

May, 9th 2013

Employment Statistics

1st quarter of 2013

Unemployment rate at 17.7%

The unemployment rate estimated for the 1st quarter of 2013 was 17.7%. This value is up 2.8 percentage points from the same quarter of 2012 and 0.8 percentage points from the previous quarter.

There were 952.2 thousand unemployed people, which corresponds to a year-on-year increase of 16.2% and to a quarterly increase of 3.1% (more 132.9 thousand and 29.0 thousand people, respectively).

There were 4 433.2 thousand employed people, which corresponds to a year-on-year decrease of 4.9% and to a quarterly decrease of 2.2% (less 229.3 thousand and 98.6 thousand people, respectively).

1. Labour force (active population)

The Labour Force Survey results for the 1st quarter of 2013 indicate that the labour force (active population) decreased by 1.8% from the same quarter of 2012 (96.3 thousand people) and by 1.3% from the previous quarter (69.6 thousand).

The participation rate of the working age population (15 years old and over) stood at 60.1%. This rate decreased by 0.7 percentage points (p.p.) from the same quarter of 2012 and by 0.4 p.p. from the previous quarter.

The participation rate of men (66.2%) exceeded that of women (54.5%) by 11.7 p.p..

Compared to the same quarter of 2012, the participation rate decreased for both men and women (0.7 p.p. in each case).

Compared to the previous quarter, the participation rate decreased for men (0.4 p.p.) by less than for women (0.5 p.p.).

2. Employed population

The employed population decreased by 4.9% from the same quarter of 2012 (229.3 thousand people) and by 2.2% from the previous quarter (98.6 thousand).

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

- The decrease of 133.6 thousand employed men, which explained 58.3% of the overall decrease in employment.
- The decrease of 116.6 thousand employed aged 25 to 34.

- The decrease of 223.7 thousand employed having completed the first or second stages of basic education.

In turn, the number of employed having completed the tertiary level of education increased (6.5 thousand).

- The decrease of 144.7 thousand employed in the manufacturing, electricity, gas and water supply, and construction sector, of 43.2 thousand employed in the agriculture, forestry and fishing sector, and of 41.3 thousand employed in the services sector.

Within the manufacturing, electricity, gas and water supply, and construction sector, it stands out the decrease of 74.6 thousand employed in the construction activities.

Within the services sector, it stands out the decrease of employment in three activities: wholesale and retail trade (48.4 thousand), public administration, defence, and compulsory social security (20.7 thousand), and financial and insurance activities (17.7 thousand).

- The decrease of 179.7 thousand employees, which was totally explained by the decrease of 183.3 thousand who held a permanent job and of 7.7 thousand who held a temporary job, as the number of employees in other contractual arrangements increased (11.3 thousand).

In turn, the number of self-employed decreased also, in spite of its smaller contribution to the overall decrease in employment (44.5 thousand).

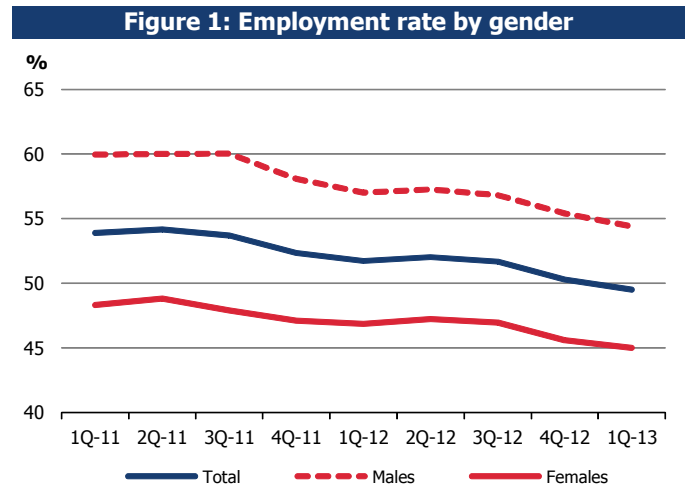
- The decrease of 188.7 thousand full-time workers, which explained 82.3% of the overall decrease in employment.

The employment rate (15 years old and over) stood at 49.5%, having decreased by 2.2 p.p. from the same quarter of 2012 and by 0.8 p.p. from the previous quarter.

The employment rate of men (54.4%) exceeded that of women (45.0%) by 9.4 p.p..

Compared to the same quarter of 2012, the employment rate decreased more for men (2.6 p.p.) than for women (1.9 p.p.).

Compared to the previous quarter, the employment rate decreased also more for men (1.0 p.p.) than for women (0.6 p.p.).



The number of underemployed part time workers, estimated at 257.9 thousand, corresponded to 5.8% of total employed population and to 41.0% of part time employed population.

The number of underemployed part time workers increased by 0.8% from the same quarter of 2012 (2.1 thousand) and decreased by 1.1% from the previous quarter (3.0 thousand).

3. Unemployed population

The unemployed population, estimated at 952.2 thousand people, increased by 16.2% from the same quarter of 2012 (132.9 thousand people) and by 3.1% from the previous quarter (29.0 thousand).

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

- The increase of 76.9 thousand unemployed men, which explained 57.9% of the overall decrease in unemployment.
- The increase of 49.3 thousand unemployed aged 45 and over and of 44.8 thousand aged 25 to 34.

Together, these two age groups explained 70.8% of the overall increase in unemployment.

- The increase of 69.8 thousand unemployed having completed an education level corresponding to the first or second stages of basic education, of 32.3 thousand having completed the tertiary level of education, and of 30.7 thousand having completed the (upper) secondary or post-secondary non-tertiary level of education.
- The increase of 123.2 thousand unemployed seeking for a new job, which explained 92.7% of the overall increase in unemployment.

Within that group, it stands out the increase of 61.6 thousand unemployed who came from the services sector and the increase of 57.4 thousand unemployed who came from the manufacturing, electricity, gas and water supply, and construction sector.

- The increase of 144.3 thousand unemployed seeking a job for 12 months or longer.

In turn, the number of unemployed seeking a job for less than 12 months decreased (11.3 thousand).

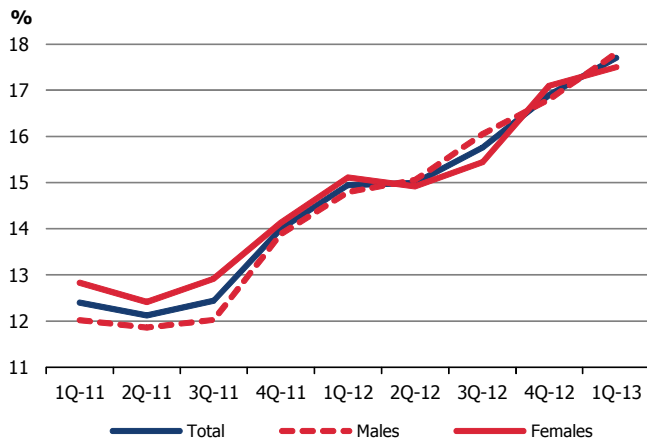
The unemployed population quarterly increase came mostly from the following groups: men, people from 45 years old and over, having completed the first or second stages of basic education, seeking for a new job (mainly from the services sector), and seeking a job for 12 months or longer.

The unemployment rate stood at 17.7%, up 2.8 p.p. from the same quarter of 2012 and 0.8 p.p. from the previous quarter.

The unemployment rate of men (17.8%) exceeded that of women (17.5%) by 0.3 p.p..

Both rates increased from the same quarter of the previous year (3.0 p.p. and 2.4 p.p., respectively) and from the previous quarter (1.0 p.p. and 0.4 p.p., respectively).

Figure 2: Unemployment rate by gender



4. Inactive population

The inactive population aged 15 and over increased by 1.2% from the same quarter of 2012 (43.8 thousand people) and by 0.6% from the previous quarter (20.9 thousand).

The inactivity rate (15 years old and over) stood at 39.9%, having increased by 0.7 p.p. from the same quarter of 2012 and by 0.4 p.p. from the previous quarter.

The inactivity rate of women (45.5%) exceeded that of men (33.8%) by 11.7 p.p..

Compared to the same quarter of 2012, the inactivity rate increased both for men and women (0.7 p.p. in each case).

Compared to the previous quarter, the inactivity rate increased more for women (0.5 p.p.) than for men (0.4 p.p.).

The number of persons seeking work but not immediately available, estimated at 31.1 thousand,

corresponded to 0.9% of the inactive population aged 15 and over.

The number of persons seeking work but not immediately available increased slightly from the same quarter of 2012 and increased by 7.2% from the previous quarter (2.1 thousand).

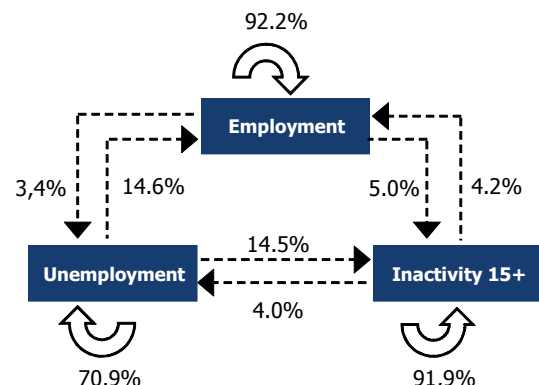
The number of persons available to work but not seeking, estimated at 261.1 thousand, corresponded to 7.3% of the inactive population aged 15 and over.

The number of persons available to work but not seeking increased by 29.2% from the same quarter of 2012 (59.0 thousand) and increased slightly from the previous quarter.

5. Quarterly flows between labour market states

From the 4th quarter of 2012 to the 1st quarter of 2013, 3.4% of the people initially employed moved into unemployment and 4.5% moved into inactivity, with the proportion of employed moving out of this situation totalling 7.9% in the 1st quarter of 2013 (92.2% remained employed).

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



From the 3rd to the 4th quarter of 2012, the percentage of those who left employment had been larger (9.0%).

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 4th quarter of 2012, 29.1% moved out of this labour market state in the 1st quarter of 2013. Out of these, 14.6% became employed and 14.5% moved into inactivity.

The percentage of people moving from unemployment into employment was smaller than the one observed in the flows from the 3rd to the 4th quarter of 2012 (it had been 15.2%).

The percentage of people moving from unemployment into inactivity was also larger than the one observed in the flows from the 3rd to the 4th quarter of 2012 (it had been 17.1%).

From the total of people aged 15 and over considered to be inactive in the 4th quarter of 2012, 4.2% moved into employment and 4.0% moved into unemployment, in the 1st quarter of 2013.

The corresponding flows from the 3rd to the 4th quarter of 2012 were larger (4.7% and 4.1%, respectively).

6. Unemployment rates by NUTS II region

In the 1st quarter of 2013, the highest unemployment rates and above the national average were recorded in *Algarve* (20,5%), *Região Autónoma da Madeira* (20.0%), *Lisboa* (19.5%), *Norte* (18.6%), and *Alentejo* (18.5%).

The values below the national average were observed in *Centro* (13.3%) and *Região Autónoma dos Açores* (17.0%).

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

| | 1Q-2012 | 4Q-2012 | 1Q-2013 |
|-----------------|-------------|-------------|-------------|
| Portugal | 14.9 | 16.9 | 17.7 |
| Norte | 15.1 | 17.8 | 18.6 |
| Centro | 11.8 | 12.7 | 13.3 |
| Lisboa | 16.5 | 18.7 | 19.5 |
| Alentejo | 15.4 | 17.2 | 18.5 |
| Algarve | 20.0 | 19.7 | 20.5 |
| R. A. Açores | 13.9 | 16.2 | 17.0 |
| R. A. Madeira | 16.1 | 19.7 | 20.0 |

Source: INE, Employment Statistics - 1st quarter of 2013.

Compared to the same quarter of 2012, and similarly to the overall picture in Portugal, the unemployment rate increased in all regions. The largest increases were recorded in *Região Autónoma da Madeira* (3.9 p.p.), *Norte* (3.5 p.p.), *Região Autónoma dos Açores* (3.1 p.p.), *Alentejo* (3.1 p.p.), and *Lisboa* (3.0 p.p.).

Compared to the previous quarter, the unemployment rate also increased in all regions. The largest increase was recorded in *Alentejo* (1.3 p.p.).

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

| | Quarterly level | | | Rate of change | |
|---|-----------------|----------------|----------------|----------------|-------------|
| | 1Q-2012 | 4Q-2012 | 1Q-2013 | On year | On quarter |
| | Thousands | | | % | |
| Labour force (active population) | 5,481.7 | 5,455.0 | 5,385.4 | -1.8 | -1.3 |
| Males | 2,888.2 | 2,873.0 | 2,831.5 | -2.0 | -1.4 |
| Females | 2,593.5 | 2,582.0 | 2,553.9 | -1.5 | -1.1 |
| 15 to 24 | 426.7 | 412.2 | 394.3 | -7.6 | -4.3 |
| 25 to 34 | 1,339.0 | 1,296.7 | 1,267.2 | -5.4 | -2.3 |
| 35 to 44 | 1,484.6 | 1,482.9 | 1,473.6 | -0.7 | -0.6 |
| 45 to 64 | 1,951.9 | 1,977.1 | 1,986.2 | 1.8 | 0.5 |
| 65 and over | 279.5 | 286.1 | 264.0 | -5.5 | -7.7 |
| First and second stages of basic education | 3,256.2 | 3,154.7 | 3,102.3 | -4.7 | -1.7 |
| (Upper) secondary and post-secondary non-tertiary education | 1,192.1 | 1,188.1 | 1,210.7 | 1.6 | 1.9 |
| Tertiary education | 1,033.5 | 1,112.3 | 1,072.4 | 3.8 | -3.6 |
| Participation rate (%) | 51.7 | 51.5 | 51.2 | | |
| Males | 56.3 | 56.1 | 55.8 | | |
| Females | 47.4 | 47.2 | 46.9 | | |
| Participation rate (15 and over) (%) | 60.8 | 60.5 | 60.1 | | |
| Males | 66.9 | 66.6 | 66.2 | | |
| Females | 55.2 | 55.0 | 54.5 | | |
| Employed population | 4,662.5 | 4,531.8 | 4,433.2 | -4.9 | -2.2 |
| Males | 2,460.9 | 2,391.2 | 2,327.3 | -5.4 | -2.7 |
| Females | 2,201.6 | 2,140.6 | 2,106.0 | -4.3 | -1.6 |
| 15 to 24 | 272.3 | 247.3 | 228.5 | -16.1 | -7.6 |
| 25 to 34 | 1,113.3 | 1,036.8 | 996.7 | -10.5 | -3.9 |
| 35 to 44 | 1,292.9 | 1,260.5 | 1,254.6 | -3.0 | -0.5 |
| 45 to 64 | 1,710.2 | 1,705.5 | 1,692.3 | -1.0 | -0.8 |
| 65 and over | 273.8 | 281.7 | 261.3 | -4.6 | -7.2 |
| First and second stages of basic education | 2,753.6 | 2,603.5 | 2,529.9 | -8.1 | -2.8 |
| (Upper) secondary and post-secondary non-tertiary education | 991.1 | 964.7 | 979.1 | -1.2 | 1.5 |
| Tertiary education | 917.7 | 963.6 | 924.2 | 0.7 | -4.1 |
| Agriculture, forestry and fishing (a) | 477.1 | 467.6 | 433.9 | -9.1 | -7.2 |
| Mining and quarrying; manufacturing; electricity, gas, steam and air conditioning supply; water supply; sewage, waste management and remediation activities; construction (a) | 1,245.4 | 1,111.7 | 1,100.7 | -11.6 | -1.0 |
| Services (a) | 2,940.0 | 2,952.5 | 2,898.7 | -1.4 | -1.8 |
| Employees | 3,662.2 | 3,538.2 | 3,482.5 | -4.9 | -1.6 |
| With a permanent job (work contract of unlimited duration) | 2,928.7 | 2,816.8 | 2,745.4 | -6.3 | -2.5 |
| With a temporary job (work contract of limited duration) | 607.3 | 585.0 | 599.6 | -1.3 | 2.5 |
| Other contractual arrangements | 126.1 | 136.5 | 137.4 | 9.0 | 0.7 |
| Self-employed workers | 968.5 | 965.4 | 924.0 | -4.6 | -4.3 |
| Unpaid family workers | 31.8 | 28.2 | 26.8 | -15.7 | -5.0 |
| Full-time workers | 3,993.7 | 3,886.2 | 3,805.0 | -4.7 | -2.1 |
| Part-time workers | 668.7 | 645.6 | 628.3 | -6.0 | -2.7 |
| Underemployed part-time workers | 255.8 | 260.9 | 257.9 | 0.8 | -1.1 |
| Employment rate (15 and over) (%) | 51.7 | 50.3 | 49.5 | | |
| Males | 57.0 | 55.4 | 54.4 | | |
| Females | 46.9 | 45.6 | 45.0 | | |

Source: INE, Employment Statistics - 1st quarter of 2013.

Note:

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

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

| | Quarterly level | | | Rate of change | |
|---|-----------------|----------------|----------------|----------------|-------------|
| | 1Q-2012 | 4Q-2012 | 1Q-2013 | On year | On quarter |
| | Thousands | | | % | |
| Unemployed population | 819.3 | 923.2 | 952.2 | 16.2 | 3.1 |
| Males | 427.3 | 481.8 | 504.2 | 18.0 | 4.6 |
| Females | 391.9 | 441.4 | 447.9 | 14.3 | 1.5 |
| 15 to 24 | 154.4 | 164.9 | 165.9 | 7.4 | 0.6 |
| 25 to 34 | 225.7 | 260.0 | 270.5 | 19.8 | 4.0 |
| 35 to 44 | 191.8 | 222.4 | 219.1 | 14.2 | -1.5 |
| 45 and over | 247.4 | 276.0 | 296.7 | 19.9 | 7.5 |
| First and second stages of basic education | 502.6 | 551.2 | 572.4 | 13.9 | 3.8 |
| (Upper) secondary and post-secondary non-tertiary education | 200.9 | 223.4 | 231.6 | 15.3 | 3.7 |
| Tertiary education | 115.8 | 148.6 | 148.1 | 27.9 | -0.3 |
| Looking for a first job | 83.4 | 101.6 | 93.0 | 11.5 | -8.5 |
| Looking for a new job | 735.9 | 821.6 | 859.1 | 16.7 | 4.6 |
| Agriculture, forestry and fishing (a) (b) | 20.2 | 17.7 | 27.1 | 34.2 | 53.1 |
| Mining and quarrying; manufacturing; electricity, gas, steam and air conditioning supply; water supply; sewage, waste management and remediation activities; construction (a) (b) | 260.0 | 306.4 | 317.4 | 22.1 | 3.6 |
| Services (a) (b) | 423.4 | 465.9 | 485.0 | 14.5 | 4.1 |
| Unemployed by duration of search | | | | | |
| Less than 12 months | 403.1 | 403.3 | 391.7 | -2.8 | -2.9 |
| 12 months or longer (long-term unemployment) | 416.2 | 519.9 | 560.5 | 34.7 | 7.8 |
| Unemployment rate (%) | 14.9 | 16.9 | 17.7 | | |
| Males | 14.8 | 16.8 | 17.8 | | |
| Females | 15.1 | 17.1 | 17.5 | | |
| Youth (15 to 24) | 36.2 | 40.0 | 42.1 | | |
| Long-term | 7.6 | 9.5 | 10.4 | | |
| Inactive population | 5,125.0 | 5,139.5 | 5,136.0 | 0.2 | -0.1 |
| Inactive population (15 and over) | 3,532.2 | 3,555.1 | 3,576.0 | 1.2 | 0.6 |
| Males | 1,427.9 | 1,441.4 | 1,447.6 | 1.4 | 0.4 |
| Females | 2,104.3 | 2,113.7 | 2,128.4 | 1.1 | 0.7 |
| 15 to 24 | 710.2 | 707.7 | 711.5 | 0.2 | 0.5 |
| 25 to 34 | 138.3 | 144.2 | 143.6 | 3.8 | -0.4 |
| 35 to 44 | 149.2 | 159.3 | 168.3 | 12.8 | 5.6 |
| 45 to 64 | 852.0 | 845.6 | 838.2 | -1.6 | -0.9 |
| 65 and over | 1,682.6 | 1,698.3 | 1,714.5 | 1.9 | 1.0 |
| Students | 801.8 | 799.5 | 795.6 | -0.8 | -0.5 |
| Fulfilled domestic tasks | 446.9 | 442.6 | 445.4 | -0.3 | 0.6 |
| Retired | 1,603.4 | 1,577.3 | 1,589.8 | -0.8 | 0.8 |
| Other inactive | 680.1 | 735.7 | 745.3 | 9.6 | 1.3 |
| Persons seeking work but not immediately available | 30.0 | 29.0 | 31.1 | 3.7 | 7.2 |
| Persons available to work but not seeking | 202.1 | 259.8 | 261.1 | 29.2 | 0.5 |
| Inactivity rate (15 and over) (%) | 39.2 | 39.5 | 39.9 | | |
| Males | 33.1 | 33.4 | 33.8 | | |
| Females | 44.8 | 45.0 | 45.5 | | |

Source: INE, Employment Statistics - 1st quarter of 2013.

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.

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 – 1st quarter of 2013 (“Estatísticas do Emprego – 1^o trimestre de 2013”) associated with this press release is available, free of charge, at http://www.ine.pt/portal/page/portal/PORTAL_INE/Publicacoes.