

29 April 2020

## Monthly Employment and Unemployment Estimates

### March 2020

### February's unemployment rate stood at 6.4%

In February 2020, the unemployment rate stood at 6.4%, having decreased by 0.4 percentage points (pp) from the previous month, by 0.3 pp from three months before and by 0.1 pp from the same month of 2019. That value corresponds to a downwards revision of 0.1 pp of the provisional estimate released one month ago.

In comparison to the previous month, the unemployed population has decreased by 20.4 thousand people (5.8%) and the employed population has decreased by 18.4 thousand people (0.4%).

The information in this Press release is already partially influenced by the current situation determined by the pandemic COVID-19, for which a more detailed explanation is given on page 4 of this Press release. Despite the circumstances, Statistics Portugal will try to maintain the statistical production and release calendar, although some adjustments might occur associated with the impact of the pandemic in obtaining primary information, an example being the impossibility to proceed with the usual release of the provisional estimates of the quarter centred in March 2020. These estimates would require the introduction, even if partially, of April observations. In this month, the data collection through face-to-face contacts has ceased and started to be based exclusively on telephone interviews whose statistical treatment is in progress. We reinforce our call for better collaboration by citizens 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 INE is grateful for in advance.

Monthly Employment and Unemployment Estimates							
Main indicators							
	Unit	Seasonally adjusted data					
		Feb 2019	Mar 2019	Nov 2019	Dec 2019	Jan 2020	Feb 2020
Active population (15 to 74)	Thousands	5,183.7	5,171.8	5,202.7	5,193.9	5,209.0	5,170.2
Employed population (15 to 74)		4,847.5	4,837.5	4,855.8	4,846.1	4,857.0	4,838.6
Unemployed population (15 to 74)		336.2	334.2	346.9	347.8	352.0	331.6
Inactive population (15 to 74)		2,590.4	2,600.1	2,562.2	2,570.6	2,571.9	2,610.3
Employment rate (15 to 74)	%	62.4	62.2	62.5	62.4	62.4	62.2
Unemployment rate (15 to 74)		6.5	6.5	6.7	6.7	6.8	6.4
Inactivity rate (15 to 74)		33.3	33.5	33.0	33.1	33.1	33.5

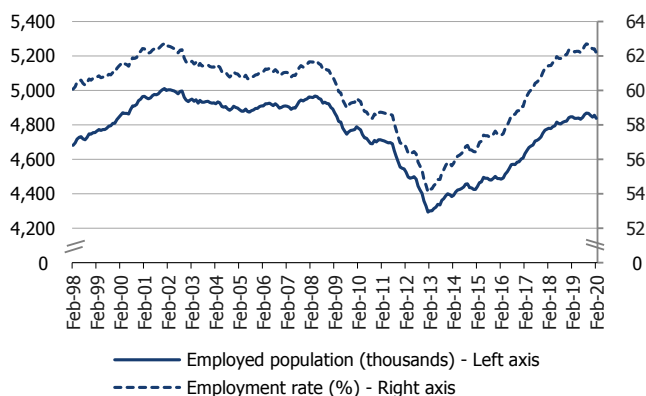
Source: Statistics Portugal, Labour Force Survey.

(\*) 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).

## A. Employed population and employment rate

In February 2020, the employed population estimate was 4,838.6 thousand people, having decreased by 0.4% (18.4 thousand) from the previous month and by 0.4% (17.2 thousand) from three months before (November 2019). When compared with the same month of 2019, it has decreased by 0.2% (8.9 thousand). That value corresponds to a downwards revision of 0.2% (7.6 thousand) of the provisional estimate released a month ago.

**Figure 1: Employed population and employment rate**  
(seasonally adjusted data)

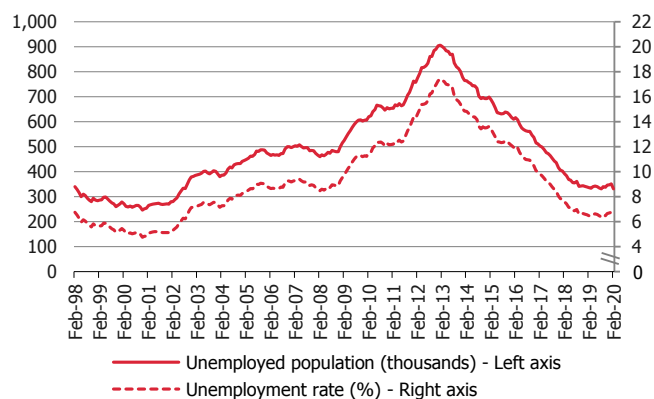


## B. Unemployed population and unemployment rate

In February 2020, the unemployed population estimate was 331.6 thousand people, having decreased by 5.8% (20.4 thousand) from January 2020, by 4.4% (15.3 thousand) from November 2019 (three months before) and by 1.4% (4.6 thousand) by comparison to February 2019. That value corresponds to a downwards revision of 1.4% (4.7 thousand) of the provisional estimate released a month ago.

The unemployment rate of February 2020 stood at 6.4%, which corresponds to a downwards revision of 0.1 pp of the provisional estimate released one month ago. That unemployment rate has decreased by 0.4 pp from the previous month, by 0.3 pp from November 2019 and by 0.1 pp from February 2019.

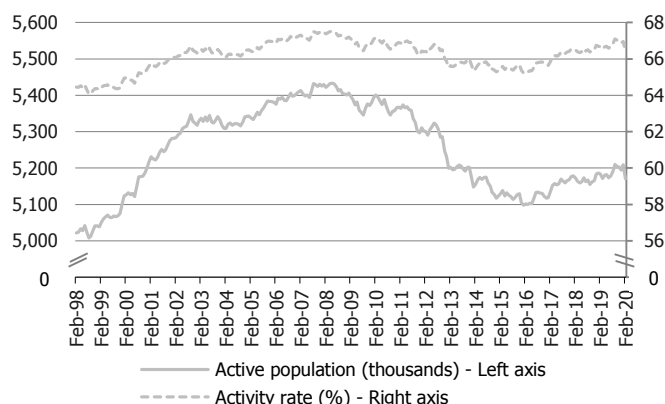
**Figure 2: Unemployed population and unemployment rate**  
(seasonally adjusted data)



## C. Active population and activity rate

In February 2020, the active population – estimated at 5,170.2 thousand people – has decreased by 0.7% (38.8 thousand) from January 2020, by 0.6% (32.5 thousands) from three months before and by 0.3% (13.5 thousand) from the same month of 2019. That value represents a downwards revision of 0.2% (12.3 thousand) of the provisional one released a month ago.

**Figure 3: Active population and activity rate**  
(seasonally adjusted data)

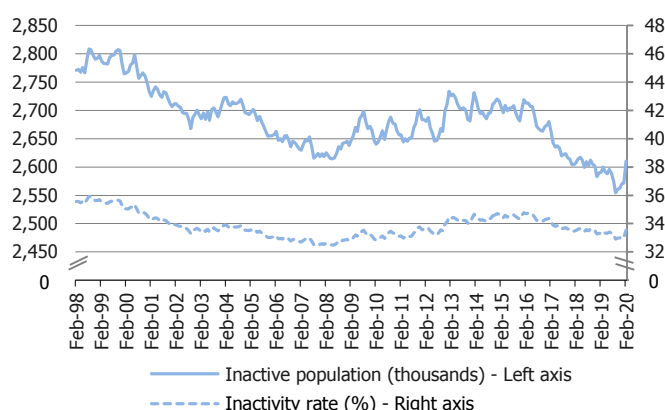


#### D. Inactive population and inactivity rate

In February 2020, the inactive population – estimated at 2,610.3 thousand people – has increased by 1.5% (38.4 thousand) from January 2020, by 1.9 pp (48.1 thousands) from three months before and by 0.8% (19.9 thousand) from the same month of 2019.

The inactivity rate of February 2020 stood at 33.5%.

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



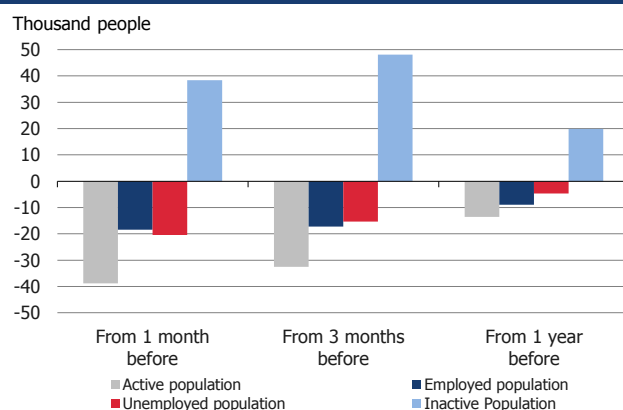
In summary (Figure 5), in February 2020, the active population monthly decrease (38.8 thousand) was due to the decrease in the unemployed population

(20.4 thousand) and in the employed population (18.4 thousand). In turn, the inactive population has increased by 38.4 thousand people<sup>2</sup>.

Comparing to three months before, the decrease of the active population (32.5 thousand) was due to the decrease observed in the employed population (17.2 thousand) and in the unemployed population (15.3 thousand). Nonetheless, the increase of the inactive population (48.1 thousand) was larger than the decrease of the active population.

The same pattern is visible when comparing to February 2019; in which the active population decrease (13.5 thousand) was explained by the decreases observed both in the employed population (8.9 thousand) and in the unemployed population (4.6 thousand). The inactive population had an increase (19.9 thousand) larger than the active population decrease.

**Figure 5: Change in the active, employed, unemployed and inactive population in February 2020**  
(seasonally adjusted data)



<sup>2</sup> 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.



## **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 monthly estimates of employment and unemployment for the quarter centred in February 2020 and the normal functioning of the labour market.

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.

Although these measures have been put in place only in the last weeks of March, some results published in this Press release may have already been affected.

Persons previously classified as employed may now fail to meet the criteria of the International Labour Organisation (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 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.

Likewise, persons previously classified as unemployed may now be classified as inactive due to restrictions on mobility, reduction or even interruption of 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 criterium for their classification as unemployed; for more details, see the concept of unemployed in the technical note).

Therefore, the decrease of the employed population and of the unemployed population observed in the quarter centred in February 2020 can be partially explained by this context and was reflected in the decrease of the active population and in the (almost) equivalent increase of the inactive population.

The interpretation of labour market developments in the context of the COVID-19 pandemic, in particular the reduction of the unemployment rate computed in accordance with the ILO concept that was observed in the quarter centred in February, cannot be dissociated from the increase in the inactivity rate. In the next Press release scheduled for May 6, based on more detailed results of the Labour Force Survey for the 1<sup>st</sup> quarter of 2020, an analysis of the behaviour of the different groups of inactivity will be carried out, namely those on the boundary between inactivity and unemployment.

Table 1: Active population and active rate by sex and age group (15 to 74)								
	Seasonally adjusted data				Not seasonally adjusted data			
	Mar 2019	Dec 2019	Jan 2020	Feb 2020	Mar 2019	Dec 2019	Jan 2020	Feb 2020
	Thousands							
<b>Active population (15 to 74)</b>	<b>5,171.8</b>	<b>5,193.9</b>	<b>5,209.0</b>	<b>5,170.2</b>	<b>5,162.5</b>	<b>5,178.4</b>	<b>5,181.3</b>	<b>5,151.7</b>
Men (15 to 74)	2,618.0	2,617.2	2,627.1	2,609.0	2,609.0	2,608.2	2,612.1	2,595.5
Women (15 to 74)	2,553.8	2,576.7	2,581.9	2,561.2	2,553.5	2,570.2	2,569.2	2,556.1
Youth (aged 15 to 24)	364.9	372.4	371.7	364.3	358.7	371.7	370.3	361.3
Adults (aged 25 to 74)	4,806.9	4,821.5	4,837.2	4,805.9	4,803.8	4,806.7	4,811.0	4,790.4
	%							
<b>Active rate (15 to 74)</b>	<b>66.5</b>	<b>66.9</b>	<b>66.9</b>	<b>66.5</b>	<b>66.4</b>	<b>66.7</b>	<b>66.6</b>	<b>66.2</b>
Men (15 to 74)	70.5	70.6	70.8	70.3	70.3	70.4	70.4	70.0
Women (15 to 74)	62.9	63.5	63.4	62.9	62.9	63.3	63.1	62.8
Youth (aged 15 to 24)	33.5	34.2	34.0	33.3	32.9	34.1	33.8	33.0
Adults (aged 25 to 74)	71.9	72.2	72.3	71.9	71.9	72.0	72.0	71.7

Source: Statistics Portugal, Labour Force Survey.

Table 2: Employed population and employment rate by sex and age group (15 to 74)								
	Seasonally adjusted data				Not seasonally adjusted data			
	Mar 2019	Dec 2019	Jan 2020	Feb 2020	Mar 2019	Dec 2019	Jan 2020	Feb 2020
	Thousands							
<b>Employed population (15 to 74)</b>	<b>4,837.5</b>	<b>4,846.1</b>	<b>4,857.0</b>	<b>4,838.6</b>	<b>4,818.0</b>	<b>4,817.6</b>	<b>4,815.4</b>	<b>4,803.6</b>
Men (15 to 74)	2,468.4	2,453.8	2,458.6	2,454.1	2,453.0	2,439.1	2,437.6	2,434.3
Women (15 to 74)	2,369.2	2,392.3	2,398.4	2,384.5	2,365.0	2,378.5	2,377.8	2,369.3
Youth (aged 15 to 24)	302.3	302.9	299.1	295.5	296.8	298.9	295.5	290.3
Adults (aged 25 to 74)	4,535.2	4,543.2	4,557.8	4,543.1	4,521.2	4,518.7	4,519.9	4,513.3
	%							
<b>Employment rate (15 to 74)</b>	<b>62.2</b>	<b>62.4</b>	<b>62.4</b>	<b>62.2</b>	<b>62.0</b>	<b>62.0</b>	<b>61.9</b>	<b>61.7</b>
Men (15 to 74)	66.5	66.2	66.3	66.1	66.1	65.8	65.7	65.6
Women (15 to 74)	58.3	58.9	58.9	58.6	58.2	58.6	58.4	58.2
Youth (aged 15 to 24)	27.7	27.8	27.3	27.0	27.2	27.4	27.0	26.5
Adults (aged 25 to 74)	67.9	68.1	68.2	68.0	67.7	67.7	67.6	67.5

Source: Statistics Portugal, Labour Force Survey.

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

	Seasonally adjusted data				Not seasonally adjusted data			
	Mar 2019	Dec 2019	Jan 2020	Feb 2020	Mar 2019	Dec 2019	Jan 2020	Feb 2020
	Thousands							
<b>Unemployed population (15 to 74)</b>	<b>334.2</b>	<b>347.8</b>	<b>352.0</b>	<b>331.6</b>	<b>344.5</b>	<b>360.8</b>	<b>366.0</b>	<b>348.1</b>
Men (15 to 74)	149.6	163.4	168.5	154.9	156.0	169.1	174.5	161.2
Women (15 to 74)	184.6	184.4	183.5	176.7	188.5	191.7	191.4	186.8
Youth (aged 15 to 24)	62.6	69.5	72.6	68.8	61.9	72.8	74.9	71.0
Adults (aged 25 to 74)	271.7	278.3	279.4	262.7	282.6	288.0	291.1	277.1
	%							
<b>Unemployment rate (15 to 74)</b>	<b>6.5</b>	<b>6.7</b>	<b>6.8</b>	<b>6.4</b>	<b>6.7</b>	<b>7.0</b>	<b>7.1</b>	<b>6.8</b>
Men (15 to 74)	5.7	6.2	6.4	5.9	6.0	6.5	6.7	6.2
Women (15 to 74)	7.2	7.2	7.1	6.9	7.4	7.5	7.4	7.3
Youth (aged 15 to 24)	17.1	18.7	19.5	18.9	17.3	19.6	20.2	19.7
Adults (aged 25 to 74)	5.7	5.8	5.8	5.5	5.9	6.0	6.1	5.8

Source: Statistics Portugal, Labour Force Survey.

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

	Seasonally adjusted data				Not seasonally adjusted data			
	Mar 2019	Dec 2019	Jan 2020	Feb 2020	Mar 2019	Dec 2019	Jan 2020	Feb 2020
	Thousands							
<b>Inactive population (15 to 74)</b>	<b>2,600.1</b>	<b>2,570.6</b>	<b>2,571.9</b>	<b>2,610.3</b>	<b>2,609.3</b>	<b>2,586.1</b>	<b>2,599.6</b>	<b>2,628.8</b>
Men (15 to 74)	1,093.3	1,088.6	1,083.2	1,100.9	1,102.3	1,097.6	1,098.2	1,114.4
Women (15 to 74)	1,506.7	1,482.0	1,488.7	1,509.3	1,507.0	1,488.5	1,501.3	1,514.4
Youth (aged 15 to 24)	724.8	717.8	722.7	730.4	730.9	718.5	724.2	733.5
Adults (aged 25 to 74)	1,875.3	1,852.8	1,849.2	1,879.8	1,878.4	1,867.6	1,875.4	1,895.3
	%							
<b>Inactivity rate (15 to 74)</b>	<b>33.5</b>	<b>33.1</b>	<b>33.1</b>	<b>33.5</b>	<b>33.6</b>	<b>33.3</b>	<b>33.4</b>	<b>33.8</b>
Men (15 to 74)	29.5	29.4	29.2	29.7	29.7	29.6	29.6	30.0
Women (15 to 74)	37.1	36.5	36.6	37.1	37.1	36.7	36.9	37.2
Youth (aged 15 to 24)	66.5	65.8	66.0	66.7	67.1	65.9	66.2	67.0
Adults (aged 25 to 74)	28.1	27.8	27.7	28.1	28.1	28.0	28.0	28.3

Source: Statistics Portugal, Labour Force Survey.



## 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 1<sup>st</sup>, 2<sup>nd</sup>, 3<sup>rd</sup> and 4<sup>th</sup> 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)*

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### Information available

The data series selected for monthly releases refer to both employed and unemployed population, by sex and age group, and to the corresponding rates. In relation to these data series, it should be noted the following:

- For the purpose of creating long monthly data series needed for subsequent adjustment of seasonality, the two latest data series of the Labour Force Survey (from 1998 to 2010; from 2011 onwards) were previously linked.
- Unless otherwise stated, the data series analysed in this Press Release are seasonally adjusted. For this reason, the analysis focuses on the comparison with the most recent periods. As agreed, Eurostat started using these estimates in its unemployment monthly releases. The original data series (not seasonally adjusted; as in the Statistics Portugal quarterly releases), are available in Tables 1 and 2 of the annex and at the Statistics Portugal Portal ([www.ine.pt](http://www.ine.pt)).
- The indicators analysed in this Press Release were calculated for the age subgroup of those aged 15 to 74 (as in the Eurostat News Release), which differs from the criterion adopted at the Statistics Portugal quarterly releases (people aged 15 and over, in line with the concepts in force of the International Labour Organization).

The back series for all the released and analysed indicators in this Press Release, since February 1998 (quarter from January to March 1998), are available at the Statistics Portugal Portal.

Due to rounding, totals may not correspond exactly to the sum of the parts.

### Revisions

The monthly released data are subject to revisions, as previously mentioned. The revisions come from obtaining the definitive estimates for the previous month (moving quarter) due to the conclusion of its last month collection process. In addition, the revisions also come from the updating of the seasonally adjusted data series whenever a new observation is added. Therefore, in each Press Release the not seasonally adjusted definitive estimates for the previous reference month are published.

The impact of those revisions, measured by the difference between the estimates now released for February 2020 (definitive estimates) and the ones for that month published in the last Press Release, is the following:

Revision of February 2020 estimates - main indicators			
	Unit	Seasonally adjusted data	Not seasonally adjusted data
Active population (15 to 74)		- 12.3	- 13.7
Employed population (15 to 74)	Thousands	- 7.6	- 8.0
Unemployed population (15 to 74)		- 4.7	- 5.7
Employment rate (15 to 74)		- 0.1	- 0.1
Unemployment rate (15 to 74)		- 0.1	0.0
Men's unemployment rate (15 to 74)	p.p.	- 0.1	- 0.1
Women's unemployment rate (15 to 74)		- 0.1	- 0.1
Youth unemployment rate (15 to 24)		- 0.6	- 0.7
Adults' unemployment rate (25 to 74)		0.0	0.0

In February 2020, the downwards revision (-0.1 pp) of the seasonally adjusted unemployment rate was followed by an also downwards revision for young people (-0.6 pp), men and women (-0.1 pp in both), while the rate for adults remained unchanged. The downwards revision of the unemployment rate was followed by a downwards revision of the unemployed population (-1.4%; -4.7 thousand) and by an also downwards revision of the employed population (-0.2%, -7.6 thousand).

(to be continued)



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### 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<sup>(a)</sup>;
- had a business, but was temporarily not working for a specific reason;
- was in a pre-retirement situation while working.

<sup>(a)</sup> 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.

**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).

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

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:

2 June 2020: "Monthly Employment and Unemployment Statistics – April 2020".

3 June 2020: Eurostat News Release.