

29 September 2017

Monthly Employment and Unemployment Estimates

August 2017

July unemployment rate at 8.9%

The July 2017 unemployment rate was 8.9%, down by 0.2 percentage points (p.p.) from the previous month's level and by 0.6 p.p. from three months before. That value corresponds to a downwards revision of 0.2 p.p. from the provisional estimate released one month ago and is the lowest observed estimate since November 2008, when it was also observed a 8.9% rate.

Statistics Portugal estimates that the July unemployed population was 459.6 thousand people, having decreased by 1.9% from the previous month's level (8.9 thousand fewer people). The employed population estimate was 4,702.9 thousand people, having increased by 0.5% (22.0 thousand more people) from the previous month's level.

The provisional unemployment rate estimate for August 2017 was 8.9%. For this month, the provisional estimate for the unemployed population was 461.4 thousand people and that for the employed population was 4,697.8 thousand people.

Monthly Employment and Unemployment Estimates							
Main indicators							
	Unit	Seasonally adjusted data					
		Aug 2016	Apr 2017	May 2017	June 2017	July 2017	Aug 2017 (p)
Employed population (15 to 74)	Thousands	4,573.3	4,666.2	4,672.4	4,680.9	4,702.9	4,697.8
Unemployed population (15 to 74)	Thousands	559.1	490.0	473.8	468.5	459.6	461.4
Employment rate (15 to 74)		58.6	59.9	60.0	60.1	60.4	60.3
Unemployment rate (15 to 74)	%	10.9	9.5	9.2	9.1	8.9	8.9
Youth unemployment rate (15 to 24)	%	26.6	23.7	23.8	23.7	23.0	24.6
Adults' unemployment rate (25 to 74)	%	9.7	8.4	8.1	8.0	7.8	7.7

Source: Statistics Portugal, Labour Force Survey.

Note: (p) - Provisional estimates.

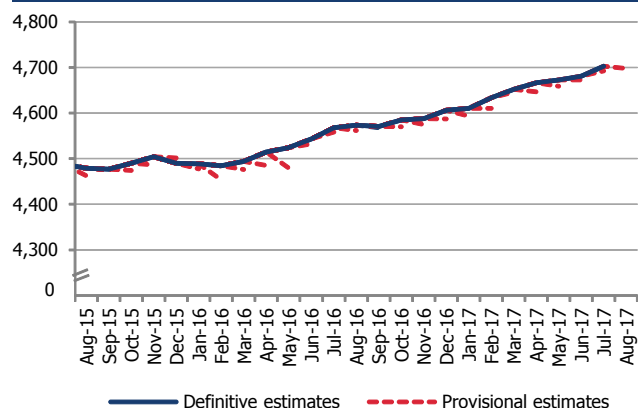
1. Employed population and employment rate ⁽¹⁾

In July 2017, the employed population estimate was 4,702.9 thousand people, having increased by 0.5% (22.0 thousand) from the previous month (June 2017) and by 0.8% (36.7 thousand) from three months before (April 2017). That value was revised upwards, from the provisional one released a month ago, by 0.2% (10.5 thousand).

In August 2017, the provisional estimate for the employed population was 4,697.8 thousand people, having decreased by 0.1% (5.1 thousand) from the previous month (July 2017) and increased by 0.5% (25.4 thousand) from three months before (May 2017).

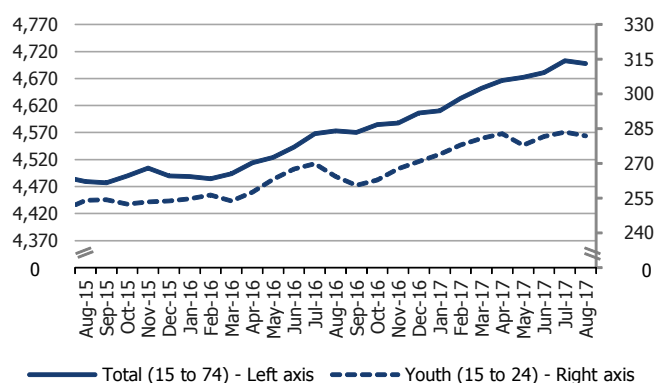
⁽¹⁾ In the estimates published on this Press Release, obtained as described in the technical note (annex), it was considered the population aged 15 to 74 and the values were seasonally adjusted (unless otherwise stated).

Figure 1: Employed population - definitive and provisional estimates
(seasonally adjusted data; thousands)



Still in August 2017, and comparing to the previous month, the employed population decreased for all groups under analysis: adults (25 to 74 years old) (0.1%; 3.4 thousand); women (0.1%; 3.2 thousand); men (0.1%; 1.9 thousand); young people (15 to 24 years old) (0.6%; 1.7 thousand).

Figure 2: Total and youth employed population
(seasonally adjusted data; thousands)



The employment rate was 60.3%, having decreased by 0.1 percentage points (p.p.) from the previous month's level and increased by 0.3 p.p. from three months before.

The employment rate of men (64.3%) exceeded that of women (56.7%) by 7.6 p.p.. Compared to the previous month's value both rates remained unchanged.

The employment rate of adults was 66.0% and that of young people was 25.8%. Compared to July 2017, the former remained unchanged and the latter decreased by 0.2 p.p..

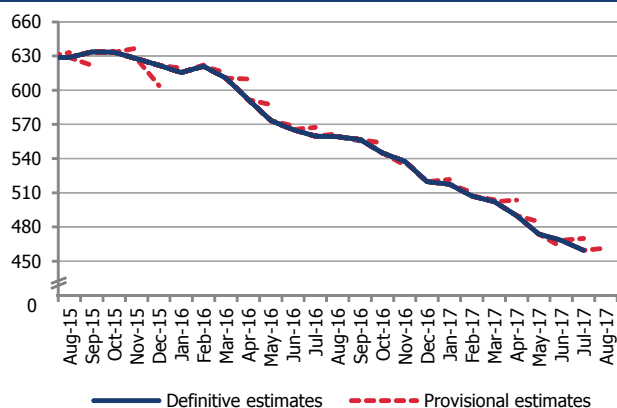
2. Unemployed population and unemployment rate

In July 2017, the unemployed population estimate was 459.6 thousand people, having decreased by 1.9% (8.9 thousand) from June 2017 and by 6.2% (30.4 thousand) from April 2017. That value was revised downwards by 2.2% (10.5 thousand).

In August 2017, the provisional estimate for the unemployed population was 461.4 thousand people, having increased by 0.4% (1.8 thousand) from the previous month (July 2017) and decreased by 2.6% (12.4 thousand) from the value observed three months before (May 2017).

Also in August 2017, and comparing to the previous month, the unemployed population increased for young people (8.4%; 7.1 thousand) and decreased for adults (1.4%; 5.3 thousand). On the other hand, the unemployed population remained practically unchanged for men and women.

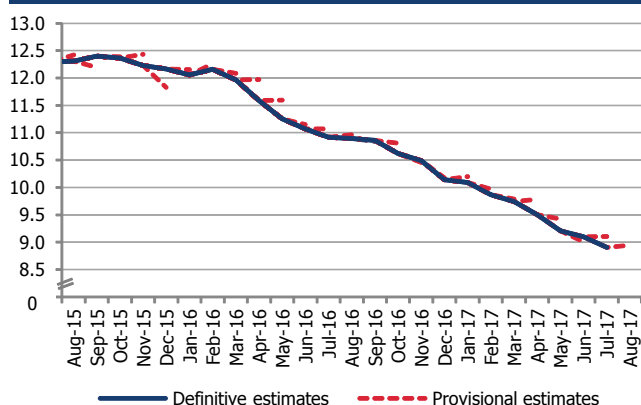
Figure 3: Unemployed population - definitive and provisional estimates
(seasonally adjusted data; thousands)



In July 2017, the unemployment rate was 8.9%, the lowest recorded value since November 2008, when it was also observed a 8.9% rate. That rate decreased by 0.2 p.p. from the previous month and by 0.6 p.p. from three months before, which corresponds to a downwards revision of 0.2 p.p. from the provisional estimate released one month ago.

In August 2017, the provisional estimate for the unemployment rate was 8.9%, stable compared to the previous month's level and down by 0.3 p.p. from May 2017.

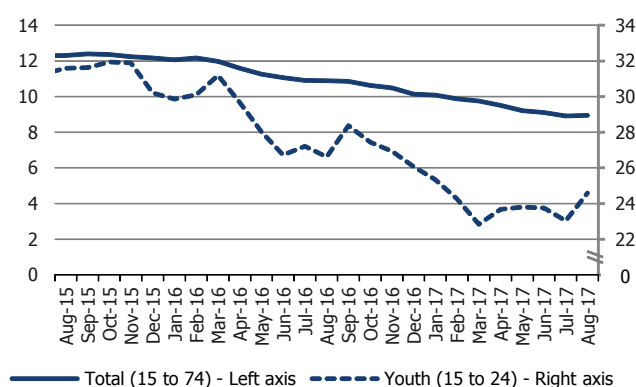
Figure 4: Unemployment rate - definitive and provisional estimates
(seasonally adjusted data; %)



The unemployment rate of women (9.4%) was higher than that of men (8.5%) by 0.9 p.p.. Compared to the previous month's level, the former remained unchanged while the latter increased by 0.1 p.p..

The youth unemployment rate stood at 24.6% and increased by 1.6 p.p. from the month before, while the adults' unemployment rate was 7.7% and decreased by 0.1 p.p. from that month.

Figure 5: Total and youth unemployment rate
(seasonally adjusted data; %)



In July 2017, the not seasonally adjusted unemployment rate was 8.5%, having decreased by 0.2 p.p. from the previous month's level and by 1.0 p.p. from April 2017. Compared to July 2016, the not seasonally adjusted unemployment rate decreased by 2.0 p.p., continuing the series of year-on-year reductions started in August 2013.

The unemployment rate monthly decrease was followed by a reduction of the unemployed population (1.8%; 8.2 thousand) and by an increase of the employed population (0.5%; 22.5 thousand). Likewise, the reduction from April 2017 came from the decrease of the unemployed population (10.2%; 50.2 thousand) and from the increase of the employed population

(1.6%; 73.8 thousand). For the year-on-year reduction contributed also both the unemployed population decline (18.1%; 97.4 thousand) and the employed population growth (3.0%; 137.1 thousand).

In August 2017, the provisional estimate for the not seasonally adjusted unemployment rate was 8.8%, having increased by 0.3 p.p. from the previous month, and decreased by 0.2 p.p. from three months before and by 1.9 p.p. from August 2016.

The monthly increase recorded in the unemployment rate was followed by a growth of the unemployed population (2.6%; 11.6 thousand) and by a decrease of the employed population (0.4%; 19.3 thousand). On the other hand, the decrease recorded from May 2017 was followed by a decline of the unemployed population (1.7%; 8.1 thousand) and by an increase of the employed population (0.6%; 29.9 thousand). Regarding the year-on-year decrease, again both the decline of the unemployed population (17.5%; 96.2 thousand) and the growth of the employed population (2.7%; 125.2 thousand) gave their contribution.

Figure 7: Total and youth unemployment rate
(seasonally adjusted data; %)

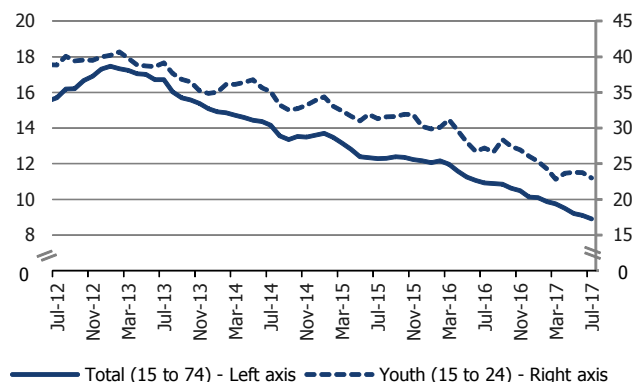


Figure 6: Employed and unemployed population
(seasonally adjusted data; thousands)

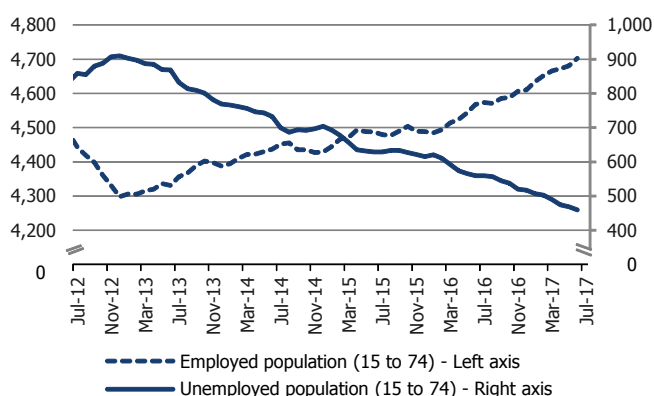


Table 1: Employed population and employment rate by sex and age group (15 to 74)

	Seasonally adjusted data					Not seasonally adjusted data				
	Aug 2016	May 2017	June 2017	July 2017	Aug 2017 (p)	Aug 2016	May 2017	June 2017	July 2017	Aug 2017 (p)
	Thousands									
Employed population (15 to 74)	4,573.3	4,672.4	4,680.9	4,702.9	4,697.8	4,597.8	4,693.1	4,719.8	4,742.3	4,723.0
Men (15 to 74)	2,336.4	2,391.6	2,395.5	2,397.3	2,395.4	2,356.0	2,399.7	2,416.9	2,421.8	2,415.4
Women (15 to 74)	2,237.0	2,280.9	2,285.3	2,305.6	2,302.4	2,241.8	2,293.4	2,302.8	2,320.5	2,307.5
Youth (aged 15 to 24)	264.3	277.9	281.7	283.6	281.9	272.9	275.4	285.3	291.3	290.6
Adults (aged 25 to 74)	4,309.0	4,394.6	4,399.2	4,419.3	4,415.9	4,325.0	4,417.7	4,434.5	4,451.0	4,432.3
	%									
Employment rate (15 to 74)	58.6	60.0	60.1	60.4	60.3	58.9	60.2	60.6	60.9	60.7
Men (15 to 74)	62.6	64.2	64.3	64.3	64.3	63.1	64.4	64.9	65.0	64.9
Women (15 to 74)	55.0	56.1	56.2	56.7	56.7	55.1	56.4	56.7	57.1	56.8
Youth (aged 15 to 24)	24.1	25.4	25.8	26.0	25.8	24.9	25.2	26.1	26.7	26.6
Adults (aged 25 to 74)	64.3	65.6	65.7	66.0	66.0	64.5	65.9	66.2	66.5	66.2

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				
	Aug 2016	May 2017	June 2017	July 2017	Aug 2017 (p)	Aug 2016	May 2017	June 2017	July 2017	Aug 2017 (p)
	Thousands									
Unemployed population (15 to 74)	559.1	473.8	468.5	459.6	461.4	549.5	461.4	449.9	441.7	453.3
Men (15 to 74)	283.3	228.9	226.1	220.4	221.3	277.1	224.2	218.0	211.7	216.5
Women (15 to 74)	275.7	244.8	242.4	239.2	240.1	272.4	237.1	231.8	230.0	236.8
Youth (aged 15 to 24)	95.9	86.8	87.7	84.8	91.9	96.5	80.8	81.6	81.0	92.6
Adults (aged 25 to 74)	463.2	387.0	380.8	374.8	369.5	453.0	380.6	368.3	360.6	360.7
	%									
Unemployment rate (15 to 74)	10.9	9.2	9.1	8.9	8.9	10.7	9.0	8.7	8.5	8.8
Men (15 to 74)	10.8	8.7	8.6	8.4	8.5	10.5	8.5	8.3	8.0	8.2
Women (15 to 74)	11.0	9.7	9.6	9.4	9.4	10.8	9.4	9.1	9.0	9.3
Youth (aged 15 to 24)	26.6	23.8	23.7	23.0	24.6	26.1	22.7	22.2	21.8	24.2
Adults (aged 25 to 74)	9.7	8.1	8.0	7.8	7.7	9.5	7.9	7.7	7.5	7.5

Source: Statistics Portugal, Labour Force Survey.

Notes: (p) - Provisional estimates.

TECHNICAL NOTE

Labour Force Survey

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.

Monthly Employment and Unemployment Estimates

In 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.

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, it is possible to monthly obtain estimates related to successive sets of three months (moving quarters), assuring consistency with the quarterly released estimates.

The monthly estimates refer to *centred* moving quarters, where the reference month (m) corresponds to the central month of each moving quarter. In fact, the reference month of each Press Release corresponds to the central month of the quarter composed by $m-1$, m and $m+1$ months. As a consequence, the monthly changes are calculated on values that contain common months. Therefore, 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.

The estimates for the last reference month are always provisional, as they correspond to a moving quarter where for the third month the data collection is not completed yet. In fact, for the first two months ($m-1$ and m) the data collection from the Labour Force Survey is already completed, while for the third month ($m+1$) only partially collected data are available.

In this context, in each monthly Press Release the provisional estimates for the reference month and the definitive estimates for the previous months are published.

(to be continued)

(continuation)

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.
- Unless otherwise stated, 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 Statistics Portugal Portal (www.ine.pt).
- 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.

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

Revisions

The monthly released data are subject to revisions, as previously mentioned. The revisions come from obtaining the definitive estimates for the previous month (moving quarter) due to the conclusion of its last month collection process. In addition, the revisions also come from the updating of the seasonally adjusted data series whenever a new observation is added. Therefore, in each Press Release the definitive estimates for the previous reference month are published.

The impact of those revisions, measured by the difference between the estimates now released for July 2017 (definitive estimates) and the ones for that month published in the last Press Release, is the following:

Revision of July 2017 estimates - main indicators			
	Unit	Seasonally adjusted data	Not seasonally adjusted data
Employed population (15 to 74)	Thousands	10.5	12.8
Unemployed population (15 to 74)		- 10.5	- 10.5
Employment rate (15 to 74)		0.2	0.2
Unemployment rate (15 to 74)		- 0.2	- 0.2
Men's unemployment rate (15 to 74)	p.p.	- 0.2	- 0.2
Women's unemployment rate (15 to 74)		- 0.2	- 0.2
Youth unemployment rate (15 to 24)		- 0.8	- 0.8
Adults' unemployment rate (25 to 74)		- 0.2	- 0.2

In July 2017, the downwards revision of the seasonally adjusted unemployment rate (-0.2 p.p.) was more intense among young people (-0.8 p.p.). The downwards revision of the unemployment rate was followed by the downwards revision of the unemployed population (-10.5 thousand; -2.2%) and by the upwards revision of the employed population (+10.5 thousand; +0.2%). In the unemployed population, the highest downwards revisions occurred for adults (-2.0%) and women (-2.2%), while in the employed population the major upwards revisions were observed for men (+0.3%) and adults (+0.2%).

(to be continued)

(continuation)

Some 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.

For a more detailed definition of the concepts and methodological features of this statistical operation, consult the [Labour Force Survey](#) or the [Monthly Employment and Unemployment Estimates](#) methodological documents (both only in Portuguese) available at the Statistics Portugal website.

Next Press Release:

30 October 2017: "Monthly Employment and Unemployment Statistics – September 2017".

31 October 2017: Eurostat News Release.