

November, 14th 2012

Employment Statistics

3rd quarter of 2012

Unemployment rate at 15.8 per cent

The unemployment rate estimated for the 3rd quarter of 2012 was 15.8 per cent. This value is up 3.4 percentage points from the same quarter of 2011 and 0.8 percentage points from the previous quarter.

There were 870.9 thousand unemployed people, which corresponds to an year-on-year increase of 26.3 per cent and to a quarterly increase of 5.3 per cent (more 181.3 thousand and 44.0 thousand people, respectively).

There were 4 656.3 thousand employed people, which corresponds to an year-on-year decrease of 4.1 per cent and to a quarterly decrease of 0.7 per cent (less 197.4 thousand and 31.9 thousand people, respectively).

1. Labour force (active population)

The Labour Force Survey results for the 3rd quarter of 2012 indicate that the labour force (active population) decreased by 0.3 per cent from the same quarter of 2011 (16.2 thousand people) and increased by 0.2 per cent from the previous quarter (12.0 thousand).

The participation rate of the working age population (15 years old and over) stood at 61.3 per cent. This rate did not change from the same quarter of 2011 and increased by 0.1 percentage points (p.p.) from the previous quarter.

The participation rate of men (67.7 per cent) exceeded that of women (55.5 per cent) by 12.2 p.p..

Compared to the same quarter of 2011, the participation rate decreased for men (0.5 p.p.) and increased for women (0.5 p.p.).

Compared to the previous quarter, the participation rate increased for men (0.3 p.p.) and did not change for women.

2. Employed population

The employed population decreased by 4.1 per cent from the same quarter of 2011 (197.4 thousand people) and by 0.7 per cent from the previous quarter (31.9 thousand).

For the year-on-year decrease, the following results contributed most:

- The decrease of 145.9 thousand employed men, which explained 73.9 per cent of the overall decrease in employment.
- The decrease of 130.3 thousand employed aged 25 to 34.
- The decrease of 217.6 thousand employed having completed the first or second stages of basic education.

The number of employed having completed the tertiary level of education increased.

- The decrease of 146.7 thousand employed in the manufacturing, electricity, gas and water supply,

and construction sector and of 73.1 thousand employed in the services sector.

Within the manufacturing, electricity, gas and water supply, and construction sector, it stands out the decrease of 85.2 thousand employed in the construction activities.

Within the services sector, it stands out the decrease of employment in two activities: wholesale and retail trade (45.5 thousand) and public administration, defence, and compulsory social security (26.9 thousand).

- The decrease of 194.2 thousand employees, 98.1 thousand of whom held a permanent job and 86.8 thousand of whom held a temporary job.

The number of self-employed decreased by less (6.7 thousand).

- The decrease of 224.3 thousand full-time workers.

The employment rate (15 years old and over) stood at 51.7 per cent, having decreased by 2.0 p.p. from the same quarter of 2011 and by 0.3 p.p. from the previous quarter.

The employment rate of men (56.8 per cent) exceeded that of women (46.9 per cent) by 9.9 p.p..

Compared to the same quarter of 2011, the employment rate decreased more for men (3.2 p.p.) than for women (1.0 p.p.).

Compared to the previous quarter, the employment rate decreased also more for men (0.5 p.p.) than for women (0.3 p.p.).

The number of underemployed part time workers, estimated at 247.3 thousand, corresponded to 5.3 per

cent of total employed population and to 37.1 per cent of part time employed population in the 3rd quarter of 2012.

The number of underemployed part time workers increased by 17.6 per cent from the same quarter of 2011 (37.1 thousand) and decreased by 5.2 per cent from the previous quarter (13.7 thousand).

3. Unemployed population

The unemployed population, estimated at 870.9 thousand people, increased by 26.3 per cent from the same quarter of 2011 (181.3 thousand people) and by 5.3 per cent from the previous quarter (44.0 thousand).

For the year-on-year increase, the following results contributed most:

- The increase of 113.5 thousand unemployed men and of 67.8 thousand unemployed women.
- The increase of 55.8 thousand unemployed aged 25 to 34 and of 67.8 thousand unemployed aged 45 and over.
- The increase of 69.7 thousand unemployed having completed an education level corresponding to the first or second stages of basic education and of 68.3 thousand having completed the (upper) secondary or post-secondary non-tertiary level of education.

Together, these two levels of education explained 76.1 per cent of the overall increase in unemployment.

- The increase of 158.2 thousand unemployed seeking for a new job, which explained 87.3 per cent of the overall increase in unemployment.

Within that group, it stands out the increase of 100.9 thousand unemployed who came from the services sector.

- The increase of 127.5 thousand unemployed seeking a job for less 12 months or longer, which explained 70.3 per cent of the overall increase in unemployment.

The unemployed population quarterly increase came mostly from the following groups: men, young (15 to 24 years old), having completed the tertiary level of education, seeking for a new job (mainly from the services sector), and seeking a job for 12 months or longer.

The unemployment rate stood at 15.8 per cent, up 3.4 p.p. from the same quarter of 2011 and 0.8 p.p. from the previous quarter.

The unemployment rate of men (16.0 per cent) exceeded that of women (15.4 per cent) by 0.6 p.p.. Both rates increased from the same quarter of the previous year (4.0 p.p. and 2.5 p.p., respectively) and from the previous quarter (0.9 p.p. and 0.5 p.p., respectively).

4. Inactive population

The inactive population aged 15 and over decreased by 0.4 per cent from the same quarter of 2011 (12.6 thousand people) and by 0.3 per cent from the previous quarter (12.2 thousand).

The inactivity rate (15 years old and over) stood at 38.7 per cent, remaining unchanged from the same quarter of 2011 and having decreased by 0.1 p.p. from the previous quarter.

The inactivity rate of women (44.5 per cent) exceeded that of men (32.3 per cent) by 12.2 p.p..

Compared to the same quarter of 2011, the inactivity rate increased for men (0.5 p.p.) and decreased for women (0.5 p.p.).

Compared to the previous quarter, the inactivity rate decreased for men (0.3 p.p.) and did not change for women.

The number of persons seeking work but not immediately available, estimated at 24.0 thousand, corresponded to 0.7 per cent of the inactive population (15 years old and over) in the 3rd quarter of 2012.

The number of persons seeking work but not immediately available decreased by 34.8 per cent from the same quarter of 2011 (12.8 thousand) and by 36.3 per cent from the previous quarter (13.7 thousand).

The number of persons available to work but not seeking, estimated at 249.2 thousand, corresponded to 7.2 per cent of the inactive population (15 years old and over) in the 3rd quarter of 2012.

The number of persons available to work but not seeking increased by 28.9 per cent from the same quarter of 2011 (55.8 thousand) and by 14.6 per cent from the previous quarter (31.8 thousand).

5. Quarterly flows between labour market states

From the 2nd to the 3rd quarter of 2012, 3.3 per cent of the people initially employed moved into unemployment and 4.3 per cent moved into inactivity, with the proportion of employed moving out of this situation totalling 7.6 per cent in the 3rd quarter of 2012 (92.4 per cent remained employed).

From the 1st to the 2nd quarter of 2012, the percentage of those who left employment had been smaller (6.7 per cent).

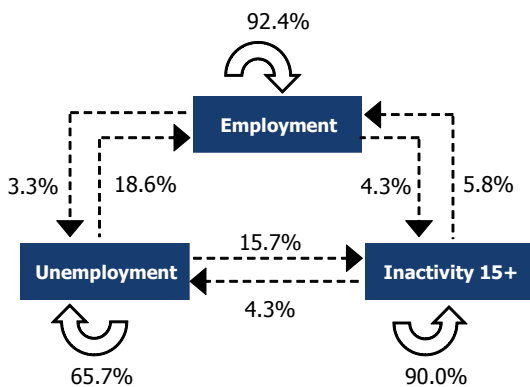
the flows from the 1st to the 2nd quarter of 2012 (it had been 18.1 per cent).

The percentage of people moving from unemployment into inactivity was also larger than the one observed in the flows from the 1st to the 2nd quarter of 2012 (it had been 12.5 per cent).

From the total of people aged 15 and over considered to be inactive in the 2nd quarter of 2012, 5.8 per cent moved into employment and 4.3 per cent moved into unemployment, in the 3rd quarter of 2012.

The corresponding flows from the 1st to the 2nd quarter of 2012 were smaller (5.7 per cent and 3.7 per cent, respectively).

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 unemployed in the 2nd quarter of 2012, 34.3 per cent moved out of this labour market state in the 3rd quarter of 2012. Out of these, 18.6 per cent became employed and 15.7 per cent moved into inactivity.

The percentage of people moving from unemployment into employment was larger than the one observed in

6. Unemployment rates by NUTS II region

The highest unemployment rates were recorded in *Lisboa* (17.8 per cent), *Região Autónoma da Madeira* (17.5 per cent), *Norte* (16.4 per cent), and *Alentejo* (16.1 per cent).

The lowest values were observed in *Centro* (12.5 per cent), *Algarve* (14.7 per cent), and *Região Autónoma dos Açores* (15.4 per cent).

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

	3Q-2011	2Q-2012	3Q-2012
Portugal	12.4	15.0	15.8
Norte	12.7	15.2	16.4
Centro	9.4	11.2	12.5
Lisboa	14.6	17.6	17.8
Alentejo	12.3	15.0	16.1
Algarve	13.3	17.4	14.7
R. A. Açores	11.6	15.6	15.4
R. A. Madeira	14.3	16.8	17.5

Source: INE, Employment Statistics - 3rd quarter of 2012.

Compared to the same quarter of 2011, and similarly to the overall picture in Portugal, the unemployment rate increased in all regions. The largest increases were recorded in *Alentejo* (3.8 p.p.), *Região Autónoma dos Açores* (3.8 p.p.), and *Norte* (3.7 p.p.).

Compared to the previous quarter, the unemployment rate increased in five regions (*Norte*, *Centro*, *Lisboa*, *Alentejo*, and *Região Autónoma da Madeira*) and decreased in two regions (*Algarve* and *Região Autónoma dos Açores*). The largest increases were recorded in *Centro* (1.3 p.p.), *Norte* (1.2 p.p.), and *Alentejo* (1.1 p.p.). The largest decrease was recorded in *Algarve* (2.7 p.p.).

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

	Quarterly levels			Rates of change	
	3Q-2011	2Q-2012	3Q-2012	On year	On quarter
	Thousands			%	
Labour force (active population)	5,543.4	5,515.2	5,527.2	-0.3	0.2
Males	2,952.4	2,909.0	2,920.0	-1.1	0.4
Females	2,591.0	2,606.1	2,607.2	0.6	o
15 to 24	460.6	421.3	449.1	-2.5	6.6
25 to 34	1,384.9	1,334.3	1,310.3	-5.4	-1.8
35 to 44	1,464.4	1,484.1	1,482.1	1.2	-0.1
45 to 64	1,952.1	1,980.5	1,986.0	1.7	0.3
65 and over	281.4	295.0	299.8	6.5	1.6
First and second stages of basic education	3,395.3	3,280.9	3,247.4	-4.4	-1.0
(Upper) secondary and post-secondary non-tertiary education	1,144.8	1,177.9	1,200.8	4.9	1.9
Tertiary education	1,003.2	1,056.4	1,079.0	7.6	2.1
Participation rate (%)	52.1	52.0	52.2		
Males	57.3	56.7	57.0		
Females	47.1	47.6	47.6		
Participation rate (15 and over) (%)	61.3	61.2	61.3		
Males	68.2	67.4	67.7		
Females	55.0	55.5	55.5		
Employed population	4,853.7	4,688.2	4,656.3	-4.1	-0.7
Males	2,597.4	2,470.9	2,451.5	-5.6	-0.8
Females	2,256.3	2,217.3	2,204.8	-2.3	-0.6
15 to 24	322.2	271.6	274.0	-15.0	0.9
25 to 34	1,203.5	1,099.4	1,073.2	-10.8	-2.4
35 to 44	1,307.7	1,303.6	1,283.6	-1.8	-1.5
45 to 64	1,742.2	1,724.6	1,729.0	-0.8	0.3
65 and over	278.1	289.1	296.4	6.6	2.5
First and second stages of basic education	2,947.1	2,759.2	2,729.5	-7.4	-1.1
(Upper) secondary and post-secondary non-tertiary education	997.7	980.1	985.3	-1.2	0.5
Tertiary education	908.9	948.9	941.5	3.6	-0.8
Agriculture, forestry and fishing (a)	478.5	498.6	500.8	4.7	0.4
Mining and quarrying; manufacturing; electricity, gas, steam and air conditioning supply; water supply; sewage, waste management and remediation activities; construction (a)	1,332.3	1,210.4	1,185.6	-11.0	-2.0
Services (a)	3,043.0	2,979.2	2,969.9	-2.4	-0.3
Employees	3,838.5	3,668.9	3,644.3	-5.1	-0.7
With a permanent job (work contract of unlimited duration)	2,966.7	2,900.2	2,868.6	-3.3	-1.1
With a temporary job (work contract of limited duration) and other contractual arrangements	725.8	640.4	639.0	-12.0	-0.2
Other contractual arrangements	146.1	128.4	136.6	-6.5	6.4
Self-employed workers	988.0	988.7	981.3	-0.7	-0.7
Unpaid family workers and other professional status	27.2	30.6	30.7	12.9	0.3
Full-time workers	4,214.6	4,012.2	3,990.3	-5.3	-0.5
Part-time workers	639.2	676.0	665.9	4.2	-1.5
Underemployed part time workers	210.2	261.0	247.3	17.6	-5.2
Employment rate (15 and over) (%)	53.7	52.0	51.7		
Males	60.0	57.3	56.8		
Females	47.9	47.2	46.9		

Source: INE, Employment Statistics - 3rd 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 levels			Rates of change	
	3Q-2011	2Q-2012	3Q-2012	On year	On quarter
	Thousands			%	
Unemployed population	689.6	826.9	870.9	26.3	5.3
Males	355.0	438.1	468.5	32.0	6.9
Females	334.7	388.8	402.5	20.3	3.5
15 to 24	138.3	149.7	175.1	26.6	17.0
25 to 34	181.3	234.9	237.1	30.8	0.9
35 to 44	156.7	180.5	198.5	26.7	10.0
45 and over	213.3	261.8	260.2	22.0	-0.6
First and second stages of basic education	448.2	521.6	517.9	15.6	-0.7
(Upper) secondary and post-secondary non-tertiary education	147.2	197.7	215.5	46.4	9.0
Tertiary education	94.3	107.6	137.5	45.8	27.8
Looking for a first job	75.6	81.9	98.8	30.7	20.6
Looking for a new job	614.0	745.0	772.2	25.8	3.7
Agriculture, forestry and fishing (a) (b)	14.8	17.3	15.7	6.1	-9.2
Mining and quarrying; manufacturing; electricity, gas, steam and air conditioning supply; water supply; sewage, waste management and remediation activities; construction (a) (b)	219.0	270.7	272.2	24.3	0.6
Services (a) (b)	355.7	423.2	456.6	28.4	7.9
Unemployed by duration of search					
Less than 12 months	333.2	383.6	387.0	16.1	0.9
12 months or longer (long-term unemployment)	356.4	443.3	483.9	35.8	9.2
Unemployment rate (%)	12.4	15.0	15.8		
Males	12.0	15.1	16.0		
Females	12.9	14.9	15.4		
Youth (15 to 24)	30.0	35.5	39.0		
Long-term unemployment rate (%)	6.4	8.0	8.8		
Inactive population	5 105.3	5,085.6	5,070.8	-0.7	-0.3
Inactive population (15 and over)	3 496.3	3,495.9	3,483.7	-0.4	-0.3
Males	1 375.2	1,405.8	1,394.9	1.4	-0.8
Females	2 121.1	2,090.1	2,088.8	-1.5	-0.1
15 to 24	679.1	709.7	676.3	-0.4	-4.7
25 to 34	144.7	130.6	142.6	-1.5	9.2
35 to 44	156.4	152.2	157.2	0.5	3.3
45 to 64	853.3	829.1	830.4	-2.7	0.2
65 and over	1 662.8	1,674.2	1,677.1	0.9	0.2
Students	760.7	796.7	734.9	-3.4	-7.8
Fulfilled domestic tasks	431.1	442.8	429.6	-0.3	-3.0
Retired	1 606.0	1,575.1	1,611.7	0.4	2.3
Other inactive	698.4	681.4	707.4	1.3	3.8
Persons seeking work but not immediately available	36.8	37.7	24.0	-34.8	-36.3
Persons available to work but not seeking	193.4	217.4	249.2	28.9	14.6
Inactivity rate (15 and over) (%)	38.7	38.8	38.7		
Males	31.8	32.6	32.3		
Females	45.0	44.5	44.5		

Source: INE, Employment Statistics - 3rd quarter of 2012.

Notes:

(a) The previous employment experience of the unemployed 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 looking for a new job by economic activity of the last job does not correspond to the total unemployed 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, though 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

Participation rate

Ratio between the labour force (active population) and the total population.

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

Participation rate (15 and over)

Ratio between the labour force and the working age total population (15 and over).

$$\text{P.R. (\%)} = (\text{Labour force} / \text{Total population 15 and over}) \times 100$$

Unemployment rate

Ratio between the unemployed population and the labour force.

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

Long term unemployment rate

Ratio between the unemployed population seeking employment for 12 months and over and the labour force.

$$\text{U.R. (\%)} = (\text{Unemployed population seeking employment for 12 months and over} / \text{Labour force}) \times 100$$

Employment rate (15 and over)

Ratio between the employed population and the working age total population (15 and over).

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

Inactivity rate (15 and over)

Ratio between the working age inactive population (15 and over) and the working age total population (15 and over).

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

On year rate of change

The on year (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.

On quarter rate of change

The on quarter (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.

The publication Employment Statistics – 3rd quarter of 2012 (“Estatísticas do Emprego – 3^o trimestre de 2012”) associated with this press release is available, free of charge, at http://www.ine.pt/portal/page/portal/PORTAL_INE/Publicacoes.