



February, 17th 2010

Employment Statistics

4th quarter of 2009

Unemployment rate at 10.1% in the 4th quarter of 2009

The unemployment rate estimated for the 4th quarter of 2009 was 10.1%. This value is up 2.3 percentage points (p.p.) from the same quarter of 2008 and 0.3 p.p. from the previous quarter. The number of unemployed was estimated to reach 563.3 thousand individuals, having increased by 28.7% from the same quarter of the previous year, and by 2.8% from the previous quarter. The number of employed individuals decreased by 3.0%, compared with the same quarter of 2008, and increased by 0.1%, compared with the previous quarter.

The average unemployment rate for 2009 was 9.5%, recording an increase of 1.9 p.p. when compared with the previous year. The unemployed population reached 528.6 thousand individuals, up 23.8% from the previous year. The employed population recorded an annual decrease of 2.8%.

1. Labour force (active population)

The Labour Force Survey results for the 4th quarter of 2009 indicate that the labour force (active population) in Portugal decreased by 0.5% (corresponding to 27.1 thousand individuals), compared with the same quarter of 2008, and increased by 0.4% (21.5 thousand), compared with the previous quarter. The active population annual average, for 2009, decreased by 0.8%, compared with the previous year (42.2 thousand).

The participation rate of the working age population (15 years old and over) was estimated at 61.8% in the 4th quarter of 2009. This rate went down by 0.5 p.p. from the 4th quarter of 2008, and went up by 0.1 p.p. from the previous quarter. The 2009 average of the participation rate was 61.9%, 0.6 p.p. lower than that recorded for the previous year.

In the 4th quarter of 2009, the participation rate of working age women stood at 56.2%, while that of men attained 68.0%.

2. Employed population

In the 4th quarter of 2009, the employed population, totalling 5 023.5 thousand individuals, decreased by 3.0% (corresponding to 152.8 thousand individuals), compared with the same quarter of 2008, and increased by 0.1% (6.0 thousand), compared with the previous quarter. In 2009, the employed population decreased by 2.8%, compared with the previous year (143.7 thousand).

The following results have contributed to the above-mentioned year-on-year decrease:

- The decrease in employment for men, which corresponded to 121.6 thousand individuals and explained 79.6% of the global employment decrease.
- The decrease of 102.8 thousand employed individuals aged 15 to 34 years old, of 31.4 thousand individuals aged 45 to 64 years old, and of 21.3 thousand individuals aged 35 to 44 years old. The number of the employed aged 65 years old and over increased slightly (2.6 thousand individuals).

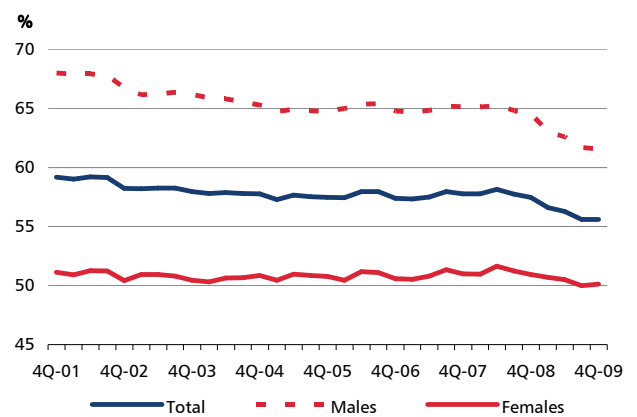
- The decrease in the number of employed individuals having completed the first or second stages of basic education, by 237.6 thousand. On the contrary, the number of employed individuals having completed the (upper) secondary and post-secondary non-tertiary level of education and also the tertiary level of education rose (by 81.5 thousand and 3.4 thousand, respectively).
- The decrease in the number of employed individuals in the mining and quarrying, manufacturing, electricity, gas and water supply sector, by 108.5 thousand. This decrease was accounted by both a decrease in construction (which employed less 49.8 thousand individuals this quarter) and a decrease in manufacturing activities (48.9 thousand). The services sector recorded a smaller decrease in employment, corresponding to 53.8 thousand individuals. The agriculture, forestry, and fishing sector recorded an increase in employment, corresponding to 9.5 thousand individuals.
- The decrease in the number of employees, by 126.0 thousand individuals, and, by a smaller amount, in the number of self-employed, by 35.5 thousand individuals. Among the employees, the largest decrease was recorded in the number of those holding a permanent contract (112.9 thousand). The number of employees with a temporary job or in other contractual arrangements decreased also (8.6 thousand and 4.6 thousand, respectively), although these represented a smaller contribution to the overall decrease in the number of employees.
- The decrease in the number of full-time workers, which corresponded to 149.2 thousand individuals and explained 97.6% of the global employment decrease.

The employment rate (population aged 15 years old and over) stood at 55.6%, in the 4th quarter of 2009. This value

was lower than the one recorded in the same quarter of 2008 by 1.9 p.p. and equal to the previous quarter. The employment rate for 2009 stood at 56.0%, 1.8 p.p. lower than the previous year.

In the 4th quarter of 2009, the male employment rate (61.5%) exceeded that of women (50.1%) by 11.4 p.p.. For both men and women, the rates decreased from the same quarter 2008, and only that of men decreased from the previous quarter.

Figure 1: Employment rate by gender



3. Unemployed population

The unemployed population in Portugal, estimated at 563.3 thousand individuals in the 4th quarter of 2009, increased by 28.7% (125.7 thousand individuals), when compared with the 4th quarter of 2008, and by 2.8% (15.6 thousand), when compared with the previous quarter.

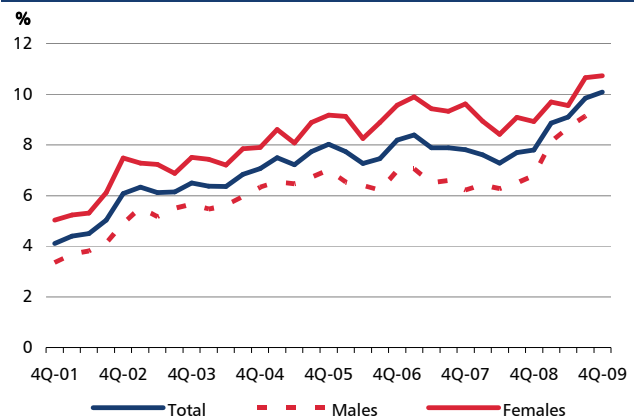
On average, in 2009, the unemployed population increased by 23.8%, when compared to 2008 (101.5 thousand individuals). The estimated unemployed population stood at 528.6 thousand individuals, in 2009.

The following results have contributed to the year-on-year increase in the unemployed population:

- The increase in the number of men unemployed (76.6 thousand individuals), which explained 60.9% of the overall increase in unemployment.
- The increase in unemployment for all age groups, mainly of those aged 45 years old and over (54.2 thousand) and of those aged 35 to 44 years old (34.9 thousand).
- The increase in the number of unemployed individuals having completed an education level corresponding to the first and second stages of basic education (corresponding to 104.3 thousand individuals). To a lesser extent, the unemployment increased also among the individuals who completed an upper secondary or post-secondary non-tertiary level of education (24.5 thousand). On the contrary, the unemployment decreased among the individuals who completed a tertiary level of education (3.1 thousand).
- The increase in the number of unemployed seeking a new job (127.1 thousand individuals), coming from the mining and quarrying, manufacturing, electricity, gas and water supply, and construction sector (74.9 thousand individuals) and from the services sector (50.6 thousand). The number of unemployed seeking a first job remained practically unchanged.
- The increase in the number of unemployed seeking a job for a year or more, by 70.2 thousand individuals, which explained 55.8% of the overall increase in unemployment.

The unemployment rate was estimated at 10.1%, in the 4th quarter of 2009. This value is up 2.3 p.p. from the 4th quarter of 2008, and 0.3 p.p. from the previous quarter. The annual average increased from 7.6%, in 2008, to 9.5%, in 2009.

Figure 2: Unemployment rate by gender



In the 4th quarter of 2009, the unemployment rate stood at 9.5% for men and at 10.7% for women. In both cases, the rates increased from the same quarter 2008 (by 2.7 p.p. and 1.8 p.p., respectively) and from the previous quarter (by 0.4 p.p. and 0.1 p.p., respectively).

The increase recorded in the unemployment rate, when compared with the previous quarter (0.3 p.p.), resulted from the increase of the employed population (of 0.1%) being smaller than the increase of the unemployed population (of 2.8%). These increases corresponded to 6.0 thousand and to 15.6 thousand individuals, respectively.

The quarterly increase in the unemployed population occurred mainly in the following population groups: men; individuals aged 15 to 24 and 35 to 44 years old; individuals who have completed the first and second stages of basic education; individuals seeking a new job (mainly those who were formerly employed in the mining and quarrying, manufacturing, electricity, gas and water supply, and construction sector); and unemployed seeking for a job for one year or over.

4. Inactive population

In the 4th quarter of 2009, the inactive population aged 15 years old and over increased by 1.6%, when compared to

the same quarter of 2008, and decreased by 0.4%, when compared with the previous quarter (corresponding to 53.0 thousand and 13.4 thousand individuals, respectively). In 2009, the inactive population aged 15 years old and over increased by 2.0% (67.4 thousand individuals), when compared to the previous year.

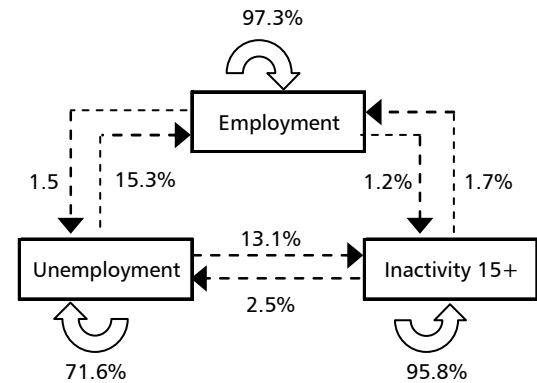
The inactivity rate (15 and over) reached 38.2%, in the 4th quarter of 2009, standing at 32.0% for men and 43.8% for women. In 2009, the inactivity rate (15 and over) stood at 38.1%.

5. Quarterly flows between labour market states

From the 3rd quarter to the 4th quarter of 2009, 1.5% of the individuals initially employed moved into unemployment and 1.2% moved into inactivity, with the proportion of employed individuals moving out of this situation totalling 2.7% in the 4th quarter of 2009 (97.3% remained employed). From the 2nd quarter to the 3rd quarter of 2009, this percentage had been higher (2.9%).

The flows out of unemployment between the two quarters were, in relative terms, larger than the flows out of employment. From the total of individuals who were unemployed in the 3rd quarter of 2009, 28.4% moved out of this labour market state in the following quarter. Of these, 15.3% became employed and 13.1% moved into inactivity. The percentage of individuals moving from unemployment into employment was higher than that observed in the flows from the 2nd quarter to the 3rd quarter of 2009 (which had been 13.8%), whereas the percentage of individuals moving from unemployment into inactivity was smaller (which had been 15.1%).

Quarterly flows between labour force states (as a % of initial state)



From the total of individuals aged 15 years old and over considered to be inactive in the 3rd quarter of 2009, 1.7% moved into employment and 2.5% moved into unemployment, in the following quarter. The former is equal to the observed in the flows from the 2nd quarter to the 3rd quarter of 2009. The latter is higher than the one observed in the flows from the 2nd quarter to the 3rd quarter of 2009 (2.2%).

6. Unemployment rates by NUTS II regions

In the 4th quarter of 2009, the highest unemployment rates were recorded in NUTS II regions *Norte* (11.9%), *Algarve* (11.8%), *Lisboa* (10.4%), and *Alentejo* (10.4%). The lowest values were observed in *Região Autónoma dos Açores* (7.1%), *Centro* (7.3%), and *Região Autónoma da Madeira* (7.5%).

Comparing to the same quarter of the previous year, and similarly to the overall picture in Portugal, the unemployment rate increased in all regions. The largest increases were recorded in *Algarve* (5.1 p.p.) and *Norte* (3.2 p.p.).

**Table 1: Unemployment rates by NUTS II region
(NUTS-2002)**

	Unit: %				
	4Q-2008	3Q-2009	4Q-2009	2008	2009
Portugal	7.8	9.8	10.1	7.6	9.5
Norte	8.7	11.6	11.9	8.7	11.0
Centro	5.7	7.2	7.3	5.4	6.9
Lisboa	8.5	10.3	10.4	8.2	9.8
Alentejo	10.0	10.2	10.4	9.0	10.5
Algarve	6.7	10.3	11.8	7.0	10.3
R. A. Açores	5.6	6.2	7.1	5.5	6.7
R. A. Madeira	6.0	7.9	7.5	6.0	7.6

Source: INE, Employment Statistics - 4th quarter of 2009.

Compared to the previous quarter, there was an increase in the unemployment rate in all regions, except in *Região Autónoma da Madeira*, where the unemployment rate

decreased. The largest increases were observed in *Algarve* (1.5 p.p.), *Região Autónoma dos Açores* (0.9 p.p.), and *Norte* (0.3 p.p.).

Concerning the annual averages, the higher unemployment rates for 2009 were recorded in *Norte* (11.0%), *Alentejo* (10.5%), *Algarve* (10.3%), and *Lisboa* (9.8%). The smallest rates were observed in *Região Autónoma dos Açores* (6.7%), *Centro* (6.9%), and *Região Autónoma da Madeira* (7.6%). The unemployment rate increased, comparing to the previous year, in all regions. The greater increases were recorded in *Algarve* (3.3 p.p.) and *Norte* (2.3 p.p.).

Table 2: Main indicators - active and employed population - Portugal

	Quarterly levels			Annual levels		Rates of change		
	4Q-2008	3Q-2009	4Q-2009	2008	2009	On year	On quarter	Annual
	Thousand individuals					%		
Labour force (active population)	5,613.9	5,565.3	5,586.8	5,624.9	5,582.7	-0.5	0.4	-0.8
Males	2,987.6	2,933.6	2,942.8	2,991.4	2,948.9	-1.5	0.3	-1.4
Females	2,626.3	2,631.6	2,644.1	2,633.4	2,633.9	0.7	0.5	o
15 to 24	501.2	463.2	451.3	507.5	466.3	-10.0	-2.6	-8.1
25 to 34	1,460.0	1,434.6	1,443.6	1,464.4	1,444.5	-1.1	0.6	-1.4
35 to 44	1,425.9	1,430.6	1,439.6	1,423.1	1,435.1	1.0	0.6	0.8
45 to 64	1,903.8	1,915.2	1,925.2	1,903.7	1,917.1	1.1	0.5	0.7
65 and over	323.1	321.7	327.1	326.1	319.7	1.2	1.7	-2.0
Participation rate (%)	52.8	52.3	52.5	53.0	52.5			
Males	58.1	57.0	57.1	58.2	57.3			
Females	47.9	47.9	48.1	48.0	48.0			
Participation rate (15 and over) (%)	62.3	61.7	61.8	62.5	61.9			
Males	69.3	67.9	68.0	69.4	68.2			
Females	55.9	55.9	56.2	56.2	56.0			
Employed population	5,176.3	5,017.5	5,023.5	5,197.8	5,054.1	-3.0	0.1	-2.8
Males	2,784.4	2,666.0	2,662.8	2,797.1	2,687.6	-4.4	-0.1	-3.9
Females	2,391.9	2,351.5	2,360.7	2,400.7	2,366.5	-1.3	0.4	-1.4
15 to 24	411.0	374.4	351.0	424.1	372.8	-14.6	-6.2	-12.1
25 to 34	1,329.5	1,266.7	1,286.7	1,336.3	1,286.5	-3.2	1.6	-3.7
35 to 44	1,324.0	1,304.2	1,302.7	1,327.9	1,313.4	-1.6	-0.1	-1.1
45 to 64	1,788.8	1,751.7	1,757.4	1,783.9	1,762.7	-1.8	0.3	-1.2
65 and over	323.1	320.6	325.7	325.6	318.6	0.8	1.6	-2.1
First and second stages of basic education	3,577.9	3,377.0	3,340.3	3,629.4	3,405.6	-6.6	-1.1	-6.2
(Upper) secondary and post-secondary non-tertiary education	794.8	864.6	876.3	791.8	848.8	10.3	1.4	7.2
Tertiary education	803.5	775.9	806.9	776.6	799.7	0.4	4.0	3.0
Agriculture, forestry and fishing (a)	572.2	567.2	581.7	581.2	564.8	1.7	2.6	-2.8
Mining and quarrying; manufacturing; electricity, gas, steam and air conditioning supply; water supply; sewage, waste management and remediation activities; construction (a)	1,498.0	1,413.6	1,389.5	1,525.1	1,425.7	-7.2	-1.7	-6.5
Services (a)	3,106.1	3,036.7	3,052.3	3,091.5	3,063.6	-1.7	0.5	-0.9
Employees	3,953.1	3,837.8	3,827.1	3,949.7	3,855.7	-3.2	-0.3	-2.4
With a permanent job (work contract of unlimited duration)	3,070.4	2,991.8	2,957.5	3,047.4	3,006.8	-3.7	-1.1	-1.3
With a temporary job (work contract of limited duration)	723.1	688.8	714.5	727.4	694.3	-1.2	3.7	-4.6
Others	159.7	157.2	155.1	174.9	154.6	-2.9	-1.3	-11.6
Self-employed workers	1,183.9	1,134.7	1,148.5	1,197.6	1,153.6	-3.0	1.2	-3.7
Unpaid family workers and other professional status	39.3	45.0	48.0	50.5	44.7	22.1	6.7	-11.5
Full-time workers	4,573.4	4,453.3	4,424.2	4,578.2	4,465.8	-3.3	-0.7	-2.5
Part-time workers	602.9	564.3	599.3	619.6	588.3	-0.6	6.2	-5.1
Employment rate (15 and over) (%)	57.5	55.6	55.6	57.8	56.0			
Males	64.5	61.7	61.5	64.9	62.2			
Females	50.9	50.0	50.1	51.2	50.3			

Source: INE, Employment Statistics - 4th quarter of 2009.

Notes:

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

o Figure that corresponds to less than half the absolute value of the unit used.

- Null.

Table 3: Main indicators - unemployed and inactive population - Portugal

	Quarterly levels			Annual levels		Rates of change		
	4Q-2008	3Q-2009	4Q-2009	2008	2009	On year	On quarter	Annual
	Thousand individuals					%		
Unemployed population	437.6	547.7	563.3	427.1	528.6	28.7	2.8	23.8
Males	203.3	267.6	279.9	194.3	261.3	37.7	4.6	34.5
Females	234.4	280.1	283.4	232.7	267.4	20.9	1.2	14.9
15 to 24	90.2	88.8	100.3	83.5	93.4	11.2	13.0	11.9
25 to 34	130.5	167.8	156.9	128.1	158.0	20.2	- 6.5	23.3
35 to 44	101.9	126.4	136.8	95.2	121.7	34.2	8.2	27.8
45 and over	115.0	164.6	169.2	120.3	155.5	47.1	2.8	29.3
First and second stages of basic education	308.1	389.7	412.4	301.9	383.1	33.9	5.8	26.9
(Upper) secondary and post-secondary non-tertiary education	71.4	93.7	95.9	67.6	90.6	34.3	2.3	34.0
Tertiary education	58.1	64.3	55.0	57.6	55.0	- 5.3	- 14.5	- 4.5
Looking for a first job	61.0	52.6	59.6	58.4	55.3	- 2.3	13.3	- 5.3
Looking for a new job	376.6	495.1	503.7	368.7	473.3	33.7	1.7	28.4
Agriculture, forestry and fishing (a)	10.5	12.7	12.2	9.4	12.2	16.2	- 3.9	29.8
Mining and quarrying; manufacturing; electricity, gas, steam and air conditioning supply; water supply; sewage, waste management and remediation activities; construction (a)	156.6	220.0	231.5	151.6	212.9	47.8	5.2	40.4
Services (a)	209.5	262.4	260.1	207.8	248.3	24.2	- 0.9	19.5
Unemployment rate (%)	7.8	9.8	10.1	7.6	9.5			
Males	6.8	9.1	9.5	6.5	8.9			
Females	8.9	10.6	10.7	8.8	10.2			
Youth (15 to 24)	18.0	19.2	22.2	16.4	20.0			
Unemployed by duration of search (b)								
Less than 12 months	226.4	290.8	281.3	211.8	280.7	24.2	- 3.3	32.5
12 months or longer (long-term unemployment)	209.4	253.4	279.4	212.6	245.8	33.4	10.3	15.6
Long-term unemployment rate (%)	3.7	4.6	5.0	3.8	4.4			
Inactive population	5,017.2	5,075.7	5,060.5	4,997.8	5,055.6	0.9	- 0.3	1.2
Inactive population (15 and over)	3,395.3	3,461.7	3,448.3	3,373.2	3,440.6	1.6	- 0.4	2.0
Males	1,326.2	1,389.0	1,383.8	1,316.9	1,372.0	4.3	- 0.4	4.2
Females	2,069.0	2,072.7	2,064.5	2,056.3	2,068.6	- 0.2	- 0.4	0.6
15 to 24	708.8	723.3	727.8	713.8	723.9	2.7	0.6	1.4
25 to 34	163.8	172.8	160.7	163.1	164.4	- 1.9	- 7.0	0.8
35 to 44	159.7	170.8	164.3	160.1	165.3	2.9	- 3.8	3.2
45 to 64	826.8	833.0	833.5	809.4	826.1	0.8	0.1	2.1
65 and over	1,536.1	1,561.8	1,562.1	1,527.0	1,561.0	1.7	0.0	2.2
Students	746.9	777.7	784.1	743.7	779.2	5.0	0.8	4.8
Looking after home / family	534.9	502.8	500.9	544.3	509.4	- 6.4	- 0.4	- 6.4
Retired	1,792.5	1,844.4	1,836.5	1,759.2	1,830.6	2.5	- 0.4	4.1
Other inactive	320.9	336.7	326.8	326.0	321.4	1.8	- 2.9	- 1.4
Inactivity rate (15 and over) (%)	37.7	38.3	38.2	37.5	38.1			
Males	30.7	32.1	32.0	30.6	31.8			
Females	44.1	44.1	43.8	43.8	44.0			

Source: INE, Employment Statistics - 4th quarter of 2009.

Notes:

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

(b) The variable "duration of search for employment" does not include the unemployed workers who have already found a job that will start within a period of up to 3 months. As a consequence, the sum of the number of unemployed individuals by duration of search can be less than the total unemployed population.

o Figure that corresponds to less than half the absolute value of the unit used.

- Null.



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. The information is obtained directly, through computer-assisted interview. Published data were calibrated, based on independent estimates of the population, calculated from the definitive results of the 2001 Census.

SOME CONCEPTS

For additional concepts see the publication Employment Statistics – 4th quarter 2009 (“Estatísticas do Emprego – 4^o trimestre de 2009”).

Participation rate

Rate that is defined as the ratio of the labour force (active population) to total population.

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

Participation rate (15 and over)

Rate that is defined as the ratio of the labour force to working age population (aged 15 years old and over).

$$\text{P.R. (\%)} = (\text{Labour force} / \text{Population aged 15 years old and over}) \times 100$$

Unemployment rate

Rate that is defined as the ratio of the unemployed population to total labour force.

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

Long term unemployment rate

Rate that is defined as the ratio of the population unemployed for 12 months or over to total labour force.

$$\text{U.R. (\%)} = (\text{Population unemployed for 12 months or over} / \text{Labour force}) \times 100$$

Employment rate (15 and over)

Rate that is defined as the ratio of the employed population to working age population (aged 15 years old and over).

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

Inactivity rate (aged 15 and over)

Rate that is defined as the ratio of inactive working age population (aged 15 years old and over) to total working age population.

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

Year-on-year rate of 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 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.

Quarterly rate of change

The 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.

DATE SCHEDULED FOR THE NEXT PRESS RELEASE

May, 18th 2010.

The publication Employment Statistics – 4th quarter of 2009 (“Estatísticas do Emprego – 4^o trimestre de 2009”) associated with this press release is available, free of charge, at http://www.ine.pt/portal/page/portal/PORTAL_INE/Publicacoes.