

February, 1st 2016

Monthly Employment and Unemployment Estimates

December 2015

Unemployment rate estimated at 11.8%

The provisional unemployment rate estimate for December 2015 was 11.8%, having decreased by 0.4 percentage points from the definitive estimate for November 2015.

The provisional unemployed population estimate for December 2015 was 604.0 thousand people, down 3.6% from the definitive estimate for November 2015 (less 22.8 thousand people). The provisional employed population estimate was 4,501.3 thousand people, remaining practically unchanged from the previous month level.

In these estimates, it was considered the population aged 15 to 74 and the values were seasonally adjusted.

Introductory note

In the present Press Release, we proceed with the dissemination of the provisional monthly estimates of the employed and unemployed population (and corresponding rates) for December 2015.

The monthly estimates refer to centred moving quarters, where the reference month corresponds to the central month of each moving quarter (see the presentation note at the end of the Press Release). In fact, the reference month of the present Press Release (December 2015) corresponds to the central month of the quarter consisting of the months from November 2015 to January 2016.

The estimates for December 2015 are provisional, as they correspond to a moving quarter where for the first two months (November and December 2015) the Labour Force Survey data collection process has been already completed and for the third month (January 2016) a forecast was done based on time series models. For this third month, it was also taken into account data already collected for it. In the next Press

Release, the final figures for the moving quarter centred in December will be published.

The estimates reported in the present Press Release concerning November 2015 and the previous months are definitive (see the presentation note, item Revisions).

Unless otherwise stated, the data series are seasonally adjusted. For this reason, the analysis focuses on the comparison with the most recent periods. The original data series, not seasonally adjusted, are available in Tables 1 and 2 of the annex and at the Statistics Portugal Portal.

The indicators analyzed refer to persons aged 15 to 74 (as in the Eurostat News Release), an option that differs from the one followed at the Statistics Portugal quarterly releases (people aged 15 and over, in line with the concepts in force from the International Labour Organization).

Employed population and employment rate

In November 2015, the definitive estimate for the employed population was 4,500.4 thousand people, having increased by 0.3% from the previous month level (11.7 thousand).

In December 2015, the provisional estimate for the employed population was 4,501.3 thousand people, remaining practically unchanged from the previous month level.

The employed population increased for men (0.4%; 8.2 thousand) and for adults - 25 to 74 years old - (0.1%; 3.3 thousand) and decreased for women (0.3%; 7.2 thousand) and for young people - 15 to 24 years old - (0.9%; 2.3 thousand).

The employment rate of adults was 63.4%, having increased by 0.1 p.p. from the previous month. The employment rate of young people was 22.6% and decreased by 0.2 p.p. from the previous period.

Unemployed population and unemployment rate

In November 2015, the definitive estimate for the unemployed population was 626.8 thousand people, having decreased by 0.9% (5.6 thousand) from the previous month level.

In December 2015, the provisional estimate for the unemployed population was 604.0 thousand people, less 22.8 thousand than in the previous month (3.6%).

In that month, the unemployed population monthly decreased for all groups under analysis: men (6.6%; 20.9 thousand), adults (3.1%; 15.6 thousand), young people (6.1%; 7.2 thousand) and women (0.6%; 1.9 thousand).

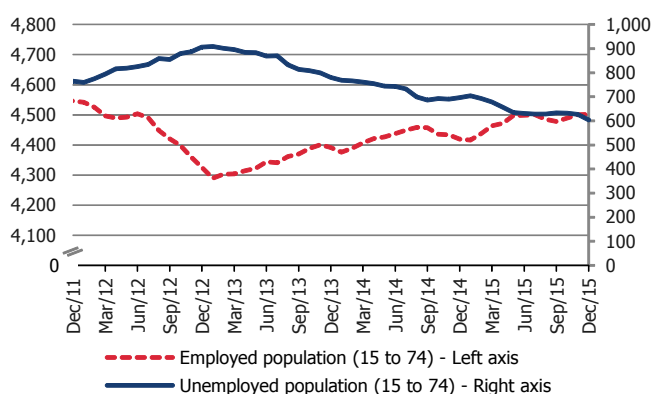
In November 2015, the definitive estimate for the unemployment rate stood at 12.2%, a value that is lower than the one of the previous month by 0.1 p.p..

In December 2015, the provisional estimate for the unemployment rate was 11.8%, having decreased by 0.4 p.p. from the previous month level.

In this month, the unemployment rate of women (12.3%) exceeded that of men (11.4%) by 0.9 p.p.. From the previous month, the former remained unchanged while the latter decreased by 0.7 p.p..

The youth unemployment rate stood at 31.0%, having decreased by 1.1 p.p. from the previous month. The

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



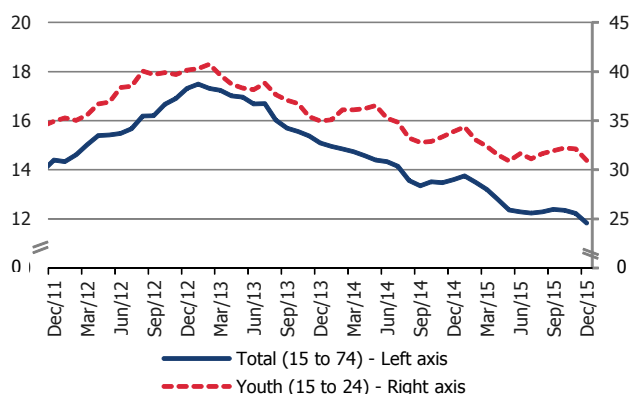
The employment rate, in December 2015, stood at 57.6%, remaining unchanged from the previous month level.

The employment rate of men (61.8%) exceeded that of women (53.8%) by 8.0 p.p.. The former increased by 0.2 percentage points (p.p.) from the previous month level, while the latter decreased by 0.2 p.p..

adults' unemployment rate stood at 10.4%, having decreased by 0.3 p.p. from the previous month level.

decrease of the employed population (0.3%; 14.6 thousand). Regarding the year-on-year decrease, both the decline of the unemployed population (13.2%; 93.3 thousand) and the growth of the employed population (1.9%; 83.0 thousand) gave their contribution.

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



In November 2015, the definitive estimate for the not seasonally adjusted unemployment rate stood at 12.4%, having decreased by 0.1 p.p. from the previous month level. Comparing to November 2014, the not seasonally adjusted unemployment rate decreased by 1.2 p.p..

For that monthly change contributed both the decrease of the unemployed population (0.8%; 5.0 thousand) and the increase of the employed population (0.1%; 2.4 thousand). For the year-on-year decrease contributed the unemployed population decline (9.2%; 64.4 thousand) and the employed population growth (1.5%; 67.5 thousand).

In December 2015, the provisional estimate for the not seasonally adjusted unemployment rate was 12.1%, having decreased by 0.3 p.p. from the previous month level and by 1.8 p.p. from December 2014.

The monthly decrease observed in the unemployment rate was followed by a decrease of the unemployed population (2.9%; 18.3 thousand) and by a smaller

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

	Seasonally adjusted data					Not seasonally adjusted data					
	Dec 2014	Sep 2015	Oct 2015	Nov 2015	Dec 2015 (p)	Dec 2014	Sep 2015	Oct 2015	Nov 2015	Dec 2015 (p)	
	Thousands										
Employed population (15 to 74)	4,419.6	4,477.8	4,488.7	4,500.4	4,501.3	4,397.6	4,488.2	4,492.8	4,495.2	4,480.6	
Men (15 to 74)	2,257.0	2,282.9	2,289.4	2,302.3	2,310.5	2,245.9	2,291.1	2,294.6	2,302.2	2,299.6	
Women (15 to 74)	2,162.5	2,195.0	2,199.3	2,198.0	2,190.8	2,151.7	2,197.1	2,198.2	2,193.0	2,181.0	
Youth (aged 15 to 24)	244.8	251.8	249.9	251.2	248.9	239.6	261.2	253.9	251.2	244.6	
Adults (aged 25 to 74)	4,174.7	4,226.0	4,238.9	4,249.2	4,252.5	4,158.0	4,227.0	4,239.0	4,244.0	4,236.0	
	%										
Employment rate (15 to 74)	56.4	57.3	57.5	57.6	57.6	56.1	57.4	57.5	57.5	57.4	
Men (15 to 74)	60.2	61.0	61.2	61.6	61.8	59.9	61.2	61.4	61.6	61.5	
Women (15 to 74)	52.9	53.9	54.0	54.0	53.8	52.6	53.9	54.0	53.9	53.6	
Youth (aged 15 to 24)	22.3	22.9	22.7	22.8	22.6	21.8	23.7	23.1	22.8	22.2	
Adults (aged 25 to 74)	61.9	62.9	63.2	63.3	63.4	61.7	63.0	63.2	63.2	63.1	

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					
	Dec 2014	Sep 2015	Oct 2015	Nov 2015	Dec 2015 (p)	Dec 2014	Sep 2015	Oct 2015	Nov 2015	Dec 2015 (p)	
	Thousands										
Unemployed population (15 to 74)	696.1	633.1	632.4	626.8	604.0	708.9	633.5	638.9	633.9	615.6	
Men (15 to 74)	346.2	316.7	315.1	317.2	296.3	351.9	314.4	316.4	321.1	301.2	
Women (15 to 74)	349.9	316.3	317.3	309.6	307.7	357.0	319.1	322.5	312.8	314.4	
Youth (aged 15 to 24)	125.6	118.1	118.8	118.9	111.7	129.4	122.8	124.4	122.3	115.4	
Adults (aged 25 to 74)	570.5	514.9	513.6	507.9	492.3	579.5	510.7	514.5	511.6	500.1	
	%										
Unemployment rate (15 to 74)	13.6	12.4	12.3	12.2	11.8	13.9	12.4	12.5	12.4	12.1	
Men (15 to 74)	13.3	12.2	12.1	12.1	11.4	13.5	12.1	12.1	12.2	11.6	
Women (15 to 74)	13.9	12.6	12.6	12.3	12.3	14.2	12.7	12.8	12.5	12.6	
Youth (aged 15 to 24)	33.9	31.9	32.2	32.1	31.0	35.1	32.0	32.9	32.8	32.1	
Adults (aged 25 to 74)	12.0	10.9	10.8	10.7	10.4	12.2	10.8	10.8	10.8	10.6	

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 initiated a monthly release of Labour Force Survey estimates for the main labour market indicators in addition to the usual quarterly estimates releases (for more information, see detailed note previously disclosed, only available in Portuguese). In the present Press Release, we proceed with the dissemination of the monthly estimates for December 2015.

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 exclusively 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. In fact, the reference month of the present Press Release (December 2015) corresponds to the central month of the quarter consisting of the months from November 2015 to January 2016.

As a consequence, the monthly changes are calculated on values that contain common months. The comparison of moving quarters without common months should 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 published and analyzed with greater detail in the quarterly releases of the Labour Force Survey estimates.

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. For this reason, the analysis focuses on the comparison with the most recent periods. As agreed, Eurostat started using 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 in force of the International Labour Organization).

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 Statistics Portugal Portal.

(to be continued)

(continuation)

Revisions

The monthly released data are subject to revisions. The revisions come naturally from the updating of the seasonally adjusted data series whenever a new observation is added and from the definitive estimates then obtained for the 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 approach for exponential smoothing models). For this third month, it is also taken into account data already collected for it. In this regard, Statistics Portugal has carried out a set of operational changes that allow ensuring the maximum collected information for that third month to be part of the projection exercise. In the next Press Release, as the collection process for the three months of that quarter will have already been concluded, the corresponding estimates will be revised and their definitive values will be published.

The impact of those revisions, measured by the difference between the estimates now released for November 2015 (definitive estimates) and the ones for that month published in the last Press Release, is the following:

Revision of November 2015 estimates - main indicators			
	Unit	Seasonally adjusted data	Not seasonally adjusted data
Employed population (15 to 74)	Thousands	13.7	14.3
Unemployed population (15 to 74)		- 10.1	- 9.5
Employment rate (15 to 74)		0.2	0.1
Unemployment rate (15 to 74)		- 0.2	- 0.2
Youth unemployment rate (15 to 24)	p.p.	- 1.3	- 1.3
Adults' unemployment rate (25 to 74)		- 0.1	- 0.1

2. TECHNICAL NOTE

The main purpose of the Labour Force Survey is to characterise the labour market situation of the population. It is a quarterly sample survey, addressed to families occupying dwellings in the national territory, which produces quarterly and annual data results.

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 obtaining monthly estimates for three months periods while keeping the quarterly estimates precision levels.

The information is obtained directly, by means of computer-assisted interviews, 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 subsequent 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 indicators selected for monthly dissemination, 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, at http://www.ine.pt/portal/page/portal/PORTAL_INE/Publicacoes.

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

Next Press Release:

29 February 2016: "Monthly Employment and Unemployment Statistics – January 2016".

1 March 2016: Eurostat News Release.