

August, 17th 2011

Employment Statistics

(Rectified version – August 17, 02H00PM)

2nd quarter of 2011

Page 3, paragraph before point 4 – where it was “2nd quarter of 2010”, it is now “2nd quarter of 2011”.
Page 3, Diagram (box “Inactivity 15+”) – where it was “96.7%”, it is now “89.4%”.

Unemployment rate at 12.1% in the 2nd quarter of 2011

The unemployment rate estimated for the 2nd quarter of 2011 was 12.1%. This value is down 0.3 percentage points (p.p.) from the previous quarter. The number of unemployed was estimated to reach 675.0 thousand individuals, having decreased by 2.0% from the previous quarter. The number of employed increased by 0.6%, compared with the previous quarter.

1. Labour force (active population)

The Labour Force Survey results for the 2nd quarter of 2011 indicate that the labour force (active population) in Portugal increased by 0.2% (corresponding to 13.2 thousand individuals), when compared with the previous quarter.

The participation rate of the working age population (15 years old and over) was estimated at 61.6% in the 2nd quarter of 2011. This rate increased by 0.1 percentage points (p.p.) from the previous quarter. The male working age participation rate (68.1%) exceeded that of women (55.7%) by 12.4 p.p.. Compared with the previous quarter, the male working age participation rate decreased (0.1 p.p.) while that of women increased (0.3 p.p.).

2. Employed population

In the 2nd quarter of 2011, the employed population, totalling 4,893.0 thousand individuals, increased by

0.6% (27.0 thousand individuals), compared with the previous quarter.

The following results have contributed to the above-mentioned quarterly decrease:

- The increase in employment for women (24.2 thousand individuals). The number of men employed increased by less (2.8 thousand).
- The increase of 29.5 thousand employed individuals aged 25 to 44. The number of the employed aged 65 and over increased by less (13.2 thousand). On the contrary, the number of the young employed (15 to 24) and of those aged 45 to 64 decreased.
- The increase of employed having completed the (upper) secondary and post-secondary non-tertiary level of education, by 49.7 thousand individuals. On the contrary, the number of employed having completed first or second stages of basic education decreased (by 22.4 thousand). The number of employed having completed the tertiary level of education remained unchanged.

- The increase in employment in the mining and quarrying, manufacturing, electricity, gas and water supply, and construction sector, by 11.3 thousand individuals. In the agriculture, hunting, forestry, and fishing sector and in the services sector, the employment increased by less (8.1 thousand and 7.7 thousand individuals, respectively).
- The increase in the number of employees, by 48.6 thousand individuals. The number of self-employed, on the contrary, decreased (14.9 thousand). Among the employees, it was recorded an increase in both those holding a temporary contract (15.6 thousand) and those under contractual arrangements other than a temporary or a permanent contract (23.5 thousand).
- The increase in the number of full-time workers, which corresponded to 61.9 thousand individuals. On the contrary, the number of part-time workers decreased (34.9 thousand).

The employment rate (15 years and over) stood at 54.2%, in the 2nd quarter of 2011. This value was higher than the one recorded in the previous quarter by 0.3 p.p.. The male employment rate (60.0%) exceeded that of women (48.8%) by 11.2 p.p.. Compared with the previous quarter, the male employment rate remained unchanged while that of women increased (0.5 p.p.).

3. Unemployed population

The unemployed population in Portugal, estimated at 675.0 thousand individuals in the 2nd quarter of 2011,

decreased by 2.0% (13.9 thousand individuals), when compared with the previous quarter.

The following results have contributed to the quarterly decrease in the unemployed population:

- The decrease in the number of unemployed women (9.0 thousand individuals), which explained 64.7% of the overall decrease in unemployment. The number of unemployed men decreased by less (4.9 thousand).
- The decrease in unemployment of individuals aged 15 to 44 (23.3 thousand individuals). On the contrary, the unemployment of individuals aged 45 and over increased (9.5 thousand).
- The decrease in the number of unemployed individuals having completed an education level corresponding to the (upper) secondary or post-secondary non-tertiary education (8.5 thousand individuals). To a lesser extent, the unemployment decreased also among the individuals who completed the first and second stages of basic education (1.5 thousand) and the tertiary level of education (3.9 thousand).
- The decrease in the number of unemployed seeking a new job (8.0 thousand individuals), coming essentially from the services sector (17.1 thousand). The number of unemployed seeking a first job decreased by less (5.9 thousand).
- The decrease in the number of unemployed seeking a job for less than 12 months, by 21.0 thousand individuals. On the contrary, the long-term unemployment (12 months or longer) increased (7.1 thousand).

The unemployment rate was estimated at 12.1%, in the 2nd quarter of 2011. This value is down 0.3 p.p. from the previous quarter. This decrease resulted from the combination of the increase in employment, of 0.6%, with the decrease in unemployment, of 2.0%, corresponding to 27.0 thousand and to 13.9 thousand individuals, respectively.

In the 2nd quarter of 2011, the female unemployment rate (12.4%) exceeded that of men (11.9%) by 0.5 p.p.. Both rates decreased from the previous quarter (0.4 p.p. and 0.2 p.p., respectively).

4. Inactive population

In the 2nd quarter of 2011, the inactive population aged 15 and over decreased by 0.3%, when compared with the previous quarter, corresponding to 9.6 thousand individuals.

The inactivity rate (15 and over) reached 38.4%, in the 2nd quarter of 2011 (0.1 p.p. below the observed value for the previous quarter).

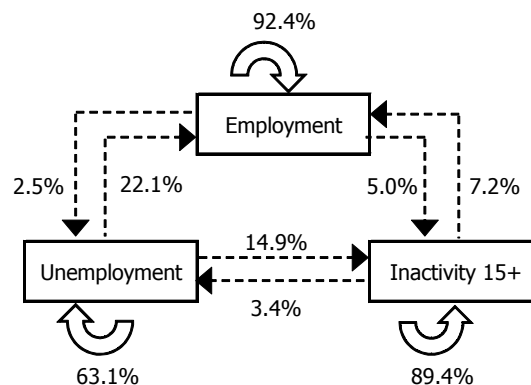
The female inactivity rate (44.3%) exceeded that of men (31.9%) by 12.4 p.p.. Compared with the previous quarter, the female inactivity rate decreased (0.3 p.p.) while that of men increased (0.1 p.p.).

5. Quarterly flows between labour market states

From the 1st to the 2nd quarter of 2011, 2.5% of the individuals initially employed moved into unemployment and 5.0% moved into inactivity, with the proportion of employees moving out of this situation totalling 7.5% in the 2nd quarter of 2011 (92.4% remained employed).

Employment Statistics – 2nd quarter of 2011

Quarterly flows between labour force states (as a % of initial state)



The flows out of unemployment between the two quarters were, in relative terms, larger than the flows out of employment. From the total of individuals who were unemployed in the 1st quarter of 2011, 37.0% moved out of this labour market state in the 2nd quarter of 2011. Out of these, 22.1% became employed and 14.9% moved into inactivity.

From the total of individuals aged 15 and over considered to be inactive in the 1st quarter of 2011, 7.2% moved into employment and 3.4% moved into unemployment, in the 2nd quarter of 2011.

6. Unemployment rates by NUTS II region

In the 2nd quarter of 2011, the highest unemployment rates were recorded in NUTS II regions *Algarve* (14.7%), *Lisboa* (13.5%), *Região Autónoma da Madeira* (13.5%), and *Norte* (12.6%). The lowest values were observed in *Centro* (9.5%), *Região Autónoma dos Açores* (9.7%), and *Alentejo* (11.8%).

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

	Quarterly level		Rate of change (on quarter)
	1Q-2011	2Q-2011	
	%		p.p.
Portugal	12.4	12.1	-0.3
Norte	12.8	12.6	-0.2
Centro	9.7	9.5	-0.2
Lisboa	13.6	13.5	-0.1
Alentejo	12.5	11.8	-0.7
Algarve	17.0	14.7	-2.2
R. A. Açores	9.5	9.7	0.2
R. A. Madeira	13.9	13.5	-0.4

Source: INE, Employment Statistics - 2nd quarter of 2011.

Compared to the previous quarter, and similarly to the overall picture in Portugal, the unemployment rate decreased in all regions, excepting *Região Autónoma dos Açores*, where it increased. The largest decreases were recorded in *Algarve* (2.2 p.p.), *Alentejo* (0.7 p.p.), and *Região Autónoma da Madeira* (0.4 p.p.).

Table 2: Main indicators - active and employed population - Portugal

	Quarterly level		Rate of change (on
	1Q-2011	2Q-2011	quarter)
	Thousand individuals		%
Labour force (active population)	5,554.8	5,568.0	0.2
Males	2,945.6	2,943.5	-0.1
Females	2,609.2	2,624.5	0.6
15 to 24	445.6	427.7	-4.0
25 to 34	1,395.9	1,399.8	0.3
35 to 44	1,472.5	1,483.0	0.7
45 to 64	1,960.3	1,965.1	0.2
65 and over	280.6	292.4	4.2
First and second stages of basic education	3,494.1	3,470.1	-0.7
(Upper) secondary and post-secondary non-tertiary education	1,065.8	1,107.0	3.9
Tertiary education	994.9	990.8	-0.4
Participation rate (%)	52.2	52.3	
Males	57.2	57.2	
Females	47.5	47.8	
Participation rate (15 and over) (%)	61.5	61.6	
Males	68.1	68.1	
Females	55.4	55.7	
Employed population	4,866.0	4,893.0	0.6
Males	2,591.5	2,594.3	0.1
Females	2,274.5	2,298.7	1.1
15 to 24	321.6	312.2	-2.9
25 to 34	1,199.8	1,215.8	1.3
35 to 44	1,312.0	1,325.5	1.0
45 to 64	1,754.8	1,748.8	-0.3
65 and over	277.6	290.8	4.8
First and second stages of basic education	3,029.7	3,007.3	-0.7
(Upper) secondary and post-secondary non-tertiary education	925.8	975.5	5.4
Tertiary education	910.5	910.2	o
Agriculture, forestry and fishing (a)	487.4	495.5	1.7
Mining and quarrying; manufacturing; electricity, gas, steam and air conditioning supply; water supply; sewage, waste management and remediation activities; construction (a)	1,336.4	1,347.7	0.8
Services (a)	3,042.1	3,049.8	0.3
Employees	3,814.3	3,862.9	1.3
With a permanent job (work contract of unlimited duration)	2,971.4	2,980.6	0.3
With a temporary job (work contract of limited duration) and other contractual arrangements	713.8	729.4	2.2
Other contractual arrangements	129.1	152.6	18.2
Self-employed workers	1,017.6	1,002.8	-1.5
Unpaid family workers and other professional status	34.1	27.3	-19.9
Full-time workers	4,198.1	4,260.0	1.5
Part-time workers	667.9	633.0	-5.2
Employment rate (15 and over) (%)	53.9	54.2	
Males	59.9	60.0	
Females	48.3	48.8	

Source: INE, Employment Statistics - 2nd quarter of 2011.

Notes:

(a) The estimates are presented by NACE-Rev. 2.

o Figure that corresponds to less than half the absolute value of the unit used.

- Null.

Table 3: Main indicators - unemployed and inactive population - Portugal

	Quarterly level		Rate of change (on
	1Q-2011	2Q-2011	quarter)
	Thousand individuals		%
Unemployed population	688.9	675.0	-2.0
Males	354.1	349.2	-1.4
Females	334.8	325.8	-2.7
15 to 24	123.9	115.5	-6.8
25 to 34	196.1	184.1	-6.1
35 to 44	160.4	157.5	-1.8
45 and over	208.4	217.9	4.6
First and second stages of basic education	464.4	462.9	-0.3
(Upper) secondary and post-secondary non-tertiary education	140.0	131.5	-6.1
Tertiary education	84.5	80.6	-4.6
Looking for a first job	72.6	66.7	-8.1
Looking for a new job	616.3	608.3	-1.3
Agriculture, forestry and fishing (a) (b)	13.2	11.5	-12.9
Mining and quarrying; manufacturing; electricity, gas, steam and air conditioning supply; water supply; sewage, waste management and remediation activities; construction (a) (b)	220.0	228.2	3.7
Services (a) (b)	355.3	338.2	-4.8
Unemployed by duration of search			
Less than 12 months	323.6	302.6	-6.5
12 months or longer (long-term unemployment)	365.2	372.4	2.0
Unemployment rate (%)	12.4	12.1	
Males	12.0	11.9	
Females	12.8	12.4	
Youth (15 to 24)	27.8	27.0	
Long-term unemployment rate (%)	6.6	6.7	
Inactive population	5,086.1	5,075.3	-0.2
Inactive population (15 and over)	3,475.2	3,465.6	-0.3
Males	1,377.4	1,381.2	0.3
Females	2,097.9	2,084.4	-0.6
15 to 24	706.9	718.2	1.6
25 to 34	148.5	137.0	-7.7
35 to 44	143.6	135.2	-5.8
45 to 64	827.0	830.9	0.5
65 and over	1,649.2	1,644.3	-0.3
Students	811.4	814.5	0.4
Fulfilled domestic tasks	440.6	417.7	-5.2
Retired	1,576.0	1,601.1	1.6
Other inactive	647.2	632.3	-2.3
Inactivity rate (15 and over) (%)	38.5	38.4	
Males	31.9	31.9	
Females	44.6	44.3	

Source: INE, Employment Statistics - 2nd quarter of 2011.

Notes:

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

(b) The estimates are presented by NACE-Rev. 2.

o Figure that corresponds to less than half the absolute value of the unit used.

- Null.

TECHNICAL NOTE

The main purpose of the Labour Force Survey is to characterise the population in terms of the labour market. It is a quarterly sample survey, addressed to families occupying the same dwelling in the national territory, which makes available quarterly and annual data. The information is obtained directly, through computer-assisted interview, by using a mixed data collection mode: 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. Published data were calibrated, based on independent estimates of the population, calculated from the definitive results of the 2001 Census.

SOME CONCEPTS

For additional concepts see the publication Employment Statistics – 2nd quarter 2011 (“Estatísticas do Emprego – 1^o trimestre de 2011”).

Participation rate

Rate that is defined as the ratio of the labour force (active population) to total population.

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

Participation rate (15 and over)

Rate that is defined as the ratio of the labour force to working age population (aged 15 years old and over).

$$P.R. (\%) = (\text{Labour force} / \text{Population aged 15 years old and over}) \times 100$$

Unemployment rate

Rate that is defined as the ratio of the unemployed population to total labour force.

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

Long term unemployment rate

Rate that is defined as the ratio of the population unemployed for 12 months or over to total labour force.

$$U.R. (\%) = (\text{Population unemployed for 12 months or over} / \text{Labour force}) \times 100$$

Employment rate (15 and over)

Rate that is defined as the ratio of the employed population to working age population (aged 15 years old and over).

$$E.R. (\%) = (\text{Employed population} / \text{Population aged 15 years old and over}) \times 100$$

Inactivity rate (aged 15 and over)

Rate that is defined as the ratio of inactive working age population (aged 15 years old and over) to total working age population.

$$I.R. (\%) = (\text{Inactive population aged 15 years old and over} / \text{Population aged 15 years old and over}) \times 100$$

Year-on-year rate of change

The year-on-year change compares the level of the variable in the current quarter with that of the corresponding quarter of the previous year. This rate of change, considering a seasonal stable pattern, is not affected by this type of fluctuation, but may, however, be influenced by specific effects in a given quarter.

Quarterly rate of change

The quarterly change compares the level of the variable over two consecutive periods. Although this indicator permits to monitor the recent pace of the variable, its calculation is particularly influenced by seasonal effects and other more specific effects in one (or both) quarters under comparison.

Annual rate of change

The annual change compares the average level of the variable for the four quarters of the last year over the average level of the variable for the four quarters of the previous year. Being an average, this indicator is less sensible to sporadic effects in the variable.

DATE SCHEDULED FOR THE NEXT PRESS RELEASE

November, 16th 2011.

The publication Employment Statistics – 2nd quarter of 2011 (“Estatísticas do Emprego – 2^o trimestre de 2011”) associated with this press release is available, free of charge, at http://www.ine.pt/portal/page/portal/PORTAL_INE/Publicacoes.