

9 August 2023 EMPLOYMENT STATISTICS 2<sup>nd</sup> quarter of 2023

# THE UNEMPLOYMENT RATE DECREASES TO 6.1% AND THE LABOUR UNDERUTILISATION RATE DECREASES TO 11.5%

In the 2<sup>nd</sup> quarter of 2023, the employed population (4,979.4 thousand people) increased by 1.1% (54.7 thousand) from the previous quarter and by 1.6% (77.6 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 18.3% (908.9 thousand people), 0.4 percentage points (pp) more than in the 1<sup>st</sup> quarter of 2023.

The unemployed population, estimated at 324.5 thousand people, has decreased by 14.7% (55.8 thousand) from the previous quarter and increased by 8.6% (25.7 thousand) from a year earlier.

The unemployment rate stood at 6.1%, down 1.1 pp from the 1<sup>st</sup> quarter of 2023 and up 0.4 pp from the 2<sup>nd</sup> quarter of 2022.

The labour underutilisation covered 625.3 thousand people, having decreased by 8.1% (55.4 thousand) from the previous quarter and increased by 4.1% (24.6 thousand) from a year before. Similarly, the labour underutilisation rate (11.5%) has decreased from the previous quarter (1.0 pp) and increased from the same quarter of 2022 (0.3 pp).

The inactive population aged 16 and over (3,544.7 thousand people) has increased by 0.2% (7.4 thousand) from the previous quarter and decreased by 1.7% (59.7 thousand) in the year-on-year comparison.

# 1. Labour force (active population)

The Labour Force Survey results for the 2<sup>nd</sup> quarter of 2023 indicate that the labour force (active population), estimated at 5,303.9 thousand people, has increased by 1.1 thousand people (which represents a nearly null relative change) from the previous quarter and by 103.3 thousand (2.0%) from the same quarter of 2022.

Therefore, the activity rate of the working age population (those aged 16 to 89) stood at 60.8%, the same value as in the preceding quarter but up 1.0 percentage points (pp) from the 2<sup>nd</sup> quarter of 2022.

## 2. Employed population

In the 2<sup>nd</sup> quarter of 2023, the employed population stood at 4,979.4 thousand people and increased by 1.1% (54.7 thousand) from the previous quarter and by 1.6% (77,6 thousand) from one year before. The corresponding

employment rate stood at 57.0% and increased by 0.6 pp both from the 1<sup>st</sup> quarter of 2023 and from the 2<sup>nd</sup> quarter of 2022.



Figure 1. Employed population and employment rate

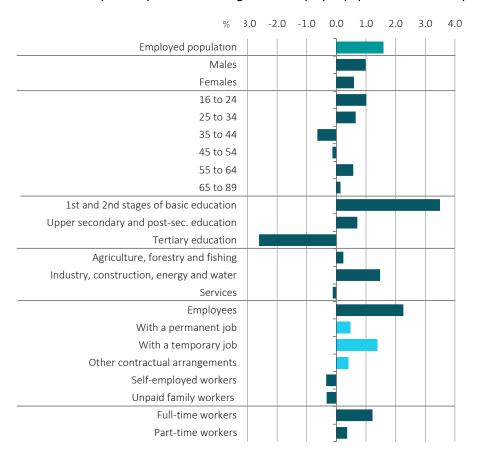
**Source:** Statistics Portugal, Labour Force Survey  $-2^{nd}$  quarter of 2023.

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 (77.6 thousand; 1.6%) was mainly due to the increases in the following population groups: men (48.5 thousand; 2.0%); people aged 16 to 24 (49.4 thousand; 18.7%); having completed, at most, the first or second stages of basic education (171.3 thousand; 10.7%); employed in the industry, construction, energy and water sector (72.2 thousand; 6.1%), namely in the activities of construction (40.7 thousand; 13.3%), increase which represented 56.4% of the sector change; employees (110.8 thousand; 2.7%), with a temporary contract (68.1 thousand; 12.2%); and working full-time (59.8 thousand; 1.3%).



Figure 2. Contributions to the year-on-year rate of change of the employed population in the 2<sup>nd</sup> quarter of 2023



**Source:** Statistics Portugal, Labour Force Survey – 2<sup>nd</sup> quarter of 2023.

**Note:** The analysis of the changes presented in this figure should take into account the "Methodological note on the labour force survey data: the context of the COVID-19 pandemic", published on 19 May 2023 and available at: <a href="http://www.ine.pt/xurl/dest/612944288">http://www.ine.pt/xurl/dest/612944288</a>.

Considering the total employed population, 19.3% of them (960.0 thousand) reported having worked from home in the 2<sup>nd</sup> quarter of 2023. Among those who worked at home, 25.9% (248.6 thousand) did it always, 34.4% (330.1 thousand) did so regularly through a system that combines face-to-face work and work at home, 14.8% (142.2 thousand) worked from home on occasion, and 24.3% (232.9 thousand) did it 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 (2.8 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 (69.3%;

 $\hbox{EMPLOYMENT STATISTICS}-2^{nd}\ quarter\ of\ 2023$ 

<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.

228.6 thousand), being also the one that had the largest quarterly increase (2.4 pp more than in the 1<sup>st</sup> quarter of 2023). Employed persons in a hybrid system worked at home on average three days a week.

Also, among those working at home, 94.7% (908.9 thousand) have teleworked, that is, they have used information and communication technologies (ICT) to perform their jobs from home. This work practice covered 18.3% of the total employed population, 0.4 pp more than in the previous quarter.

#### 3. Unemployed population

In the 2<sup>nd</sup> quarter of 2023, the unemployed population (324.5 thousand people) decreased from the previous quarter (55.8 thousand; 14.7%) and increased from a year earlier (25.7 thousand; 8.6%).

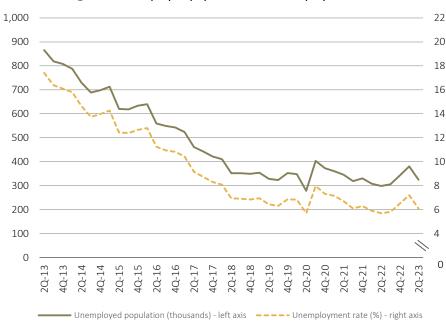


Figure 3. Unemployed population and unemployment rate

**Source:** Statistics Portugal, Labour Force Survey – 2<sup>nd</sup> quarter of 2023.

The year-on-year change of the unemployed population (25.7 thousand; 8.6%) was mainly due to the increases in the following population groups: women (15.4 thousand; 9.9%); people aged 16 to 24 (12.2 thousand; 23.0%) and 55 to 74 (12.0 thousand; 22.6%); with upper secondary and post-secondary education (22.6 thousand; 22.1%); looking for a new job (21.4 thousand; 8.3%); and unemployed for less than 12 months (41.3 thousand; 28.1%).

In the 2<sup>nd</sup> quarter of 2023, 42.0% of the unemployed population was in this situation for 12 months or longer (long-term unemployment), up 5.5 pp from preceding quarter and down 8.9 pp from a year earlier.

The year-on-year change of the proportion of long-term unemployment was driven by decreases among men (11.2 pp), those aged 25 to 34 (20.6 pp), and those with upper secondary and post-secondary education (13.1 pp).

EMPLOYMENT STATISTICS  $-2^{nd}$  quarter of 2023

The share of very long-term unemployment (24 or more months) in the long-term unemployment (64.6%) has increased by 2.0 pp from the previous quarter and decreased by 4.3 pp from the same quarter of 2022.

Figure 4. Contributions to the year-on-year rate of change of the unemployed population in the 2<sup>nd</sup> quarter of 2023



**Source:** Statistics Portugal, Labour Force Survey – 2<sup>nd</sup> quarter of 2023.

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

	(	Proportion <sup>(a)</sup>		
Portugal	2Q-2022	1Q-2023	2Q-2023	2Q-2023
		%		
Total	152.1	138.7	136.4	42.0
Males	73.4	68.7	61.4	39.8
Females	78.7	69.9	75.0	44.1
16 to 24	13.6	11.9	13.2	20.3
25 to 34	37.2	28.5	21.7	28.7
35 to 44	32.9	29.6	27.9	48.8
45 to 54	32.6	30.8	32.0	52.1
55 to 74	35.7	37.9	41.6	63.8
First and second stages of basic education (at most)	65.7	64.8	66.7	49.6
Upper secondary and post-secondary non-tertiary education	52.1	51.9	47.2	37.8
Tertiary education	34.2	21.9	22.5	34.6
Unemployed for less than 24 months	47.3	51.8	48.2	35.4
Unemployed for 24 months or longer	104.8	86.9	88.2	64.6

Source: Statistics Portugal, Labour Force Survey – 2<sup>nd</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  $2^{nd}$  quarter of 2023 stood at  $6.1\%^2$ , which corresponds to a decrease by 1.1 pp from the  $1^{st}$  quarter of 2023 and to an increase by 0.4 pp from the  $2^{nd}$  quarter of 2022. The youth unemployment rate (16 to 24 years old) was estimated at 17.2%, down 2.4 pp from the previous quarter and up 0.5 pp from a year earlier.

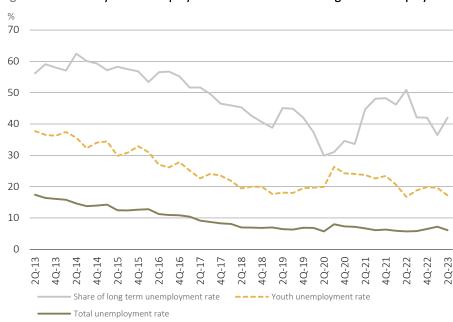


Figure 5. Total and youth unemployment rate and share of long-term unemployment

**Source:** Statistics Portugal, Labour Force Survey – 2<sup>nd</sup> quarter of 2023.

In the  $1^{st}$  quarter of 2023, the youth unemployment rate in the European Union (Figure 6)<sup>3</sup>, at 27 countries<sup>4</sup>, was estimated at 14.0%, 5.6 pp less than in Portugal (19.6%), which corresponded to the  $6^{th}$  highest rate in the EU-27.

From the 4<sup>th</sup> quarter of 2022, the youth unemployment rate decreased by 0.1 pp in the EU-27 and by 0.3 pp in Portugal. From the 1<sup>st</sup> quarter of 2022, it decreased more in Portugal (1.0 pp) than in the EU-27 (0.3 pp).

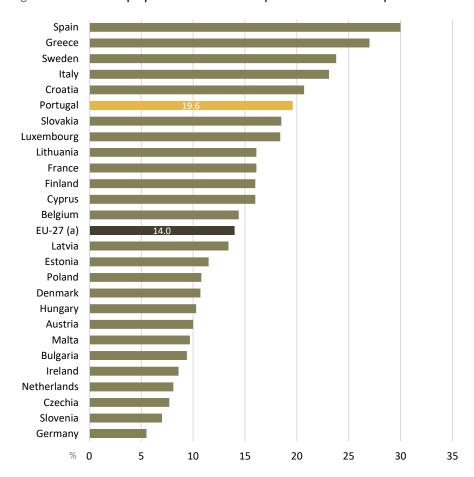
 $\hbox{EMPLOYMENT STATISTICS}-2^{nd}\ quarter\ of\ 2023$ 

<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 May 2023 (which corresponds to the 2<sup>nd</sup> quarter 2023), published in the Monthly Employment and Unemployment Estimates Press Release of June 2023 (released in 31-7-2023), was calculated for the age subgroup of those aged 16 to 74 (as in the Eurostat News Release). This rate (not seasonally adjusted) was 6.2%.

<sup>&</sup>lt;sup>3</sup> The estimates for the 2<sup>nd</sup> quarter of 2023 at European Union level will be released on September 15, 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.

<sup>&</sup>lt;sup>4</sup> At data extraction (31-7-2023), figures for Romania were not yet available.

Figure 6. Youth unemployment rate in the European Union in the 1st quarter of 2023



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

Note: (a) At the data extraction (31-7-2023), figures for Romania were not yet available.

In the 2<sup>nd</sup> quarter of 2023, the unemployment rate was higher than the national average (6.1%) in four NUTS II regions (Área Metropolitana de Lisboa: 7.0%; Região Autónoma dos Açores: 6.7%; Norte: 6.4%; Região Autónoma da Madeira: 6.4%) and lower in the remaining three (Alentejo: 5.3%; Algarve: 5.0%; Centro: 4.9%).

From the previous quarter, the unemployment rate has decreased in all regions, except in *Região Autónoma dos Açores*, where it increased by 0.5 pp. The largest decrease was observed in the *Algarve* region (2.2 pp).

In the year-on-year comparison, there were increases in this indicator in four regions, with an increase of 0.9 pp in the *Norte* and *Alentejo* regions standing out, and decreases being observed in the remaining three regions, the largest of which was in *Região Autónoma da Madeira* (0.9 pp).



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

	Quarterly level			Rate of change		
Portugal	2Q-2022	1Q-2023	2Q-2023	On year	On quarter	
	%					
Portugal	5.7	7.2	6.1	0.4	- 1.1	
Norte	5.5	7.6	6.4	0.9	- 1.2	
Centro	5.2	5.6	4.9	- 0.3	- 0.7	
Área Metropolitana de Lisboa	6.8	8.0	7.0	0.2	- 1.0	
Alentejo	4.4	7.2	5.3	0.9	- 1.9	
Algarve	5.3	7.2	5.0	- 0.3	- 2.2	
Região Autónoma dos Açores	5.9	6.2	6.7	0.8	0.5	
Região Autónoma da Madeira	7.3	6.5	6.4	- 0.9	- 0.1	

**Source:** Statistics Portugal, Labour Force Survey – 2<sup>nd</sup> quarter of 2023.

# 4. Inactive population

The inactive population, estimated at 5,000.9 thousand people in the  $2^{nd}$  quarter of 2023, has increased from the previous quarter (4.4 thousand; 0.1%) and decreased from the same quarter of 2022 (63.4 thousand; 1.3%).

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 0 0 Inactive population (thousands) - left axis --- Inactivity rate (%) - right axis

Figure 7. Inactive population (aged 16 and over)

**Source:** Statistics Portugal, Labour Force Survey – 2<sup>nd</sup> quarter of 2023.



The inactive population aged 16 or over, which stood at 3,544.7 thousand people, accounted for 70.9% of the total inactive population, increasing from the previous quarter (7.4 thousand; 0.2%) and decreasing from a year earlier (59.7 thousand; 1.7%).

The inactivity rate (16 years old or over) stood at 40.1% and presented identical evolution: it has increased from the  $1^{st}$  quarter of 2023 (0.1 pp) and decreased from the  $2^{nd}$  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>5</sup>. This indicator is supplemented by its corresponding rate – the labour underutilisation rate<sup>6</sup>. This indicator is a broader measure of the labour underutilisation than the unemployment rate<sup>7</sup>.

In the 2<sup>nd</sup> quarter of 2023, the labour underutilisation was estimated at 625.3 thousand people and the corresponding rate was 11.5%.

The labour underutilisation has decreased by 8.1% (55.4 thousand) from the previous quarter and increased by 4.1% (24.6 thousand) from a year earlier. The same pattern was observed in the labour underutilisation rate that has decreased by 1.0 pp from the  $1^{st}$  quarter of 2023 and increased by 0.3 pp from the  $2^{nd}$  quarter of 2022.

By component, the following is observed:

- The unemployed population was estimated at 324.5 thousand people and, as previously mentioned, decreased by 14.7% (55.8 thousand) from the previous quarter and increases by 8.6% (25.7 thousand) from the same quarter of 2022. The unemployment rate was 6.1%, down 1.1 pp from the previous quarter and up 0.4 pp from a year earlier.
- The number of underemployed part-time workers was 151.0 thousand people, a decrease from the previous quarter (5.0 thousand; 3.2%) and an increase from a year earlier (9.4 thousand; 6.6%).
- The number of inactive persons seeking work but not immediately available stood at 32.5 thousand, up 6.1% (1.9 thousand) from the previous quarter and up 4.3% (1.4 thousand) from the 2<sup>nd</sup> quarter of 2022.

<sup>&</sup>lt;sup>5</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>6</sup> See concepts in the Technical note.

<sup>&</sup>lt;sup>7</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.

• The number of inactive persons available to work but not seeking a job covered 117.3 thousand, increased from the 1<sup>st</sup> quarter of 2023 (3.5 thousand; 3.1%) and decreased from the 2<sup>nd</sup> quarter of 2022 (11.8 thousand; 9.1%).

Table 3. Labour underutilisation by component

Portugal	Quarterly level			Rate of change		
	2Q-2022	1Q-2023	2Q-2023	On year	On quarter	
Number	Thousands			%		
Total	600.7	680.7	625.3	4.1	- 8.1	
Unemployed population	298.8	380.3	324.5	8.6	- 14.7	
Underemployed part-time workers	141.6	156.0	151.0	6.6	- 3.2	
Persons seeking work but not immediately available	31.1	30.6	32.5	4.3	6.1	
Persons available to work but not seeking	129.1	113.8	117.3	- 9.1	3.1	
Rate	%		рр			
Unemployment rate	5.7	7.2	6.1	0.4	- 1.1	
Labour underutilisation rate	11.2	12.5	11.5	0.3	- 1.0	

**Source:** Statistics Portugal, Labour Force Survey – 2<sup>nd</sup> quarter of 2023.

Table 4. Main indicators – active and employed population

	Quarterly level			Rate of change	
Portugal		1Q-2023	2Q-2023	On year	On quarter
		Thousands			%
Labour force (active population)	5,200.6	5,305.0	5,303.9	2.0	О
Males	2,597.1	2,658.5	2,655.8	2.3	- 0.1
Females	2,603.5	2,646.5	2,648.1	1.7	0.1
16 to 24	317.1	373.7	378.7	19.4	1.3
25 to 34	992.7	1,022.3	1,024.6	3.2	0.2
35 to 44	1,271.1	1,238.2	1,232.9	- 3.0	- 0.4
45 to 54	1,416.5	1,422.5	1,417.9	0.1	- 0.3
55 to 64	994.2	1,018.9	1,029.3	3.5	1.0
65 to 89	209.0	229.4	220.4	5.5	- 3.9
First and second stages of basic education (at most)	1,723.9	1,924.7	1,907.2	10.6	- 0.9
Upper secondary and post-secondary non-tertiary	1,639.0	1,695.5	1,696.1	3.5	О
Tertiary education	1,837.7	1,684.8	1,700.6	- 7.5	0.9
Activity rate (%)	59.8	60.8	60.8		
Males	64.0	65.1	65.0		
Females	56.2	57.0	57.0		
Employed population	4,901.8	4,924.7	4,979.4	1.6	1.1
Males	2,453.0	2,475.8	2,501.5	2.0	1.0
Females	2,448.7	2,448.9	2,477.9	1.2	1.2
16 to 24	264.1	300.4	313.5	18.7	4.3
25 to 34	917.2	926.1	949.0	3.5	2.5
35 to 44	1,207.2	1,164.0	1,175.7	- 2.6	1.0
45 to 54	1,363.3	1,352.7	1,356.6	- 0.5	0.3
55 to 64	943.8	958.4	971.7	3.0	1.4
65 to 89	206.1	223.2	212.8	3.2	- 4.7
First and second stages of basic education	1,601.4	1,774.2	1,772.7	10.7	- 0.1
(Upper) secondary and post-secondary non-tertiary education	1,536.6	1,549.3	1,571.1	2.2	1.4
Tertiary education	1,763.7	1,601.2	1,635.7	- 7.3	2.1
Agriculture, forestry and fishing (a)	142.1	141.2	153.7	8.2	8.8
Manufacturing, electricity, gas and water supply and construction	1,174.1	1,234.3	1,246.3	6.1	1.0
(a)	2 505 5	2 5 4 0 2	2.570.4	0.2	0.0
Services (a)	3,585.5	3,549.2	3,579.4	- 0.2	0.9
Employees	4,140.2 3,472.0	4,189.4	4,251.0	2.7	1.5
With a permanent job (work contract of unlimited duration)		3,472.7	3,495.0	0.7	0.6
With a temporary job (work contract of limited duration)	556.1	596.6	624.2	12.2	4.6
Other contractual arrangements	112.1	120.1	131.8	17.6	9.8
Self-employed workers	722.0	707.5	705.1	- 2.3	- 0.3
Unpaid family workers Full-time workers	39.5	27.9	23.3	- 41.2	- 16.6
Part-time workers	4,511.4	4,510.9 413.8	4,571.2	1.3	1.3
	390.4		408.2	4.6	- 1.4
Underemployed part-time workers	141.6	156.0	151.0	6.6	- 3.2
Employment rate (%)	<b>56.4</b>	<b>56.4</b>	<b>57.0</b>		
Males	60.5	60.6	61.2		
Females	52.8	52.8	53.4		

**Source:** Statistics Portugal, Labour Force Survey  $-2^{nd}$  quarter of 2023.

**Notes:** The analysis of the year-on-year changes presented in this table should take into account the "Methodological note on the labour force survey data: the context of the COVID-19 pandemic", published on 19 May 2023 and available at: <a href="http://www.ine.pt/xurl/dest/612944288">http://www.ine.pt/xurl/dest/612944288</a>. (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

Quarterly level			Rate of change		
Portugal		1Q-2023	2Q-2023	On year	On quarter
		Thousands			%
Unemployed population	298.8	380.3	324.5	8.6	- 14.7
Males	144.0	182.7	154.3	7.1	- 15.5
Females	154.8	197.6	170.2	9.9	- 13.9
16 to 24	53.0	73.2	65.2	23.0	- 11.0
25 to 34	75.5	96.2	75.6	0.2	- 21.4
35 to 44	63.9	74.2	57.1	- 10.6	- 23.0
45 to 54	53.2	69.8	61.3	15.2	- 12.2
55 to 74	53.2	66.8	65.2	22.6	- 2.4
First and second stages of basic education (at most)	122.5	150.5	134.5	9.8	- 10.6
Upper secondary and post-secondary non-tertiary education	102.4	146.2	125.0	22.1	- 14.5
Tertiary education	73.9	83.6	65.0	- 12.1	- 22.3
Looking for a first job	42.1	45.4	46.3	10.0	1.9
Looking for a new job	256.8	334.9	278.2	8.3	- 16.9
Unemployed for less than 12 months (short-term)	146.8	241.6	188.1	28.1	- 22.2
Unemployed for 12 months or longer (long-term)	152.1	138.7	136.4	- 10.3	- 1.6
Unemployment rate (%)	5.7	7.2	6.1		
Males	5.5	6.9	5.8		
Females	5.9	7.5	6.4		
Youth (16 to 24)	16.7	19.6	17.2		
Long-term	2.9	2.6	2.6		
Inactive population	5,064.3	4,996.5	5,000.9	- 1.3	0.1
Inactive population (16 and over)	3,604.4	3,537.3	3,544.7	- 1.7	0.2
Males	1,492.5	1,459.2	1,465.3	- 1.8	0.4
Females	2,111.9	2,078.0	2,079.4	- 1.5	0.1
16 to 24	668.5	615.3	609.0	- 8.9	- 1.0
25 to 34	121.4	104.8	105.1	- 13.4	0.3
35 to 44	77.7	88.3	87.2	12.2	- 1.2
45 to 54	148.0	155.6	161.2	8.9	3.6
55 to 64	448.7	430.9	422.2	- 5.9	- 2.0
65 to 89	2,026.4	2,024.2	2,040.5	0.7	0.8
Students (16 to 89)	758.0	692.6	693.6	- 8.5	0.1
Fulfilled domestic tasks (16 to 89)	351.8	334.2	306.1	- 13.0	- 8.4
Retired (16 to 89)	1,963.5	1,945.8	1,970.9	0.4	1.3
Other inactive	531.1	564.6	574.1	8.1	1.7
Persons seeking work but not immediately available	31.1	30.6	32.5	4.3	6.1
Persons available to work but not seeking	129.1	113.8	117.3	- 9.1	3.1
Inactivity rate (16 and over) (%)	40.9	40.0	40.1		
Males	36.5	35.4	35.6		
Females	44.8	44.0	44.0		

 $\textbf{Source:} \ \text{Statistics Portugal, Labour Force Survey} - 2^{\text{nd}} \ \text{quarter of 2023}.$ 

**Note:** The analysis of the year-on-year changes presented in this table should take into account the "Methodological note on the labour force survey data: the context of the COVID-19 pandemic", published on 19 May 2023 and available at: <a href="http://www.ine.pt/xurl/dest/612944288">http://www.ine.pt/xurl/dest/612944288</a>.



#### **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. However, it should be noted 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 - 8 November 2023