

7 November 2013

Employment Statistics

3rd quarter 2013

The estimated unemployment rate was 15.6%.

The estimated unemployment rate for the 3rd quarter of 2013 was 15.6%. This is 0.2 percentage points lower than in the same period of 2012 and 0.8 percentage points lower than in the previous quarter.

A total of 838.6 thousand people were unemployed. This corresponds to a year-on-year decrease of 3.7% and to a quarterly decrease of 5.3% (32.3 thousand and 47.4 thousand less people, respectively).

There were 4,553.6 thousand people in employment, which corresponds to a year-on-year decrease of 2.2% and to a quarterly increase of 1.1% (102.7 thousand less people and 48.0 thousand more people, respectively).

1. Labour force (active population)

The Employment Survey for the 3rd quarter of 2013 indicates that the labour force (active population) decreased by 2.4% compared to the same period of 2012 (-135.0 thousand people) and was practically the same as in the previous quarter.

The proportion of the labour force (those aged 15 and over) in work stood at 60.3%. This is 1.0 percentage points (pp) lower than in the same period of 2012 and 0.1 pp higher than in the previous quarter.

The male component of the labour force (66.3%) was 11.5 pp higher than that of the female component (54.8%).

Compared to the same period of 2012, both the male and female labour force shrank (by 1.4 pp and 0.7 pp, respectively).

Compared to the previous quarter, the male

component of the labour force increased (+0.2 pp) while the female component decreased (-0.1 pp).

2. Labour force in work

The number of people in employment fell by 2.2% year-on-year (-102.7 thousand) and increased by 1.1% on a quarterly basis (+48.0 thousand).

The year-on-year fall is essentially accounted for by:

- A fall of 54.8 thousand in male employment and a fall of 47.9 thousand in female employment.
- A fall of 55.9 thousand in the number of people aged 25 to 34 who were in work and of 28.2 thousand in the number of people aged 65 and over who were in work. Together, these two age groups account for 81.9% of the overall fall in employment.
- The number of people in employment with a level of education equivalent to no more than

middle school fell by 210.8 thousand.

On the contrary, the number of people in employment with a level of education equivalent to secondary school or post-secondary non-tertiary, on the one hand, or tertiary education, on the other, rose (+ 84.7 thousand and +23.5 thousand, respectively).

- The 102.3 thousand fall in the number of people employed in the industry, construction, energy and water supply sector and the 37.2 thousand fewer people working in the agriculture, livestock, hunting, forestry and fishing sector.

In the industry, construction, energy and water supply sector, there was a particularly sharp fall (-66.8 thousand) in the number of people employed in construction.

On the other hand, the number of people employed in the services sector increased (+36.8 thousand), mainly in the following activities: accommodation and food service businesses (+19.3 thousand), scientific, technical and similar consultancy (+16.6 thousand) and transportation and storage (+15.6 thousand).

- The decrease of 92.7 thousand in the number of employees, the vast majority of whom (88.5 thousand) had a permanent contract. The number of employees with fixed-term contracts actually increased (+6.5 thousand). The number of employees with other contractual arrangements decreased, but by a lower amount (-10.6 thousand).

The number of self-employed also fell, although the contribution this made to the overall decrease in employment was relatively small (-12.8 thousand).

- The 60.7 thousand fall in the number of full-time workers and the 41.9 thousand fall in

the number of part-time workers.

In terms of the quarterly change, the increase in the number of people in employment is largely due to the rise in employment in the following population groups: men; people aged 15 to 24 and 35 to 44; those with a level of education equivalent to secondary school or post-secondary non-tertiary or tertiary; those employed in the services sector (especially in accommodation and food service businesses); employees and the self-employed and those working full-time.

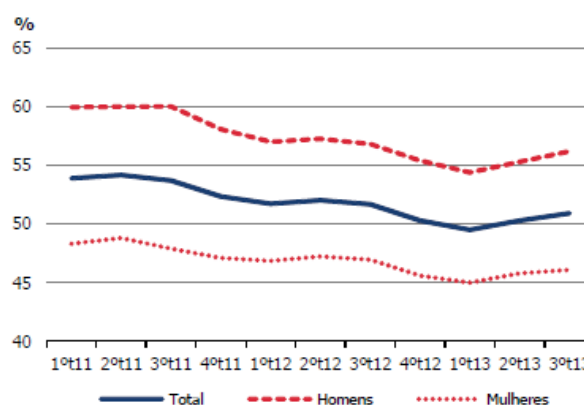
The employment rate (for those aged 15 and over) stood at 50.9%. This equates to a fall of 0.8 pp compared to the same period of 2012 and an increase of 0.6 pp over the previous quarter.

The male employment rate (56.2%) was 10.1 pp higher than that for females (46.1%).

Compared to the same period of 2012, the employment rate decreased more for women (-0.8 pp) than it did for men (-0.6 pp).

Compared to the previous quarter, the employment rate increased more for men (+0.9 pp) than it did for women (+0.3 pp).

Graph 1: Employment rate by gender



[Key: Total / Males / Females]

The number of underemployed part time workers, estimated at 261.0 thousand, corresponded to 5.7% of the total number of people in employment and to 41.8% of those in part time employment.

The number of underemployed part time workers went up by 5.5% compared to the same period of 2012 (+13.7 thousand) and fell by 3.5% compared to the previous quarter (-9.4 thousand).

3. Unemployment

The number of unemployed, estimated to total 838.6 thousand, fell by 3.7% year-on-year (-32.3 thousand) and by 5.3% on a quarterly basis (-47.4 thousand).

The year-on-year fall is accounted for by:

- There were 36.3 thousand fewer unemployed men.

The number of unemployed women went up slightly (+3.9 thousand).

- A fall of 28.3 thousand in the number of unemployed people aged 15 to 24 and of 15.0 thousand in the number of unemployed people aged 25 to 34.
- The 34.2 thousand decrease in unemployment amongst those with a level of education equivalent to no more than middle school and the 7.0 thousand fall in unemployment of those with secondary and post-secondary education.

The number of unemployed people with tertiary education went up (+9.0 thousand).

- A fall of 37.6 thousand in the number of unemployed people looking for new jobs.

In this group, there was a particularly notable decrease (-27.9 thousand) in the number of

unemployed from the services sector and also a fall of 11.4 thousand in the number of unemployed from the manufacturing, energy, water supply and construction sector.

- A fall of 88.6 thousand in the number of unemployed people looking for a new job for less than 12 months.

The number of unemployed seeking a job for 12 months or more increased (+56.4 thousand).

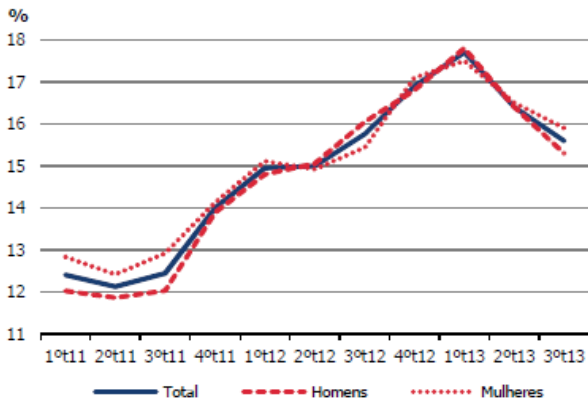
The quarterly fall in the number of unemployed occurred principally in the following segments of the population: men, those aged 35 and over; those with a level of education equivalent to no more than middle school; those looking for a new job (particularly those from the industry, construction, energy, water supply and services sectors) and those looking for a job for less than 12 months.

The unemployment rate stood at 15.6%. This equates to a fall of 0.2 pp compared to the same period of 2012 and of 0.8 pp compared to the previous quarter.

The unemployment rate for men, at 15.3%, was lower than that of women, at 15.9%.

The unemployment rate amongst men fell 0.7 pp compared to the same period of 2012, whilst that for women rose by 0.5 pp. Both rates were lower than they had been in the previous quarter (-1.1 pp and -0.6 pp, respectively).

Graph 2: Unemployment rate by gender



[Key: Total / Males / Females]

4. Non-working population

The number of people not in work increased by 2.0% year-on-year (+68.0 thousand) and fell 0.2% on a quarterly basis (-7.6 thousand).

The non-working rate (for those aged 15 and over) stood at 39.7%. This equates to a rise of 1.0 pp compared to the same period of 2012 and fall of 0.1 pp compared to the previous quarter.

The non-working rate for women (45.2%) was 11.5 pp higher than that for men (33.7%).

Compared to the same period of 2012, the non-working rate rose for both men and women (+1.4 pp and +0.7 pp, respectively).

Compared to the previous quarter, the percentage of non-working males fell (-0.2 pp) while for females this indicator increased (+0.1 pp).

The number of people seeking work but not available to work, estimated at 25.6 thousand, corresponds to 0.7% of the non-working population aged 15 and over.

The number of people seeking work but not

available to work went up by 15.8% compared to the same period of 2012 (+3.5 thousand) and fell by 23.4% compared to the previous quarter (-7.8 thousand).

The number of non-working people available for work but not seeking it, estimated at 306.7 thousand, corresponds to 8.6% of the non-working population aged 15 and over.

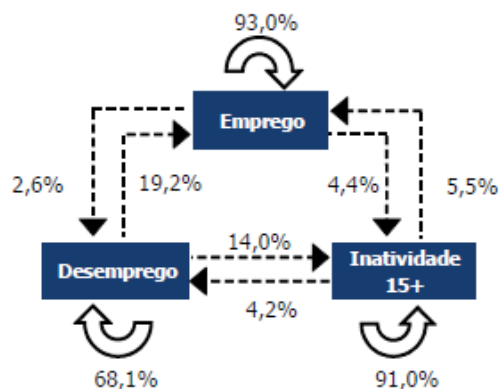
The number of non-working people available for work but not seeking it went up by 23.1% compared to the same period of 2012 (+57.5 thousand) and by 12.9% compared to the previous quarter (+35.0 thousand).

5. Quarterly flows between labour market statuses

From the 2nd to the 3rd quarter of 2013, 2.6% of those initially employed became unemployed and 4.4% stopped working. Thus, a total of 7.0% of those in employment changed status in the 3rd quarter of 2013 (93.0% remained in employment).

From the 1st to the 2nd quarter of 2013, this percentage had been lower (5.8%).

Quarterly flows between labour market statuses (in % of initial status)



[Unemployment / Employment / Non-working]

In relative terms, the flows out of unemployment over the two quarters were higher than the flows out of employment.

Of those unemployed in the 2nd quarter of 2013, 33.2% changed status in the 3rd quarter. 19.2% found work and 14.0% joined the non-working population.

The percentage of those who moved from unemployment to employment was higher than the percentage flow seen between the 1st and 2nd quarters of 2013 (18.1%).

The percentage of those who moved from unemployment to not working was higher than the percentage flow seen between the 1st and 2nd quarters of 2013 (13.8%).

Of all those aged 15 and over who had been classified as non-working in the 2nd quarter of 2013, 5.5% moved to employment and 4.2% moved to unemployment in the 3rd quarter of 2013.

The corresponding flows between the 1st and 2nd quarters of 2013 had been 5.4% and 3.6%,

respectively.

6. Unemployment rates by NUTS II regions

In the 3rd quarter of 2013, the highest unemployment rates (above the national average) were recorded in *Lisboa* (17.9%), *Região Autónoma dos Açores* (17.7%), *Região Autónoma da Madeira* (17.3%), *Norte* (16.6%) and *Alentejo* (16.1%).

Figures below the national average were recorded in *Centro* (11.2%) and *Algarve* (13.8%).

Table 1: Unemployment rates by NUTS II regions (NUTS - 2002)

	Unit: %		
	3Q-2012	2Q-2013	3Q-2013
Portugal	15.8	16.4	15.6
<i>Norte</i>	16.4	17.2	16.6
<i>Centro</i>	12.5	11.5	11.2
<i>Lisboa</i>	17.8	19.3	17.9
<i>Alentejo</i>	16.1	17.2	16.1
<i>Algarve</i>	14.7	16.9	13.8
<i>R. A. Açores</i>	15.4	16.1	17.7
<i>R. A. Madeira</i>	17.5	18.8	17.3

Source: INE, Employment Statistics - 3rd Quarter 2013

Compared to the same period of 2012, the unemployment rate decreased in three regions (*Centro*, *Algarve* and *Região Autónoma da Madeira*). It increased in three other regions (*Norte*, *Lisboa* and *Região Autónoma dos Açores*) and remained unchanged in *Alentejo*. The largest decrease was recorded in *Centro* (-1.3 pp) and the largest increase was recorded in *Região Autónoma dos Açores* (+2.3 pp).

Compared to the previous quarter, and in tune with the overall picture for Portugal, the unemployment rate fell in all regions, except the *Região Autónoma*

dos Açores, where it rose by 1.6 pp. The largest decreases were recorded in *Algarve* (+3.1 pp), *Região Autónoma da Madeira* (+1.5 pp), *Lisboa* (+1.4 pp) and *Alentejo* (+1.1 pp)

Table 2: Main indicators for the employed labour force – Portugal

	Quarterly values			Variation	
	3Q-2012	2Q-2013	3Q-2013	YoY	Quarterly
	Thousands of people			%	
Labour force (active population)	5,527.2	5,391.6	5,392.2	-2.4	o
Men	2,920.0	2,823.7	2,829.0	-3.1	0.2
Women	2,607.2	2,567.9	2,563.3	-1.7	-0.2
Aged 15 to 24	449.1	379.2	407.6	-9.2	7.5
Aged 25 to 34	1,310.3	1,251.7	1,239.3	-5.4	-1.0
Aged 35 to 44	1,482.1	1,475.2	1,482.6	o	0.5
Aged 45 to 64	1,986.0	2,012.1	1,991.4	0.3	-1.0
Aged 65 and over	299.8	273.4	271.4	-9.5	-0.7
Up to middle school – 3 rd Cycle	3,247.4	3,105.1	3,002.3	-7.5	-3.3
Secondary and post-secondary	1,200.8	1,235.8	1,278.4	6.5	3.4
Tertiary education	1,079.0	1,050.7	1,111.5	3.0	5.8
Labour force	52.2	51.3	51.4		
Men	57.0	55.7	55.9		
Women	47.6	47.2	47.2		
Labour force (aged 15 and over) (%)	61.3	60.2	60.3		
Men	67.7	66.1	66.3		
Women	55.5	54.9	54.8		
Labour force in work	4,656.3	4,505.6	4,553.6	-2.2	1.1
Men	2,451.5	2,360.5	2,396.7	-2.2	1.5
Women	2,204.8	2,145.1	2,156.9	-2.2	0.6
Aged 15 to 24	274.0	238.6	260.7	-4.9	9.3
Aged 25 to 34	1,073.2	1,019.1	1,017.3	-5.2	-0.2
Aged 35 to 44	1,283.6	1,253.4	1,281.5	-0.2	2.2
Aged 45 to 64	1,729.0	1,725.1	1,725.9	-0.2	o
Aged 65 and over	296.4	269.4	268.2	-9.5	-0.4
Up to middle school – 3 rd Cycle	2,729.5	2,554.9	2,518.7	-7.7	-1.4
Secondary and post-secondary	985.3	1,026.4	1,070.0	8.6	4.2
Tertiary education	941.5	924.2	965.0	2.5	4.4
Agriculture, livestock, hunting, forestry and fishing (a)	500.8	480.1	463.6	-7.4	-3.4
Industry, construction, energy and water (a)	1,185.6	1,093.8	1,083.3	-8.6	-1.0
Services (a)	2,969.9	2,931.7	3,006.7	1.2	2.6
Employed	3,644.3	3,523.1	3,551.6	-2.5	0.8
On permanent contract	2,868.6	2,754.8	2,780.1	-3.1	0.9
On fixed-term contract	639.0	636.7	645.5	1.0	1.4
Other contract arrangement	136.6	131.7	126.0	-7.8	-4.3
Self-employed	981.3	951.4	968.5	-1.3	1.8
Unpaid family employees	30.7	31.1	33.6	9.4	8.0
Full-time employed	3,990.3	3,853.8	3,929.6	-1.5	2.0
Part-time employed	665.9	651.8	624.0	-6.3	-4.3
Underemployment of part-time workers	247.3	270.4	261.0	5.5	-3.5
Employment rate (aged 15 and over) (%)	51.7	50.3	50.9		
Men	56.8	55.3	56.2		
Women	46.9	45.8	46.1		

Source: INE, Employment Statistics – 3rd Quarter 2013

Note:

(a) These estimates are based on NACE – Rev. 3.

Sign conventions:

o Figure is less than half the absolute value of the unit used.

- No result

Table 3: Main indicators for the unemployed and non-working populations – Portugal

	Quarterly values			Variation	
	3Q-2012	2Q-2013	3Q-2013	YoY	Quarterly
	Thousands of people			%	
Unemployment	870.9	886.0	838.6	-3.7	-5.3
Men	468.5	463.2	432.2	-7.7	-6.7
Women	402.5	422.8	406.4	1.0	-3.9
Aged 15 to 24	175.1	140.6	146.8	-16.2	4.4
Aged 25 to 34	237.1	232.6	222.1	-6.3	-4.5
Aged 35 to 44	198.5	221.8	201.1	1.3	-9.3
Aged 45 and over	260.2	290.9	268.7	3.3	-7.6
Up to middle school – 3 rd Cycle	517.9	550.2	483.7	-6.6	-12.1
Secondary and post-secondary	215.5	209.3	208.5	-3.2	-0.4
Tertiary education	137.5	126.4	146.5	6.5	15.9
Looking for first employment	98.8	85.7	104.1	5.4	21.5
Looking for new employment	772.2	800.3	734.6	-4.9	-8.2
Agriculture, livestock, hunting, forestry and fishing (a) (b)	15.7	20.6	14.7	-6.4	-28.6
Industry, construction, energy and water (a) (b)	272.2	293.5	260.8	-4.2	-11.1
Services (a) (b)	456.6	459.0	428.7	-6.1	-6.6
By duration of job search					
Up to 11 Months	387.0	337.6	298.3	-22.9	-11.6
12 months or more (long-term)	483.9	548.3	540.3	11.7	-1.5
Unemployment rate (%)	15.8	16.4	15.6		
Men	16.0	16.4	15.3		
Women	15.4	16.5	15.9		
Young people (aged 15 to 24)	39.0	37.1	36.0		
Long-term unemployment rate (%)	8.8	10.2	10.0		
Non-working population	5,070.8	5,113.6	5,100.8	0.6	-0.3
Non-working population (aged 15 and over)	3,483.7	3,559.3	3,551.7	2.0	-0.2
Men	1,394.9	1,448.2	1,437.9	3.1	-0.7
Women	2,088.8	2,111.1	2,113.8	1.2	0.1
Aged 15 to 24	676.3	719.3	684.2	1.2	-4.9
Aged 25 to 34	142.6	144.4	142.8	0.1	-1.1
Aged 35 to 44	157.2	168.2	162.9	3.6	-3.2
Aged 45 to 64	830.4	816.9	843.2	1.5	3.2
Aged 65 and over	1,677.1	1,710.5	1,718.6	2.5	0.5
Students	734.9	805.6	740.9	0.8	-8.0
Domestic	429.6	416.0	428.9	-0.2	3.1
Retired	1,611.7	1,580.9	1,602.5	-0.6	1.4
Other non-working	707.4	756.8	779.4	10.2	3.0
Non-working looking for work but not available	22.1	33.4	25.6	15.8	-23.4
Non-working available but not looking for work	249.2	271.7	306.7	23.1	12.9
Non-working population (aged 15 and over) (%)	38.7	39.8	39.7		
Men	32.3	33.9	33.7		
Women	44.5	45.1	45.2		

Source: INE, Employment Statistics – 3rd Quarter 2013

Notes:

(a) The previous employment experience of the unemployed looking for a new job is characterised only for those who had stopped working within the last 8 years. Therefore, the sum of the number of unemployed looking for a new job by economic activity of the last job does not correspond to the total number of unemployed looking for a new job.

(a) These estimates are based on NACE – Rev. 3.

Sign conventions:

o Figure is less than half the absolute value of the unit used.

- No result

TECHNICAL NOTE

The main objective of the employment survey is to describe the population in terms of the labour market. It takes the form of a quarterly sample-based survey of people living in family homes in Portugal. The results are reported on a quarterly and annual basis. The information is obtained directly, through computer-aided interview, by using a mixed form of data collection: the initial interview is done face-to-face by an interviewer visiting the household and the other five interviews are done by telephone, if certain requirements are met. The published data have been calibrated on the basis of independent estimates of the population, calculated using the definitive results of the 2001 census.

KEY CONCEPTS**Labour force**

This expresses the labour force as a percentage of the total population.

$$LF (\%) = (\text{Labour force} / \text{Total population}) \times 100$$

Labour force (aged 15 and over)

This expresses the labour force as a percentage of the total population of working age (aged 15 and over).

$$LF (\%) = (\text{Labour force} / \text{Population aged 15 and over}) \times 100$$

Unemployment rate

This expresses the unemployed population as a percentage of the total labour force.

$$UR (\%) = (\text{Unemployed population} / \text{Labour force}) \times 100$$

Long-term unemployment rate

This expresses the population that has been unemployed for 12 months or more as a percentage of the labour force.

$$UR (\%) = (\text{Population unemployed for 12 months or more} / \text{Labour force}) \times 100$$

Employment rate (aged 15 and over)

This expresses the employed population as a percentage of the total population of working age (aged 15 and over).

$$ER (\%) = (\text{Employed population} / \text{Population aged 15 and over}) \times 100$$

Non-working population (aged 15 and over)

This expresses the non-working population of working age (aged 15 and over) as a percentage of the total population of working age (aged 15 and over).

$$NWP (\%) = (\text{Non-working population aged 15 and over} / \text{Total population aged 15 and over}) \times 100$$

YoY rate of change

The year-on-year change compares the variable for the current quarter with that of the same quarter in the previous year. Where there is a stable pattern of seasonality, this rate is not affected by oscillations of a seasonal nature but it may be affected by localised effects in any given quarter.

Quarterly rate of change

This quarterly rate of change figure compares a variable over two consecutive quarters. Although this indicator allows for a more current monitoring of the rate of change in the variable, it is particularly influenced by seasonal effects and other more specific effects in one (or both) of the quarters being compared.

Annual rate of change

The annual rate of change figure compares the average for the variable over the four quarters of the last year with that from the four quarters in the year immediately preceding this. As this is an average, this rate of change is less susceptible to sporadic changes in the variable.

TOPIC UNDER ANALYSIS

The full publication associated with this press release – “Employment Statistics – 3rd quarter of 2013” – can be consulted at http://www.ine.pt/portal/page/portal/PORTAL_INE/Publicacoes. The “Topic under analysis” for this quarter, which can be found in the above publication, is: “Young people in the labour market – measurement indicators compared”.