

1 July 2020

Monthly Employment and Unemployment Estimates
May 2020

In April, the employed population decreased by 1.3%, the unemployment rate increased by 0.1 percentage points and the labour underutilisation rate increased by 1.0 percentage points

April 2020 – definitive estimates:

- The employed population has changed by -1.3% from the previous month, by -2.2% from three months before and by -1.8% from the same month of 2019¹.
- The unemployment rate (concept of the International Labour Organization, ILO) stood at 6.3%, 0.1 percentage points (pp) more than in the previous month, 0.5 pp less than three months before and 0.3 pp less than in the same month of the previous year.
- The labour underutilisation rate² was estimated at 13.4%, up 1.0 pp from the previous month, up 0.9 pp from three months before and up 0.4 pp from the same month of 2019.

May 2020 – provisional estimates:

- The employed population has changed by -2.2% from the previous month and by -4.0% both from three months before and from the same month of 2019.
- The unemployment rate (ILO concept) stood at 5.5%, down 0.8 pp from the previous month, down 0.9 pp from three months before and down 1.1 pp from the same month of the previous year.
- The labour underutilisation rate was estimated at 14.2%, 0.8 pp more than in the previous month, 1.8 pp more than three months before and 1.2 pp more than in the same month of 2019.

The information in this Press Release is influenced by the current situation determined by the pandemic COVID-19, either by the natural disturbance associated with the impact of the pandemic in obtaining primary information or by the behavioural changes resulting from the measures adopted to safeguard public health (for more, see page 7). For these reasons, Statistics Portugal advises special care in the analysis of the provisional estimates.

Despite the circumstances, Statistics Portugal will try to maintain the statistical production and release calendar, although some adjustments might occur. We reinforce our call for better collaboration by citizens, private and public entities in answering to Statistics Portugal's requests. The quality of official statistics, particularly its ability to identify the impacts of the COVID-19 pandemic, depends crucially on this collaboration that Statistics Portugal is grateful for in advance.

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).

² For a more detail definition of these indicators, read the publication "*Estatísticas do Emprego – 2.º trimestre de 2012*" (only available in Portuguese) – chapter 4 (Concepts) and 6 (Theme under analysis) available at: <http://www.ine.pt/xurl/pub/143643471>. The labour underutilisation is used by the International Labour Organization (ILO) as a suplementar indicator of the official unemployment rate, maintaining the unemployment rate concept unchanged (<https://ilostat.ilo.org>).

Monthly Employment and Unemployment Estimates								
Main indicators								
	Unit	Seasonally adjusted data						
		Apr 2019	May 2019	Jan 2020	Feb 2020	Mar 2020	Apr 2020	May 2020 (p)
Active population (15 to 74)		5,179.9	5,182.3	5,209.0	5,170.2	5,129.6	5,070.3	4,914.5
Employed population (15 to 74)		4,839.0	4,839.2	4,857.0	4,838.6	4,812.4	4,751.5	4,646.6
Unemployed population (15 to 74)	Thousands	340.9	343.1	352.0	331.6	317.2	318.8	267.9
Inactive population (15 to 74)		2,591.1	2,588.0	2,571.9	2,610.3	2,649.8	2,709.7	2,865.9
Labour underutilisation (15 to 74)		699.0	699.4	669.6	665.1	663.6	713.8	749.5
Activity rate (15 to 74)		66.7	66.7	66.9	66.5	65.9	65.2	63.2
Employment rate (15 to 74)		62.3	62.3	62.4	62.2	61.9	61.1	59.7
Unemployment rate (15 to 74)	%	6.6	6.6	6.8	6.4	6.2	6.3	5.5
Inactivity rate (15 to 74)		33.3	33.3	33.1	33.5	34.1	34.8	36.8
Labour underutilisation rate (15 to 74)		13.0	13.0	12.5	12.4	12.4	13.4	14.2

Source: Statistics Portugal, Labour Force Survey.

Note: (p) - Provisional estimates.

1. Introduction

The evolution of the labour market continues to be marked by the impact of the COVID-19 pandemic. From February to May (provisional estimate), there was a sharp reduction in employment by 4.0%. However, this reduction was not accompanied by an increase in the unemployment rate (ILO definition), having even decreased in this time span (0.9 p.p.). On the other hand, the number of inactive people who are part of two groups that are at the frontier of the active population has significantly increased: inactive people who, although wanting to work, did not actively seek work and inactive people who actively seek work, but were not immediately available to start working in the reference week or in the following two weeks. Reflecting to a large extent this situation, the labour underutilisation rate presented an opposite behaviour than that of the unemployment rate (it has increased by 1.8 pp).

This Press Release is organised as follows: in the next section the estimates for the quarters centred in April (definitive estimates) and May (provisional estimates) are analysed; while in the last section the impact of the COVID-19 pandemic on the results of the Labour Force Survey is further discussed.

2. Monthly estimates analysis

A. Active population and activity rate

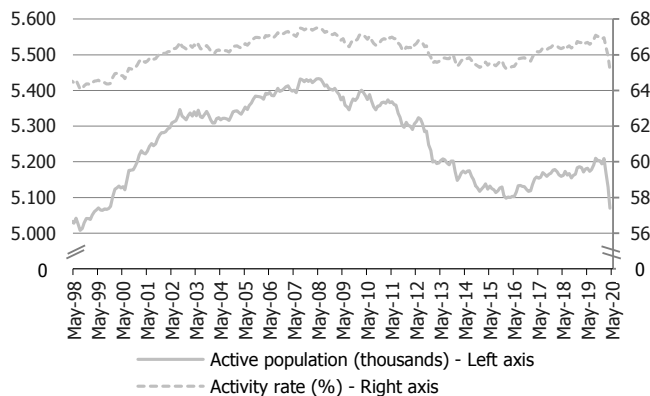
In April 2020, the active population – estimated at 5,070.3 thousand people – has decreased by 1.2% (59.3 thousand) from the month before, by 2.7% (138.7 thousand) from January of the same year and by 2.1% (109.6 thousand) from April 2019.

In May 2020, the provisional estimate of the active population stood at 4 914.5 thousand people, having decreased by 3.1% (155.8 thousand) from the month before, by 4.9% (255.7 thousand) from three months before and by 5.2% (267.8 thousand) from the same month of 2019.

The activity rate that stood at 63.2%, having decreased by 2.0 percentage points (pp) when compared to the

previous month, by 3.3 pp to three months before and by 3.5% to the same month of the year before.

Figure 1: Active population and activity rate
(seasonally adjusted data)

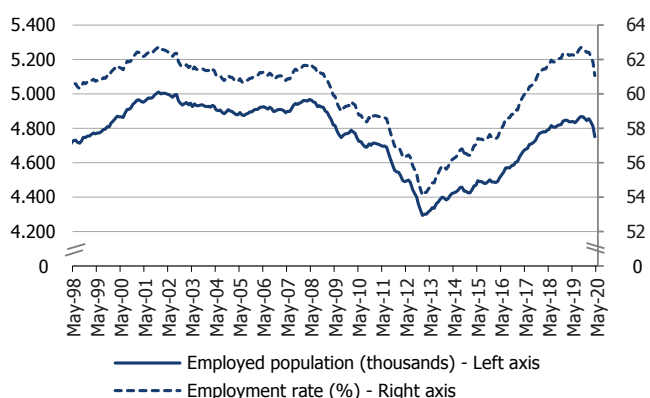


Note: The May 2020 estimates are provisional.

B. Employed population and employment rate

In April 2020, the employed population estimate was 4,751.5 thousand people, having decreased by 1.3% (60.9 thousand) from the previous month, by 2.2% (105.5 thousand) from January of the same year and by 1.8% (87.5 thousand) from April 2019.

Figure 2: Employed population and employment rate
(seasonally adjusted data)



Note: The May 2020 estimates are provisional.

In May 2020, the provisional estimate for the employed population, which stood at 4,646.6 thousand people, has decreased by 2.2% (104.9 thousand) from the previous month and by 4.0% when compared both to three months before and to the same month of 2019 (192.0 thousand and 192.6 thousand, respectively).

The employment rate – estimated at 59.7% – has decreased by 1.4 pp from the previous month, by 2.5 pp from three months before and by 2.6 pp from May 2019.

C. Unemployed population and unemployment rate

In April 2020, the unemployed population estimate was 318.8 thousand people, having increased by 0.5% (1.6 thousand) from March 2020, by 9.4% (33.2 thousand) from January 2020 (three months before) and by 6.5% (22.1 thousand) when comparing to April 2019.

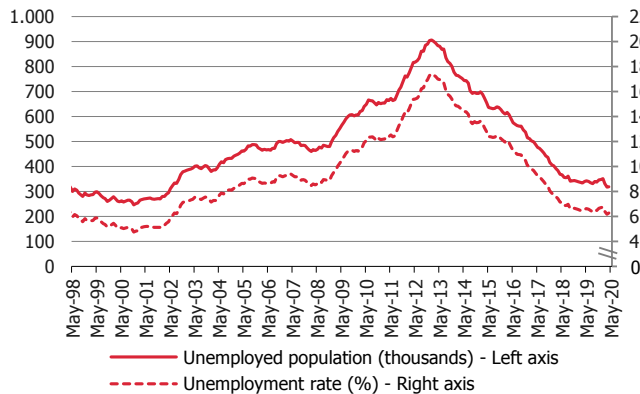
The unemployment rate of April 2020 stood at 6.3%, having increased by 0.1 pp from the previous month and decreased by 0.5 pp from January 2020 and by 0.3 pp from April 2019.

In May 2020, the unemployed population – estimated provisionally at 267.9 thousand people – has decreased by 16.0% (50.9 thousand) from the previous month, by 19.2% (63.7 thousand) from three months before and by 21.9% (75.2 thousand) when compared to one year before.

In May 2020, the provisional estimate for the unemployment rate was 5.5% and it has decreased by 0.8 pp from the previous month's level, by 0.9 pp from three months before and by 1.1 pp from May 2019.

The youth unemployment rate stood at 19.5%, which corresponds to a decrease by 1.1 pp from April 2020. The adults' unemployment rate estimate was 4.5% and has decreased by 0.8 pp from the previous month.

Figure 3: Unemployed population and unemployment rate (seasonally adjusted data)



Note: The May 2020 estimates are provisional.

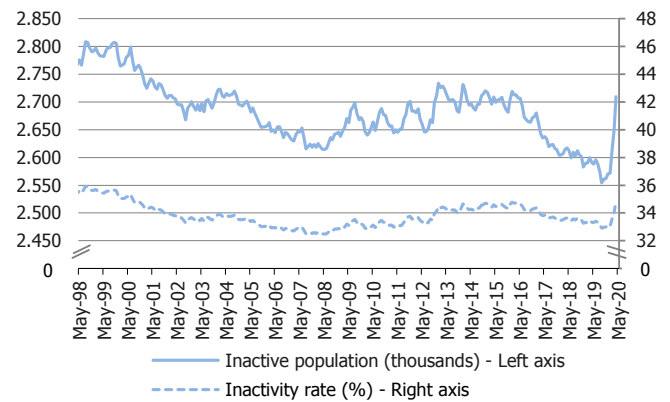
D. Inactive population and inactivity rate

In April 2020, the inactive population – estimated at 2,709.7 thousand people – has increased by 2.3% (59.9 thousand) from March 2020, by 5.4% (137.8 thousands) from three months before and by 4.6% (118.6 thousand) from the same month of 2019.

In May 2020, the inactive population – estimated provisionally at 2,865.9 thousand people – has increased by 5.8% (156.2 thousand) from the previous month, by 9.8% (255.6 thousand) from three months before and by 10.7% (277.9 thousand) compared to one year before.

The inactivity rate, which stood at 36.8%, has increased by 2.0 pp when compared to April 2020, by 3.3 pp to February of the same year and by 3.5 pp to May 2019.

Figure 4: Inactive population and inactivity rate (seasonally adjusted data)



Note: The May 2020 estimates are provisional.

E. Supplementary indicators to unemployment and the labour underutilisation

The labour underutilisation is an 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 work⁴. This indicator is supplemented by its corresponding rate – the labour underutilisation rate⁵ – and allow its data users a broader measure of the labour underutilisation than the more restrictive measure given by the official unemployment rate (ILO concept).

In April 2020, the labour underutilisation was estimated at 713.8 thousand people, having increased by 7.6% (50.2 thousand) from the month before, by 6.6% (44.2 thousand) from three months before and by 2.1% (14.8 thousand) when compared to the same month of 2019.

⁴ For a more detail definition of these indicators, read the publication "Estatísticas do Emprego – 2.º trimestre de 2012" (only available in Portuguese) – chapter 4 (Concepts) and 6 (Theme under analysis) available at: <http://www.ine.pt/xurl/pub/143643471>

⁵ See concepts in the Technical Note and Diagram in page 9.

The labour underutilisation rate of April 2020 was 13.4%, having increased by 1.0 pp from March 2020, by 0.9 pp from three months before and by 0.4 pp from April 2019.

In May 2020, the provisional estimate of labour underutilisation stood at 749.5 thousand people, having increased by 5.0% (35.7 thousand) when compared to the estimate of April 2020, by 12.7% (84.4 thousand) to the one from three months before and by 7.2% (50.1 thousand) to May 2019 estimate.

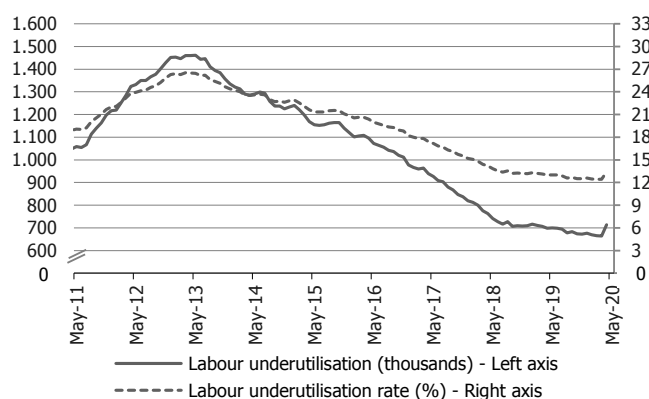
The provisional estimate of the labour underutilisation rate of May 2020 stood at 14.2% and it has increased by 0.8 pp from the month before, by 1.8 pp from February of the same year and by 1.2 pp from May 2019.

decrease was due to the decrease in the employed population (60.9 thousand) being larger than the slight increase of the unemployed population (1.6 thousand).

Compared to three months before, the decrease of the active population (138.7 thousand) was due to the decrease observed both in the employed population (105.5 thousand) and in the unemployed population (33.2 thousand). The inactive population increased by 137.8 thousand people.

The same is observed when compared to April 2019; in which the active population decrease (109.6 thousand) was explained by the decreases observed both in the employed population (87.5 thousand) and in the unemployed population (22.1 thousand). The inactive population has increased by 118.6 thousand people.

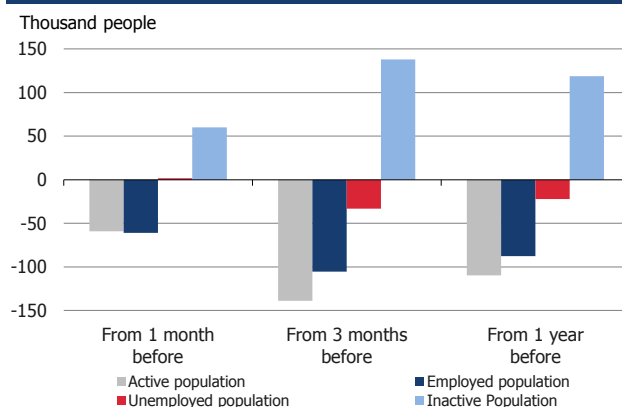
Figure 5: Labour underutilisation and labour underutilisation rate
(seasonally adjusted data)



Note: The May 2020 estimates are provisional.

In summary (Figure 6), in April 2020, from the previous month, the active population has decreased (59.3 thousand) while the inactive population has increased (59.9 thousand)⁶. The active population

Figure 6: Change in the active, employed, unemployed and inactive population in April 2020
(seasonally adjusted data)



Regarding the provisional estimates of May 2020 (Figure 7), the active population monthly decrease (155.8 thousand) was due to the decrease in the employed population (104.9 thousand) and in the unemployed population (50.9 thousand). In turn, the

⁶ The changes in the active population and in the inactive population are not necessarily symmetrical. They are also influenced by the total

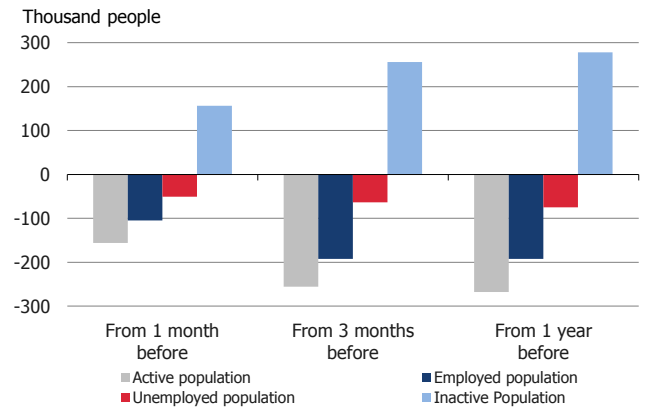
population change that results from the natural balance and the net migration.

inactive population continued to increase (156.2 thousand people). The greater part of this increase (97.5 thousand) came from the increase in the number of persons available to work but not seeking work.

When comparing to three months before, the decrease of the active population (255.7 thousand) was due to the decrease observed in the employed population (192.0 thousand) and in the unemployed population (63.7 thousand). On the other hand, the inactive population has increased by 255.6 thousand. The largest share of this increase (169.9 thousand) also came from the increase in the number of persons available to work but not seeking work.

The same was observed when comparing to May 2019; in which the active population has also decreased (267.8 thousand) due to the decreases observed both in the employed population (192.6 thousand) and in the unemployed population (75.2 thousand). The inactive population has increased by 277.9 thousand people. The majority of this increase (155.4 thousand) was, once again, due to the increase in the number of persons available to work but not seeking work.

Figure 7: Change in the active, employed, unemployed and inactive population in May 2020
(seasonally adjusted data)



Note: The May 2020 estimates are provisional.

3. The impact of the COVID-19 pandemic on the results of Labour Force Survey published in this Press Release

Since mid-March 2020, some measures have been taken to safeguard the public health due to COVID-19 pandemic, which have affected the way the Labour Force Survey interviews are conducted, the normal functioning of the labour market and, therefore, the monthly employment and unemployment estimates of the April and May 2020.

In particular, the declaration of a state of emergency led to the temporary closure of several enterprises and restricted the free movement of persons, and it was accompanied by the closure of schools, which led many parents to stay at home (even if they could not work remotely from there) to take care of their children. At the same time, measures have been taken to protect workers' jobs, such as the new layoff regime with simpler rules.

In May and, in particular, in June, the restrictions to mobility were partially eased, but continued to affect the labour market functioning in the period under analysis. It should be noticed that the monthly estimates correspond to moving quarters, whose reference month is the central month of each of these quarters⁷. Thus, the definite estimates of April 2020 comprise the months of March, April and May, while the provisional estimates of May 2020 include the months of April, May and June.

As explained in section B of the Press Release "Employment Estimates - 1st quarter 2020", released on 6 May 2020, one of the impacts of the COVID-19 pandemic on the results of the Labour Force Survey relates to the classification of people according to their Labour Status. In fact, persons previously classified as unemployed and those who actually lost their jobs due to the COVID-19 pandemic may now be classified as inactive due to restrictions on mobility, reduction or even interruption of the normal channels of information on job vacancies as a result of the partial or even total closure of a very significant proportion of enterprises, reasons for which they have not actively search for a job (which is an essential criterion for their classification as unemployed; for more details, see the concept of unemployed in the Technical Note). Also, the non-availability to start working in the reference week or in the two following weeks, if they had found a job, because they had to take care of children or other dependents or because they fell ill due to the pandemic, leads those persons to be now part of the inactive population.

Likewise, persons previously classified as employed may now fail to meet the criteria of the International Labour Organization (ILO), whose operationalisation is harmonised within the European Union together with Eurostat, and those criteria are required to be part of the employed population (for more details, see the concept of employed in the Technical Note). Therefore, those persons may now be considered as not employed (this is, as unemployed or as inactive). This is the case of persons who are absent from work due to a reduction in the economic activity or to layoff for an estimated duration of more than 3 months while earning a salary of less than 50% of the usual one.

⁷ For more information, please see the Technical Note.

Nonetheless, the measures taken to safeguard the public health due to COVID-19 pandemic covered a large number of people potentially in this situation, which kept them in the employed population⁸.

Given the above, the three month and annual decrease of the employed and of the unemployed population observed in the moving quarters centred in April and in May (in the latter, still provisional estimates) can be partially explained by the current social and economic environment and were reflected in the decrease of the active population and in the almost equivalent increase of the inactive population⁹. The interpretation of labour market developments in the context of the COVID-19 pandemic, in particular the three month and annual reduction of the unemployment rate, computed according to the ILO concept and observed in the moving quarter centred in May, cannot be dissociated from the increase in the inactivity rate.

The end of the emergency state and the calamity state has enabled the reopening of various economic activities, while the self-isolation duty became not as restrictive as before. This may have made possible the beginning of the fulfilment of the criteria of active job search and willingness to start working, essential for the classification of non-employed people in the active population as unemployed. However, only the simultaneous fulfilment of both criteria will allow that transition.

Compliance with at least one of these criteria was also reflected in the monthly increase observed in the May's labour underutilisation indicator, as this increase was explained by the strong increases observed in the number of persons seeking work but not immediately available to start working and of persons available to work but not seeking for a job (see Table 5). Nevertheless, it should be stressed that these estimates are provisional and subject to revision.

⁸ For a detailed analysis, see section B. The impact of the COVID-19 pandemic on the results of the Labour Force Survey in the Press Release "Employment Statistics – 1st quarter 2020", available at [Statistics Portugal website](https://www.ine.pt).

⁹ The changes in the active population and in the inactive population are not necessarily symmetrical. They are also influenced by the total population change that results from the natural balance and the net migration.

Criteria used when classifying the population aged 15 to 74 by labour status

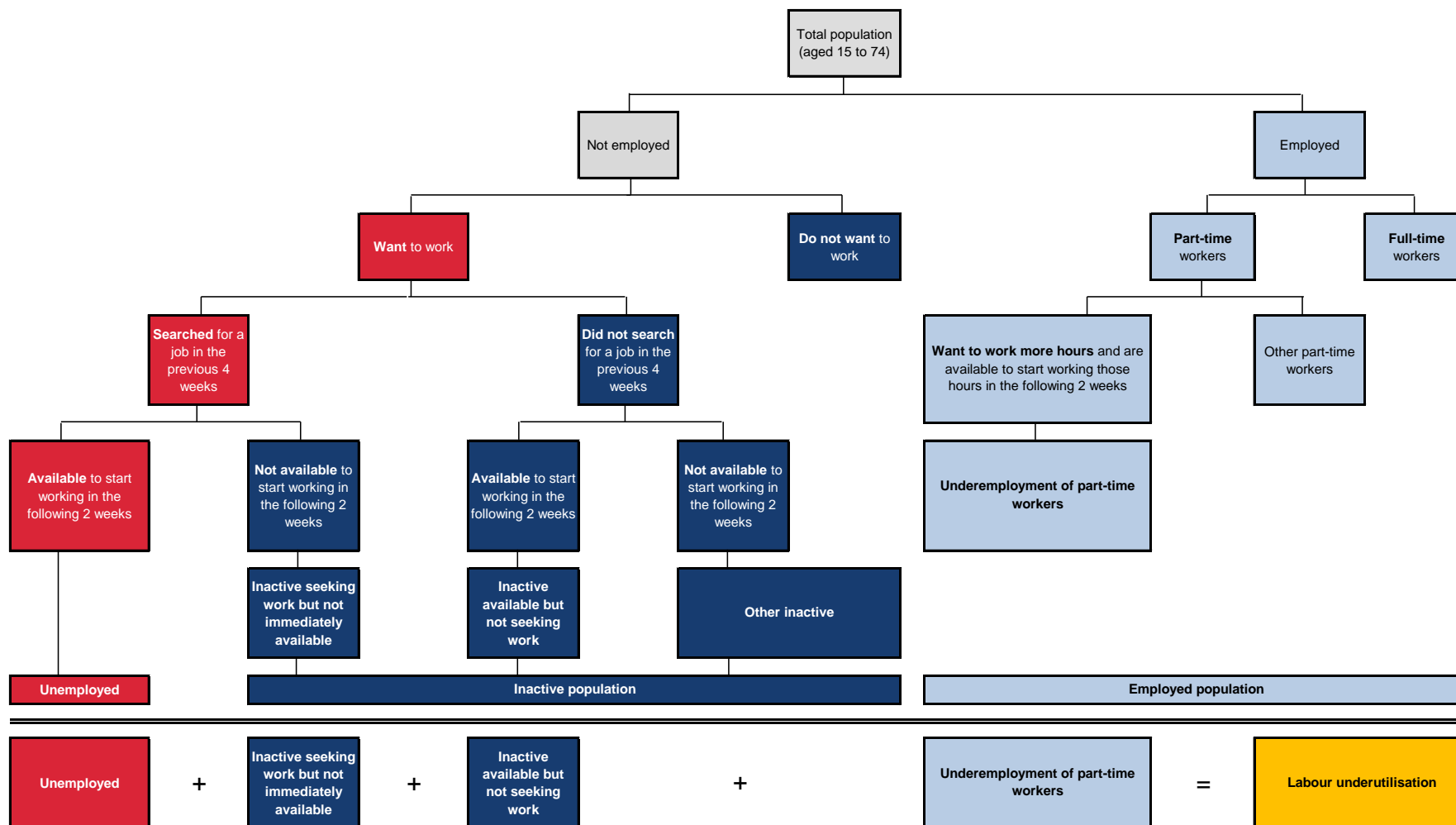


Table 1: Active population and active rate by sex and age group (15 to 74)

	Seasonally adjusted data					Not seasonally adjusted data				
	May 2019	Feb 2020	Mar 2020	Apr 2020	May 2020 (p)	May 2019	Feb 2020	Mar 2020	Apr 2020	May 2020 (p)
	Thousands									
Active population (15 to 74)	5,182.3	5,170.2	5,129.6	5,070.3	4,914.5	5,183.5	5,151.7	5,120.5	5,069.4	4,920.5
Men (15 to 74)	2,610.7	2,609.0	2,592.8	2,567.3	2,494.4	2,609.3	2,595.5	2,582.9	2,564.8	2,496.3
Women (15 to 74)	2,571.6	2,561.2	2,536.9	2,503.0	2,420.1	2,574.2	2,556.1	2,537.6	2,504.7	2,424.2
Youth (aged 15 to 24)	373.4	364.3	361.1	341.8	302.4	360.9	361.3	355.0	333.3	293.9
Adults (aged 25 to 74)	4,808.9	4,805.9	4,768.5	4,728.5	4,612.1	4,822.6	4,790.4	4,765.6	4,736.1	4,626.7
	%									
Active rate (15 to 74)	66.7	66.5	65.9	65.2	63.2	66.7	66.2	65.8	65.2	63.2
Men (15 to 74)	70.4	70.3	69.9	69.2	67.3	70.3	70.0	69.6	69.1	67.3
Women (15 to 74)	63.3	62.9	62.3	61.5	59.4	63.4	62.8	62.3	61.5	59.5
Youth (aged 15 to 24)	34.3	33.3	33.0	31.2	27.6	33.1	33.0	32.4	30.4	26.8
Adults (aged 25 to 74)	72.0	71.9	71.3	70.7	69.0	72.2	71.7	71.3	70.8	69.2

Source: Statistics Portugal, Labour Force Survey.

Note: (p) - Provisional estimates.

Table 2: Employed population and employment rate by sex and age group (15 to 74)

	Seasonally adjusted data					Not seasonally adjusted data				
	May 2019	Feb 2020	Mar 2020	Apr 2020	May 2020 (p)	May 2019	Feb 2020	Mar 2020	Apr 2020	May 2020 (p)
	Thousands									
Employed population (15 to 74)	4,839.2	4,838.6	4,812.4	4,751.5	4,646.6	4,855.1	4,803.6	4,793.4	4,750.9	4,662.6
Men (15 to 74)	2,451.2	2,454.1	2,449.4	2,433.7	2,360.7	2,454.1	2,434.3	2,433.2	2,428.7	2,365.4
Women (15 to 74)	2,388.0	2,384.5	2,363.0	2,317.7	2,285.9	2,400.9	2,369.3	2,360.3	2,322.2	2,297.3
Youth (aged 15 to 24)	300.3	295.5	295.1	271.6	243.4	295.7	290.3	290.0	268.1	240.3
Adults (aged 25 to 74)	4,538.9	4,543.1	4,517.3	4,479.9	4,403.2	4,559.4	4,513.3	4,503.4	4,482.8	4,422.4
	%									
Employment rate (15 to 74)	62.3	62.2	61.9	61.1	59.7	62.5	61.7	61.6	61.1	59.9
Men (15 to 74)	66.1	66.1	66.0	65.6	63.6	66.1	65.6	65.6	65.5	63.8
Women (15 to 74)	58.8	58.6	58.1	56.9	56.1	59.1	58.2	58.0	57.0	56.4
Youth (aged 15 to 24)	27.6	27.0	27.0	24.8	22.2	27.1	26.5	26.5	24.5	21.9
Adults (aged 25 to 74)	67.9	68.0	67.6	67.0	65.9	68.2	67.5	67.4	67.1	66.2

Source: Statistics Portugal, Labour Force Survey.

Note: (p) - Provisional estimates.

Table 3: Unemployed population and unemployment rate by sex and age group (15 to 74)

	Seasonally adjusted data					Not seasonally adjusted data				
	May 2019	Feb 2020	Mar 2020	Apr 2020	May 2020 (p)	May 2019	Feb 2020	Mar 2020	Apr 2020	May 2020 (p)
	Thousands									
Unemployed population (15 to 74)	343.1	331.6	317.2	318.8	267.9	328.5	348.1	327.1	318.6	257.9
Men (15 to 74)	159.5	154.9	143.4	133.6	133.7	155.2	161.2	149.7	136.1	131.0
Women (15 to 74)	183.6	176.7	173.8	185.2	134.2	173.3	186.8	177.4	182.5	126.9
Youth (aged 15 to 24)	73.1	68.8	66.0	70.3	59.1	65.2	71.0	64.9	65.3	53.6
Adults (aged 25 to 74)	270.0	262.7	251.2	248.6	208.8	263.2	277.1	262.1	253.3	204.3
	%									
Unemployment rate (15 to 74)	6.6	6.4	6.2	6.3	5.5	6.3	6.8	6.4	6.3	5.2
Men (15 to 74)	6.1	5.9	5.5	5.2	5.4	5.9	6.2	5.8	5.3	5.2
Women (15 to 74)	7.1	6.9	6.9	7.4	5.5	6.7	7.3	7.0	7.3	5.2
Youth (aged 15 to 24)	19.6	18.9	18.3	20.6	19.5	18.1	19.7	18.3	19.6	18.2
Adults (aged 25 to 74)	5.6	5.5	5.3	5.3	4.5	5.5	5.8	5.5	5.3	4.4

Source: Statistics Portugal, Labour Force Survey.

Note: (p) - Provisional estimates.

Table 4: Inactive population and inactivity rate by sex and age group (15 to 74)

	Seasonally adjusted data					Not seasonally adjusted data				
	May 2019	Feb 2020	Mar 2020	Apr 2020	May 2020 (p)	May 2019	Feb 2020	Mar 2020	Apr 2020	May 2020 (p)
	Thousands									
Inactive population (15 to 74)	2,588.0	2,610.3	2,649.8	2,709.7	2,865.9	2,586.8	2,628.8	2,658.9	2,710.6	2,859.8
Men (15 to 74)	1,099.6	1,100.9	1,116.2	1,141.8	1,214.7	1,101.0	1,114.4	1,126.1	1,144.4	1,212.7
Women (15 to 74)	1,488.4	1,509.3	1,533.6	1,568.0	1,651.2	1,485.9	1,514.4	1,532.8	1,566.2	1,647.1
Youth (aged 15 to 24)	716.5	730.4	733.8	753.5	793.3	729.0	733.5	739.9	762.0	801.8
Adults (aged 25 to 74)	1,871.5	1,879.8	1,916.0	1,956.2	2,072.6	1,857.8	1,895.3	1,919.0	1,948.6	2,058.0
	%									
Inactivity rate (15 to 74)	33.3	33.5	34.1	34.8	36.8	33.3	33.8	34.2	34.8	36.8
Men (15 to 74)	29.6	29.7	30.1	30.8	32.7	29.7	30.0	30.4	30.9	32.7
Women (15 to 74)	36.7	37.1	37.7	38.5	40.6	36.6	37.2	37.7	38.5	40.5
Youth (aged 15 to 24)	65.7	66.7	67.0	68.8	72.4	66.9	67.0	67.6	69.6	73.2
Adults (aged 25 to 74)	28.0	28.1	28.7	29.3	31.0	27.8	28.3	28.7	29.2	30.8

Source: Statistics Portugal, Labour Force Survey.

Notes: (p) - Provisional estimates.

Table 5: Labour underutilisation and labour underutilisation rate (15 to 74)

	Seasonally adjusted data					Not seasonally adjusted data				
	May 2019	Feb 2020	Mar 2020	Apr 2020	May 2020 (p)	May 2019	Feb 2020	Mar 2020	Apr 2020	May 2020 (p)
	Thousands									
Labour underutilisation (15 to 74)	699.4	665.1	663.6	713.8	749.5	676.5	694.7	680.7	712.3	727.0
Unemployed population	343.1	331.6	317.2	318.8	267.9	328.5	348.1	327.1	318.6	257.9
Underemployed part-time workers	158.9	149.3	144.1	136.9	125.7	157.9	159.0	154.1	144.2	125.4
Persons seeking work but not immediately available	20.3	21.6	19.7	23.0	23.4	21.9	21.2	19.5	23.5	25.5
Persons available to work but not seeking	177.2	162.7	182.6	235.1	332.5	168.2	166.4	180.0	226.0	318.2
	%									
Labour underutilisation rate (15 to 74)	13.0	12.4	12.4	13.4	14.2	12.6	13.0	12.8	13.4	13.8

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 analysed 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)

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^(a);
- had a business, but was temporarily not working for a specific reason;
- was in a pre-retirement situation while working.

^(a) According to the internationally defined criteria, there is a group of persons who, although absent from work in the reference week, should be classified as employed. This is the case of persons on vacation, taking holidays, maternity/paternity leave or absent due to illness. For other predefined absences, it is necessary to check the duration of such absence: if the absence lasts up to 3 months, the person shall be deemed to have a formal link to employment; if it lasts more than 3 months, the person will only be classified as employed if he continues to receive an income equal to or greater than 50%. Otherwise, these persons are considered as not employed.

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.

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

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

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

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

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

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

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

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

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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

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:

29 July 2020: "Monthly Employment and Unemployment Statistics – June 2020".

30 July 2020: Eurostat News Release.