Employment and Unemployment Statistics

October 2014

The unemployment rate (of those aged 15 to 74) estimated for October was 13.4%

The seasonally adjusted unemployment rate (15 to 74 years old) estimated for October 2014 was 13.4%. This value is up 0.1 percentage points from the one estimated for September 2014.

The seasonally adjusted unemployed population was estimated at 688.3 thousand people, which represents an increase of 0.4% from September 2014 (more 3.0 thousand). The employed population (15 to 74 years old), also seasonally adjusted, was estimated to be 4,456.1 thousand people, remaining unchanged from the previous month.

Introductory note

With the release of the results for October 2014, Statistics Portugal initiates a monthly release of Labour Force Survey estimates for the main labour market indicators (employed and unemployed population, by sex and age group, and corresponding rates) in addition to the usual quarterly estimates releases (for more information, see detailed note in annex, only in Portuguese).

With this initiative, Statistics Portugal intends to provide to users monthly updated information on labour market recent developments, allowing, at the same time, a more complete reading picture than that provided so far by Eurostat in its monthly releases of the unemployed population and unemployment rate estimates for Portugal. With this dissemination, Statistics Portugal satisfies also a specific requirement from the PEEIs (Principal European Economic Indicators).

The estimates to be released monthly derive exclusively from the Labour Force Survey data, taking advantage of the continuous nature of the collection process of this statistical operation, are consistent with the estimates released quarterly, do not make use of administrative data on registered unemployment and are subject to revisions of smaller size.

The monthly estimates refer to centred moving quarters, where the reference month corresponds to the central month of each moving quarter. Therefore, the reference month of the present Press Release (October 2014) corresponds, in fact, to the central month of the quarter consisting of the months from September to November 2014.

Unless otherwise stated, the data series are seasonally adjusted, having been decided to highlight, in the analysis, the comparison with the more recent periods. As agreed, Eurostat will use these estimates in its unemployment monthly releases.

The original data series, not seasonally adjusted, are available in Tables 1 and 2 of the annex and at the Official Statistics Portal.

The indicators analyzed in this Press Release refer to the age subgroup of those aged 15 to 74 (as in the Eurostat News Release), which differs from the criterion adopted at the Statistics Portugal quarterly releases (people aged 15 and over, in line with the concepts of the International Labour Organization in force).

Stabilization of the employed population and of the employment rate

In October 2014, the employed population was estimated to be 4,456.1 thousand people, remaining practically unchanged the level observed in the previous two months. This recent evolution comes after a period of seven consecutive months of continued employment growth.
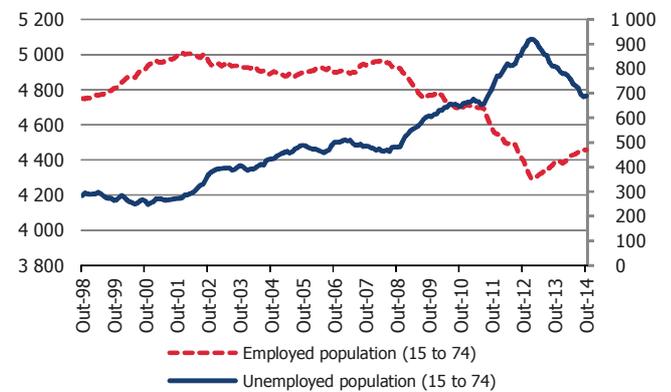
The employed population increased for women (0.2%; 4.2 thousand) and for adults (25 to 74 years old) (0.1%; 2.9 thousand) and decreased for men (0.2%; 4.3 thousand) and for young people (15 to 24 years old) (1.1%; 2.9 thousand).

The employment rate stood at 56.8%, remaining at the same level of the previous month.

The employment rate of men (60.7%) exceeded that of women (53.3%) by 7.4 percentual points (p.p.). The former kept the previous month level and the latter increased by 0.1 p.p..

The employment rate of adults was 62.3% and that of young people was 23.1%. The former increased by 0.1 p.p. and the latter decreased by 0.2 p.p..

Figure 1: Employed and unemployed population
(seasonally adjusted data; thousands)

Increase of the unemployed population and of the unemployment rate

The unemployed population, estimated at 688.3 thousand people, increased 0.4% from the previous month (3.0 thousand people).

The increase mentioned above interrupts a period of twenty months of successive decreases in the unemployed population.
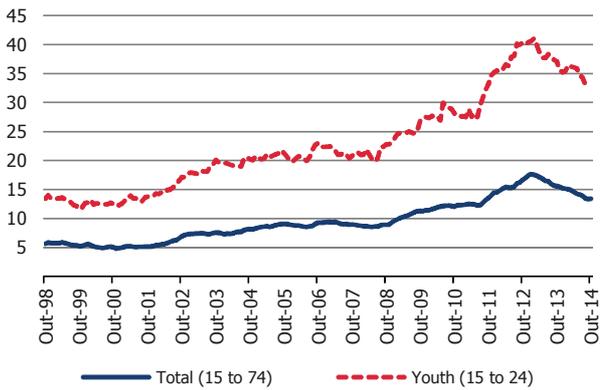
The unemployed population increased for men (1.9%; 6.3 thousand) and for adults (0.6%; 3.2 thousand), decreased for women (0.9%; 3.2 thousand) and remained unchanged for young people.

The unemployment rate stood at 13.4%, having increased by 0.1 p.p. from the previous month, for which contributed exclusively the increase in the unemployed population, considering that the employed population remained unchanged.

The unemployment rate of women (14.0%) exceeded that of men (12.8%) by 1.2 p.p.. The former decreased by 0.1 p.p., while the latter increased by 0.2 p.p..

The youth unemployment rate stood at 33.3%, having increased by 0.3 p.p. from the previous month. The adults' unemployment rate stood at 11.8% and increased 0.1 p.p. from the previous month.

Figure 2: Total and youth unemployment rate
(seasonally adjusted data; %)

The not seasonally adjusted unemployment rate was 13.5%, up 0.2 p.p. from the previous month and down 2.2 p.p. from October 2013.

Table 1: Employed population and employment rate by sex and age group (15 to 74)

	Seasonally adjusted data					Not seasonally adjusted data				
	Oct 2013	Jul 2014	Aug 2014	Sep 2014	Oct 2014 (p)	Oct 2013	Jul 2014	Aug 2014	Sep 2014	Oct 2014 (p)
	Thousands									
Employed population (15 to 74)	**4,387.5**	**4,445.8**	**4,456.9**	**4,456.1**	**4,456.1**	**4,390.9**	**4,473.3**	**4,481.1**	**4,465.6**	**4,459.2**
Men (15 to 74)	2,264.3	2,286.0	2,286.8	2,282.1	2,277.9	2,271.7	2,304.0	2,304.7	2,293.6	2,285.4
Women (15 to 74)	2,123.2	2,159.8	2,170.1	2,174.0	2,178.2	2,119.2	2,169.3	2,176.4	2,172.0	2,173.8
Aged 15 to 24	242.8	252.0	258.7	256.1	253.2	245.7	259.0	271.9	262.9	255.6
Aged 25 to 74	4,144.7	4,193.8	4,198.2	4,200.0	4,202.9	4,145.2	4,214.3	4,209.2	4,202.7	4,203.5
	%									
Employment rate (15 to 74)	**55.6**	**56.6**	**56.7**	**56.8**	**56.8**	**55.7**	**56.9**	**57.0**	**56.9**	**56.9**
Men (15 to 74)	59.7	60.7	60.8	60.7	60.7	59.9	61.2	61.3	61.0	60.9
Women (15 to 74)	51.8	52.8	53.0	53.2	53.3	51.7	53.0	53.2	53.1	53.2
Aged 15 to 24	22.0	22.9	23.5	23.3	23.1	22.2	23.5	24.7	23.9	23.3
Aged 25 to 74	61.1	62.1	62.2	62.2	62.3	61.1	62.4	62.3	62.3	62.3

Source: Statistics Portugal, Labour Force Survey.

Note: (p) - Provisional estimates.

Table 2: Unemployed population and unemployment rate by sex and age group (15 to 74)

	Seasonally adjusted data					Not seasonally adjusted data				
	Oct 2013	Jul 2014	Aug 2014	Sep 2014	Oct 2014 (p)	Oct 2013	Jul 2014	Aug 2014	Sep 2014	Oct 2014 (p)
	Thousands									
Unemployed population (15 to 74)	**810.1**	**719.8**	**693.2**	**685.3**	**688.3**	**815.3**	**708.4**	**688.9**	**687.8**	**693.3**
Men (15 to 74)	405.2	341.7	330.1	327.8	334.1	405.2	341.7	330.1	327.8	334.1
Women (15 to 74)	404.8	378.1	363.1	357.5	354.2	410.0	366.7	358.8	360.0	359.2
Aged 15 to 24	143.5	131.8	128.4	126.4	126.2	147.5	129.5	129.2	129.6	130.2
Aged 25 to 74	666.5	588.0	564.8	558.9	562.1	667.8	578.9	559.7	558.2	563.1
	%									
Unemployment rate (15 to 74)	**15.6**	**13.9**	**13.5**	**13.3**	**13.4**	**15.7**	**13.7**	**13.3**	**13.3**	**13.5**
Men (15 to 74)	15.2	13.0	12.6	12.6	12.8	15.1	12.9	12.5	12.5	12.8
Women (15 to 74)	16.0	14.9	14.3	14.1	14.0	16.2	14.5	14.2	14.2	14.2
Aged 15 to 24	37.1	34.3	33.2	33.0	33.3	37.5	33.3	32.2	33.0	33.7
Aged 25 to 74	13.9	12.3	11.9	11.7	11.8	13.9	12.1	11.7	11.7	11.8

Source: Statistics Portugal, Labour Force Survey.

Notes: (p) - Provisional estimates.

1. PRESENTATION NOTE OF THE MONTHLY RELEASE OF LABOUR FORCE SURVEY ESTIMATES – BRIEF SYNTHESIS

With the release of the results for October 2014, Statistics Portugal initiates a monthly release of Labour Force Survey estimates for the main labour market indicators in addition to the usual quarterly estimates releases (for more cinformation, see detailed note in annex, only in Portuguese).

With this initiative, Statistics Portugal intends to provide to users monthly updated information on labour market recent developments, allowing, at the same time, a more complete reading picture than that provided so far by Eurostat in its monthly releases of the unemployed population and unemployment rate estimates for Portugal. With this dissemination, Statistics Portugal satisfies also a specific requirement from the PEEIs (Principal European Economic Indicators).

Taking advantage of the continuous nature of the Labour Force Survey collection process (see the "Technical note", below), it is possible to monthly obtain estimates related to successive sets of three months (moving quarters), assuring consistency with the quarterly released estimates. The use of data collected from the Labour Force Survey leads to revisions of smaller size than those arising from models that also use administrative data (registered unemployment).

The monthly estimates refer to *centred* moving quarters, where the reference month corresponds to the central month of each moving quarter. Therefore, the reference month of the present Press Release (October 2014) corresponds, in fact, to the central month of the quarter consisting of the months from September to November 2014.

In consequence, the monthly changes are calculated on values that contain common months. The comparison of moving quarters without common months should to be done in relation to reference months three months earlier.

The option for disseminating centred moving quarters series aimed at avoiding delays in the detection of turning points in the economic cycle that arise from the use of simple moving averages, but it implies that the estimates for the latest released moving quarter are provisional (see "Revisions" section, below).

As estimates of centred moving quarters, the values (not seasonally adjusted) of the reference months February, May, August and November of each year correspond to the estimates of the 1st, 2nd, 3rd and 4th natural quarters, respectively, whose results are released and analyzed with greater detail in the quarterly release of "Employment Statistics" (only available in Portuguese).

Information available

The data series selected for monthly releases refer to both employed and unemployed population, by sex and age group, and to the corresponding rates. In relation to these data series, it should be noted the following:

- For the purpose of creating long monthly data series needed for subsequent adjustment of seasonality, the two latest data series of the Labour Force Survey (from 1998 to 2010; from 2011 onwards) were previously linked.

- The data series analyzed in this Press Release are seasonally adjusted, having been decided to highlight, in the analysis, the comparison with the more recent periods. As agreed, Eurostat will use these estimates in its unemployment monthly releases. The original data series (not seasonally adjusted; as in the Statistics Portugal quarterly releases), are available in Tables 1 and 2 of the annex and at the Official Statistics Portal.

- The indicators analyzed in this Press Release were calculated for the age subgroup of those aged 15 to 74 (as in the Eurostat News Release), which differs from the criterion adopted at the Statistics Portugal quarterly releases (people aged 15 and over, in line with the concepts of the International Labour Organization in force).

The back series for all the released and analyzed indicators in this Press Release, since February 1998 (quarter from January to March 1998), are available at the Official Statistics Portal.

(to be continued)

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(continuation)

Revisions

The monthly released data is under revision. The revision comes from, on the one hand, the updating of the seasonally adjusted data series every time a new observation is added and, on the other hand, from the definitive estimates gotten for last month (moving quarter).

The estimates for the latest month (moving quarter) are provisional, since this quarter is composed of two months for which the data collection process from the Labour Force Survey has been completed and of one month for which a forecast was done based on time series models (state space models for exponential smoothing). In the next Press Release, the collection process for the three months of that quarter will have already been concluded, hence the corresponding estimates will be reviewed and their definitive value will be disclosed.

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.

Most of the characteristics observed in this survey report to the situation in one pre-defined week (from Monday to Sunday), known as *reference week*. Reference weeks are uniformly distributed throughout the quarters and years. The interviews usually take place in the week following the reference week. These characteristics allow to monthly obtain estimates for three months periods without decreasing the estimates precision.

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 by using the population estimates calculated from the final results of Census 2011.

Concepts

Unemployed: person aged 15 and 74 who, during the reference period, was simultaneously in the following situations:

- "without work", i.e. was not in paid employment or self-employment;
- "seeking work", i.e. had taken specific steps in a specified recent period (reference period or the three previous weeks) to seek paid employment or self-employment; and
- "currently available for work", i.e. was available for paid employment or self-employment during the reference period.

Employed: person aged 15 and over who, during the reference period, was in one of the following situations:

- did any work for pay or profit for at least one hour, including a familiar gain in money or gender;
- was not working but had jobs from which was temporarily absent;
- had a business, but was temporarily not working for a specific reason;
- was in a pre-retirement situation while working.

Unemployment rate: ratio between the unemployed population and the labour force.

U.R. (%) = (Unemployed population / Labour force) x 100

Employment rate (15 and over): ratio between the employed population and the working age total population (15 and over).

E.R. (%) = (Employed population / Total population 15 and over) x 100

For the selected indicators monthly disclosed, it was considered the age subgroup of those aged 15 to 74 (see Note 1).

For a more detailed definition on the concepts and the methodological characteristics of the Labour Force Survey, see the quarterly publication "Employment Statistics", available only in Portuguese and free of charge, at http://www.ine.pt/portal/page/portal/PORTAL_INE/Publicacoes.

Due to rounding issues, totals may not correspond exactly to the sum of the parts.

Next Press Release:

6 January 2015: "Employment and Unemployment Statistics – November 2014".

7 January 2015: Eurostat News Release.