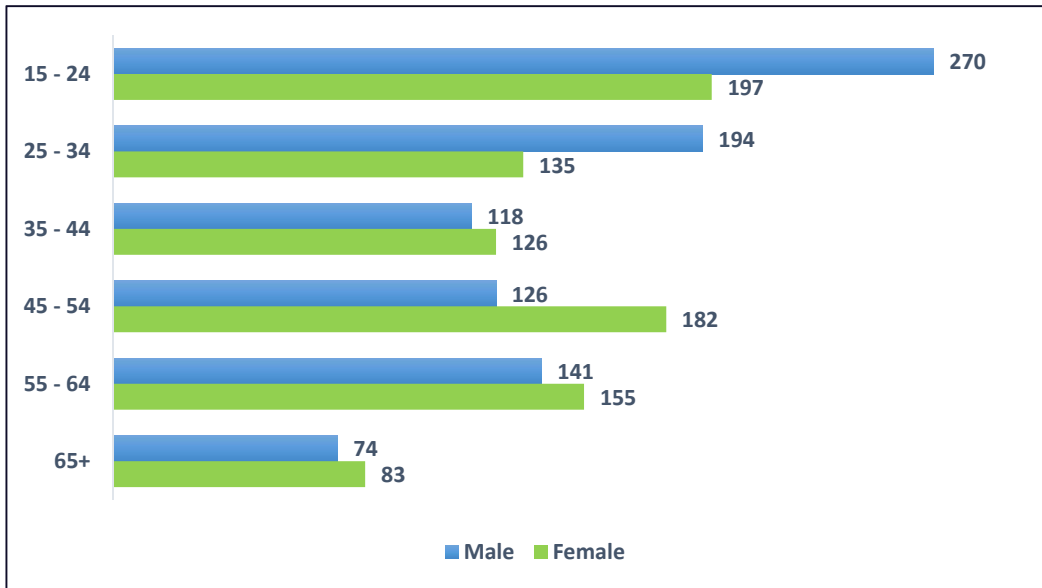
Figure 23. Caymanian Unemployment by District, 2021



Even though George Town recorded the largest number of unemployed persons, it was East End that registered the highest unemployment rate of 12.1 percent followed by West Bay and North Side with unemployment rates of 11.3 percent and 10.6 percent, respectively.

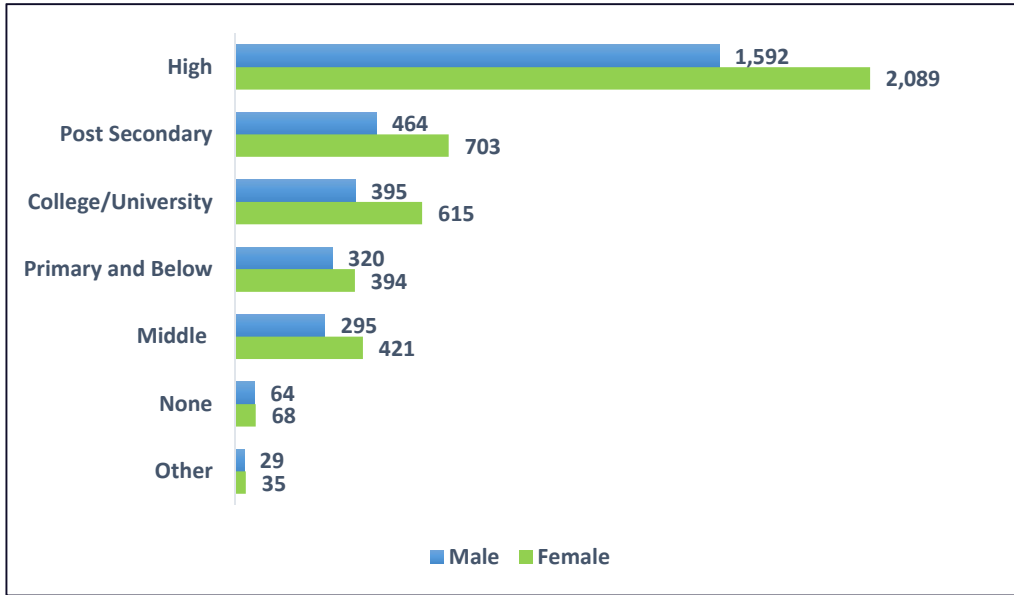
Persons aged 25 to 34 years accounted for the most unemployed by age group, 565 or 21.1 percent of the total. Of the 1,803 Caymanians unemployed, 467 (25.9%) represented youth aged 15 to 24 years (see Figure 24). This was the largest group of unemployed Caymanians. Females dominated every age group of unemployed Caymanians except the youth and persons aged 25 to 34 years. The Caymanian youth also recorded the highest unemployment rate of 20.2 percent followed by persons aged 65 years and older with an unemployment rate of 9.8 percent.

Figure 24. Caymanian Unemployment by Age, 2021



Persons with high school qualifications accounted for most of the unemployment in the overall and Caymanian population, 1,368 and 1,042, respectively. There were 325 unemployed Caymanians with post-secondary qualifications followed by 175 persons with College/University degrees (see Figure 25). Unemployment was observed mainly in persons with post-secondary qualifications and below, notably, 81.0 percent for the entire population and 87.9 percent for Caymanians. This underscores the importance of increasing the level of educational attainment among Caymanians to improve their employment prospects and quality of life.

Figure 25. Caymanian Unemployment by Educational Attainment, 2021

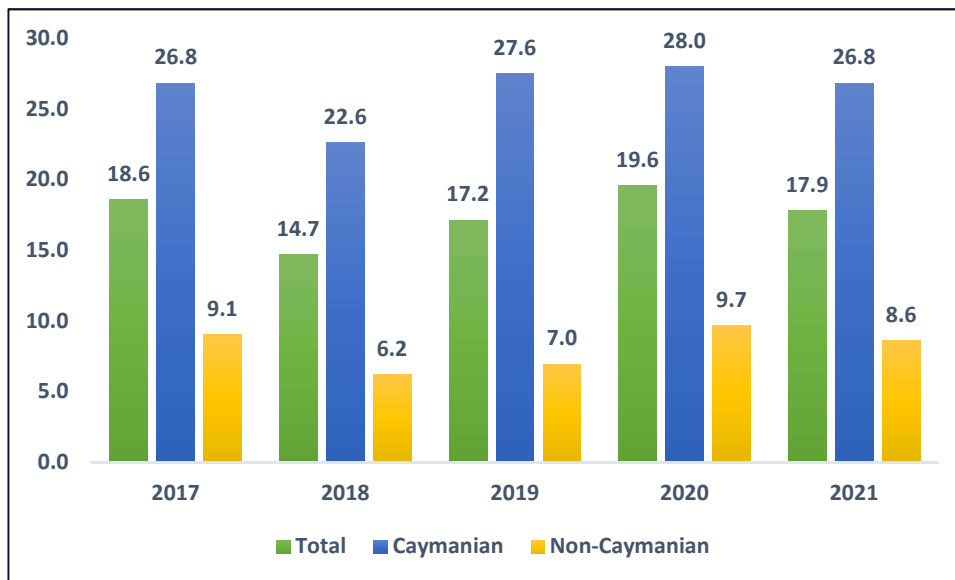


Persons Not in the Labour Force

Persons not in the labour force, formerly the economically inactive population, are those individuals who are neither employed nor unemployed. They include retirees, full-time students, sick or disabled persons, persons taking care of family members at home, and discouraged jobseekers who believe no jobs are available or who have lost interest in working. **The inactivity rate is the proportion of the working-age population who are not in the labour force.**

The inactivity rates for the total, Caymanian and Non-Caymanian populations displayed the same trend over the five-year period. The rates declined in 2018 before gradually rising to 2020, then falling again in 2021 to 17.9 percent, 26.8 percent and 8.6 percent, respectively (see Figure 26). Additionally, the inactivity rate was higher for Caymanians than for Non-Caymanians because a larger share of youth and elderly persons are Caymanian.

Figure 26. Inactivity Rate (%)



For Caymanians and Non-Caymanians, the inactivity rates were higher for females than males. This suggests that more women were at home caring for family members or going to school full time than men (see Figures 27 and 28).

Figure 27. Inactivity Rate of Caymanians by Sex (%)

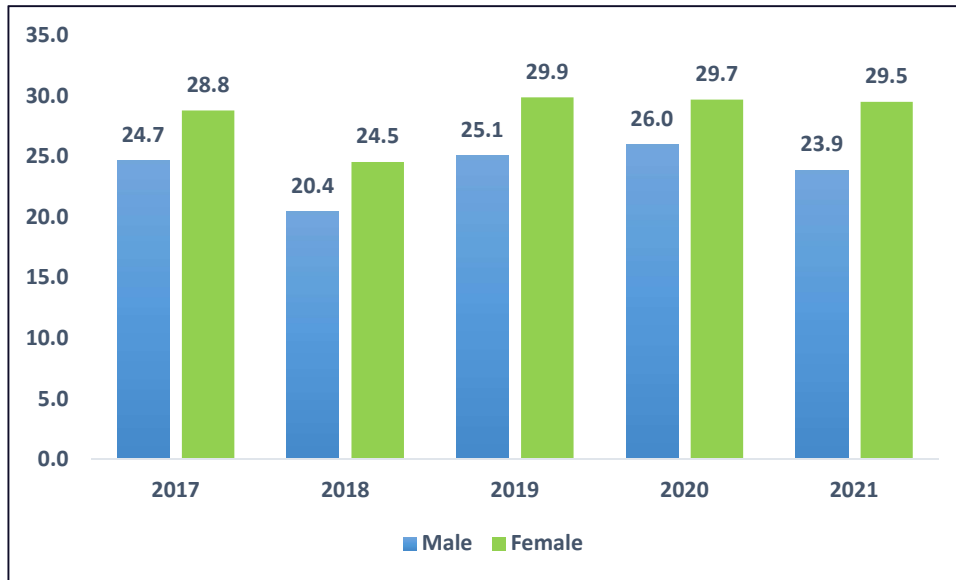
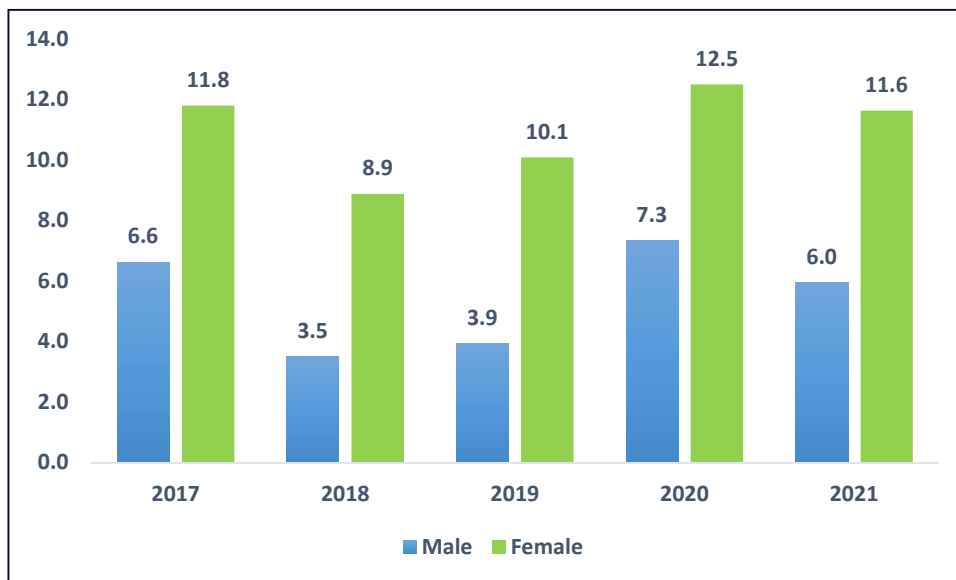
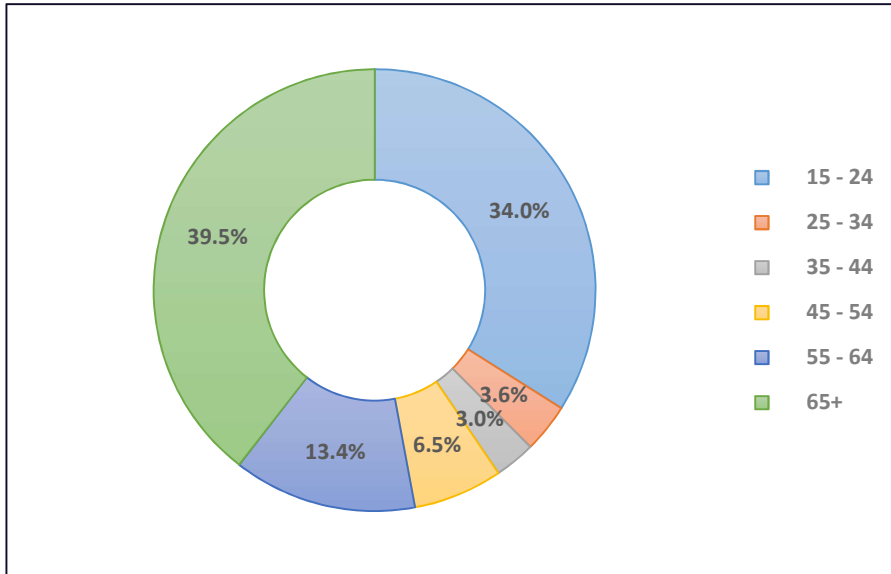


Figure 28. Inactivity Rate of Non-Caymanians by Sex (%)



The inactivity rate of Caymanians was dominated by persons in the 65+ and 15 to 24 age groups. Notably, there were 3,085 elderly Caymanians (39.5%) and 2,654 young Caymanians (34.0%) outside of the labour force (see Figure 29). This reinforces the fact that retirees and full-time students represent the majority of Caymanians outside the labour force.

Figure 29. Inactivity Rate of Caymanians by Age, 2021



The majority of Caymanians not in the labour force possessed a high school qualification (47.1%), post-secondary qualification (15.0%) and a college/university degree (12.9%) as shown in Figure 30. This data, along with the statistics by age, possibly allude to a significant number of students pursuing full time studies at colleges and universities.

Figure 30. Caymanians Not in Labour Force by Educational Attainment, 2021

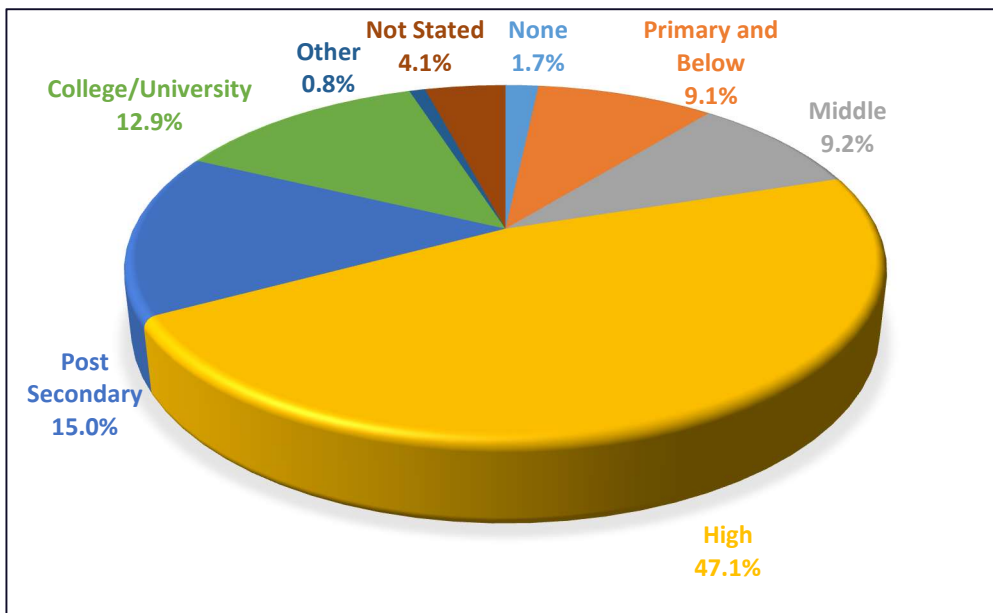
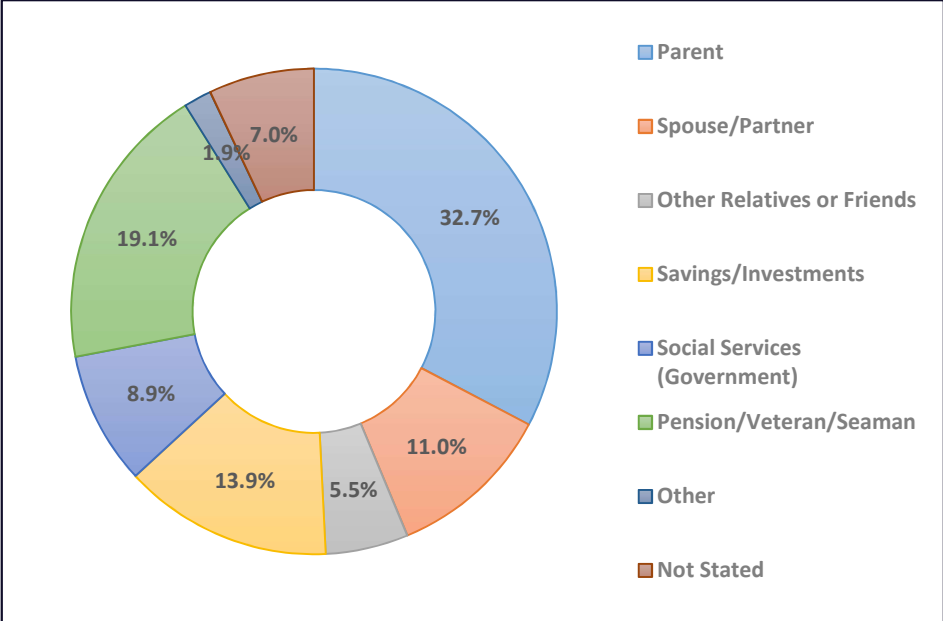


Figure 31 illustrates that 32.7 percent of Caymanians not in the labour force received financial support from their parents, this represented 2,555 persons. Pensioners/veterans/seamen were the next largest group of Caymanians not in the labour force in receipt of financial support, accounting for 19.1 percent or 1,492 persons in total. Caymanians outside the labour force reliance on savings and investments was the third largest means of financial support. There was a total of 1,086 persons (13.9%) who depended on this means of financial support.

Figure 31. Caymanians Not in Labour Force by Main Means of Financial Support, 2021

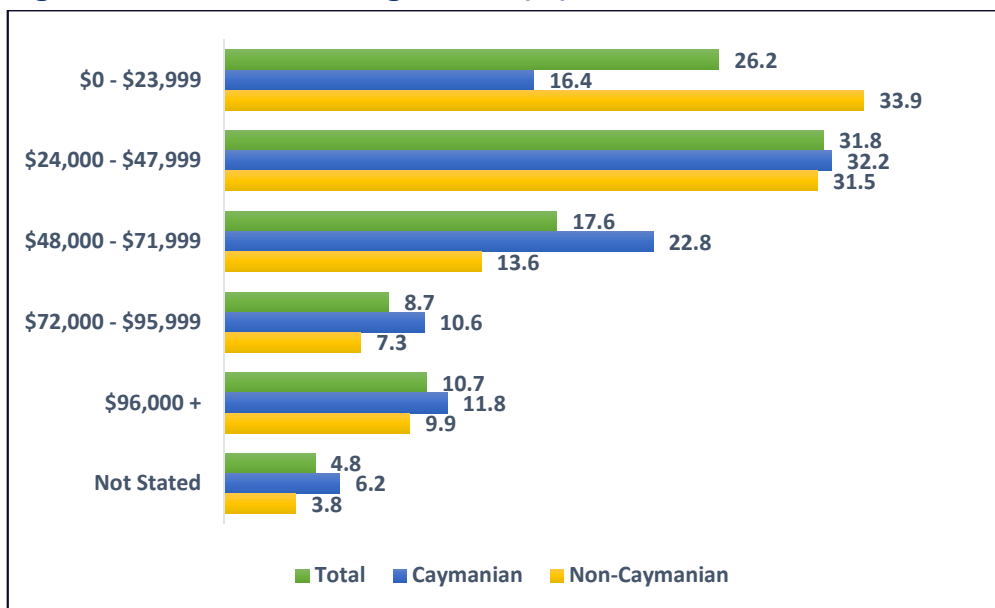


Earnings

Earnings refer to the wages and salaries of employees and not the full compensation costs incurred by employers for employing these persons. Therefore, it excludes social benefits, services and facilities (such as housing and training) paid by employers to their employees. This indicator, measured in real terms, provides a useful measure of the purchasing power of persons, which gives an indication of the standard of living of the population. It can also capture whether economic growth is translating into better living standards for all segments of society, that is, if there is evidence of income inequality.

Figure 32 illustrates the annual earnings of the total, Caymanian and Non-Caymanian employed labour force. Most Caymanians (32.2%) earned an annual income within the \$24,000 – \$47,999 range while the majority of Non-Caymanians (33.9%) earned within the \$0 – \$23,999 range. For Caymanians, the next highest earnings range was \$48,000 – \$71,999. This inferred that most Caymanians earned within the mid-level income range.

Figure 32. Annual Earnings, 2021 (%)



Caymanian men dominated the salary ranges within \$24,000 – \$47,999 and at least \$96,000 per annum while the women accounted for the majority of persons earning in

the other salary ranges as shown in Figure 33. Non-Caymanian men outnumbered their female counterparts in all salary ranges except the lowest one.

Figure 33. Annual Earnings of Caymanians by Sex (%), 2021

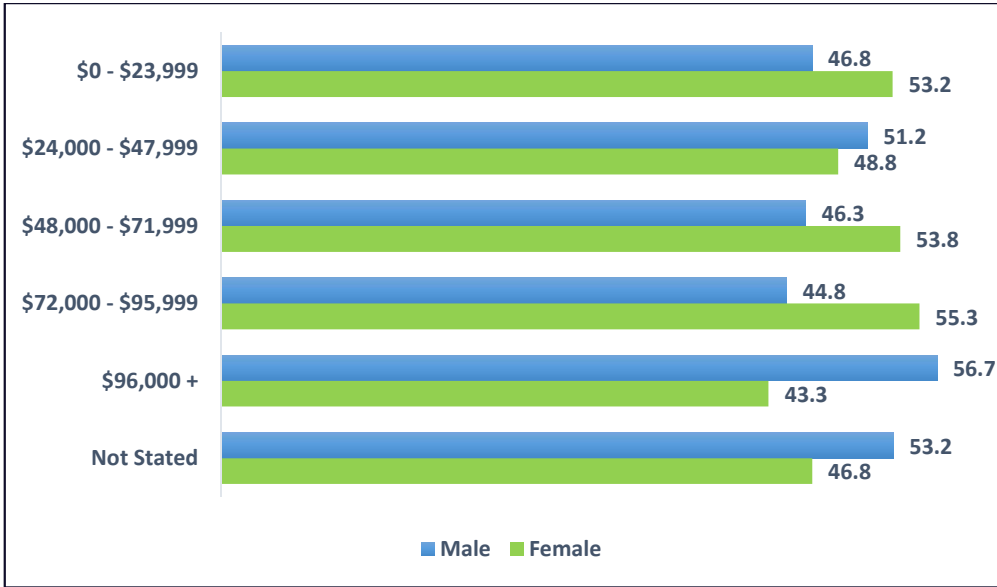
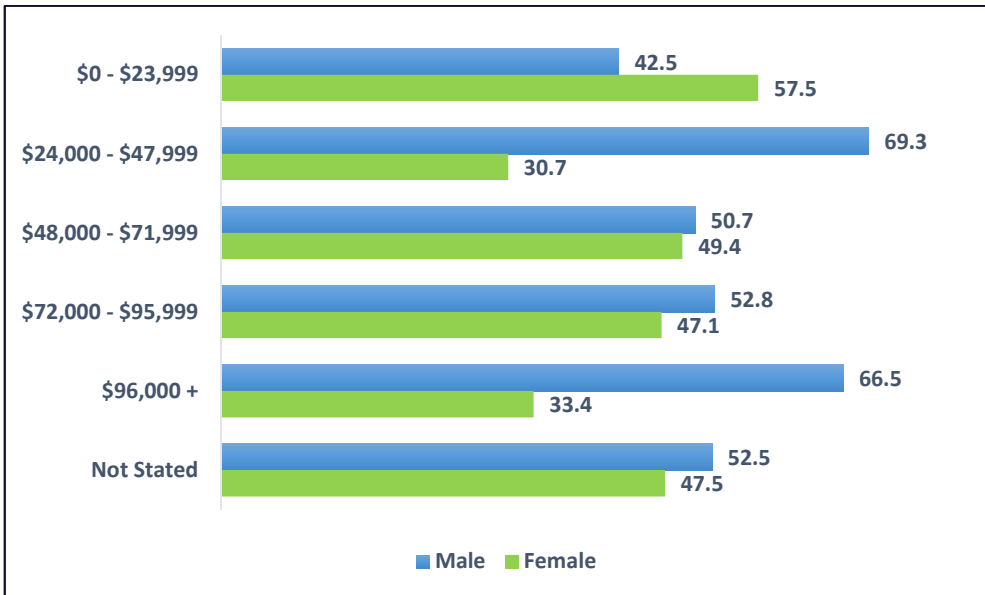


Figure 34. Annual Earnings of Non-Caymanians by Sex (%), 2021

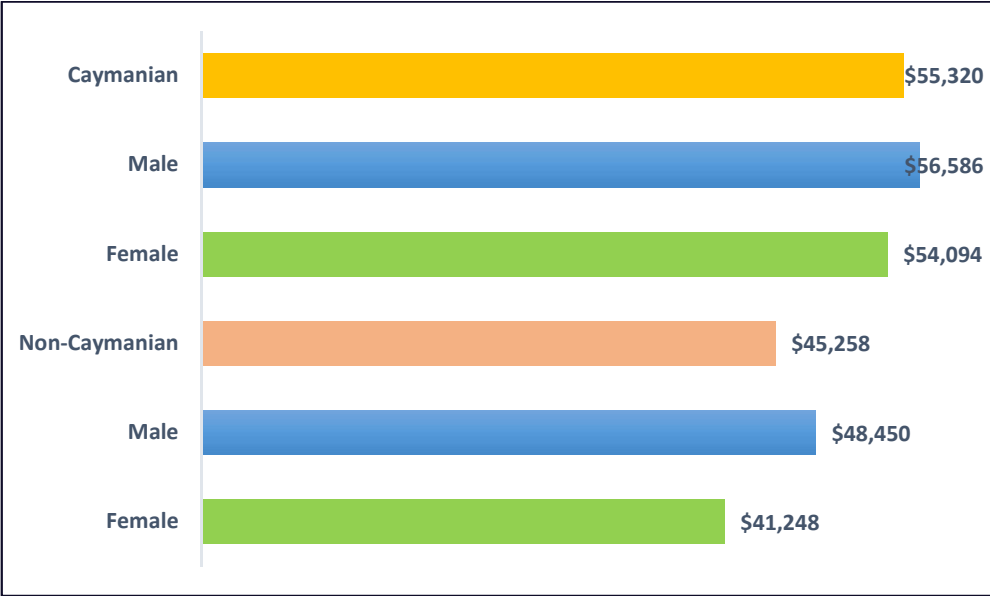


The mean annual earnings of all employed persons amounted to \$49,611. Caymanians earned higher with an annual average of \$55,320 relative to an annual average of

\$45,258 for Non-Caymanians (see Figure 35). Additionally, Caymanian males and females earned higher on average than their Non-Caymanian counterparts. This could be attributed to the employment of more Non-Caymanians in labour intensive industries such as Construction, Tourism, and Wholesale and Retail Trade.

The median annual earnings of the employed population stood at \$35,994. Caymanians once again earned higher on average than Non-Caymanians, receiving \$45,594 in annual salary relative to \$31,194 in annual salary for Non-Caymanians. The mean annual earnings exceeded the median as the former would have been skewed by higher salaries whereas the median represented the salaries in the centre of the distribution.

Figure 35. Mean Annual Earnings of Employed Labour Force by Sex, 2021



Labour Market Outlook

The global labour market is expected to continue having challenges during 2022 and beyond as the pandemic prolongs. The pace of recovery has been impacted significantly by virus containment measures, which varied across regions, countries and sectors. According to the ILO's World Employment and Social Outlook Trends 2022 report, total working hours globally are projected to remain almost two percent below their pre-pandemic level, which corresponds to a deficit of 52 million full-time equivalent jobs assuming a 48-hour work week. Additionally, world unemployment is forecast at 207 million persons in 2022, 21 million higher than the pre-pandemic level. This outlook highlights the deterioration in the projections since the last edition of this report and underscores the gravity of the problem that lies ahead.

The recovery of the global labour market has been unequal and incomplete. This has been impacted by several issues that have been exacerbated since the pandemic occurred. First, there has been a reduction in employment and working hours which have depressed incomes for many persons. Second, many persons who departed the labour force have not returned, mainly due to discouragement towards work, hence the level of unemployment still underestimates the complete effect of the crisis. Third, women, youth, informal and migrant workers have been disproportionately impacted by the pandemic. For the Cayman Islands, the outlook is more favourable as key indicators are expected to return to or exceed pre-pandemic levels. Specifically, labour force participation and employment are projected to return to normalcy in 2022.

Given the current state of labour markets around the world, it is imperative that there is a comprehensive, human-centred approach by countries to prevent any long-term damage. In order to achieve this, the ILO notes there must be inclusive economic growth and development, protection of all workers, universal social protection, and social dialogue. Notably, government policies should aim at addressing labour market challenges so as to increase productive employment through emphasis on training, development and the integration of technology in processes. Additionally, guaranteeing health and safety at the workplace along with promoting gender equality should be supported. Providing equitable and sustainable financing for the most vulnerable should

be continued, even in the context of limited resources. Finally, it is crucial that the Cayman Islands government engage employers and workers to find mutually beneficial solutions that have a positive, inclusive and sustainable economic impact on the Islands.

Main Findings

- ✓ **Labour Force Participation Rate:** Labour force participation was highest in 2018 as a result of the economy recording its best performance in this year. The rate increased in 2018, declined to its lowest point in 2020, the year the pandemic occurred, and then rose in 2021. This trend was observed in the Caymanian and Non-Caymanian populations. Labour force participation was higher for men than women among Caymanians and Non-Caymanians. For Caymanians, this was due to more women being in the working-age population than men which suggested that women exceeded men outside the labour force. A possible explanation for this is that more women were retired, domesticated or going to school full time. For Non-Caymanians, labour force participation was higher for men because more men were in the labour force than women. Most persons in the labour force were aged 25 to 64 years old. This is because a majority of the youth and persons 65 years and older would have been full-time students and retirees, respectively, and these persons are not included in the labour force.
- ✓ **Employment-to-Population Ratio:** The employment-to-population ratio for the overall population peaked in 2018 before declining to 2020, then rising in 2021. This trend was also similar for the Caymanian and Non-Caymanian populations. The ratio was higher for Non-Caymanians than for Caymanians due to a larger proportion of Caymanians represented in the youth and retired populations. The ratio was also higher for men than for women among Caymanians and Non-Caymanians and could possibly be due to more women in domesticated roles than men. The employment-to-population ratio in 2021 was high in all age groups except for persons aged 15 to 24 years old and at least 65 years old as these individuals were primarily in full-time school and retired.
- ✓ **Status in Employment:** Most persons were employees or wage and salaried workers in 2021. There was a higher percentage of Non-Caymanians as employees when compared with Caymanians. Of the minority that were self-employed workers, there were more Caymanians than Non-Caymanians. For Caymanians,

women accounted for a larger proportion of employees than men while men represented a higher share of self-employed workers than women. The same trend was observed for Non-Caymanians.

- ✓ **Employment by Industry:** The Construction industry was the largest employer in 2021. It was followed by the Wholesale and Retail Trade; and Professional, Scientific and Technical Activities industries. The latter includes mainly the legal, accounting and architectural firms. Most Caymanians were employed in Financial Services, Government and the Professional, Scientific and Technical Activities industry. The majority of Non-Caymanians were employed in the Construction, Wholesale and Retail Trade, and Activities of Households as Employers industries.
- ✓ **Time-Related Underemployment:** The overall underemployment rate decreased from 2017 to 2019, then rose in 2020. The rates for the Caymanian and Non-Caymanian populations displayed similar trends. The male underemployment rate surpassed the female's rate in most years for Caymanians while the female underemployment rate exceeded the male's rate in all years for Non-Caymanians. In 2020, most underemployed Caymanians were in the 45 to 54 age group while the majority of underemployed Non-Caymanians were persons in the 35 to 44 age group. Most underemployed Caymanians were employed in the Accommodation industry and had high school qualifications.
- ✓ **Unemployment:** The unemployment rate for the total population declined in 2018, then increased from 2019 to 2021. The rate fell in 2018 as the economy recorded its best performance in that year. George Town recorded the most unemployed Caymanians while East end registered the highest unemployment rate. The majority of the persons unemployed in 2021 were Caymanians, with most being youth (persons aged 15 to 24 years). Women dominated every age group of unemployed Caymanians except for persons aged 15 to 34 years. Most unemployed Caymanians had high school qualifications.
- ✓ **Persons Not in the Labour Force:** The overall inactivity rate declined in 2018, rose in 2019 and 2020, and then fell in 2021. This trend also occurred in the Caymanian and Non-Caymanian populations. The inactivity rate was higher for Caymanians

than for Non-Caymanians because a larger share of youth and elderly persons are Caymanian. For Caymanians and Non-Caymanians, the inactivity rates were higher for women than men. This suggests that there were more women at home caring for family members or going to school full time. Most Caymanians outside the labour force were youth and persons aged 65 years and older, had high school qualifications and relied on parents for financial assistance.

- ✓ **Earnings:** Caymanians earned higher on average than Non-Caymanians. Additionally, Caymanian men and women earned higher on average than their Non-Caymanian counterparts. This could be attributed to the employment of more Non-Caymanians in labour intensive industries such as Construction, Tourism, and Wholesale and Retail Trade.

Recommendations

- ✓ Increase the level of educational attainment among Caymanians to reduce underemployment and unemployment. One strategy could utilize an industry approach implemented within a specified timeframe. For example, identify short-term skills in the fastest-growing industries (Construction and Tourism) in the economy. Align training and development to this objective through public private partnerships. Expand on this foundation by targeting more advanced skills over a longer timeframe and across more industries. Industries are selected according to their contribution and growth prospects to the economy, which will be supported by data arising from labour demand. The outcome should be an increase in the quantity and quality of employment, productivity, and earnings in the long run.
- ✓ Improve the matching process between job seekers and employers using information from Job Postings report. Convey labour market trends from report to job seekers to increase awareness of jobs and skills in demand by employers.