

10 May 2023 EMPLOYMENT STATISTICS 1<sup>st</sup> quarter of 2023

# THE UNEMPLOYMENT RATE INCREASED TO 7.2% IN THE 1<sup>ST</sup> QUARTER OF 2023

In the 1<sup>st</sup> quarter of 2023, the employed population (4,924.7 thousand people) increased by 0.4% (21,8 thousand) from the previous quarter and by 0.5% (23.8 thousand) from one year before.

The share of the employed population who has teleworked, that is, who has worked from home using information and communication technologies was 17.9% (881,6 thousand people), 0.9 percentage points (pp) more than in the 4<sup>th</sup> quarter of 2022.

The unemployed population, estimated at 380.3 thousand people, has increased by 11.0% (37.6 thousand) from the previous quarter and by 23.3% (71,9 thousand) from a year earlier.

The unemployment rate stood at 7.2%, up 0.7 pp from the 4<sup>th</sup> quarter of 2022 and up 1.3 pp from the 1<sup>st</sup> quarter of 2022.

The labour underutilisation covered 680.7 thousand people, having increased by 7.5% (47.6 thousand) from the previous quarter and by 10.1% (62.5 thousand) from a year before. Similarly, the labour underutilisation rate (12.5%) has increased from both periods under comparison: the previous quarter (0.8 pp) and the same quarter a year before (1.0 pp).

The inactive population aged 16 and over (3,537.3 thousand people) has decreased by 1.0% (34.6 thousand) from the previous quarter and by 1.6% (55.8 thousand) in the year-on-year comparison.

### 1. Labour force (active population)

The Labour Force Survey results for the 1<sup>st</sup> quarter of 2023 indicate that the labour force (active population), estimated at 5,305.0 thousand people, has increased by 1.1% from the previous quarter (59.4 thousand people) and by 1.8% from the same quarter of 2022 (95.7 thousand).

Therefore, the activity rate of the working age population (those aged 16 to 89) stood at 60.8%, having increased by 0.5 percentage points (pp) from the preceding quarter and by 0.9 pp from the 1<sup>st</sup> quarter of 2022.

#### 2. Employed population

In the 1<sup>st</sup> quarter of 2023, the employed population stood at 4,924.7 thousand people and increased by 0.4% (21.8 thousand) from the previous quarter and by 0.5% (23.8 thousand) from one year before. On the other hand, the corresponding employment rate stood at 56.4%, unchanged both from the 1<sup>st</sup> and the 4<sup>th</sup> quarters of 2022.

Figure 1. Employed population and employment rate



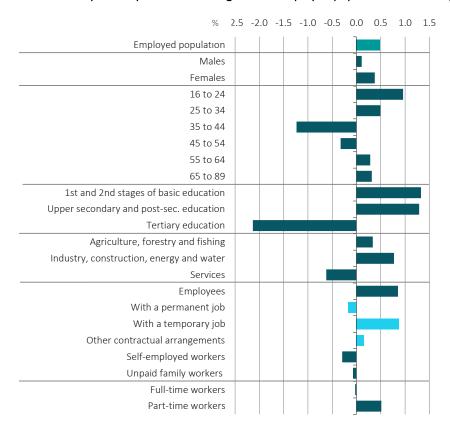
**Source:** Statistics Portugal, Labour Force Survey – 1<sup>st</sup> quarter of 2023.

Figure 2 shows the breakdown of the year-on-year change of the employed population by different characterisation variables: sex, age group, highest level of education completed, activity sector, labour status, type of employment contract of employees, and work duration regime.

In summary, the year-on-year change in the employed population, was mainly due to the increases in the following population groups: women (18.5 thousand; 0.8%); people aged 16 to 24 (47.1 thousand; 18.6%); having completed, at most, the first or second stages of basic education (65.2 thousand; 3.8%) or the upper secondary and post-secondary education (63.2 thousand; 4.3%); employed in the industry, construction, energy and water sector (37.9 thousand; 3.2%), namely in the activities of construction (25.8 thousand; 8.3%), increase which represented 68.1% of the sector change; employees (41.9 thousand; 1.0%), with a temporary contract (42.9 thousand; 7.7%); and working part-time (25.1 thousand; 6.5%).



Figure 2. Contributions to the year-on-year rate of change of the employed population in the 1st quarter of 2023



Source: Statistics Portugal, Labour Force Survey – 1st quarter of 2023.

Considering the total employed population, 19.0% of them (937.0 thousand) reported having worked from home in the  $1^{st}$  quarter of 2023. The average number of days worked at home per week was four, as in the previous quarter. 1

Among those who worked at home, 27.0% (252.9 thousand) did it always, 31.6% (295.6 thousand) did so regularly through a system that combines face-to-face work and work at home, 15.2% (142.6 thousand) worked from home on occasion, and 25.7% (240.2 thousand) did so outside working hours. Comparing these shares to those of the previous quarter, there was an increase in those who combined face-to-face work and work at home (1.3 pp) and in those who worked at home outside of working hours (1.0 pp), with a decrease in those who worked occasionally at home (0.6 pp).

Among those working regularly through a system that combines face-to-face work and work at home, the most common combination system was the one that combines a few days a week at home in every week (66.9%;

 $\hbox{EMPLOYMENT STATISTICS}-1^{st}\ quarter\ of\ 2023$ 

<sup>&</sup>lt;sup>1</sup> These indicators were computed from the data collected in the Labour Force Survey ad hoc module - Working from home. Other indicators related to this subject are available in the Excel tables published together with the current Press Release.



197.9 thousand), decreasing (1.8 pp), however, from the 4<sup>th</sup> quarter of 2022. Employed persons in a hybrid system worked at home on average three days per week.

Also, among those working at home, 94.1% (881.6 thousand) have teleworked, that is, they have used information and communication technologies (ICT) to perform their jobs from home. This work practice covered 17.9% of the total employed population, 0.9 pp more than in the previous quarter.

### 3. Unemployed population

In the 1<sup>st</sup> quarter of 2023, the unemployed population (380.3 thousand people) increased both from the previous quarter (37.6 thousand; 11.0%) and from a year earlier (71.9 thousand; 23.3%).



Figure 3. Unemployed population and unemployment rate

**Source:** Statistics Portugal, Labour Force Survey -1<sup>st</sup> quarter of 2023.

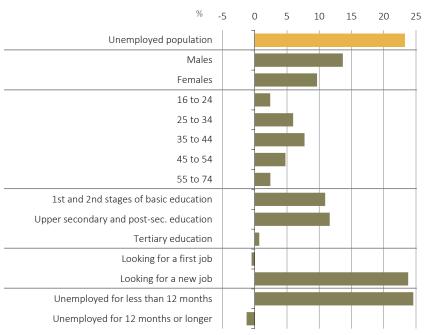
The year-on-year change of the unemployed population was mainly due to the increases in the following population groups: men (42.1 thousand; 29.9%); people aged 35 to 44 (23.8 thousand; 47.1%); having completed, at most, the first or second stages of basic education (33.7 thousand; 28.9%) or with the upper secondary and post-secondary education (35.9 thousand; 32.5%); looking for a new job (73.4 thousand; 28.1%); and unemployed for less than 12 months (75.8 thousand; 45.7%).

In the 1<sup>st</sup> quarter of 2023, 36.5% of the unemployed population was in this situation for 12 months or longer (long-term unemployment), down 5.5 pp from the quarter before and down 9.7 pp from a year earlier.

The year-on-year change of the proportion of long-term unemployment was driven by decreases among women (11.0 pp), those aged 55 to 74 (15.5 pp), and those with tertiary education (16.6 pp).

The share of very long-term unemployment (24 or more months) in the long-term unemployment (62.6%) has decreased by 2.5 pp from the previous quarter and increased by 8.9 pp from the same quarter of 2022.

Figure 4. Contributions to the year-on-year rate of change of the unemployed population in the 1st quarter of 2023



**Source:** Statistics Portugal, Labour Force Survey – 1st quarter of 2023.

Table 1. Unemployed population for 12 months or longer (long-term unemployment)

	(	Proportion		
Portugal	1Q-2022	4Q-2022	1Q-2023	1Q-2023
		%		
Total	142.6	143.8	138.7	36.5
Males	64.7	62.1	68.7	37.6
Females	77.8	81.7	69.9	35.4
16 to 24	13.7	12.0	11.9	16.2
25 to 34	31.0	32.5	28.5	29.7
35 to 44	23.8	29.6	29.6	39.9
45 to 54	31.2	31.7	30.8	44.1
55 to 74	42.8	38.0	37.9	56.7
First and second stages of basic education (at most)	59.1	72.8	64.8	43.1
Upper secondary and post-secondary non-tertiary education	48.6	45.4	51.9	35.5
Tertiary education	34.9	25.6	21.9	26.2
Unemployed for less than 24 months	66.0	50.2	51.8	37.4
Unemployed for 24 months or longer	76.6	93.5	86.9	62.6

**Source:** Statistics Portugal, Labour Force Survey -1<sup>st</sup> quarter of 2023.

**Note:** (a) The proportions shown, except for the last two, have been calculated considering the unemployed population. The proportions referring to the duration of long-term unemployment were based on the unemployed population for 12 months or longer.

The unemployment rate for the 1<sup>st</sup> quarter of 2023 stood at 7.2%<sup>2</sup>, which corresponds to an increase by 0.7 pp from the 4<sup>th</sup> quarter of 2022 and to an increase by 1.3 pp from the 1<sup>st</sup> quarter of 2022. The youth unemployment rate (16 to 24 years old), estimated at 19.6%, down 0.3 pp from the previous quarter and down 1.0 pp from a year earlier.

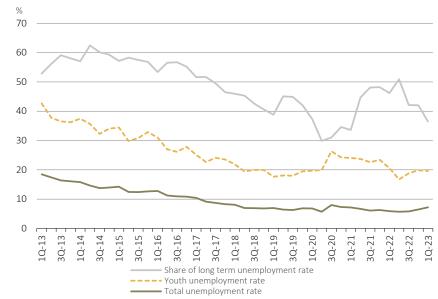


Figure 5. Total and youth unemployment rate and share of long-term unemployment

**Source:** Statistics Portugal, Labour Force Survey – 1st quarter of 2023.

In the  $4^{th}$  quarter of 2022, the youth unemployment rate in the European Union (Figure )<sup>3</sup>, at 27 countries, was estimated at 14.1%, 5.8 pp less than in Portugal (19.9%), which corresponded to the  $6^{th}$  highest rate in the EU-27.

From the  $3^{rd}$  quarter of 2022, the youth unemployment rate decreased by 1.2 pp in the EU-27 and increased by 1.1 pp in Portugal. From the  $4^{th}$  quarter of 2022, it decreased more in Portugal (3.5 pp) than in the EU-27 (0.3 pp).

<sup>&</sup>lt;sup>2</sup> This unemployment rate was calculated for those aged 16 to 89 (in line with the concepts in force of the International Labour Organization). The unemployment rate for the moving quarter centered in February 2023 (which corresponds to the 1<sup>st</sup> quarter 2023), published in the Monthly Employment and Unemployment Estimates Press Release of March 2023 (released in 2-5-2023), was calculated for the age subgroup of those aged 16 to 74 (as in the Eurostat News Release). This rate (not seasonally adjusted) was 7.2%.

<sup>&</sup>lt;sup>3</sup> The estimates for the 1<sup>st</sup> quarter of 2023 at European Union level will be released on June 16, 2023. It should be noted that its reference age group is that of 15 to 24 years old, except for Portugal, Spain and Italy, whose lower age limit is 16.

Greece Spain Italy Romania Slovakia Portugal Sweden Cyprus France Estonia Croatia Latvia Luxembourg Belgium EU-27 Finland Lithuania Poland Denmark Hungary Slovenia Bulgaria Ireland Austria Malta Czechia Netherlands Germany 5 10 15 25 30

Figure 6. Youth unemployment rate in the European Union in the 4<sup>th</sup> quarter of 2022

Source: Eurostat, Unemployment by sex and age – quarterly data [UNE\_RT\_Q]

In the 1<sup>st</sup> quarter of 2023, the unemployment rate was higher than the national average (7.2%) in two NUTS II regions (*Área Metropolitana de Lisboa*: 8.0%; *Norte*: 7.6%), the same in another two regions (*Alentejo* and *Algarve*), and lower in the remaining three (*Região Autónoma da Madeira*: 6.5%; *Região Autónoma dos Açores*: 6.2%; *Centro*: 5.6%).

From the previous quarter, the unemployment rate has increased in all regions, except in *Região Autónoma da Madeira*, where it decreased by 0.4 pp. The largest increase was observed in the *Alentejo* region (1.7 pp).

In the year-on-year comparison, this indicator has increased in all Mainland regions, with the increase of 2.2 pp in the *Norte* region standing out, and it has decreased in the autonomous regions (*Região Autónoma dos Açores*: 0.4 pp; *Região Autónoma da Madeira*: 1.0 pp).



Table 2. Unemployment rates by NUTS II (NUTS-2013)

	Quarterly level			Rate of change			
Portugal	1Q-2022	4Q-2022	1Q-2023	On year	On quarter		
	%						
Portugal	5.9	6.5	7.2	1.3	0.7		
Norte	5.4	6.8	7.6	2.2	0.8		
Centro	5.4	5.3	5.6	0.2	0.3		
Área Metropolitana de Lisboa	6.8	7.6	8.0	1.2	0.4		
Alentejo	5.1	5.5	7.2	2.1	1.7		
Algarve	7.0	6.3	7.2	0.2	0.9		
Região Autónoma dos Açores	6.6	5.5	6.2	- 0.4	0.7		
Região Autónoma da Madeira	7.5	6.9	6.5	- 1.0	- 0.4		

**Source:** Statistics Portugal, Labour Force Survey -1<sup>st</sup> quarter of 2023.

### 4. Inactive population

The inactive population, estimated at 4,996.5 thousand people in the 1<sup>st</sup> quarter of 2023, has decreased both from the previous quarter (29.7 thousand; 0.6%) and from the same quarter of 2022 (61.4 thousand; 1.2%).

3,950 45 3,900 44 3,850 43 3,800 42 3,750 41 3,700 40 3,650 39 3,600 38 3,550 37 1Q-17 10-18 1Q-20 10-1Q-3Q-Inactive population (thousands) - left axis --- Inactivity rate (%) - right axis

Figure 7. Inactive population (aged 16 and over)

**Source:** Statistics Portugal, Labour Force Survey – 1<sup>st</sup> quarter of 2023.

The inactive population aged 16 or over stood at 3,537.3 thousand people, accounted for 70.8% of the total inactive population and decreased in relation to the two periods under analysis: the previous quarter (34.6 thousand; 1.0%) and the same quarter of 2022 (55.8 thousand; 1.6%).



The inactivity rate (16 years old or over) stood at 40.0% and presented identical evolution: it has decreased both from the  $4^{th}$  quarter of 2022 (0.5 pp) and from the  $1^{st}$  quarter of 2022 (0.8 pp).

#### 5. 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 work<sup>4</sup>. This indicator is supplemented by its corresponding rate – the labour underutilisation rate<sup>5</sup>. This indicator is a broader measure of the labour underutilisation than the unemployment rate<sup>6</sup>.

In the 1<sup>st</sup> quarter of 2023, the labour underutilisation was estimated at 680,7 thousand people and the corresponding rate was 12,5%.

The labour underutilisation has increased by 7.5% (47.6 thousand) from the previous quarter and by 10.1% (62.5 thousand) from a year earlier. The same pattern was observed in the labour underutilisation rate that has increased by 0.8 pp from the previous guarter and by 1.0 pp from the 1st quarter of 2022.

By component, the following is observed:

- The unemployed population was estimated at 380.3 thousand people and, as previously mentioned, increased by 11.0% (37.6 thousand) from the previous quarter and by 23.3% (71.9 thousand) from the same quarter of 2022. The unemployment rate was 7.2%, up 0.7 pp from the previous quarter and up 1.3 pp from a year earlier.
- The number of underemployed part-time workers was 156.0 thousand people, an increase both from the previous quarter (15.0 thousand; 10.6%) and from a year earlier (12.0 thousand; 8.3%).
- The number of inactive persons seeking work but not immediately available stood at 30.6 thousand, up 6.3% (1.8 thousand) from the previous quarter and up 8.0% (2.3 thousand) from the 1<sup>st</sup> quarter of 2022.
- The number of inactive persons available to work but not seeking a job covered 113.8 thousand and decreased from both periods under comparison: by 5.6% (6.8 thousand) and by 17.2% (23.6 thousand), respectively.

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

<sup>&</sup>lt;sup>5</sup> See concepts in the technical note.

<sup>&</sup>lt;sup>6</sup> The labour underutilisation rate co

<sup>&</sup>lt;sup>6</sup> The labour underutilisation rate corresponds, with the due adaptations to the European context and to the information obtained from the Labour Force Survey (named *Inquérito ao Emprego* in Portugal), to the U6 measure regularly published by the US Bureau of Labour Statistics in addition to the official unemployment rate (U3). Eurostat also regularly publishes this indicator for the European Union countries under the designation *Labour market slack*, following the ILO recommendation set in the Resolution concerning statistics of work, employment and labour underutilization of the 19<sup>th</sup> International Conference of Labour Statisticians, but does it for the age group 15 to 74.

Table 3. Labour underutilisation by component

Portugal	Quarterly level			Rate of change		
	1Q-2022	4Q-2022	1Q-2023	On year	On quarter	
Number	Thousands			%		
Total	618.2	633.1	680.7	10.1	7.5	
Unemployed population	308.4	342.7	380.3	23.3	11.0	
Underemployed part-time workers	144.0	141.0	156.0	8.3	10.6	
Persons seeking work but not immediately available	28.3	28.8	30.6	8.0	6.3	
Persons available to work but not seeking	137.4	120.6	113.8	- 17.2	- 5.6	
Rate	%		рр			
Unemployment rate	5.9	6.5	7.2	1.3	0.7	
Labour underutilisation rate	11.5	11.7	12.5	1.0	0.8	

**Source:** Statistics Portugal, Labour Force Survey -1st quarter of 2023.



Table 4. Main indicators – active and employed population

	Quarterly level			Rate of change	
Portugal		4Q-2022	1Q-2023	On year	On quarter
		Thousands			%
Labour force (active population)	5,209.3	5,245.6	5,305.0	1.8	1.1
Males	2,611.1	2,626.3	2,658.5	1.8	1.2
Females	2,598.2	2,619.3	2,646.5	1.9	1.0
16 to 24	319.1	364.0	373.7	17.1	2.7
25 to 34	979.9	1,005.7	1,022.3	4.3	1.7
35 to 44	1,274.9	1,243.8	1,238.2	- 2.9	- 0.5
45 to 54	1,423.9	1,402.2	1,422.5	- 0.1	1.5
55 to 64	999.9	1,010.3	1,018.9	1.9	0.9
65 to 89	211.5	219.7	229.4	8.4	4.4
First and second stages of basic education (at most)	1,825.8	1,899.2	1,924.7	5.4	1.3
Upper secondary and post-secondary non-tertiary	1,596.4	1,650.4	1,695.5	6.2	2.7
Tertiary education	1,787.2	1,696.1	1,684.8	- 5.7	- 0.7
Activity rate (%)	59.9	60.3	60.8		
Males	64.4	64.7	65.1		
Females	56.1	56.5	57.0		
Employed population	4,900.9	4,902.9	4,924.7	0.5	0.4
Males	2,470.5	2,466.8	2,475.8	0.2	0.4
Females	2,430.4	2,436.2	2,448.9	0.8	0.5
16 to 24	253.3	291.5	300.4	18.6	3.1
25 to 34	902.1	916.7	926.1	2.7	1.0
35 to 44	1,224.5	1,179.6	1,164.0	- 4.9	- 1.3
45 to 54	1,368.7	1,343.0	1,352.7	- 1.2	0.7
55 to 64	944.5	958.3	958.4	1.5	О
65 to 89	207.7	213.9	223.2	7.4	4.4
First and second stages of basic education	1,709.0	1,759.2	1,774.2	3.8	0.9
(Upper) secondary and post-secondary non-tertiary education	1,486.1	1,525.9	1,549.3	4.3	1.5
Tertiary education	1,705.8	1,617.8	1,601.2	- 6.1	- 1.0
Agriculture, forestry and fishing (a)	124.8	131.3	141.2	13.2	7.6
Manufacturing, electricity, gas and water supply and construction (a)	1,196.4	1,230.3	1,234.3	3.2	0.3
Services (a)	3,579.7	3,541.3	3,549.2	- 0.9	0.2
Employees	4,147.5	4,182.5	4,189.4	1.0	0.2
With a permanent job (work contract of unlimited duration)	3,481.3	3,462.1	3,472.7	- 0.2	0.3
With a temporary job (work contract of limited duration)	553.7	604.9	596.6	7.7	- 1.4
Other contractual arrangements	112.5	115.5	120.1	6.7	4.0
Self-employed workers	721.9	691.0	707.5	- 2.0	2.4
Unpaid family workers	31.4	29.4	27.9	- 11.3	- 5.2
Full-time workers	4,512.2	4,516.5	4,510.9	О	- 0.1
Part-time workers	388.7	386.4	413.8	6.5	7.1
Underemployed part-time workers	144.0	141.0	156.0	8.3	10.6
Employment rate (%)	56.4	56.4	56.4		
Males	60.9	60.7	60.6		
Females	52.5	52.5	52.8		

**Source:** Statistics Portugal, Labour Force Survey -1<sup>st</sup> quarter of 2023.

**Notes:** (a) The estimates are presented by NACE-Rev. 2. **Conventional sign:** • Less than half of the unit used.

Table 5. Main indicators – unemployed and inactive population

Portugal		Quarterly level			Rate of change	
		4Q-2022	1Q-2023	On year	On quarter	
		Thousands			%	
Unemployed population	308.4	342.7	380.3	23.3	11.0	
Males	140.6	159.6	182.7	29.9	14.5	
Females	167.8	183.1	197.6	17.7	7.9	
16 to 24	65.8	72.4	73.2	11.3	1.1	
25 to 34	77.8	89.0	96.2	23.7	8.0	
35 to 44	50.4	64.2	74.2	47.1	15.6	
45 to 54	55.1	59.2	69.8	26.6	18.1	
55 to 74	59.3	57.8	66.8	12.7	15.5	
First and second stages of basic education (at most)	116.8	139.9	150.5	28.9	7.5	
Upper secondary and post-secondary non-tertiary education	110.3	124.5	146.2	32.5	17.4	
Tertiary education	81.4	78.2	83.6	2.7	6.9	
Looking for a first job	46.9	47.8	45.4	- 3.3	- 5.0	
Looking for a new job	261.5	294.9	334.9	28.1	13.6	
Unemployed for less than 12 months (short-term)	165.8	198.9	241.6	45.7	21.5	
Unemployed for 12 months or longer (long-term)	142.6	143.8	138.7	- 2.8	- 3.5	
Unemployment rate (%)	5.9	6.5	7.2			
Males	5.4	6.1	6.9			
Females	6.5	7.0	7.5			
Youth (16 to 24)	20.6	19.9	19.6			
Long-term	2.7	2.7	2.6			
Inactive population	5,057.9	5,026.2	4,996.5	- 1.2	- 0.6	
Inactive population (16 and over)	3,593.1	3,571.9	3,537.3	- 1.6	- 1.0	
Males	1,477.8	1,468.2	1,459.2	- 1.3	- 0.6	
Females	2,115.3	2,103.6	2,078.0	- 1.8	- 1.2	
16 to 24	668.4	617.7	615.3	- 7.9	- 0.4	
25 to 34	133.4	111.0	104.8	- 21.4	- 5.6	
35 to 44	84.6	84.6	88.3	4.3	4.3	
45 to 54	137.5	168.8	155.6	13.1	- 7.8	
55 to 64	441.4	436.7	430.9	- 2.4	- 1.3	
65 to 89	2,016.1	2,034.6	2,024.2	0.4	- 0.5	
Students (16 to 89)	764.6	699.8	692.6	- 9.4	- 1.0	
Fulfilled domestic tasks (16 to 89)	352.7	344.9	334.2	- 5.3	- 3.1	
Retired (16 to 89)	1,954.4	1,962.8	1,945.8	- 0.4	- 0.9	
Other inactive	521.3	564.3	564.6	8.3	0.1	
Persons seeking work but not immediately available	28.3	28.8	30.6	8.0	6.3	
Persons available to work but not seeking	137.4	120.6	113.8	- 17.2	- 5.6	
Inactivity rate (16 and over) (%)	40.8	40.5	40.0			
Males	36.1	35.9	35.4			
Females	44.9	44.5	44.0			

 $\textbf{Source:} \ \text{Statistics Portugal, Labour Force Survey} - 1^{\text{st}} \ \text{quarter of 2023}.$ 



#### **TECHNICAL NOTE**

The main purpose of the Labour Force Survey is to classify the population in terms of their participation in the labour market. It is a quarterly sample survey, addressed to all persons living in the national territory.

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. It should be noticed that, following the COVID-19 pandemic and the measures adopted by the competent authorities, Statistics Portugal has decided, between the first fortnight of March 2020 and the end of the collection of the 2<sup>nd</sup> quarter of 2022, to suspend the face-to-face collection mode, replacing it exclusively with telephone interviews.

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 <u>methodological document</u> (only in Portuguese) available at Statistics Portugal website.

## SOME CONCEPTS

**Unemployed:** person aged 16 and 74 who during the reference period met simultaneously the following situations:

- neither had a job nor was at work;
- had actively sought work, i.e. had actively searched for a paid or unpaid job during the specified period (reference period or the three previous weeks); and
- was available for a paid and unpaid job.

Employed: person aged 16 to 89 who, during the reference period, was in one of the following situations:

- worked for at least one hour for a wage or salary, in cash or in kind (including unpaid family work);
- had a formal attachment to his/her job but was not at work temporarily;
- was in early retirement but working in the reference week.

Working age resident population: Resident population aged 16 to 89.

**Active:** person aged 16 to 89 who, during the reference period, furnish the supply of labour force for the production of economic goods and services (was employed or unemployed).

Labour force: population formed by all active persons.



**Extended labour force:** corresponds to the 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. All these population groups consider the age group 16 to 74.

Young people not in employment, education or training: population of young people of a given age group who, 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).

Activity rate of the working age population: rate that defines the relation between the labour force and the working age population.

P.R. (%) = (Labour force / Working age population) x 100

Employment rate: rate that defines the relation between the employed population and the working age population.

E.R. (%) = (Employed population / Working age population) x 100

**Unemployment rate:** rate that defines the relation between the unemployed population and the labour force.

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

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

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

**Inactivity rate of the working age population:** rate that defines the relation between the working age inactive population and the working age total population.

I.R. (%) = (Working age inactive population / Working age population) x 100

**Labour underutilisation rate:** rate that defines the relation between 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: rate that defines the relation 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.



### On year change

The 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 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 change

The quarterly change compares the level of the variable over two consecutive periods. Although this indicator allows to monitor the recent pace of the variable, its computation is particularly influenced by seasonal effects and other more specific effects in one (or both) of the quarters under comparison.

Next Press Release - 9 August 2023