

6 February 2019

## Employment Statistics

### 4<sup>th</sup> quarter of 2018

---

#### **The unemployment rate remained at 6.7% in 4<sup>th</sup> quarter and has decreased to 7.0% in 2018**

#### **In the 4<sup>th</sup> quarter of 2018**

The unemployment rate stood at 6.7%, equal to the previous quarter value and lower than the year-on-year rate by 1.4 percentage points (pp). That value still corresponds to the lowest rate of the data series started in the 1<sup>st</sup> quarter of 2011.

The unemployed population, estimated at 349.1 thousand people, has decreased by 1.0% (3.6 thousand) from the previous quarter, resuming the quarterly decreases observed since the 2<sup>nd</sup> quarter of 2016 and interrupted in the previous quarter, and by 17,3% (72,9 thousand) from the 2017 year-on-year value.

The employed population, 4,883.0 thousand people, has decreased by 0.4% (19.8 thousand) from the previous quarter and has increased by 1.6% (78.1 thousand) from the year-on-year value.

The youth (15 to 24 years old) unemployment rate stood at 19.9%, down 0.1 pp and 3.6 pp, respectively, from the previous quarter and from the year-on-year quarter. The share of unemployed people looking for a job for 12 months or longer (long-term unemployment) was 47.8%, down 2.2 pp and 6.3 pp, respectively, from the previous quarter and from the year-on-year quarter.

#### **In 2018**

The unemployment rate stood at 7.0%, down 1.9 pp from 2017.

The unemployed population, 365.9 thousand people, has decreased by 20.9% (96.9 thousand) from the previous year, while the employed population, 4,866.7 thousand people, has increased by 2.3% (110.1 thousand).

The young people (aged 15 to 24) unemployment rate stood at 20.3%, 3.6 pp less than in the previous year. The proportion of long-term unemployment was 51.1%, having decreased by 6.4 pp from the former year.

The labour underutilisation rate was 13.7%, 2.8 pp lower than that of the previous year, corresponding to the lowest value of the data series started in 2011.

Among the young people aged 15 to 34 residing in Portugal, 9.9% were not in employment, in education or training (218.2 thousand), a share that has decreased by 1.3 pp (33.1 thousand) from 2017.

The three Europe 2020 indicators – employment rate of those aged 20 to 64, early leavers from education and training rate, and tertiary educational attainment rate – whose targets, established for Portugal, are 75%, 10%, and 40%, respectively, were estimated at 75.4%, 11.8%, and 33.5% (73.4%, 12.6%, and 33.5% in 2017).

---

## 1. Labour force (active population)

The Labour Force Survey results for the 4<sup>th</sup> quarter of 2018 indicate that the labour force (active population), 5,232.1 thousand people, decreased by 0.4% from the previous quarter (23.4 thousand) and increased by 0.1% from the same quarter of 2017 (5.2 thousand).

The participation rate of the working age population (15 years old and over) stood at 59.1%, having decreased by 0.3 percentage points (pp) from the previous quarter and increased by 0.1 pp from the same quarter of 2017.

The participation rate of men (64.5%) was 10.1 pp higher than that of women (54.4%). Compared to the previous quarter, the former remained unchanged while the latter decreased by 0.5 pp.

In the year-on-year comparison, the participation rate of women increased by 0.3 pp and that of men decreased by 0.2 pp.

In terms of the annual average, in 2018, the active population was estimated at 5,232.6 thousand people and increased by 0.3% from the previous year (13.2 thousand).

Still in 2018, the participation rate of the working age population was 59.1%, up 0.1 pp from 2017.

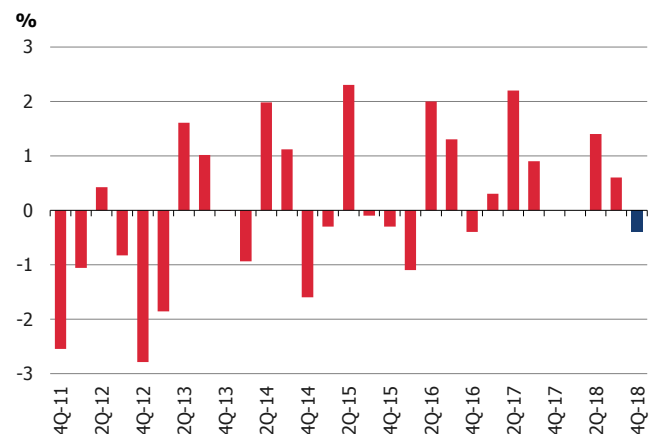
## 2. Employed population

### 2.1. Quarterly changes

The employed population, 4,883.0 thousand people, decreased by 0.4% (19.8 thousand).

That change was explained by the decreases recorded mainly in the following groups: women (27.2 thousand; 1.1%); people aged 15 to 24 (16.2 thousand; 5.2%); having completed, at most, the first or second stages of basic education (78.4 thousand; 3.5%); employed in the agriculture, forestry and fishing sector (26.7 thousand; 8.8%); as employees (33.2 thousand; 0.8%), with a temporary job (26.8 thousand; 3.5%); and working full-time (30.7 thousand; 0.7%).

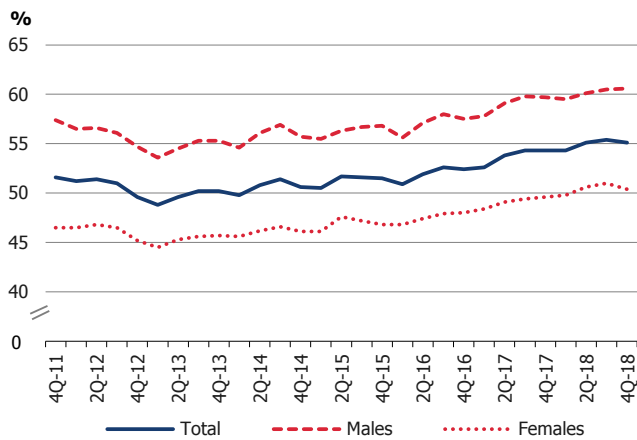
**Figure 1: Employed population quarterly rate of change**



The employment rate (15 years old and over) stood at 55.1%, having decreased by 0.3 pp from the previous quarter.

The employment rate of men (60.6%) exceeded that of women (50.4%) by 10.2 pp, having the former increased by 0.1 pp and the latter decreased by 0.6 pp from the 3<sup>rd</sup> quarter 2018.

**Figure 2: Employment rate by sex**



education (90.3 thousand; 7.2%); employed in the services sector (89.9 thousand; 2.7%) – especially in the activity of public administration, defence, and compulsory social security (23.3 thousand; 7.5%); as employees (46.5 thousand; 1.2%), namely with a permanent job (46.2 thousand; 1.5%); and working full-time (93.8 thousand; 2.2%).

The employment rate (15 years old and over) increased by 0.8 pp from the same quarter of 2017, with the increase for men (0.9 pp) being larger than that for women (0.8 pp).

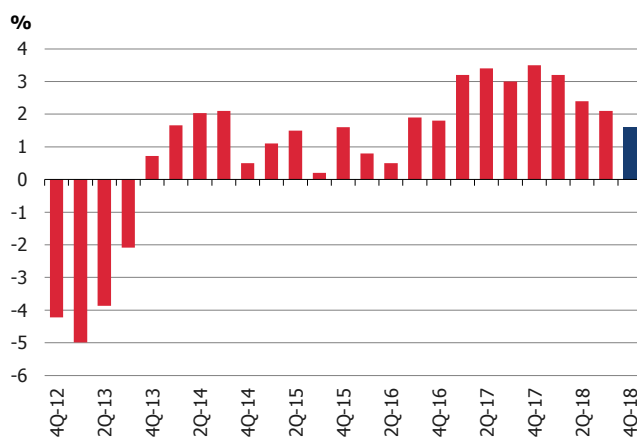
## 2.2. Year-on-year changes

From the same quarter of 2017, the employed population increased by 1.6% (78.1 thousand), extending the series of positive year-on-year changes observed since the 4<sup>th</sup> quarter of 2013 but at a slower pace since the 1<sup>st</sup> quarter of 2018.

## 2.3. Annual changes

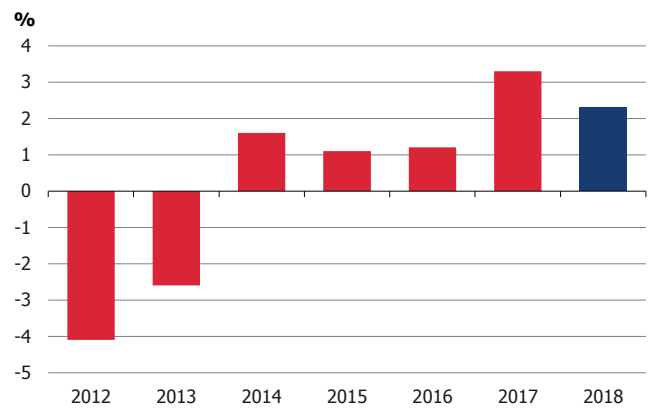
In 2018, the employed population was estimated at 4,866.7 thousand people and increased by 2.3% from the previous year (110.1 thousand), continuing the series of increases started in 2014.

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



The year-on-year increase in the employed population came mostly from the employment increase in the following groups: both men (39.9 thousand; 1.6%) and women (38.2 thousand; 1.6%); people aged 45 to 64 (43.5 thousand; 2.1%); having completed the tertiary

**Figure A: Employed population annual rate of change**



For the annual rate of change in the employed population contributed mostly the employment increases in the following groups: women (66.5 thousand; 2.9%); people aged 45 to 64 (82.6 thousand; 4.1%); having completed the tertiary

education (71.5 thousand; 5.8%); employed in the services sector (87.9 thousand; 2.7%), especially in the activities of education and of public administration, defence, and compulsory social security (59.5 thousand; 8.7%); as employees (107.8 thousand; 2.7%); and working full-time (135.0 thousand; 3.2%).

The employment rate (15 years old and over) was 55.0%, up 1.3 pp from 2017.

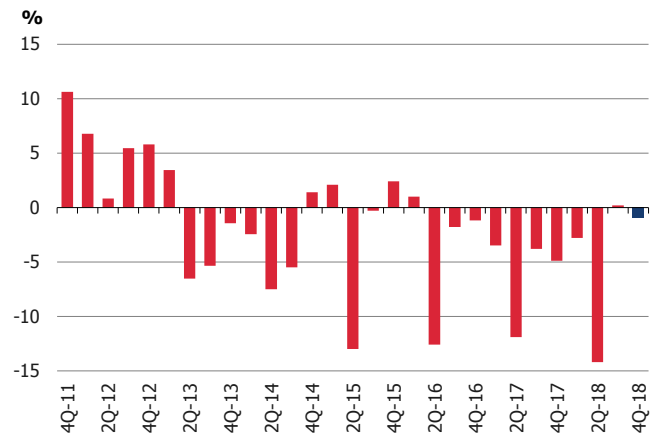
### 3. Unemployed population

#### 3.1. Quarterly changes

The unemployed population, 349.1 thousand people, decreased by 1.0% (3.6 thousand) from the previous quarter, resuming the quarterly decreases observed since the 2<sup>nd</sup> quarter of 2016 and interrupted in the previous quarter.

The unemployed population reduction came from the decreases observed, mainly, in the following groups: men (4.2 thousand; 2.5%); people aged 35 to 44 (5.6 thousand; 7.2%); who have completed the upper secondary and post-secondary non-tertiary education (16.0 thousand; 13.2%); looking for a first job (7.8 thousand; 15.3%); and seeking a job for 12 months or longer (9.6 thousand; 5.4%).

**Figure 4: Unemployed population quarterly rate of change**



The unemployment rate for the 4<sup>th</sup> quarter of 2018 stood at 6.7%<sup>1</sup>, remaining unchanged from the previous quarter and continuing to correspond to the lowest value of the data series started in the 1<sup>st</sup> quarter of 2011.

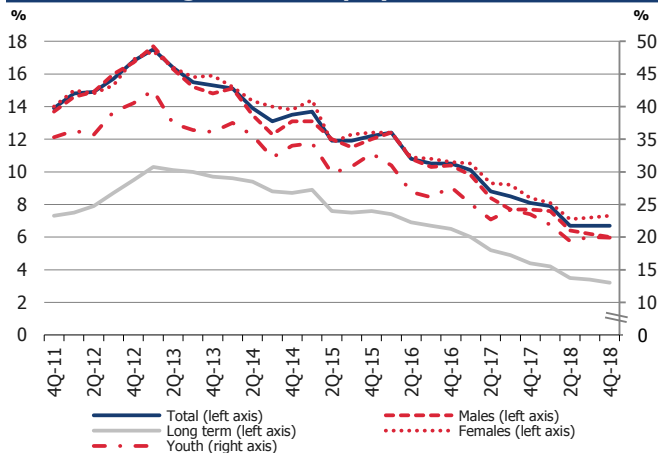
The unemployment rate of men (6.0%) was lower than that of women (7.3%) by 1.3 pp, having the former decreased by 0.2 pp from the previous quarter and the latter increased by 0.1 pp.

The youth (15 to 24 years old) unemployment rate was 19.9%, down 0.1 pp from the previous quarter.

The share of unemployed people looking for a job for 12 months or longer (long-term unemployment) was 47.8%, down 2.2 pp from the 3<sup>rd</sup> quarter of 2018.

<sup>1</sup> This unemployment rate was calculated for those aged 15 and over (in line with the concepts in force of the International Labour Organization). The unemployment rate for the moving quarter centered in November 2018 (which corresponds to the 4<sup>th</sup> quarter 2018), published in the Press Release of December 2018 (released in 30-1-2019), was calculated for the age subgroup of those aged 15 to 74 (as in the Eurostat News Release). This rate (not seasonally adjusted) was 6.8%.

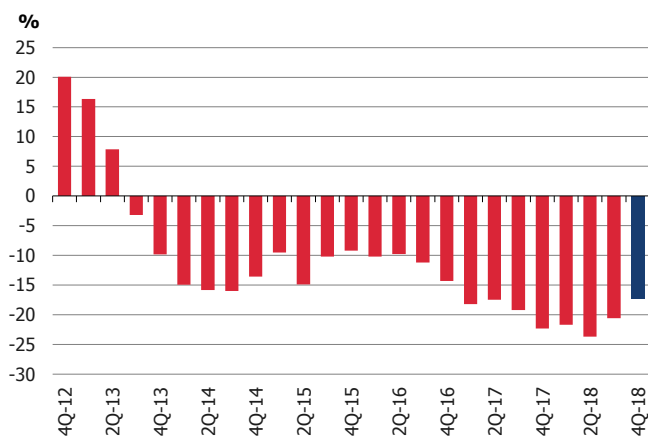
**Figure 5: Unemployment rate**



### 3.2. Year-on-year changes

From the same quarter of 2017, the unemployed population decreased by 17.3% (72.9 thousand), expanding the sequence of decreases observed since the 3<sup>rd</sup> quarter of 2013.

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



That unemployed population decrease was explained by the decreases recorded in the following groups: both men and women, but more for the former (45.8 thousand; 22.2 thousand); all age groups under analysis, in particular those aged 45 and over (29.0 thousand; 18.4%); people having completed, at

most, the first or second stages of basic education (55.8 thousand; 26.5%); looking for a new job (61.4 thousand; 16.7%), having been formerly mainly in the services sector (31.8 thousand; 13.1%); and seeking a job for 12 months or longer (61.3 thousand; 26.9%).

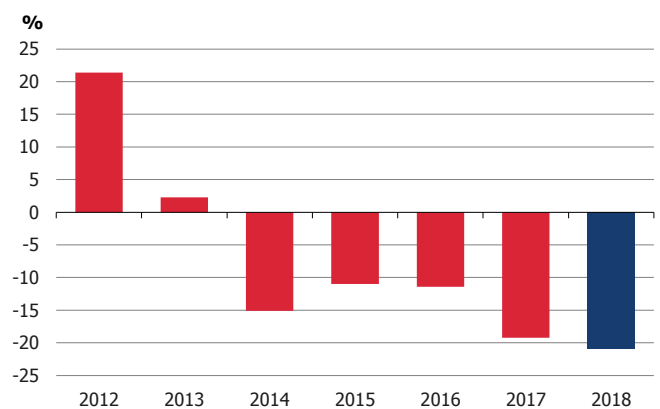
From the same quarter of 2017, the unemployment rate decreased by 1.4 pp, being that reduction larger for men (1.7 pp) than for women (1.1 pp).

The unemployment rate of young people aged 15 to 24 decreased by 3.6 pp and the share of unemployed people looking for a job for 12 months or longer (long-term unemployment) decreased by 6.3 pp.

### 3.3. Annual changes

In 2018, there were 365.9 thousand unemployed people, having decreased by 20.9% from the previous year (96.9 thousand). From 2013, the year where the unemployed population reached its peak, there was an accumulate decrease of 489.3 thousand people.

**Figure B: Unemployed population annual rate of change**



For the unemployed population annual rate of change contributed the decreases in the following groups: both men and women, particularly the former (49.5 thousand; 22.1%); all age groups under analysis, especially that of people aged 45 and over (40.4 thousand; 23.3%); all levels of education, namely that of people having completed, at most, an education level corresponding to the first or second stages of basic education (66.5 thousand; 27.8%); seeking a new job (86.9 thousand; 21.3%), who were formerly in the services sector (55.1 thousand; 20.7%); and seeking a job for 12 months or longer (79.3 thousand; 29.8%).

The unemployment rate was 7.0% and was down 1.9 pp from the previous year. The young people (aged 15 to 24) unemployment rate stood at 20.3%, down 3.6 pp from the previous year, becoming the lowest youth's unemployment rate of the series started in 2011.

In 2018, the share of unemployed looking for a job for 12 months or longer (long-term unemployment) was 51.1%, having decreased by 6.4 pp from the former year. This is the fourth consecutive annual decrease of this indicator after the maximum value reached in 2014 (65.5%).

#### 4. Inactive population

The inactive population, 5,028.2 thousand people in the 4<sup>th</sup> quarter of 2018, increased by 0.5% (22.6 thousand) from the previous quarter and decreased by 0.5% (23.0 thousand) from the same quarter of 2017.

The inactive population aged 15 and over, 3,622.2 thousand people (72.0% of total inactive

population), increased by 0.7% from the previous quarter (26.0 thousand) and decreased by 0.1% from the 4<sup>th</sup> quarter of 2017 (2.8 thousand).

The inactivity rate (15 years old and over) stood at 40.9%, having increased by 0.3 pp from the previous quarter and decreased by 0.1 pp from the same period of 2017.

The inactivity rate of women (45.6%) exceeded that of men (35.5%) by 10.1 pp.

From the previous quarter, the inactivity rate of men remained unchanged and that of women increased by 0.5 pp. When compared to the same quarter of 2017, the inactivity rate of men increased by 0.2 pp, while that of women decreased by 0.3 pp.

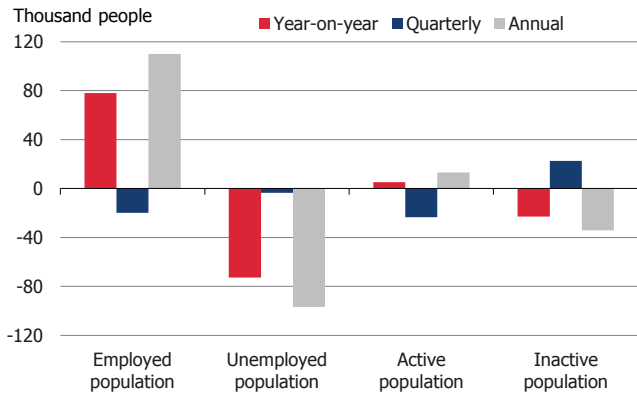
In 2018, the total inactive population was estimated at 5,031.5 thousand people and decreased by 0.7% from the previous year (34.1 thousand). The inactive population aged 15 and over corresponded to 3,619.2 thousand people and decreased by 0.4% (14.5 thousand).

Still in 2018, the inactivity rate was 40.9%, down 0.1 pp from 2017.

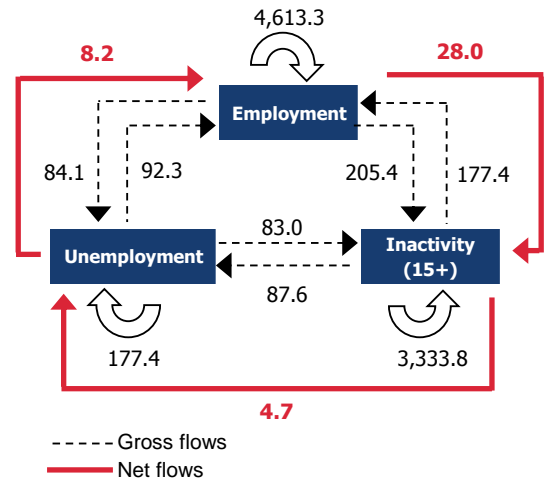
Figure 7 exhibits a summary of the observed changes in this quarter (year-on-year and quarterly) and in 2018 by labour market status, as described in items 1 to 4 of this Press Release.



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



**Diagram 1: Quarterly flows between labour force status (Thousand people)**



## 5. Quarterly flows between labour market states

### 5.1. Gross and net flows (number of persons)

#### Employment

From the 3<sup>rd</sup> to the 4<sup>th</sup> quarter of 2018, the number of persons who moved from employment (E) to unemployment (U) was 84.1 thousand and the number of those who moved from employment to inactivity (aged 15 and over; I) was 205.4 thousand. The number of persons moving out of employment, within a quarter, was 289.5 thousand.

At the same time, the employment inflows from unemployment were 92.3 thousand persons, while those from inactivity were 177.4 thousand. The number of persons moving into employment, within a quarter, was 269.7 thousand.

As a consequence, between the two quarters there was a negative net flow into employment (that is, total inflows minus total outflows) of 19.8 thousand persons (which correspond to the employed population quarterly change).

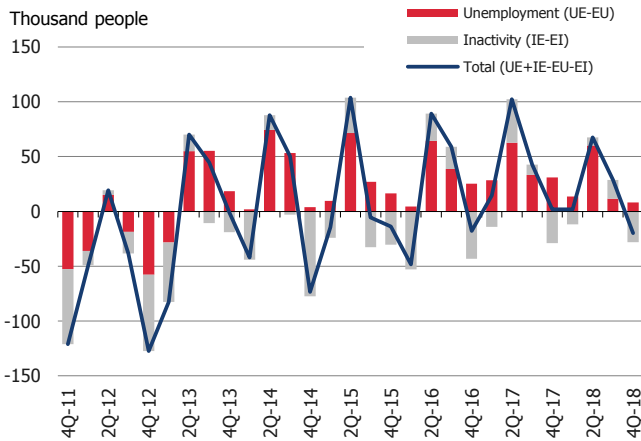
#### Unemployment

The net flow into unemployment was also negative and comprised 3.6 thousand people (which corresponds to the unemployed population quarterly change), and resulted from the total of people becoming unemployed (171.7 thousand) being smaller than the total of those leaving that status (175.3 thousand).

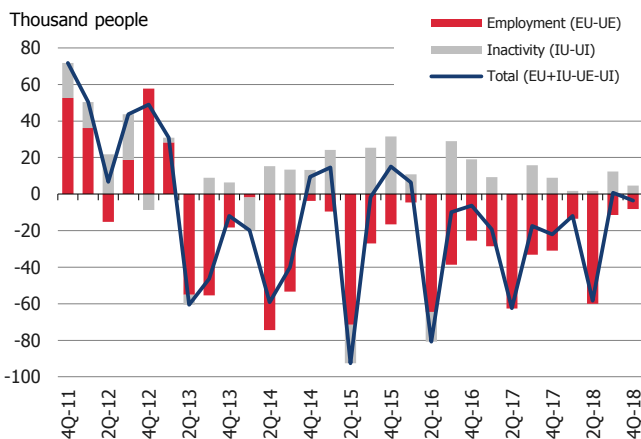
The unemployment inflows from employment (84.1 thousand) were lower than those from inactivity (87.6 thousand), while the unemployment outflows to employment (92.3 thousand) were larger than those to inactivity (83.0 thousand).

The next figures exhibit the quarterly developments of the net employment and unemployment flows, from the 4<sup>th</sup> quarter of 2011 onwards, and their decomposition into the two components that explain them: net flows between employment and unemployment and net flows between employment and inactivity (Figure 8); net flows between unemployment and employment and net flows between unemployment and inactivity (Figure 9).

**Figure 8: Net employment quarterly flows (inflows - outflows = quarterly change)**



**Figure 9: Net unemployment quarterly flows (inflows - outflows = quarterly change)**



From these estimates analysis, it is possible to conclude, for the 4<sup>th</sup> quarter 2018, that:

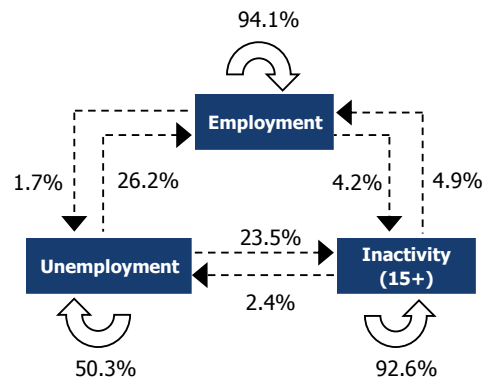
- The employment quarterly decrease (19.8 thousand) resulted from the negative net flow between employment and inactivity (28.0 thousand) being larger than the positive net flow between employment and unemployment (8.2 thousand).
- The unemployment decrease between quarters (3.6 thousand) was explained by the negative net flow between unemployment and employment

(8.2 thousand) being larger to the positive net flow between inactivity and unemployment (4.7 thousand).

### 5.2. Transition rates (%)

From the 3<sup>rd</sup> to the 4<sup>th</sup> quarter of 2018, 1.7% of the people initially employed moved into unemployment and 4.2% moved into inactivity, with the proportion of employed moving out of this situation totalling 5.9% in the 4<sup>th</sup> quarter of 2018 (94.1% remained employed; which corresponds to 4,613.3 thousand people, as in Diagram 1).

**Diagram 2: Quarterly flows between labour force status (as a % of initial state)**



From the total of unemployed persons in the 3<sup>rd</sup> quarter of 2018, 49.7% moved out of this labour market state in the 4<sup>th</sup> quarter of 2018: 26.2% became employed and 23.5% moved into inactivity.

From the total of people aged 15 and over considered to be inactive in the 3<sup>rd</sup> quarter of 2018, 4.9% moved into employment and 2.4% moved into unemployment in the 4<sup>th</sup> quarter of 2018.



## 6. Unemployment rates by NUTS II region

In the 4<sup>th</sup> quarter of 2018, the unemployment rate was higher than the national average in four NUTS II regions of the country: *Região Autónoma da Madeira* (8.9%), *Região Autónoma dos Açores* (8.5%), *Algarve* (7.8%), and *Alentejo* (7.7%).

The unemployment rates of *Norte* and *Área Metropolitana de Lisboa* were the same as the national average (6.7%). The rate of region *Centro* (5.7%) was the only one below that value.

Compared to the previous quarter, the unemployment rate has remained unchanged in *Região Autónoma da Madeira*, having increased in *Algarve* (2.8 pp), in *Alentejo* (1.1 pp), and in *Centro* (0.3 pp), and decreased in *Região Autónoma dos Açores* (0.2 pp), in *Área Metropolitana de Lisboa* (0.4 pp), and in *Norte* (0.5 pp).

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

	4Q-2017	3Q-2018	4Q-2018	2017	2018
	Unit: %				
<b>Portugal</b>	<b>8.1</b>	<b>6.7</b>	<b>6.7</b>	<b>8.9</b>	<b>7.0</b>
Norte	9.3	7.2	6.7	9.8	7.3
Centro	5.9	5.4	5.7	6.9	5.6
A. M. Lisboa	8.2	7.1	6.7	9.5	7.4
Alentejo	8.4	6.6	7.7	8.4	7.2
Algarve	7.3	5.0	7.8	7.7	6.4
R. A. Açores	8.3	8.7	8.5	9.0	8.6
R. A. Madeira	8.9	8.9	8.9	10.4	8.8

Source: Statistics Portugal, Labour Force Survey - 4<sup>th</sup> quarter of 2018.

Compared to the same quarter of 2017, the unemployment rate has decreased in region *Norte* (2.6 pp), in *Área Metropolitana de Lisboa* (1.5 pp), in *Alentejo* (0.7 pp), and in *Centro* (0.2 pp), remained unchanged in *Região Autónoma da Madeira* and increased in *Algarve* and in *Região Autónoma dos Açores* (0.5 pp and 0.2 pp, respectively).

In 2018, the highest unemployment rates, higher than the national average, were recorded in five regions: *Região Autónoma da Madeira* (8.8%), *Região Autónoma dos Açores* (8.6%), *Área Metropolitana de Lisboa* (7.4%), *Norte* (7.3%), and *Alentejo* (7.2%). Below the national average stood the unemployment rates of *Algarve* (6.4%) and of *Centro* (5.6%).

Compared to 2017, and again as in the overall picture in Portugal, the unemployment rate decreased in all regions. The two largest decreases were recorded in *Norte* (2.5 pp) and *Área Metropolitana de Lisboa* (2.1 pp).

## 7. Supplementary indicators to unemployment and the labour underutilisation

In the 4<sup>th</sup> quarter of 2018, the labour underutilization was estimated at 713.5 thousand people and the corresponding rate was 13.1%.

The labour underutilisation decreased by 0.6% (4.0 thousand) from the previous quarter and by 15.5% (130.9 thousand) from the previous year. By component, the following is observed:

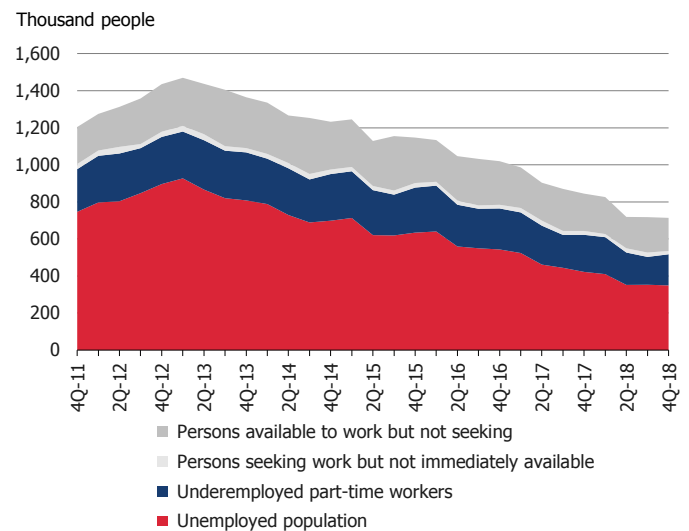
- The unemployed population, 349.1 thousand people, as previously mentioned, has decreased by 1.0% (3.6 thousand) from the previous quarter and by 17.3% (72.9 thousand) from the same quarter of 2017. The unemployment rate stood at 6.7%, value that is equal to the previous quarter one and lower than the 4<sup>th</sup> quarter of 2017 value by 1.4 pp.
- The number of underemployed part-time workers, 167.9 thousand, more 11.8% (17.7 thousand) than

in the previous quarter and less 16.1% (32.2 thousand) than in the same quarter of 2017.

- The number of inactive persons seeking work but not immediately available, 17.9 thousand, decreased by 24.6% (5.8 thousand) from the 3<sup>rd</sup> quarter of 2018 and by 14.6% (3.0 thousand) from the 4<sup>th</sup> quarter of 2017.
- The number of inactive persons available to work but not seeking, 178.7 thousand, decreased by 6.4% (12.3 thousand) from the previous quarter and decreased by 11.2% (22.6 thousand) from the same quarter of 2017.

correspondent rates, having the unemployment rate dropped from 17.5% to 6.7% and the labour underutilisation rate from 26.4% to 13.1%.

**Figure 10: Labour underutilisation components**



**Table 2: Labour underutilisation by component**

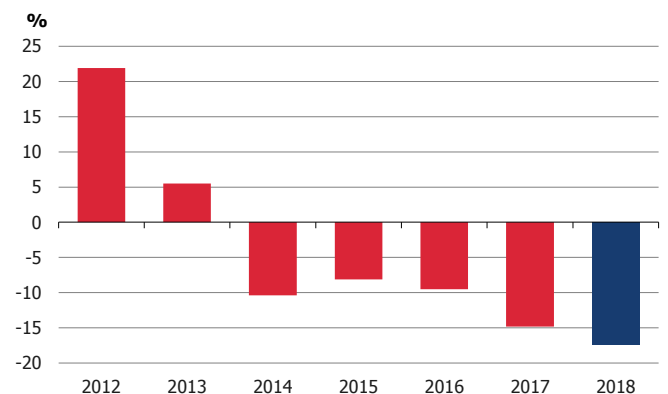
Portugal	Quarterly level			Annual level	
	4Q-2017	3Q-2018	4Q-2018	2017	2018
<b>Number</b>	<b>Thousands</b>				
<b>Total</b>	<b>844.4</b>	<b>717.5</b>	<b>713.5</b>	<b>900.9</b>	<b>743.9</b>
Unemployed population	422.0	352.7	349.1	462.8	365.9
Underemployed part-time workers	200.1	150.2	167.9	201.7	173.0
Persons seeking work but not immediately available	20.9	23.7	17.9	23.5	20.3
Persons available to work but not seeking	201.3	191.0	178.7	213.0	184.6
<b>Rate</b>	<b>%</b>				
Unemployment rate	8.1	6.7	6.7	8.9	7.0
Labour underutilisation rate	15.5	13.1	13.1	16.5	13.7

Source: Statistics Portugal, Labour Force Survey - 4<sup>th</sup> quarter of 2018.

The unemployed population and the labour underutilisation have displayed downwards trends since the 1<sup>st</sup> quarter of 2013, having decreased in total 62.3% and 51.4%, respectively (corresponding to 577.7 thousand and 756.1 thousand people in each case). These reductions were also observed in the

In 2018, the labour underutilisation covered 743.9 thousand people, 17.4% fewer (157.0 thousand) than in 2017. The labour underutilisation rate was 13.7%, down by 2.8 pp from the year before.

**Figure C: Labour underutilisation annual rate of change**



In 2018, the unemployed population (365.9 thousand) accounted for slightly less than half (49.2%) of the labour underutilisation. In turn, the group of persons

available to work but not seeking (184.6 thousand) accounted for 24.8% of the labour underutilisation. The third largest component of this indicator (23.3%) was the underemployment of part-time workers, which covered 173.0 thousand people. Finally, the persons seeking work but not immediately available (20.3 thousand) represented only 2.7% of the labour underutilisation. When comparing to 2017, all components have decreased (20.9%, 13.3%, 14.2%, and 13.3%, respectively).

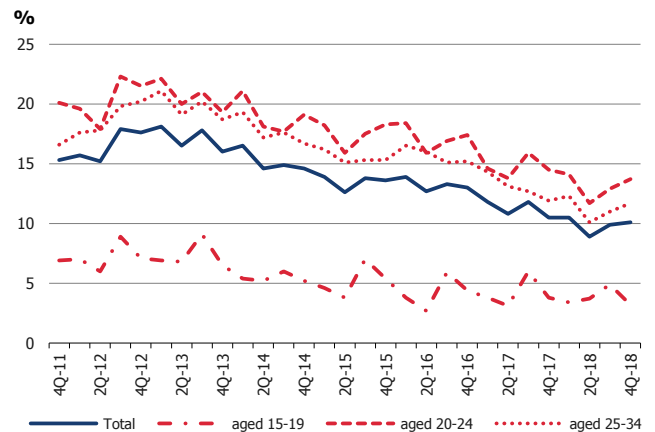
### 8. Young people not in employment, education or training

In the 4<sup>th</sup> quarter of 2018, from the total of 2,203.2 thousand young people (aged 15 to 34), 10.1% (222.4 thousand) were not in employment, education or training.

From the previous quarter, the rate of young people not in employment, education or training increased by 0.2 pp (3.1 thousand). This growth resulted from an increase among those aged 20 to 34 (11.9 thousand; 1.5 pp) that more than compensated the decrease for those aged 15 to 19 (8.9 thousand; 1.7 pp).

From the 4<sup>th</sup> quarter of 2017, the rate of young people not in employment, education or training decreased by 0.4 pp (11.5 thousand). This decrease was observed in all age groups and was larger for those aged 20 to 24 (4.2 thousand; 0.8 pp).

**Figure 11: Rate of young people aged 15 to 34 not in employment, education or training by age group**



In 2018, from the total of 2,212.7 thousand young people aged 15 to 34, 9.9% (218.2 thousand) were not in employment, education or training.

Comparing to 2017, the share of young people that were not in employment, education or training decreased by 1.3 pp (33.1 thousand). This reduction was higher for men (1.4 pp; 16.7 thousand) than for women (1.3 pp; 16.4 thousand), and higher among those aged 25 to 34 (1.7 pp; 22.2 thousand) and those with having completed, at most, an education level corresponding to the first or second stages of basic education (2.4 pp; 26.3 thousand).

**Table 3: Young people aged 15 to 34 years old not in employment, education or training**

Portugal	Quarterly level			Annual level	
	4Q-2017	3Q-2018	4Q-2018	2017	2018
<b>Number</b>	<b>Thousands</b>				
Total	233.9	219.3	222.4	251.3	218.2
Males	113.5	97.0	98.6	118.7	102.0
Females	120.3	122.3	123.8	132.6	116.2
15 to 19	21.3	26.8	17.9	23.3	21.0
20 to 24	77.5	68.9	73.3	78.7	70.1
25 to 34	135.1	123.7	131.2	149.3	127.1
First and second stages of basic education	106.8	82.6	78.5	114.1	87.8
(Upper) secondary and post-secondary non-tertiary education	87.7	88.1	88.1	93.0	88.2
Tertiary education	39.4	48.6	55.8	44.2	42.2
Unemployed population	131.9	103.0	115.9	141.6	114.4
Inactive population	102.0	116.4	106.5	109.7	103.8
<b>Rate</b>	<b>%</b>				
Total	10.5	9.9	10.1	11.2	9.9
Males	10.2	8.7	8.9	10.6	9.2
Females	10.8	11.1	11.3	11.9	10.6
15 to 19	3.8	4.9	3.2	4.2	3.8
20 to 24	14.5	12.9	13.7	14.7	13.1
25 to 34	11.9	11.0	11.7	13.0	11.3
First and second stages of basic education	12.4	10.0	9.7	12.8	10.4
(Upper) secondary and post-secondary non-tertiary education	10.1	10.1	10.2	11.0	10.2
Tertiary education	7.8	9.5	10.6	8.8	8.4
<b>Proportion of</b>					
Unemployed population	56.4	47.0	52.1	56.3	52.4
Inactive population	43.6	53.0	47.9	43.7	47.6

Source: Statistics Portugal, Labour Force Survey - 4<sup>th</sup> quarter of 2018.

## 9. Europe 2020 indicators

The Europe 2020 strategy has established a common agenda for the European Union between 2010 and 2020, founding its strategic guidelines on smart, sustainable and inclusive growth that improve the European Union competitiveness and productivity and underpin a sustainable social market economy.

The key areas of the strategy are expressed in the form of five headline targets in terms of employment, research and development, climate change and energy,

education, poverty and social exclusion. To these targets were associated measurable benchmarks, capable of reflecting the diversity of Member States situations and whose progress is assessed through clear and comparable indicators

The headline targets for Employment (to increase the employment rate of those aged 20 to 64 to 75%) and for Education (to reduce the early leaver from education and training rate to less than 10% and to increase the tertiary educational attainment rate among those aged 30 to 34 to, at least, 40%) are assessed through Labour Force Survey indicators.

The headline targets established for Portugal are presented in the following table.

Europe 2020 indicators				
Portugal	2020 headline target	Annual level		
		2011	2017	2018
Employment rate (age group 20-64)	75%	68.8	73.4	75.4
Early leavers from education and training	10%	23.0	12.6	11.8
Tertiary educational attainment	40%	26.7	33.5	33.5

Source: Statistics Portugal, Labour Force Survey - 4<sup>th</sup> quarter of 2018.

The assessment indicators reveal that for the employment rate of those aged 20 to 64, Portugal has, in 2018, met the benchmark surpassing the headline target of 75%. In 2011, Portugal was 6.2 pp below this value.

However, Portugal has not yet met the headline targets for Education.

In 2018, the early leaver from education and training rate<sup>2</sup> was estimated at 11.8%, while the target was set at 10%. Being currently at 1.8 pp from its benchmark, in 2011 Portugal was at 13.0 pp from it.

On the other hand, the tertiary educational attainment rate<sup>2</sup> stood at 33.5%, with the 2020 target being set at 40% (a 6.5 pp difference). In 2011, Portugal was 13.3 pp behind the benchmark.

---

<sup>2</sup> Concepts available at the Technical note.

**Table 4: Main indicators - active and employed population**

Portugal	Quarterly level			Annual level		Rate of change		
	4Q-2017	3Q-2018	4Q-2018	2017	2018	On year	On quarter	Annual
	Thousands					%		
<b>Labour force (active population)</b>	<b>5,226.9</b>	<b>5,255.5</b>	<b>5,232.1</b>	<b>5,219.4</b>	<b>5,232.6</b>	<b>0.1</b>	<b>-0.4</b>	<b>0.3</b>
Males	2,671.3	2,662.1	2,665.4	2,666.5	2,660.5	-0.2	0.1	-0.2
Females	2,555.6	2,593.4	2,566.8	2,552.9	2,572.1	0.4	-1.0	0.8
15 to 24	378.9	394.9	374.1	371.3	371.9	-1.2	-5.3	0.2
25 to 34	1,028.6	1,010.8	1,009.6	1,033.4	1,016.4	-1.8	-0.1	-1.6
35 to 44	1,394.6	1,372.7	1,377.3	1,407.5	1,384.2	-1.2	0.3	-1.7
45 to 64	2,188.6	2,213.6	2,201.7	2,159.9	2,203.7	0.6	-0.5	2.0
65 and over	236.2	263.4	269.4	247.3	256.3	14.1	2.3	3.6
First and second stages of basic education (at most)	2,481.3	2,425.7	2,342.6	2,502.9	2,406.3	-5.6	-3.4	-3.9
Upper secondary and post-secondary non-tertiary education	1,412.4	1,461.8	1,455.0	1,399.0	1,448.3	3.0	-0.5	3.5
Tertiary education	1,333.2	1,368.0	1,434.5	1,317.5	1,378.1	7.6	4.9	4.6
<b>Participation rate (%)</b>	<b>50.9</b>	<b>51.2</b>	<b>51.0</b>	<b>50.7</b>	<b>51.0</b>			
Males	55.0	54.9	54.9	54.8	54.8			
Females	47.2	47.9	47.4	47.1	47.5			
<b>Participation rate (15 and over) (%)</b>	<b>59.0</b>	<b>59.4</b>	<b>59.1</b>	<b>59.0</b>	<b>59.1</b>			
Males	64.7	64.5	64.5	64.5	64.4			
Females	54.1	54.9	54.4	54.1	54.5			
<b>Employed population</b>	<b>4,804.9</b>	<b>4,902.8</b>	<b>4,883.0</b>	<b>4,756.6</b>	<b>4,866.7</b>	<b>1.6</b>	<b>-0.4</b>	<b>2.3</b>
Males	2,464.8	2,497.2	2,504.7	2,442.3	2,485.8	1.6	0.3	1.8
Females	2,340.2	2,405.6	2,378.4	2,314.3	2,380.8	1.6	-1.1	2.9
15 to 24	290.0	315.8	299.6	282.6	296.4	3.3	-5.2	4.9
25 to 34	939.8	940.9	936.2	933.0	939.8	-0.4	-0.5	0.7
35 to 44	1,308.1	1,294.8	1,305.0	1,306.8	1,303.1	-0.2	0.8	-0.3
45 to 64	2,035.8	2,092.6	2,079.3	1,993.0	2,075.6	2.1	-0.6	4.1
65 and over	231.3	258.6	263.0	241.2	251.7	13.7	1.7	4.4
First and second stages of basic education	2,270.4	2,265.9	2,187.5	2,263.8	2,233.7	-3.7	-3.5	-1.3
(Upper) secondary and post-secondary non-tertiary education	1,279.4	1,340.9	1,350.1	1,260.3	1,329.0	5.5	0.7	5.5
Tertiary education	1,255.1	1,295.9	1,345.4	1,232.5	1,304.0	7.2	3.8	5.8
Agriculture, forestry and fishing (a)	280.4	301.6	274.9	304.4	294.2	-2.0	-8.8	-3.4
Mining and quarrying; manufacturing; electricity, gas, steam and air conditioning supply; water supply; sewage, waste management and remediation activities; construction (a)	1,228.6	1,215.0	1,222.2	1,176.8	1,209.2	-0.5	0.6	2.8
Services (a)	3,296.0	3,386.1	3,385.9	3,275.4	3,363.3	2.7	o	2.7
Employees	4,011.7	4,091.4	4,058.2	3,948.7	4,056.5	1.2	-0.8	2.7
With a permanent job (work contract of unlimited duration)	3,123.0	3,182.5	3,169.2	3,080.3	3,165.1	1.5	-0.4	2.8
With a temporary job (work contract of limited duration)	742.4	760.7	733.9	728.7	745.0	-1.1	-3.5	2.2
Other contractual arrangements	146.3	148.2	155.1	139.7	146.4	6.1	4.7	4.8
Self-employed workers	772.1	789.5	804.9	785.9	789.7	4.2	2.0	0.5
Unpaid family workers	21.1	21.9	20.0	22.0	20.5	-5.4	-8.9	-7.1
Full-time workers	4,273.2	4,397.7	4,367.0	4,220.3	4,355.3	2.2	-0.7	3.2
Part-time workers	531.7	505.0	516.1	536.3	511.3	-2.9	2.2	-4.7
Underemployed part-time workers	200.1	150.2	167.9	201.7	173.0	-16.1	11.8	-14.2
<b>Employment rate (15 and over) (%)</b>	<b>54.3</b>	<b>55.4</b>	<b>55.1</b>	<b>53.7</b>	<b>55.0</b>			
Males	59.7	60.5	60.6	59.1	60.2			
Females	49.6	51.0	50.4	49.0	50.4			

Source: Statistics Portugal, Labour Force Survey - 4<sup>th</sup> quarter of 2018.

**Note:**

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

**Conventional signs:**

o Value less than half of the unit used.



**Table 5: Main indicators - unemployed and inactive population**

Portugal	Quarterly level			Annual level		Rate of change		
	4Q-2017	3Q-2018	4Q-2018	2017	2018	On year	On quarter	Annual
	Thousands					%		
<b>Unemployed population</b>	<b>422.0</b>	<b>352.7</b>	<b>349.1</b>	<b>462.8</b>	<b>365.9</b>	<b>-17.3</b>	<b>-1.0</b>	<b>-20.9</b>
Males	206.5	164.9	160.7	224.2	174.7	-22.2	-2.5	-22.1
Females	215.4	187.8	188.4	238.7	191.3	-12.6	0.3	-19.9
15 to 24	88.8	79.1	74.6	88.6	75.5	-16.0	-5.7	-14.8
25 to 34	88.9	69.8	73.5	100.4	76.6	-17.3	5.2	-23.7
35 to 44	86.6	77.9	72.3	100.7	81.1	-16.5	-7.2	-19.5
45 and over	157.7	125.9	128.7	173.1	132.7	-18.4	2.3	-23.3
First and second stages of basic education (at most)	210.9	159.8	155.1	239.1	172.6	-26.5	-2.9	-27.8
Upper secondary and post-secondary non-tertiary education	133.0	120.9	104.9	138.7	119.3	-21.1	-13.2	-14.0
Tertiary education	78.0	72.0	89.0	85.0	74.1	14.1	23.6	-12.9
Looking for a first job	54.6	50.9	43.1	55.5	45.5	-21.0	-15.3	-18.0
Looking for a new job	367.4	301.8	306.0	407.3	320.4	-16.7	1.4	-21.3
Agriculture, forestry and fishing (a) (b)	12.5	§	§	11.9	9.3	-	-	-21.4
Mining and quarrying; manufacturing; electricity, gas, steam and air conditioning supply; water supply; sewage, waste management and remediation activities; construction (a) (b)	89.7	65.8	65.2	102.6	74.6	-27.4	-1.0	-27.2
Services (a) (b)	242.4	203.5	210.6	266.3	211.2	-13.1	3.5	-20.7
Unemployed by duration of search								
Less than 12 months	194.0	176.4	182.4	196.7	179.1	-5.9	3.4	-8.9
12 months or longer (long-term unemployment)	228.0	176.3	166.7	266.1	186.8	-26.9	-5.4	-29.8
<b>Unemployment rate (%)</b>	<b>8.1</b>	<b>6.7</b>	<b>6.7</b>	<b>8.9</b>	<b>7.0</b>			
Males	7.7	6.2	6.0	8.4	6.6			
Females	8.4	7.2	7.3	9.3	7.4			
Youth (15 to 24)	23.5	20.0	19.9	23.9	20.3			
Long-term	4.4	3.4	3.2	5.1	3.6			
<b>Inactive population</b>	<b>5,051.2</b>	<b>5,005.6</b>	<b>5,028.2</b>	<b>5,065.6</b>	<b>5,031.5</b>	<b>-0.5</b>	<b>0.5</b>	<b>-0.7</b>
Inactive population (15 and over)	3,625.0	3,596.2	3,622.2	3,633.7	3,619.2	-0.1	0.7	-0.4
Males	1,458.3	1,468.3	1,466.5	1,465.1	1,470.4	0.6	-0.1	0.4
Females	2,166.7	2,127.9	2,155.7	2,168.6	2,148.8	-0.5	1.3	-0.9
15 to 24	711.4	692.8	712.6	721.2	716.3	0.2	2.9	-0.7
25 to 34	108.6	110.8	106.8	115.4	108.0	-1.6	-3.6	-6.4
35 to 44	120.4	120.2	108.0	118.3	113.0	-10.3	-10.2	-4.5
45 to 64	710.5	702.2	720.3	732.1	709.4	1.4	2.6	-3.1
65 and over	1,974.2	1,970.1	1,974.4	1,946.7	1,972.5	0.0	0.2	1.3
Students	797.7	756.6	804.5	807.2	801.1	0.9	6.3	-0.8
Fulfilled domestic tasks	382.3	377.9	374.1	387.4	378.3	-2.2	-1.0	-2.3
Retired	1,758.1	1,795.9	1,761.2	1,752.7	1,774.5	0.2	-1.9	1.2
Other inactive	686.9	665.8	682.4	686.5	665.3	-0.7	2.5	-3.1
Persons seeking work but not immediately available	20.9	23.7	17.9	23.5	20.3	-14.6	-24.6	-13.3
Persons available to work but not seeking	201.3	191.0	178.7	213.0	184.6	-11.2	-6.4	-13.3
<b>Inactivity rate (15 and over) (%)</b>	<b>41.0</b>	<b>40.6</b>	<b>40.9</b>	<b>41.0</b>	<b>40.9</b>			
Males	35.3	35.5	35.5	35.5	35.6			
Females	45.9	45.1	45.6	45.9	45.5			

Source: Statistics Portugal, Labour Force Survey - 4<sup>th</sup> quarter of 2018.

**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.

**Conventional signs:**

- Null result

## 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. Due to rounding, the totals in tables and diagrams do not always match the sum of parts.

For more detailed information consult the Labour Force Survey [methodological document](#) (only in Portuguese) available at the Statistics Portugal website.

### 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.

**Labour force (active population):** all persons aged 15 or over who, during the reference period, made up the available labour force for the production of economic goods and services (employed and unemployed).

**Extended labour force:** labour force enlarged by the inactive seeking work but not immediately available and the inactive available but not seeking work.

**Labour underutilisation:** indicator that aggregates the unemployed population, the underemployment of part-time workers, the inactive seeking work but not immediately available, and the inactive available but not seeking work.

**Young people not in employment, education or training:** population of young people of a given age group that, in the reference period, was not employed (i.e., was unemployed or inactive) and was not involved in education or training over a specific period of time (the reference week or in the previous three weeks).

**Participation rate:** ratio between the labour force 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).

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

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

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

*(to be continued)*

*(continuation)*

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

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

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

L.T.U.R. (%) = (Unemployed population seeking employment for 12 months and over / Labour force) x 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. (%) = (Inactive population 15 and over / Total population 15 and over) x 100

**Labour underutilisation rate:** ratio that defines the relationship among the labour underutilisation and the extended labour force.

L.U.R. (%) = (Labour underutilisation / Extended labour force) x 100

**Rate of young people not in employment, education or training:** ratio between the population of young people of a given age group not in employment, education or training and the total population of young people of the same age group.

**Rate of early leaver from education and training:** share of the population aged 18 to 24 who has completed, at most, the first or second stages of basic education and have not received any kind of education or training (either formal or non-formal) in the reference week or in the three previous weeks.

**Rate of tertiary educational attainment:** share of the population aged 30 to 34 who has completed the tertiary studies.

#### **On year rate of change**

The in 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 in 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:** 8 May 2019.