

## Did you know that...?

### Employment in Portugal

1. 52% of the population aged 15 and over is employed.
2. The employment rate will have to increase by 4.4 percentage points for Portugal to meet the Europe 2020 target.
3. Immigrants and descendants of immigrants have higher employment rates than the remaining population.
4. About one in five employees do not have a permanent job.
5. Almost two-thirds of the employed population states to be able to influence both the contents and the order of tasks performed.
6. About half of the employed population takes less than 15 minutes to get from home to work.
7. For every 100 employed persons there are 111 inactive.

### Young people and the labour market

12. The youth unemployment rate is 2.5 times the total unemployment rate.
13. The employment rate is higher for those who have had work experience during studies.
14. 42.1% of young people found their current job through the network of relatives, friends or acquaintances.
15. About one in five young people are neither in employment nor in education and training.

### Working time

19. 12 years is the average seniority of work with the same employer.
20. Portugal is the fourth country in the European Union where people usually work more hours per week.

### Poverty and employment

23. The at-risk-of-poverty rate of the employed population is one-fourth that of the unemployed one.
24. Portugal is the seventh country in the European Union with the highest at-risk-of-poverty rate among the in work population.

### Women and employment

8. Portugal is one of the European Union countries with above average employment rates of women.
9. The proportion of part-time employed women is 18.8 percentage points below the European average.
10. The earnings of women working full-time are lower than men's by 14.4% (unadjusted gender pay gap).
11. Two out of three live births in Portugal are the children of employed mothers.

### Education and labour market

16. Nearly half of the active population completed, at most, lower secondary and one quarter completed tertiary education.
17. The proportion of the population with tertiary education will have to increase by 5.4 percentage points for Portugal to meet the target of Europe 2020.
18. Employed population participates more in lifelong learning activities than the unemployed and inactive one.

### Wages and labour costs

21. The average annual earnings of employees in Portugal is just over half of the European Union average.
22. For employers in Portugal, the average cost of one hour worked is about half that of the European Union.

### Unemployment in Portugal

25. The unemployment rate reached its highest value ever in 2013 and has since then been decreasing.
26. Two-fifths of the part-time employed population would like to work more hours.

## Labour Day – 1<sup>st</sup> of May

On the occasion of the International Labour Day, Statistics Portugal disseminates information that characterizes employment and the profile of workers in Portugal, using a set of indicators obtained from several statistical operations conducted by Statistics Portugal and by other entities belonging to the National Statistical System.

### Employment in Portugal

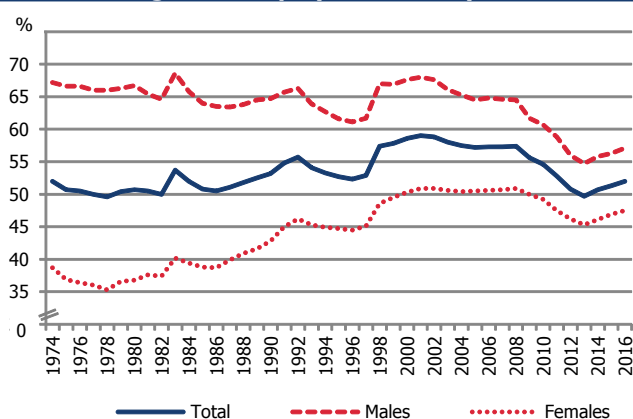
#### 1. 52% of the population aged 15 and over is employed.

In 2016, there were 4,605.2 thousand people employed in Portugal, corresponding to 52.0% of the resident population aged 15 and more (employment rate).

The employed population in that year was higher by one million than that of 1974 (when it was 3,694 thousand people), but lower by half a million than in 2002 (5,144 thousand) - the maximum of the employed population reached in the last 42 years.<sup>1</sup>

The employment rate in 2016 was the same as in 1974 (52.0%). From 1974 to 2016, however, the employment rate of men decreased sharply (10.1 percentage points, p.p.) and that of women increased almost in the same proportion (8.8 p.p.). As a result, in 1974 the employment rate of men was exceeded that of women by 28.5 p.p., while in 2016 the difference was 9.6 p.p.

**Figure 1: Employment rate by sex**



**Source:**

Statistics Portugal,

*Inquérito Permanente ao Emprego* (time series of 1974-1982).

*Inquérito ao Emprego* (time series of 1983-1991, 1992-1997, 1998-2010, 2011-)

**Note:**

Time series breaks in 1983, 1992, 1998 and 2011.

#### 2. The employment rate will have to increase by 4.4 percentage points for Portugal to meet the Europe 2020 target.

According to the European Union target in the framework of Europe 2020 strategy, which advocates for an European area with high levels of employment, 75% of the population aged 20 to 64 should be employed by 2020.

The overall target is translated into national targets, with the one set for Portugal being the same as that settled for all 28 countries in the European Union, this is 75%.

In 2016, the employment rate of the population of that age group in Portugal was 70.6%. This means that, from 2017 to 2020, this rate will have to increase by

<sup>1</sup> It should be noted that, over this long period, information from five time series of the Labour Force Survey was used, with different characteristics, in particular as regards the minimum reference age of the active population (aged 10 and over in the 1974- 1982 time series; 12 and over in the time series 1983-1991; 14 and more in the time series 1992-1997; 15 and over in the time series 1998-2010, and in the time series that started in 2011).

4.4 percentage points (p.p.) in order to meet the country's target. It should be noted, however, that in 2013 Portugal was at a distance of almost 10 p.p. from its target.

In 2015, Portugal was the 8<sup>th</sup> most distant country from its target (behind Greece, Spain, Bulgaria, Cyprus, Italy, Hungary and Belgium): with an employment rate of the population aged 20 to 64 of 69.1%, Portugal was at 5.9 p.p. of its goal.

**Figure 2a: Employment rate, age group 20-64, Portugal**

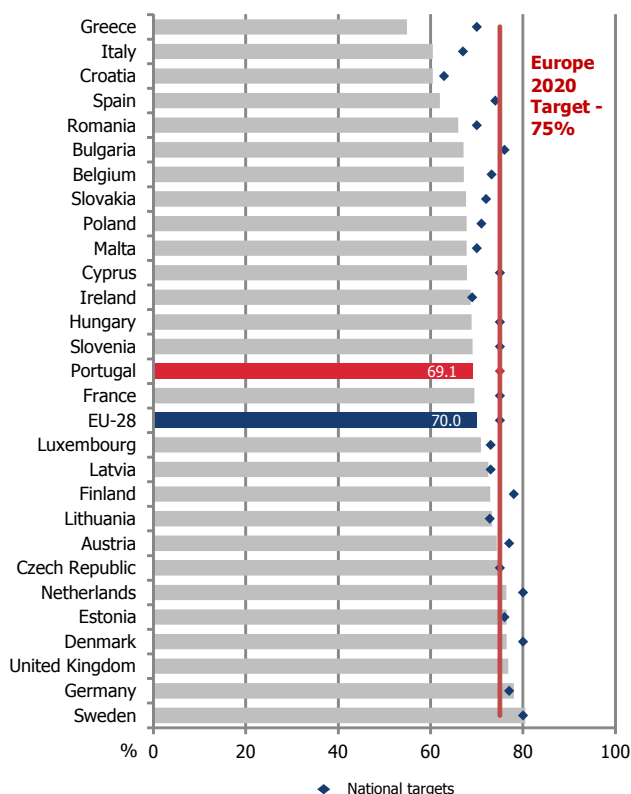


Source: Statistics Portugal, *Inquérito ao Emprego*.

**Note:**

⊥ Time series break.

**Figure 2b: Employment rate, age group 20-64, 2015**



Source: Eurostat, Labour Force Survey (Statistics Portugal, *Inquérito ao Emprego*)

### 3. Immigrants and descendants of immigrants have higher employment rates than the remaining population.

In 2014, the employment rate of immigrants and descendant of immigrants (people born abroad or with at least one of their parents (father and/or mother) born outside Portugal) aged 25 to 64 was 72.7%, while the employment rate of people born in Portugal as well as both their parents was 70.4%.

The employment rate of the descendants of immigrants was higher than that of immigrants (74.0% and 72.4%, respectively).

In accordance, the unemployment rate of the descendants of immigrants (13.2%) was lower than that of immigrants (15.8%).

**Table 3: People aged 25 to 64 according to the type of migratory background, by activity status and employment and unemployment rate, 2<sup>nd</sup> quarter 2014**

Portugal	Total	Employed	Unemployed	Inactive	Employment rate	Unemployment rate
	Thousands				%	
<b>Total</b>	<b>5,700.0</b>	<b>4,025.4</b>	<b>595.7</b>	<b>1,078.9</b>	<b>70.6</b>	<b>12.9</b>
People born in Portugal as well as both their parents	4,984.6	3,507.3	502.1	975.2	70.4	12.5
People born abroad or with at least one of their parents (father or mother) born abroad	661.5	480.9	86.9	93.7	72.7	15.3
People born abroad	539.1	390.4	73.1	75.6	72.4	15.8
Of which People born in Portugal with at least one of their parents (father or mother) born abroad	122.3	90.5	13.8	18.1	74.0	13.2

**Source:** Statistics Portugal, Labour Force Survey ad-hoc module 2014 "Labour market situation of migrants and their immediate descendants".

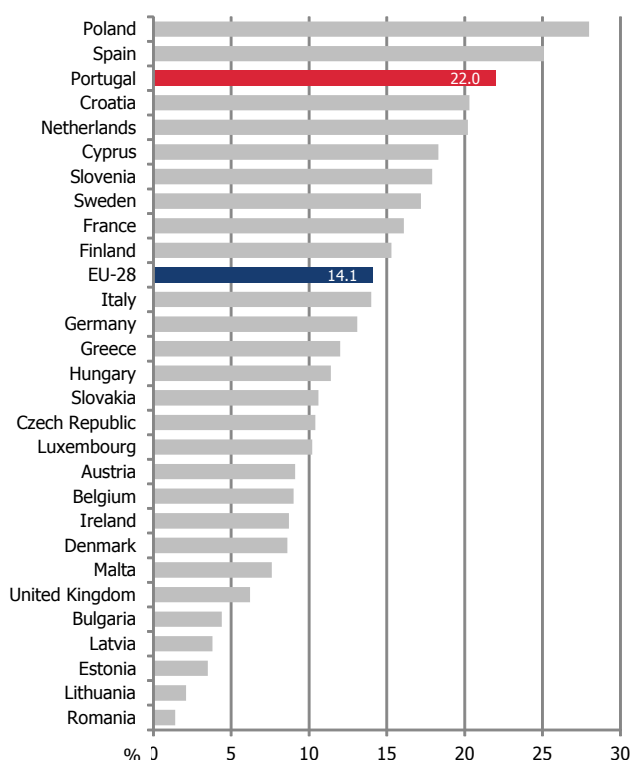
**Note:** Due to rounding and/or because of the existence of unclassifiable situations, the totals do not always match the sum of parts.

#### 4. About one in five employees do not have a permanent job.

In 2016, employees (3,787.2 thousand people) accounted for 82.2% of the employed population. Among those, 22.3% (844.0 thousand) had a temporary job, with contract of limited duration or other contractual arrangements.

In 2015, this percentage was 22.0% (815.1 thousand people), 7.9 percentage points over the European Union average (14.1%). Portugal was thus ranked 3<sup>rd</sup> with the highest proportion, after Poland (28.0%) and Spain (25.1%).

**Figure 4: Temporary employees as a percentage of the total number of employees, 2015**



**Source:** Eurostat, Labour Force Survey (Statistics Portugal, *Inquérito ao Emprego*)

## 5. Almost two-thirds of the employed population states to be able to influence both the contents and the order of tasks performed.

In 2015, 63.1% of the employed population (2,889.8 thousand people) indicated that they were able to influence both the contents and the order of tasks performed.

At the other extreme, 15.1% (691.1 thousand people) said they did not have any job autonomy.

**Table 5: Employed population by possibility to influence contents and order of tasks, 2<sup>nd</sup> quarter of 2015**

Portugal	Thousands	%
<b>Total</b>	<b>4,580.8</b>	<b>100.0</b>
Able to influence both contents and order of tasks	2,889.8	63.1
Able to influence contents but not order of tasks	221.0	4.8
Able to influence order but not content of tasks	266.6	5.8
Able to influence neither contents nor order of tasks	691.1	15.1
Not applicable / Unknown	512.3	11.2

**Source:** Statistics Portugal, Labour Force Survey ad-hoc module 2015 "Work organisation and Working Time Arrangements".

## 6. About half of the employed population takes less than 15 minutes to get from home to work.

In 2015, 51.3% (1,689.1 thousand people) of the employed population whose main place of work was in the employer's premises (3,294.8 thousand) reported that it would normally take less than 15 minutes to get from home to work.

Almost all of the people surveyed (95.9%; 3,158.6 thousand) took less than an hour on the home to work commute.

**Table 6: Employed population whose place of work is the employers' premises or own premises by time to get from home to work, 2<sup>nd</sup> quarter of 2015**

Portugal	Thousands	%
<b>Total</b>	<b>3,294.8</b>	<b>100.0</b>
Less than 15 minutes	1,689.1	51.3
15 to less than 30 minutes	1,004.9	30.5
30 to less than 60 minutes	464.6	14.1
60 to less than 90 minutes	108.7	3.3
90 minutes or longer	20.3	0.6
Not applicable / Unknown	7.2	0.2

**Source:** Statistics Portugal, Labour Force Survey ad-hoc module 2015 "Work organisation and Working Time Arrangements".

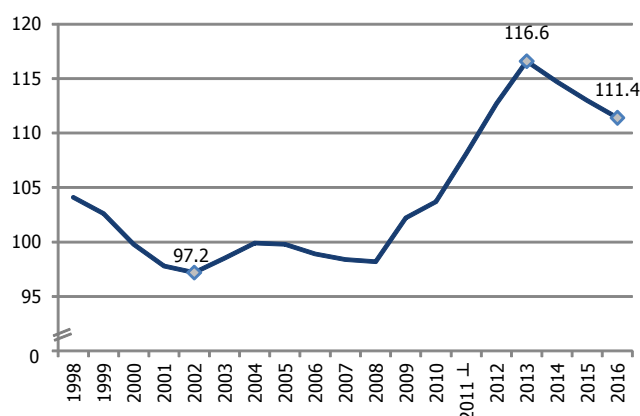
## 7. For every 100 employed persons there are 111 inactive.

The "dependency ratio", measured by the number of inactive people per 100 employed ones, in 2016 was 111.4. This index has been decreasing since 2013, when it reached its maximum value (116.6), which is justified by the increase in the employed population (175.9 thousand more people) and by the decrease of the inactive population (36.6 thousand fewer people). Since 2009, it has remained above 100.

In 2016, the minimum normal retirement age (old-age pension) without penalty was 66 years and two months. In the same year, those aged 66 and over who were employed represented 9.7% of the employed population.

In 1998, the minimum normal retirement age was 64 years for women and 65 years for men. In that year, people aged 65 or over who were employed accounted for 5.6% of the employed population.

**Figure 7: Number of inactive persons per 100 employed ones**



Source: Statistics Portugal, *Inquérito ao Emprego*.

Note:  
⊥ Time series break.

### To know more...

About the methodology, main concepts and access to more indicators of these theme, please see the Excel document related to this press release (in Portuguese).

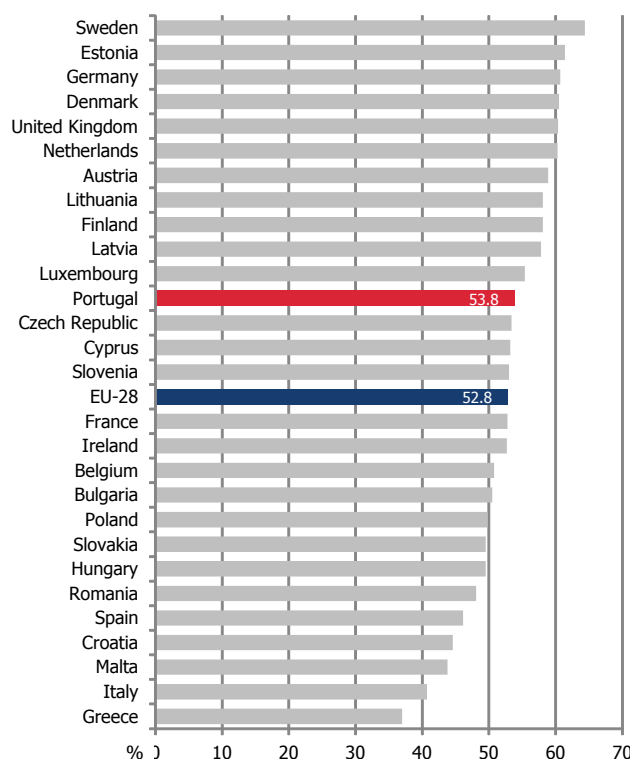
## Women and employment

### 8. Portugal is one of the European Union countries with above average employment rates of women.

In 2016, the employment rate of women was 47.5%. In that same year, the employment rate of women aged 15 to 74 was 54.6%.

In 2015, the employment rate of women was 53.8%, one percentage point above the average for the European Union countries (52.8%), which places Portugal as the 12<sup>th</sup> country with the highest female employment rate in this age group.

**Figure 8: Employment rate of women aged 15 to 74, 2015**



Source: Eurostat, Labour Force Survey (Statistics Portugal, *Inquérito ao Emprego*)

### 9. The proportion of part-time employed women is 18.8 percentage points below the European average.

In 2016, 86.1% of employed women worked full-time and only 13.9% worked part-time (comprising 1,932.8 and 311.0 thousand people, respectively).

In the same year, 86.7% of employed women aged 15 to 74 worked full-time and only 13.3% worked part-time, corresponding to 1,927.2 and 296.1 thousand people, respectively.

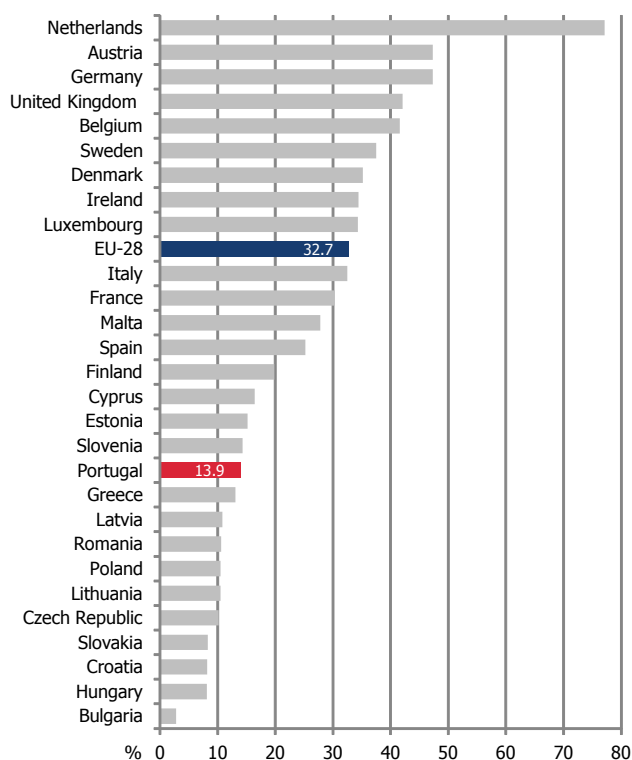
In the European Union, in 2015, the proportion of women aged 15 to 74 employed part-time was considerably higher (32.7%), 18.8 percentage points more than in Portugal (13.9%).

Portugal was thus the 11<sup>th</sup> country with the lowest proportion of women aged 15 to 74 working part-time. At the opposite extreme, with the largest proportions, were the Netherlands (77.1%), Germany and Austria



(both 47.3%), the United Kingdom (42.1%), and Belgium (41.6%).

**Figure 9: Proportion of employed women aged 15 to 74 working part-time, 2015**



Source: Eurostat, Labour Force Survey (Statistics Portugal, *Inquérito ao Emprego*)

## 10. The earnings of women working full-time are lower than men's by 14.4% (unadjusted gender pay gap).

The women's hourly wage differential *vis-à-vis* men, also known as unadjusted gender pay gap, is a measure that does not include controls for explanatory variables of those differences, such as the individual characteristics of men and women (for example, educational attainment and qualifications), their jobs (for example, seniority in current employment and work experience), and the enterprises in which they work (for example, the activity sector), among others.

In 2014, the earnings differential of women compared to men was 14.4% for full-time employees.<sup>2</sup>

In the European Union, Austria and Latvia were the countries with the highest unadjusted gender pay gap (20.6% and 20.4%, respectively). At the other extreme was Italy, where men received less than women (-0.6%).<sup>3</sup>

**Figure 10: Gender pay gap in unadjusted form, 2014**



Source: Eurostat, Structure of Earnings Survey (Ministry of Labour, Solidarity, and Social Security, *Inquérito (quadrienal) à Estrutura dos Ganhos*).

Note:

(p) Provisional value.

<sup>2</sup> In enterprises with 10 or more employees in activity sectors B to S, excluding O, from NACE Rev. 2 (includes all economic activities except Agriculture, Forestry and Fishing and Public Administration).

<sup>3</sup> Eurostat has, meanwhile, released provisional figures for 2015. Considering that these figures were obtained using non-harmonized methodologies between countries, which jeopardizes international comparability, the definitive results for 2014 were used instead.

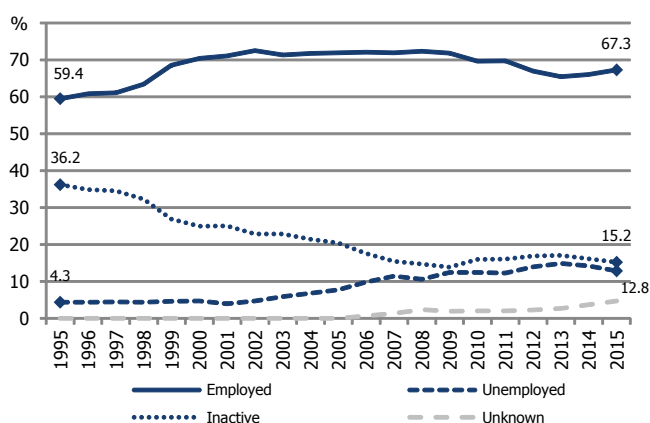
## 11. Two out of three live births in Portugal are the children of employed mothers.

In 2015, 67.3% of live births were the children of employed mothers, a percentage higher than the one observed 20 years earlier (59.4% in 1995).

However, if in 1995 only 4.3% of the live births had their mothers unemployed, in 2015 that figure was 12.8%.

The converse situation was observed for the percentage of babies born from inactive mothers (which decreased from 36.2% in 1995 to 15.2% in 2015).

**Figure 11: Proportion of live births by labour status of the mother**



Source: Statistics Portugal, *Nados-vivos*.

### To know more...

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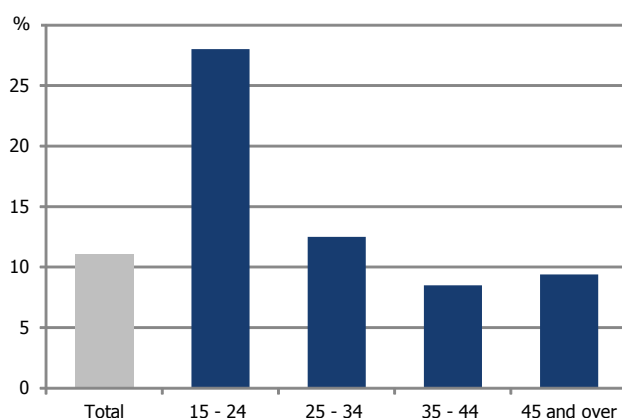
## Young people and the labour market

### 12. The youth unemployment rate is 2.5 times the total unemployment rate.

In 2016, the unemployment rate for young people aged 15 to 24 (28.0%) was 2.5 times the total unemployment rate (11.1%).

In that year, the age group with the lowest unemployment rate was the 35 to 44 one (8.5%).

**Figure 12: Unemployment rate by age group, 2016**



Source: Statistics Portugal, *Inquérito ao Emprego*.

In addition, of the total number of young people (aged 15 to 24), 9.3% were unemployed. This indicator is commonly referred to as the "youth unemployment ratio" and allows to overcome the difficulty associated with the youth unemployment rate, due to a small number of young people in the denominator (active population) - since many are still inactive (most of them are students) - resulting in high specific unemployment rates.

### 13. The employment rate is higher for those who have had work experience during studies.

In 2016, young people (aged 15 to 34) who had professional experience during their studies (at the highest education attainment) had an employment rate of 7.8 p.p. higher than those who had no work experience (82.8 % and 75.0%, respectively).

Additionally, the time of transition into the labour market was lower for those who had professional experience during school life. Indeed:

- 21.1% already had a significant job when they left school (against 3.6% of those who had no contact with the labour market);
- 33.9% found a job within 3 months (compared to 32.9% of those who had no contact with the labour market);



- The time elapsed between leaving school and starting a significant job for 12 months or more was also less pointed out by young people with professional experience during their studies (14.3% *versus* 24.5%).

**Table 13: Employment rate and time elapsed between the end of school and the start of a significant job of the population aged 15 to 34 not studying (formal education) by work experience during the highest level of education, 2<sup>nd</sup> quarter of 2016**

Portugal	Total	Had work experience	Did not have work experience
	%		
<b>Employment rate</b>	<b>78.2</b>	<b>82.8</b>	<b>75.0</b>
<b>Time elapsed between the end of school and the start of a significant job</b>			
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Had already a significant job before leaving the school	10.8	21.1	3.6
Up to 3 months	32.1	33.9	32.9
Between more than 3 and 6 months	13.4	14.2	13.7
Between more than 6 and 11 months	8.0	7.3	9.2
12 months or more	19.3	14.3	24.5
Has not yet found a significant job	7.5	6.4	9.0
Has not yet sought for a job	1.5	§	2.1
Not applicable / Unknown	7.4	1.9	5.1

**Source:** Statistics Portugal, Labour Force Survey ad-hoc module 2016 "Young people on the Labour Market".

**Conventional signs:**

§ Extremely unreliable value.

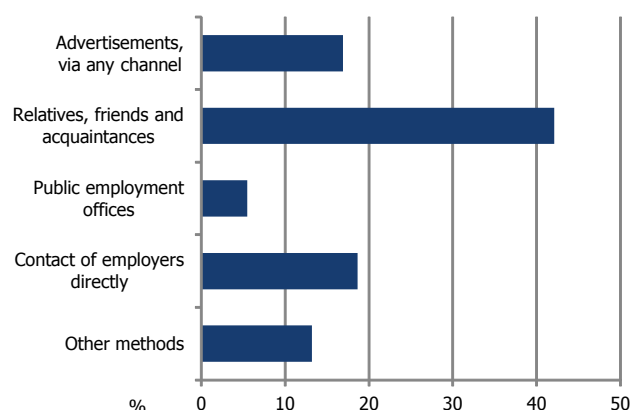
#### 14.42.1% of young people found their current job through the network of relatives, friends or acquaintances.

In 2016, 42.1% of employees aged 15 to 34 (461.1 thousand) reported having found their current job through relatives, friends or acquaintances.

The second most reported method was direct contact with the employer, indicated by 18.6% of the young employed population (203.9 thousand), followed by answering to job advertisements (16.9%; 185.1 thousand).

Only 5.5% of the surveyed population reported having found their current main job through public employment offices (60.2 thousand people).

**Figure 14: Method used to find the current main job by employees aged 15 to 34, 2016**



**Source:** Statistics Portugal, Labour Force Survey ad-hoc module 2016 "Young people on the Labour Market".

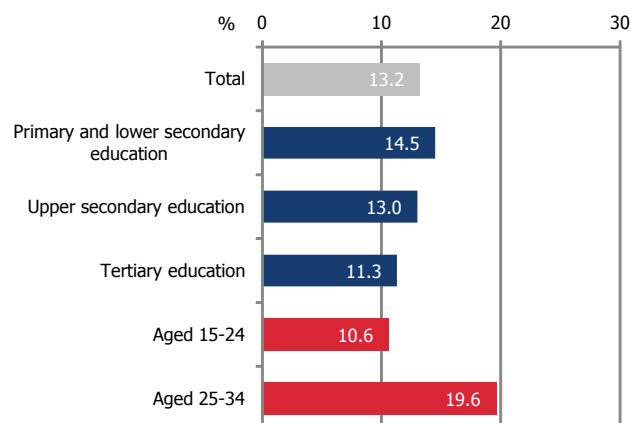
#### 15. About one in five young people are neither in employment nor in education and training.

In 2016, 13.2% of young people (aged 15 to 34) were not employed (this is, were unemployed or inactive) and were not participating in education and training activities (also known as NEET).

- Among the youngest (aged 15 to 24) who were not employed, 10.6% were not in education and training activities;
- Among young adults (aged 25 to 34), that proportion was 19.6%.

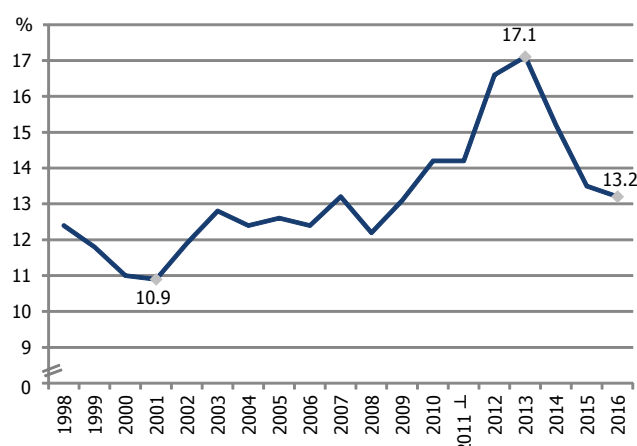
The proportion of young people (aged 15 to 34) not employed who were not in education and training was higher among those with, at most, lower secondary education (14.5%) and lower among those who had tertiary education (11.3%).

**Figure 15a: Rate of young people aged 15 to 34 not in employment, education or training by highest completed level of education, 2016**



Source: Statistics Portugal, *Inquérito ao Emprego*.

**Figure 15b: Rate of young people aged 15 to 34 neither in employment nor in education and training**



Source: Statistics Portugal, *Inquérito ao Emprego*.

**Note:**  
⊥ Time series break.

The rate of young people aged 15 to 34 not employed and who are not in education and training has generally increased since 2001 (when it reached its minimum value of 10.9%) until 2013 (17.1%). It has since then been decreasing.

### To know more...

About the methodology, main concepts and access to more indicators of these theme, please see the Excel document related to this press release (in Portuguese).

## Education and labour market

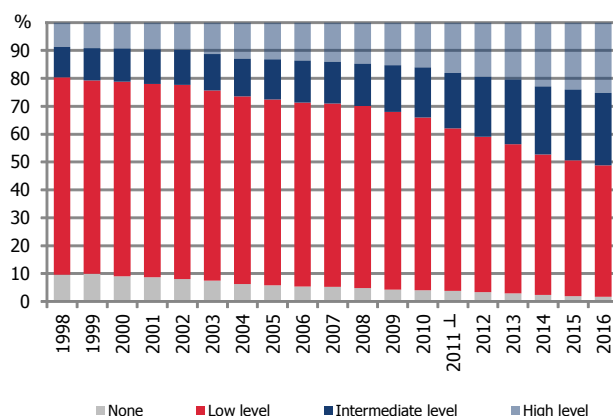
### 16. Nearly half of the active population completed, at most, lower secondary and one quarter completed tertiary education.

In 2016, 48.8% of the active population had completed, at most, lower secondary and 25.2% tertiary education.

Despite the (still) low levels of education of the active population, there has been remarkable progress in recent decades. Indeed, in 1998, 80.3% of the active population had completed, at most, lower secondary and 8.7% tertiary education.

In addition, while in 1998 9.6% of the active population had not completed any level of education, by 2016 it was only 1.7%.

**Figure 16a: Distribution of active population by highest completed level of education, Portugal**



Source: Statistics Portugal, *Inquérito ao Emprego*.

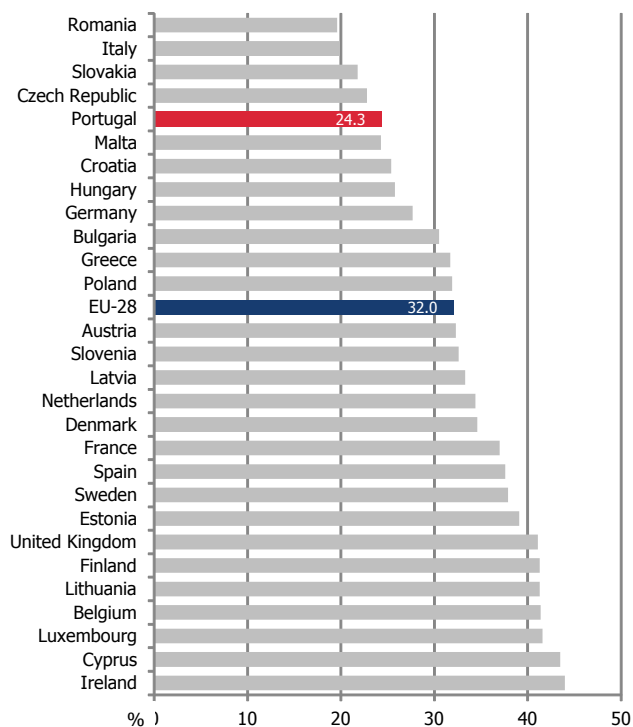
**Notes:**  
⊥ Time series break.  
Low level: Primary and lower secondary education  
Intermediate level: Upper secondary and post-secondary education  
High level: Tertiary education

In 2015, Portugal was the European Union country with the largest proportion of active population aged 15 to 74 with, at most, lower secondary education (50.0%), more than the double of the European average (19.8%).

It was also the fifth country in the European Union with the lowest proportion of active population aged 15 to

74 with tertiary education (24.3%), considerably below the European average (32.0%).

**Figure 16b: Proportion of active population aged 15 to 74 who completed tertiary education, 2015**



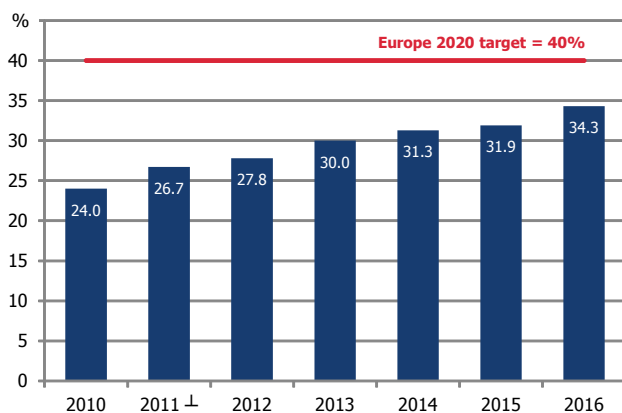
Source: Eurostat, Labour Force Survey (Statistics Portugal, *Inquérito ao Emprego*)

### 17. The proportion of the population with tertiary education will have to increase by 5.4 percentage points for Portugal to meet the target of Europe 2020.

According to the European Union target (which is the same for Portugal), under the Europe 2020 strategy, 40% of the population aged 30 to 34 should have completed tertiary education (tertiary educational attainment rate of population aged 30 to 34) by 2020.

In 2016, the tertiary educational attainment rate for the population aged 30 to 34 in Portugal was 34.6%, therefore it will need to increase by 5.4 percentage points (p.p.) by 2020 in order to meet the established target.

**Figure 17a: Tertiary educational attainment rate, age group 30 to 34**



Source: Statistics Portugal, *Inquérito ao Emprego*.

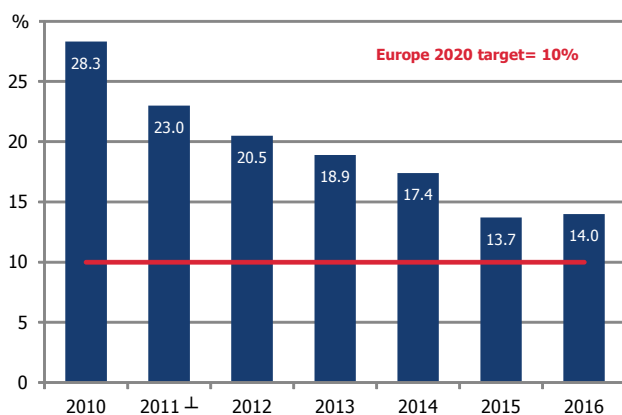
**Note:**

⊥ Time series break.

On the other hand, the target set for Portugal regarding early leavers from education and training rate (proportion of people aged 18 to 24 who have completed, at most, lower secondary education and who have not participated in education and training activities in the last four weeks) under the Europe 2020 strategy is 10%.

In 2016, the rate of early leavers from education and training in Portugal was 14.0%, having to decrease 4.0 p.p. to reach the established target.

**Figure 17b: Rate of early leavers from education and training**



Source: Statistics Portugal, *Inquérito ao Emprego*.

**Note:**

⊥ Time series break.

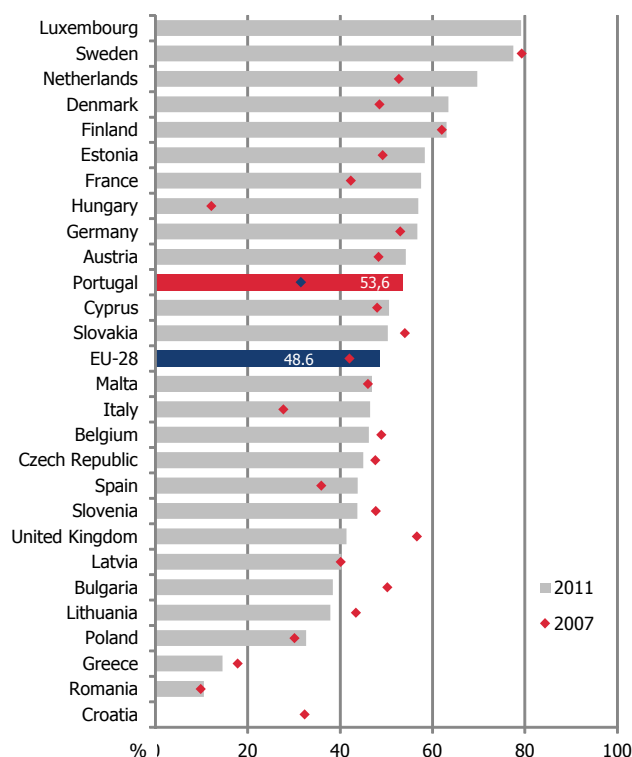
## 18. Employed population participates more in lifelong learning activities than the unemployed and inactive one.

In 2011, more than half of the employed population aged 25 to 64 (53.6%) had participated in some type of lifelong learning activity in the last 12 months, a proportion considerably higher than that observed for the unemployed (37.4%) and the inactive population (15.6%).

Employed population participated mainly in non-formal education activities: 50.4% participated in non-formal education activities and 9.7% in formal education activities (approximately half the observed rate for the unemployed population: 18.3%).

Employed population also had the highest increase in participation in lifelong learning activities between 2007 and 2011, compared to the unemployed and the inactive population, helping to position the country above the European average. Portugal evolved from a proportion of employees participating in lifelong learning activities of 10.5 percentage points (p.p.) below the European average in 2007, to a position of 5.0 p.p. above the European average (48.6%) in 2011.

**Figure 18: Participation rate in lifelong learning activities of the employed population aged 25 to 64**



**Source:** Eurostat, Adult Education Survey (Statistics Portugal, *Inquérito à Educação e Formação de Adultos*).

### Note:

The EU-287 averages include the values for Ireland. Nonetheless, they are not disclosed individually since they are considered to be extremely unreliable values.

### To know more...

About the methodology, main concepts and access to more indicators of these theme, please see the Excel document related to this press release (in Portuguese).

## Working time

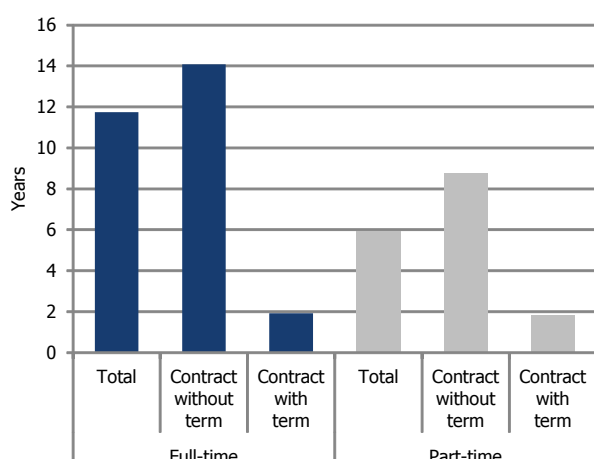
### 19.12 years is the average seniority of work with the same employer.

In 2016, the average seniority of work with the same employer was about 12 years: about 14 years for employees with a permanent job and about 2 years for employees with a temporary job.

The average duration, in current job, for part-time employees was 6 years: about 9 years for employees

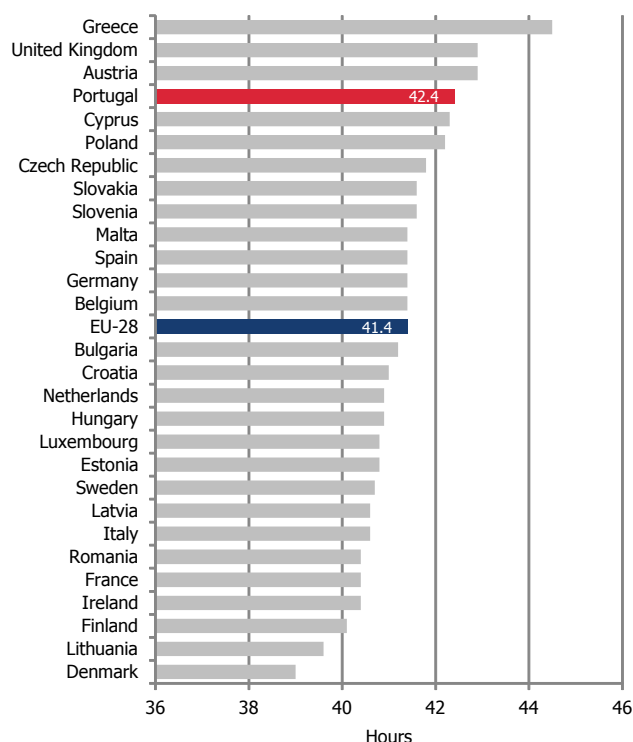
with a permanent job and 2 years for employees with a temporary job.

**Figure 19: Average seniority of work with the same employer of employees by work duration regime and type of employment contract, 2016**



Source: Statistics Portugal, *Inquérito ao Emprego*.

**Figure 20: Usual weekly hours of work of full-time employed population, 2015**



Source: Eurostat, Labour Force Survey (Statistics Portugal, *Inquérito ao Emprego*)

## 20. Portugal is the fourth country in the European Union where people usually work more hours per week.

In 2016, full-time employed persons usually worked, on average, around 42 hours a week, with 12.7% working more than 50 hours and 15.7% less than 40 hours.

Long working hours (more than 50 hours per week) were more frequent among self-employed workers (37.6%) than among employees (8.9%).

In 2015, Portugal was the fourth country in the European Union with the longest average weekly hours of work of full-time employed population (42.4 hours), one hour above the European average (41.4 hours). Greece was the country with the highest average weekly working hours (44.5 hours) and Denmark had the lowest average number of hours (39.0 hours).

### To know more...

About the methodology, main concepts and access to more indicators of these theme, please see the Excel document related to this press release (in Portuguese).

## Wages and labour costs

### 21. The average annual earnings of employees in Portugal is just over half of the European Union average.

In 2014, the average (gross) annual earnings of employees<sup>4</sup> was €17,297, corresponding to 51.2% of the European average (€33,774).

<sup>4</sup> In enterprises with 10 or more employees in activity sectors B to S, excluding O, from NACE Rev. 2 (includes all economic activities except Agriculture, Forestry and Fishing and Public Administration). It should be noted that in Portugal the number of enterprises with 10 or more employees corresponds to less than 10% of the total number of enterprises.

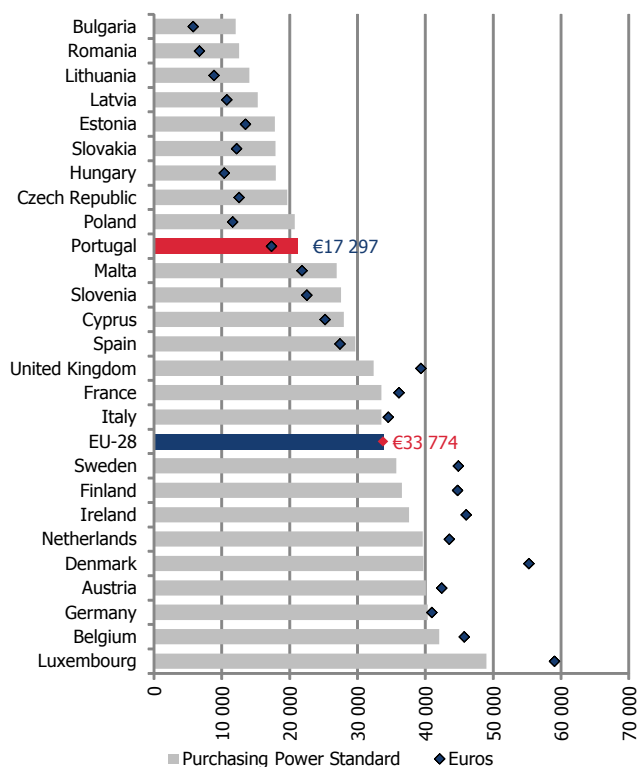
In Purchasing Power Standard<sup>5</sup>, the average annual earning in Portugal was 21 156, corresponding to 62.2% of the European average (33 774).

The two countries with the highest average annual earnings in Purchasing Power Standard were Luxembourg (48 997) and Belgium (42 048), and the two countries with the lowest average annual earnings in Purchasing Power Standard were Romania (12 557) and Bulgaria (12 026).

which corresponds to 53.9% of the European Union average (€25.4).

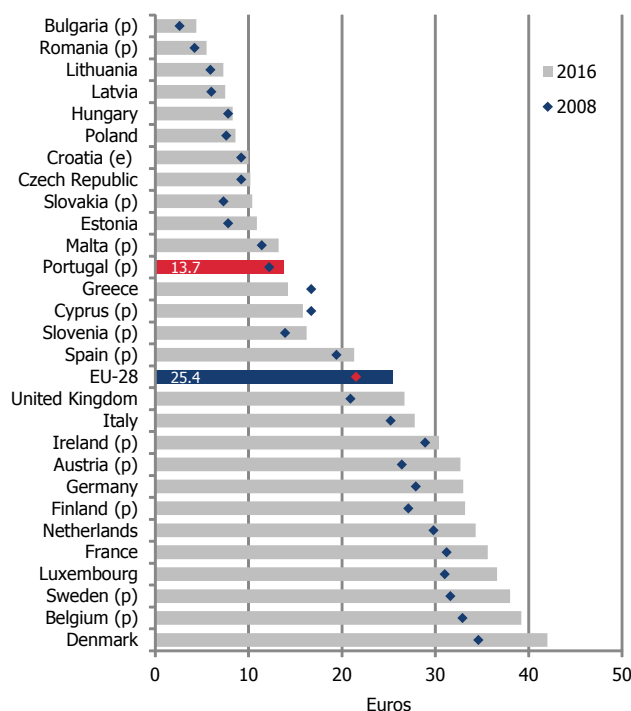
The three countries with the highest average hourly cost per employee were Denmark (€41.3), Belgium (€39.1), and Sweden (€37.4). The three countries with the lowest average hourly cost per employee were Lithuania (€6.8), Romania (€5.0), and Bulgaria (€4.1).

**Figure 21: Average (gross) annual earnings of employees, 2014**



Source: Eurostat, Structure of Earnings Survey (Ministry of Labour, Solidarity, and Social Security, *Inquérito (quadrienal) à Estrutura dos Ganhos*).

**Figure 22: Average hourly labour cost per employee**



Source: Eurostat, Labour Cost Survey and Labour Cost Index (Statistics Portugal, *Inquérito (quadrienal) ao Custo da Mão de Obra* and *Índice de Custo do Trabalho*).

**Notes:**

- (p) Provisional value.
- (e) Estimated value.

**To know more...**

About the methodology, main concepts and access to more indicators of these theme, please see the Excel document related to this press release (in Portuguese).

**22. For employers in Portugal, the average cost of one hour worked is about half that of the European Union.**

In 2016, for employers in Portugal, the average cost of one hour worked by full-time employees<sup>6</sup> was €13.7,

<sup>5</sup> This is an artificial reference currency used in the European Union to express the volume of economic aggregates for the purposes of international comparisons in order to eliminate differences in the price level of countries.

<sup>6</sup> In enterprises with 10 or more employees in activity sectors B to S, excluding O, from NACE Rev. 2 (includes all economic activities except Agriculture, Forestry and Fishing and Public Administration).



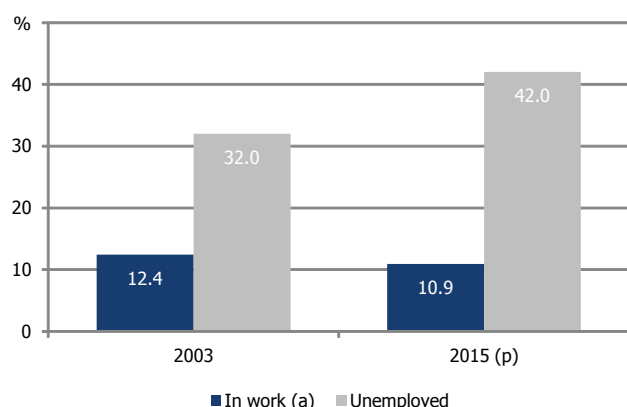
## Poverty and employment

### 23. The at-risk-of-poverty rate of the employed population is one-fourth that of the unemployed one.

In 2015, the at-risk-of-poverty rate (after social transfers)<sup>7</sup> of the employed population aged 18 and over was 10.9%, almost a quarter of the at-risk-of-poverty rate for the unemployed population (42.0%).

Between 2003 and 2015, the at-risk-of-poverty rate of the employed population decreased by 1.5 percentage points (p.p.) and that of the unemployed increased by 10 p.p..

**Figure 23: At-risk-of-poverty rate (after social transfers) of the population aged 18 and over by most frequent activity status**



Source: Statistics Portugal, *Inquérito às Condições de Vida e Rendimento*.

#### Notes:

(a) "In work": includes only the activity statuses "employee" and "self-employed".

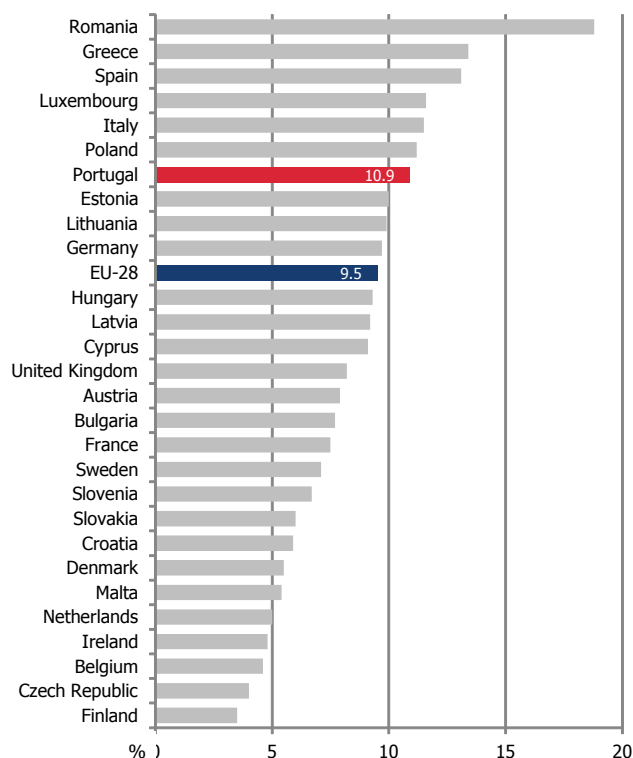
(p) Provisional data.

### 24. Portugal is the seventh country in the European Union with the highest at-risk-of-poverty rate among the in work population.

In 2014, Portugal was the seventh country with the highest at-risk-of-poverty rate (after social transfers) among the in work population aged 18 and more (10.9%), above, but close to, the average of all 28 countries of the European Union (9.5%).

That figure shows a deterioration compared to 2009<sup>8</sup>, when the at-risk-of-poverty rate of the in work population was 9.7% in Portugal, also higher than the European average (8.3%).

**Figure 24: At-risk-of-poverty rate (after social transfers) of the in work (most frequent status) population aged 18 and over, 2014**



Source: Eurostat, Statistics on Income and Living Conditions Survey (Statistics Portugal, *Inquérito às Condições de Vida e Rendimento*).

<sup>7</sup> The at-risk-of-poverty rate corresponds to the proportion of the population whose equivalent income is below the poverty line, defined as 60% of the median income per adult equivalent - for more details on this indicator, see the metadata associated with this Press Release (available only in Portuguese).

<sup>8</sup> First year for which there are data for all the 28 countries of the European Union.

## To know more...

About the methodology, main concepts and access to more indicators of these theme, please see the Excel document related to this press release (in Portuguese).

## Unemployment in Portugal

### 25. The unemployment rate reached its highest value ever in 2013 and has since then been decreasing.

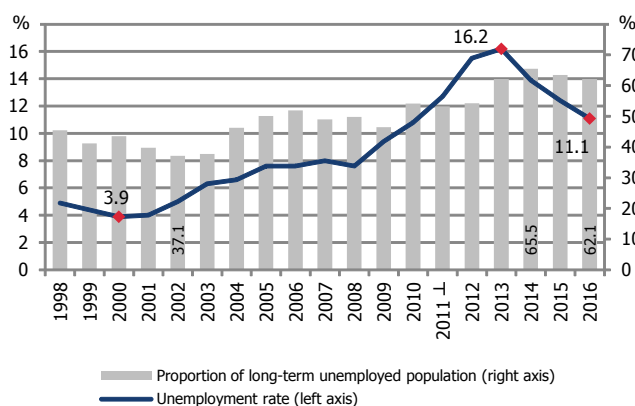
In 2016, the unemployment rate (proportion of the active population that is unemployed) was 11.1%.

In 2013, it reached the highest value ever (16.2%).

The proportion of long-term unemployed (seeking employment for 12 months and longer) was 62.1% in 2016, below the maximum of 65.5% in 2014.

In 2016, 42.9% of the unemployed left the previous job because of dismissal and 34.8% because they had a contract of limited duration.

**Figure 25: Unemployment rate and proportion of long-term unemployed population (seeking employment for 12 months and longer)**



**Source:** Statistics Portugal, *Inquérito ao Emprego*.

#### Note:

⊥ Time series break.

### 26. Two-fifths of the part-time employed population would like to work more hours.

In 2016, the number of part-time employed people aged 15 to 74, who would like to work more hours (underemployment of part-time workers) was 226,7 thousand people, corresponding to 4.9% of the employed population and to 41.3% of the part-time employed population.

On the other hand, the number of inactives seeking work but not immediately available was 20,5 thousand (0.6% of the inactive population aged 15 and more) and the number of inactives available to work but not seeking was of 237.6 thousand (6.5%). The inactive individuals from these two groups combined is usually referred to as "potential additional workforce," since these individuals share some (but not all) of the requirements and attributes of the unemployed.

The three groups correspond to what is commonly termed "supplementary indicators to unemployment", released quarterly by Statistics Portugal and Eurostat. In Portugal, in 2016, this extended group was composed of 484,8 thousand people.

**Supplementary indicators to unemployment (underemployment and potential additional labourforce), 2016**

Unit: Thousands

