

May, 6th 2015

Employment Statistics

1st quarter of 2015

Unemployment rate estimated at 13.7%

The unemployment rate estimated for the 1st quarter of 2015 was 13.7%. This value is up 0.2 percentage points (p.p.) from the previous quarter and down 1.4 p.p. from the same quarter of 2014.

The unemployed population was estimated at 712.9 thousand people, corresponding to a quarterly increase of 2.1% and to a year-on-year decrease of 9.5% (more 14.6 thousand and less 75.2 thousand people, respectively).

The employed population was estimated at 4 477.1 thousand people, which corresponds to a quarterly decrease of 0.3% (less 14.5 thousand people) and to a year-on-year increase of 1.1% (more 50.2 thousand people).

The participation rate of the working age population stood at 58.5%, the same value than in the previous quarter and down 0.2 p.p. from the same quarter of 2014.

Introductory note

Statistics Portugal ceased the release of the Publication “Estatísticas do Emprego”, as announced in the Introductory Note of its 4th quarter of 2014 edition (only available in Portuguese). This Publication will be replaced by an annual one dedicated to the compilation and analysis of a set of relevant indicators to monitor the Labour Market. This Publication will be issued together with results of the Labour Force Survey for the 4th quarter of each year (and corresponding annual averages) in February of the following year.

Nonetheless, the tables of the former Publication “Estatísticas do Emprego” will continue to be quarterly released attached to the Portuguese version of the “Employment Statistics” Press Release.

1. Labour force (active population)

The Labour Force Survey results for the 1st quarter of 2015¹ indicate that the labour force (active population), estimated at 5 190.0 thousand people, was kept unchanged from the previous quarter and decreased by 0.5% from the same quarter of 2014 (25.0 thousand).

The participation rate of the working age population (aged 15 and over) stood at 58.5%, remaining unchanged from the previous quarter and decreasing 0.2 p.p. from the same quarter of 2014.

The participation rate of men (63.8%) exceeded that of women (53.8%) by 10.0 p.p..

¹ See the note at the end of this Press Release (last page) on the integration of the 2011 Census results in the Labour Force Survey sample.

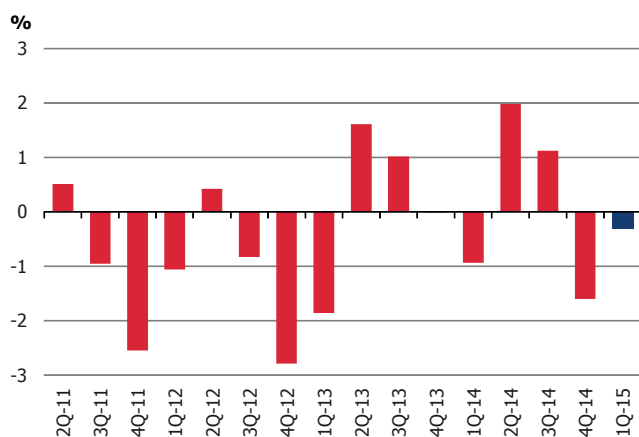
Compared to the previous quarter, the participation rate decreased for men (0.4 p.p.) and increased for women (0.3 p.p.).

Likewise, compared to the same quarter of 2014, the participation rate also decreased for men (0.5 p.p.) and increased for women (0.1 p.p.).

2. Employed population

The employed population, estimated at 4 477.1 thousand people, decreased by 0.3% from the previous quarter (14.5 thousand), when it had been also observed a negative rate of change even though of a greater size (73.5 thousand; 1.6%).

Figure 1: Employed population quarterly rate of change



The quarterly decrease of the employed population came mostly from the following groups: men (9.7 thousand; 0.4%); people aged from 35 to 44 (9.3 thousand; 0.7%); having completed the first and second stages of basic education (9.2 thousand; 0.4%); employed in the services sector (19.6 thousand; 0.6%);

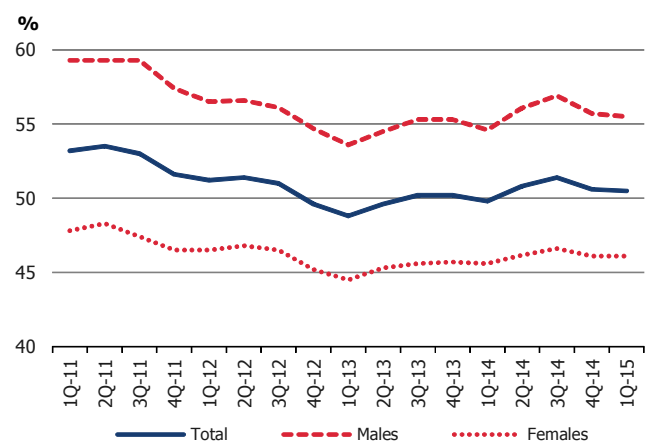
as employees (18.3 thousand; 0.5%); and working full-time (14.4 thousand; 0.4%).

The employment rate (aged 15 and over) stood at 50.5%, having decreased 0.1 p.p. from the previous quarter.

The employment rate of men (55.5%) exceeded that of women (46.1%) by 9.4 p.p..

Still comparing to the previous quarter, the employment rate decreased for men (0.2 p.p.) and remained unchanged for women.

Figure 2: Employment rate by sex

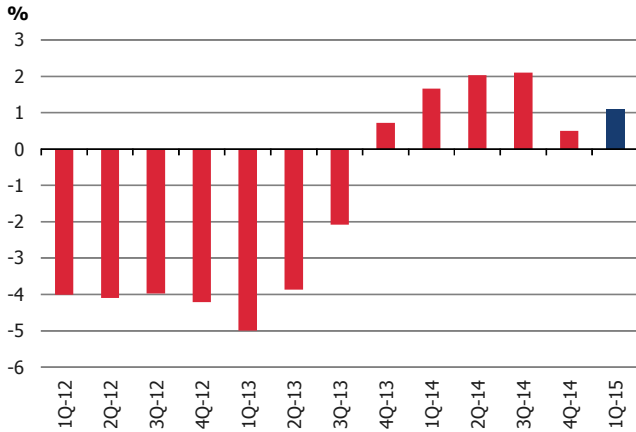


The number of underemployed part-time workers, estimated at 252.0 thousand, corresponded to 5.6% of total employed population and to 43.4% of part-time employed population (note that the number of part-time workers, in the same period, corresponded to 13.0% of total employed population).

The number of underemployed part-time workers remained virtually unchanged from the previous quarter.

From the same quarter of 2014, the employed population increased by 1.1% (50.2 thousand).

Figure 3: Employed population year-on-year rate of change



The year-on-year increase of the employed population came mostly from the following groups: men (27.7 thousand; 1.2%); people aged from 45 to 64 (30.8 thousand; 1.8%); having completed the tertiary level of education (101.3 thousand; 9.9%); employed in the services sector (69.5 thousand; 2.3%); as employees (128.2 thousand; 3.6%); and working full-time (56.0 thousand; 1.5%).

The employment rate (aged 15 and over) increased by 0.7 p.p. from the same quarter of 2014 and was also observed for men (0.9 p.p.) and for women (0.5 p.p.).

The number of underemployed part-time workers increased by 2.9% from the same quarter of 2014 (7.1 thousand).

In the 1st quarter of 2015, the employed population had the following composition:

- By sex: 51.4% of men and 48.6% of women.
- By age group: 5.4% of young people (15 to 24 years old), 21.0% of people aged from 25 to 34, 28.6% aged from 35 to 44, 39.9% aged from 45 to 64, and 5.2% aged 65 and over.

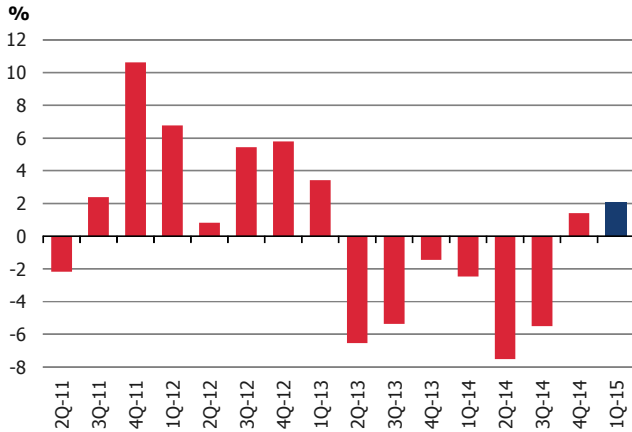
- By level of education: 50.5% of employed people having completed the first or second stages of basic education, 24.4% the (upper) secondary and post-secondary non-tertiary education, and 25.1% the tertiary education.
- By activity sector: 7.6% of workers in the agriculture, forestry and fishing sector, 24.3% in the manufacturing, electricity, gas and water supply and construction sector, and 68.1% in the services sector.
- By labour status: 81.3% of employees (of which, 78.8% with a permanent job – work contract of unlimited duration), 18.2% of self-employed workers, and 0.5% of unpaid family workers.
- By work duration regime: 87.0% of full-time workers and 13.0% of part-time workers.

3. Unemployed population

The unemployed population, estimated at 712.9 thousand people, increased by 2.1% from the previous quarter (14.6 thousand).

In the 4th quarter of 2015, the unemployed population had also registered a quarterly increase, even though of a smaller size (9.4 thousand; 1.4%).

Figure 4: Unemployed population quarterly rate of change



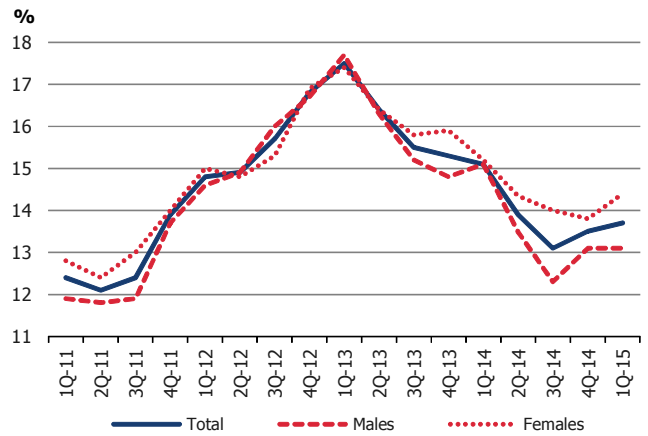
The unemployed population quarterly increase came mostly from the following groups: women (17.4 thousand; 5.0%); people aged 45 and over (8.9 thousand; 3.6%); having completed the first or second stages of basic education (10.5 thousand; 2.7%); seeking a new job (20.0 thousand; 3.2%), who were formerly in the services sector (19.6 thousand; 5.2%); and seeking a job for 12 months or longer (9.8 thousand; 2.2%).

The unemployment rate for the 1st quarter of 2015 stood at 13.7%, up 0.2 p.p. from the 4th quarter of 2014. In that quarter, the unemployment rate had already registered a quarterly increase of 0.4 p.p..

The unemployment rate of men (13.1%) was lower than that of women (14.4%) by 1.3 p.p..

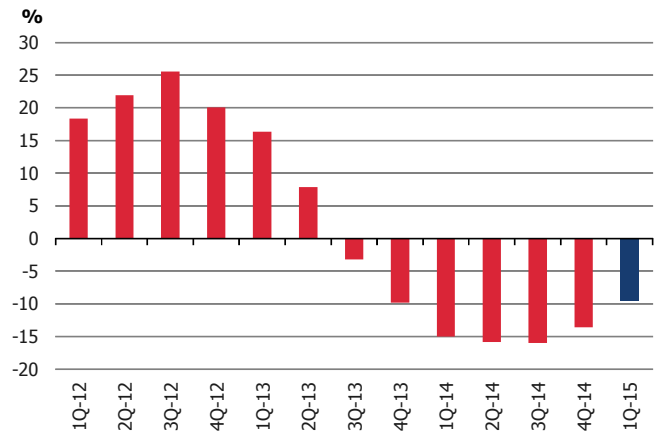
Still comparing to the previous quarter, the unemployment rate of men remained unchanged, while that of women increased by 0.6 p.p..

Figure 5: Unemployment rate by sex



From the same quarter of 2014, the unemployed population decreased 9.5% (75.2 thousand).

Figure 6: Unemployed population year-on-year rate of change



The unemployed population year-on-year decrease came mostly from the following groups: men (56.1 thousand; 13.9%); people aged from 25 to 34 (36.5 thousand; 18.6%); having completed an education level corresponding to the first or second stages of basic education (56.0 thousand; 12.4%); seeking a new job (66.2 thousand; 9.4%), who were formerly in the manufacturing, electricity, gas and water supply and

construction sector (32.3 thousand; 14.6%); and seeking a job for 12 months or longer (41.0 thousand; 8.2%).

The unemployment rate decreased from the same quarter of 2014 (1.4 p.p.), as for the unemployment rate of men (2.0 p.p.) and of women (0.8 p.p.).

In the 1st quarter of 2015, the unemployed population had the following composition:

- By sex: 48.6% of men and 51.4% of women.
- By age group: 17.8% of young people (15 to 24 years old), 22.4% of people aged from 25 to 34, 23.6% aged from 35 to 44, and 36.2% aged 45 and over.
- By level of education: 55.3% of unemployed having completed the first or second stages of basic education, 27.9% the (upper) secondary and post-secondary non-tertiary education, and 16.8% the tertiary education.
- By type of unemployment / activity sector: 10.9% of unemployed looking for a first job and 89.1% looking for a new job (of which, 3.1% coming from the agriculture, forestry and fishing sector, 29.6% from the manufacturing, electricity, gas and water supply and construction sector, and 62.7% from the services sector).
- By duration of search: 35.5% of unemployed seeking a job for less than 12 months and 64.5% looking for a job for 12 months or longer (long-term unemployment).

4. Inactive population

The inactive population decreased by 0.3% from the previous quarter (13.3 thousand) and by 0.5% from the same quarter of 2014 (26.5 thousand).

The inactive population aged 15 and over, estimated at 3 680.8 thousand people (71.3% of total inactive population), decreased by 0.1% from the previous quarter (4.3 thousand) and increased by 0.1% from the same quarter of 2014 (5.1 thousand).

The inactivity rate (aged 15 and over) stood at 41.5%, remaining unchanged from the previous quarter and increasing by 0.2 p.p. from the same quarter of 2014.

The inactivity rate (aged 15 and over) of women (46.2%) exceeded that of men (36.2%) by 10.0 p.p..

Compared to the previous quarter, this inactivity rate increased for men (0.4 p.p.) and decreased for women (0.3 p.p.).

In a similar way, from the same quarter of 2014, the inactivity rate (aged 15 and over) increased for men (0.5 p.p.) and decreased for women (0.1 p.p.).

The number of persons seeking work but not immediately available, estimated at 23.6 thousand, corresponded to 0.6% of the inactive population aged 15 and over.

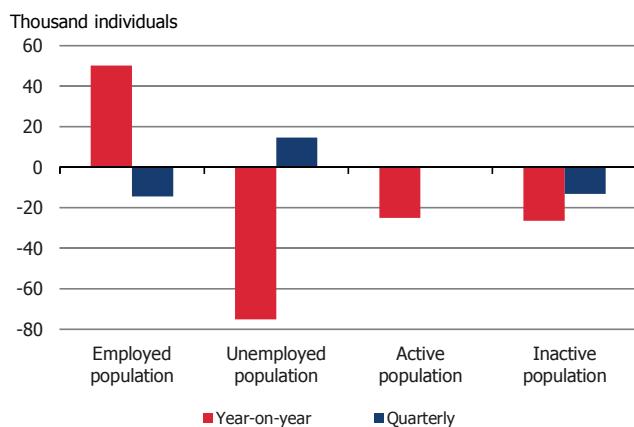
The number of persons seeking work but not immediately available decreased by 4.1% from the previous quarter (1.0 thousand) and by 8.5% from the same quarter of 2014 (2.2 thousand).

The number of persons available to work but not seeking, estimated at 256.8 thousand, corresponded to 7.0% of the inactive population aged 15 and over.

The number of persons available to work but not seeking remained virtually unchanged from the previous quarter and decreased by 7.2% from the same quarter of 2014 (19.8 thousand).

Figure 7 exhibits a summary of the observed changes in this quarter (year-on-year and quarterly) by labour market status, as described in items 1 to 4 of this Press Release.

Figure 7: Change in the employed, unemployed, active and inactive population



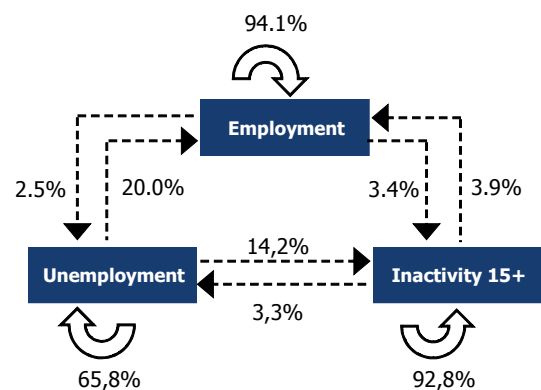
5. Quarterly flows between labour market states

From the 4th quarter of 2014 to the 1st quarter of 2015, 2.5% of the people initially employed moved into unemployment and 3.4% moved into inactivity, with the proportion of employed moving out of this situation totalling around 5.9% in the 1st quarter of 2015 (94.1% remained employed).

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 2014, 34.2% moved out of this labour market state in the 1st quarter of 2015. Out of these, 20.0% became employed and 14.2% moved into inactivity.

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



From the total of people aged 15 and over considered to be inactive in the 4th quarter of 2014, 3.9% moved into employment and 3.3% moved into unemployment, in the 1st quarter of 2015.

6. Unemployment rates by NUTS II region

In the 1st quarter of 2015, the unemployment rate was higher than the national average in six NUTS II regions of the country: *Algarve* (16,4%), *Região Autónoma da Madeira* (15,8%), *Alentejo* (15,5%), *Região Autónoma dos Açores* (14,9%), *Área Metropolitana de Lisboa* (14,2%) and *Norte* (14,2%).

Below the national average, there was only the unemployment rate of *Centro* (11.1%).

Compared to the previous quarter, and similarly to the overall picture in Portugal, the unemployment rate increased in five regions.

These quarterly increases were recorded in *Algarve* (1,5 p.p.), *Alentejo* (1,0 p.p.), *Região Autónoma da Madeira* (0,7 p.p.), *Centro* (0,4 p.p.) and *Área Metropolitana de Lisboa* (0,2 p.p.).

In turn, the unemployment rate remained unchanged in *Norte* and decreased by 0.6 p.p. in *Região Autónoma dos Açores*.

Compared to the same quarter of 2014, and also similarly to the overall picture in Portugal, the unemployment rate decreased in all regions, except in *Centro* (where an increase of 0.1 p.p. was observed).

The largest decreases were recorded in *Região Autónoma dos Açores* (3,1 p.p.), *Área Metropolitana de Lisboa* (2,2 p.p.) and *Algarve* (1,9 p.p.).

Table 1: Unemployment rates by NUTS II region (NUTS-2013)

	Unit: %		
	1Q-2014	4Q-2014	1Q-2015
Portugal	15.1	13.5	13.7
Norte	15.8	14.2	14.2
Centro	11.0	10.7	11.1
Área Metropolitana de Lisboa	16.4	14.0	14.2
Alentejo	16.0	14.5	15.5
Algarve	18.3	14.9	16.4
R. A. Açores	18.0	15.5	14.9
R. A. Madeira	16.4	15.1	15.8

Source: INE, Labour Force Survey - 1st quarter of 2015.

Note:

- Values calibrated by using the population estimates calculated from the final results of Census 2011.
- From January 1, 2015 onwards a new version of NUTS (NUTS 2013) came into force. At NUTS II level, there was only the renaming of the NUTS "Lisboa" as "Área Metropolitana de Lisboa".

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

	Quarterly level			Rate of change	
	1Q-2014	4Q-2014	1Q-2015	On year	On quarter
	Thousands			%	
Labour force (active population)	5,215.0	5,189.8	5 190.0	-0.5	o
Males	2,676.4	2,660.4	2 647.9	-1.1	-0.5
Females	2,538.6	2,529.5	2 542.1	0.1	0.5
15 to 24	377.9	369.5	369.0	-2.4	-0.1
25 to 34	1,129.6	1,100.8	1 100.5	-2.6	o
35 to 44	1,459.8	1,450.9	1 446.5	-0.9	-0.3
45 to 64	2,011.1	2,034.2	2 037.6	1.3	0.2
65 and over	236.6	234.5	236.5	o	0.9
First and second stages of basic education	2,801.9	2,655.9	2 657.2	-5.2	o
(Upper) secondary and post-secondary non-tertiary education	1,267.8	1,290.8	1 290.1	1.8	-0.1
Tertiary education	1,145.2	1,243.1	1 242.7	8.5	o
Participation rate (%)	50.1	50.1	50.1		
Males	54.2	54.2	53.9		
Females	46.4	46.4	46.7		
Participation rate (15 and over) (%)	58.7	58.5	58.5		
Males	64.3	64.2	63.8		
Females	53.7	53.5	53.8		
Employed population	4,426.9	4,491.6	4 477.1	1.1	-0.3
Males	2,273.4	2,310.8	2 301.1	1.2	-0.4
Females	2,153.4	2,180.7	2 176.0	1.0	-0.2
15 to 24	236.3	243.9	242.0	2.4	-0.8
25 to 34	933.5	940.7	940.9	0.8	o
35 to 44	1,271.2	1,287.7	1 278.4	0.6	-0.7
45 to 64	1,754.2	1,789.4	1 785.0	1.8	-0.2
65 and over	231.7	229.9	230.9	-0.3	0.4
First and second stages of basic education	2,351.8	2,272.3	2 263.1	-3.8	-0.4
(Upper) secondary and post-secondary non-tertiary education	1,053.4	1,094.8	1 091.0	3.6	-0.3
Tertiary education	1,021.6	1,124.4	1 122.9	9.9	-0.1
Agriculture, forestry and fishing (a)	392.1	348.5	338.4	-13.7	-2.9
Mining and quarrying; manufacturing; electricity, gas, steam and air conditioning supply; water supply; sewage, waste management and remediation activities; construction (a)	1,055.7	1,074.9	1 090.1	3.3	1.4
Services (a)	2,979.1	3,068.2	3 048.6	2.3	-0.6
Employees	3,512.9	3,659.4	3 641.1	3.6	-0.5
With a permanent job (work contract of unlimited duration)	2,781.4	2,869.9	2 867.8	3.1	-0.1
With a temporary job (work contract of limited duration)	609.3	654.7	645.5	5.9	-1.4
Other contractual arrangements	122.2	134.8	127.9	4.7	-5.1
Self-employed workers	891.4	811.8	813.1	-8.8	0.2
Unpaid family workers	22.5	20.4	22.9	1.8	12.3
Full-time workers	3,840.1	3,910.5	3 896.1	1.5	-0.4
Part-time workers	586.8	581.0	581.0	-1.0	-
Underemployed part-time workers	244.9	251.7	252.0	2.9	0.1
Employment rate (15 and over) (%)	49.8	50.6	50.5		
Males	54.6	55.7	55.5		
Females	45.6	46.1	46.1		

Source: INE, Labour Force Survey - 1st quarter of 2015.

Notes:

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

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

Conventional signs:

o Value less than half of the unit used.

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

	Quarterly level			Rate of change	
	1Q-2014	4Q-2014	1Q-2015	On year	On quarter
	Thousands			%	
Unemployed population	788.1	698.3	712.9	-9.5	2.1
Males	402.9	349.5	346.8	-13.9	-0.8
Females	385.2	348.7	366.1	-5.0	5.0
15 to 24	141.6	125.6	127.0	-10.3	1.1
25 to 34	196.1	160.1	159.6	-18.6	-0.3
35 to 44	188.7	163.2	168.1	-10.9	3.0
45 and over	261.8	249.3	258.2	-1.4	3.6
First and second stages of basic education	450.1	383.6	394.1	-12.4	2.7
(Upper) secondary and post-secondary non-tertiary education	214.4	196.0	199.1	-7.1	1.6
Tertiary education	123.6	118.7	119.8	-3.1	0.9
Looking for a first job	86.4	82.8	77.4	-10.4	-6.5
Looking for a new job	701.7	615.5	635.5	-9.4	3.2
Agriculture, forestry and fishing (a) (b)	19.2	14.0	19.8	3.1	41.4
Mining and quarrying; manufacturing; electricity, gas, steam and air conditioning supply; water supply; sewage, waste management and remediation activities; construction (a) (b)	220.6	193.2	188.3	-14.6	-2.5
Services (a) (b)	428.2	378.8	398.4	-7.0	5.2
Unemployed by duration of search					
Less than 12 months	287.2	248.2	253.0	-11.9	1.9
12 months or longer (long-term unemployment)	500.9	450.1	459.9	-8.2	2.2
Unemployment rate (%)	15.1	13.5	13.7		
Males	15.1	13.1	13.1		
Females	15.2	13.8	14.4		
Youth (15 to 24)	37.5	34.0	34.4		
Long-term	9.6	8.7	8.9		
Inactive population	5,191.2	5,178.0	5 164.7	-0.5	-0.3
Inactive population (15 and over)	3,675.7	3,685.1	3 680.8	0.1	-0.1
Males	1,486.8	1,486.5	1 501.9	1.0	1.0
Females	2,188.8	2,198.7	2 178.9	-0.5	-0.9
15 to 24	727.0	728.6	734.3	1.0	0.8
25 to 34	133.4	126.4	125.8	-5.7	-0.5
35 to 44	137.7	133.5	132.5	-3.8	-0.7
45 to 64	840.5	825.7	817.0	-2.8	-1.1
65 and over	1,837.0	1,870.9	1 871.1	1.9	0.0
Students	810.9	803.6	834.8	2.9	3.9
Fulfilled domestic tasks	440.0	417.4	418.6	-4.9	0.3
Retired	1,677.5	1,722.8	1 692.2	0.9	-1.8
Other inactive	747.3	741.3	735.1	-1.6	-0.8
Persons seeking work but not immediately available	25.8	24.6	23.6	-8.5	-4.1
Persons available to work but not seeking	276.6	257.7	256.8	-7.2	-0.3
Inactivity rate (15 and over) (%)	41.3	41.5	41.5		
Males	35.7	35.8	36.2		
Females	46.3	46.5	46.2		

Source: INE, Labour Force Survey - 1st quarter of 2015.

Notes:

(a) The previous employment experience of the unemployed looking for a new job is characterized 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 unemployed looking for a new job.

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

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

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. The reference weeks are uniformly distributed throughout the quarters and years. The interviews usually take place in the week following the reference week.

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.

Some concepts

Participation rate: ratio between the labour force (active population) and the total population.

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

Participation rate (15 and over): ratio between the labour force and the working age total population (15 and over).

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

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

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

Long term unemployment rate: ratio between the unemployed population seeking employment for 12 months and over and the labour force.

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

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

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

Inactivity rate (15 and over): ratio between the working age inactive population (15 and over) and the working age total population (15 and over).

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

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.

Next Press Release: 5 August 2015.

THE INTEGRATION OF THE 2011 CENSUS RESULTS IN THE LABOUR FORCE SURVEY SAMPLE

The Labour Force Survey sample has panel characteristics and includes a quarterly rotation schema, which aims, among other reasons, at preventing an excessive burden over respondents (with impact on their answers' quality) that results from the administration of a questionnaire recognised as long. The total sample is divided into six subsamples (rotations) and, in each quarter, each subsample is replaced by another after having been observed six times (during one and a half year).

After the dissemination of the 2011 Census definitive results, from the 3rd quarter of 2013 onwards, each new Labour Force Survey rotation came from a new sampling frame, built upon those Census results. This process took place during six consecutive quarters and was concluded in the 4th quarter of 2014. This information was transmitted in due course to the users on chapter 3, "Methodological notes", of the "Employment Statistics" publication (available only in Portuguese) and is reported on the Methodological Document of the Labour Force Survey statistical operation.

This process of sample updating is necessary and occurs whenever there are new Census data, as it has happened after the release of the definitive results of 2001 Census. The adjustment made envisages assuring a better sampling frame coverage and a reduction of non response rates, both with positive impact on the quality of the estimated results.

Out of this process, it may occur a change in the statistical representation of the population characteristics, with impact, mainly, in the employment components dynamics. In the 1st quarter of 2015, the quarterly changes are based on samples exclusively built upon 2011 Census. The same will occur to the year-on-year changes in the 4th quarter of 2015.