

Quarterly Labour Force Survey

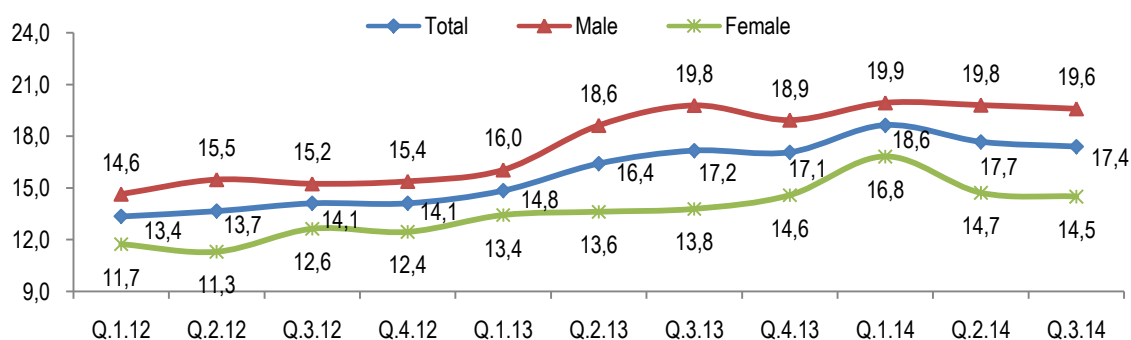
Third quarter, 2014

Tirana, December 10, 2014: Over the third quarter 2014, according to the quarterly Labour Force Survey, the number of employed people of age 15-64 is 1,043,058 persons. The number of unemployed aged 15-64 years old is 219,585 persons.

Over the third quarter 2014 in Albania:

- Unemployment rate for the population of age 15-64 is 17.4 %.
- Youth (aged 15-29 yrs. old) unemployment rate is 32.4 %.
- 63.4 % of the population 15-64 years old was active in the labour market, either employed or actively looking for a job.
- Employment rate for the population aged 15-64 years is 52.3 %.
- Compared to the third quarter of 2013 there is an increase of 3.7 percentage points in employment rate, 4.8 percentage points in labour force participation rate, and unemployment rate has slightly increased by 0.2 percentage points (population 15-64 years old).
- Compared to the second quarter 2014, employment rate has increased by 1.8 percentage points, the labour force participation rate has increased by 2.1 percentage points, and the unemployment rate has slightly decreased by 0.2 percentage points (age-group 15-64 years old).

Fig. 1 Unemployment rate for the population 15-64 years old, Q.1/12 – Q.3/14



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Over the third quarter 2014, the total number of employed is increased by 8.18 % compared to the third quarter 2013. In the agriculture sector the number of employed is increased by 9.65 %, compared to the same quarter one year before. Employed in industry had an annual increase of 9.7 %, only manufacturing having an increase of 22 %. In services employment is increased by around 6 %.

Tab.1 Summary of the labour market indicators (estimated by LFS)

	3rd Quarter 2014		Annual change Q.3.2014-Q.3.2013		Quarterly change Q.3.2014-Q.2.2014	
	Individuals	%	Individuals	%	Individuals	%
Employed 15 years old and over	1,072,032	100.0	76,479	7.7	33,311	3.2
Of which						
15-64 years	1,043,058	97.3	78,844	8.2	36,751	3.7
15-29 years	212,786	19.8	21,843	11.4	20,941	10.9
30-64 years	830,272	77.4	57,001	7.4	15,810	1.9
Unemployed 15 years old and over	219,585	100.0	18,918	9.4	3,095	1.4
Of which						
15-64 years	219,585	100.0	19,728	9.9	3,499	1.6
15-29 years	101,828	46.4	29,965	41.7	5,323	5.5
30-64 years	117,757	53.6	-10,237	-8.0	-1,825	-1.5
Inactive 15 years old and over	1,049,438	100.0	-76,446	-6.8	-36,122	-3.3
Of which						
15-64 years	730,137	69.6	-90,619	-11.0	-40,206	-5.2
15-29 years	382,339	36.4	-55,339	-12.6	-26,277	-6.4
30-64 years	347,798	33.1	-35,281	-9.2	-13,929	-3.9
Labour force 15 years old and over	1,291,617	100.0	95,398	8.0	36,405	2.9
Of which						
15-64 years	1,262,643	97.8	98,572	8.5	40,249	3.3
15-29 years	314,614	24.4	51,808	19.7	26,263	9.1
30-64 years	948,029	73.4	46,764	5.2	13,985	1.5

Employment

Over the third quarter 2014, the labour force participation rate for the population aged 15-64 years old is 63.4 %. Female labour force participation rate is 53 % and male labour force participation rate is 74.2 %. Compared to the previous quarter, the labour force participation rate has increased with 2.1 percentage points. This indicator is increased for females as well as for males respectively with 2.9 percentage points and 1 percentage point.

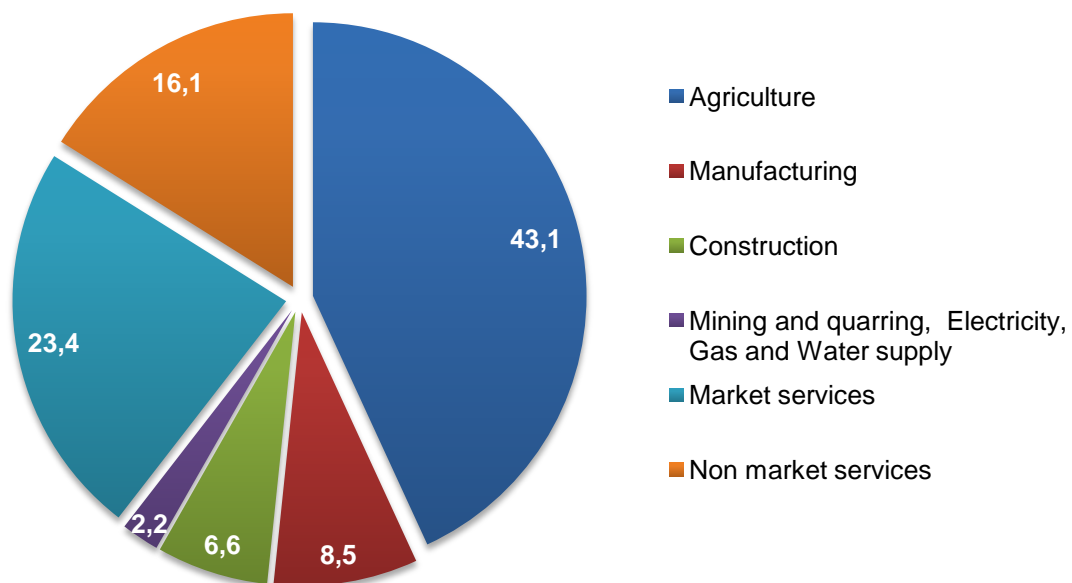
Over the third quarter 2014, youth (aged 15-29) labour force participation rate is 45.1 %. Youth employment rate is 30.5 %.

Adult (aged 30-64 years old) labour force participation rate is 73.2 %. Adult employment rate is 64.1 %.

Over the third quarter 2014, according to QLFS data, 43.1 % of employed are engaged in the agricultural sector, and 23.4 % of employed work in the market services sector (wholesale and retail trades, repair of automobile, hotels and restaurants, transport, storage and communication, monetary and financial intermediation, real estate).

Employment share in the non market services sector (public administration and defence, compulsory social security, education, health and other social activities, other services of collective activities, social and individual, services at home, activities of international organisms) is 16.1 % of the total employment. Employment in manufacturing constitutes 8.5 % of the total employment.

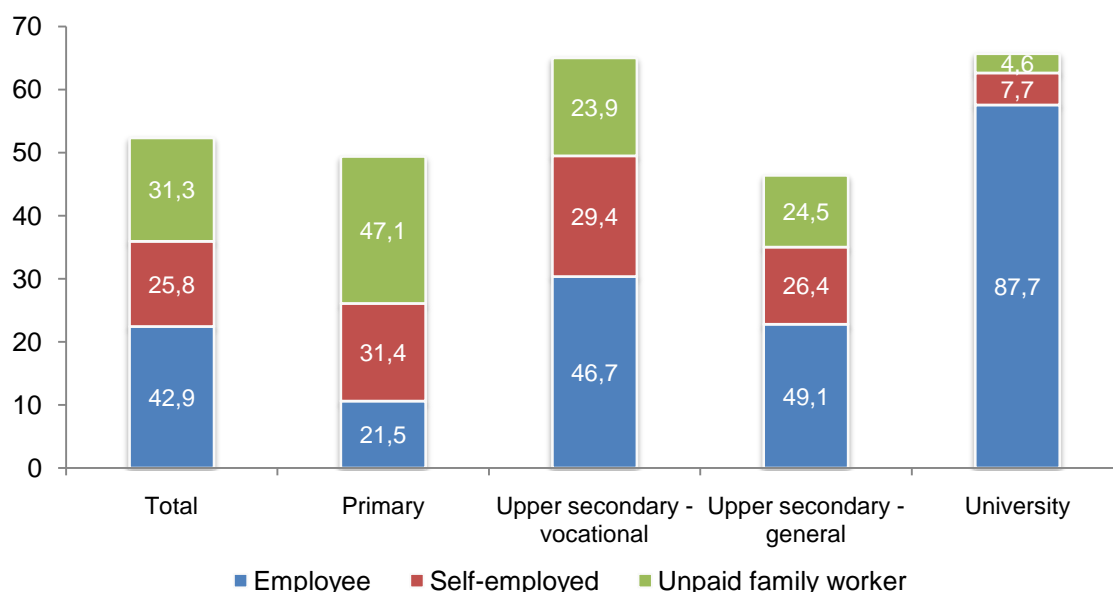
Fig. 2 Employment structure by economic activity, Q.3 /14



The growth rate of employment by sectors from the second quarter to the third quarter 2014 is: 7.8 % in manufacturing; 6.2 % in construction; 2.3 % in agriculture.

Over the third quarter 2014, the share of employees in total employment is 42 %. The self employed (employers or self employed without employees) account for 26.2 % of the total employment, while unpaid family workers represent 31.8 % of the total employment.

Fig. 3 Employment rate by education and employment status, Q.3/14



Employment rate (age group 15-64 years old) is higher for employed with higher education (65.7 %), followed by those with vocational upper secondary education (65 %). Data show that the percentage of employees is higher among persons with higher education, and the opposite is seen among employed with 8/9 years school where the major share is of unpaid family workers.

When analysing employed with secondary education, the employment rate is higher for persons with vocational upper secondary education compared to persons with general upper secondary education, respectively 65 % and 46.4 %.

One in five employed 15-64 years old with 8/9 years school are employees, almost half are unpaid family workers and one third of them are self employed. The share of employees increases with the increase of the education level. Among employed with high education, 87.7 % are employees and only 4.6% are employed as unpaid family workers. The shares of employees among employed with vocational and general upper secondary education are respectively 46.7 % and 49.1 %.

Unemployment

The number of persons at age 15-64 years actively looking for work over the third quarter of 2014 in Albania is 219,585 persons. The unemployment rate for the population aged 15-64 years old is 17.4 %.

The male unemployment rate is higher than female unemployment rate for this age-group, respectively 19.6 % and 14.5 %.

Compared to the second quarter 2014, the unemployment rate for males as well as for females has slightly decreased by 0.2 percentage points.

The unemployment rate for persons with general secondary school is 24.3 % or 6.9 percentage points higher than the national average. The unemployment rate for persons with university is 18.1 % while for those with vocational upper secondary school and those with 8/9 years school is respectively 13 % and 14 %.

Youth (aged 15-29 years) unemployment rate is 32.4 % in the third quarter 2014. Compared to the previous quarter, the youth unemployment rate has decreased by 1.1 percentage points.

The unemployment rate for the population aged 30-64 years old is 12.4 % in the third quarter 2014.

Regarding to the job search methods, 87.3 % of unemployed people ask their relative, friends and families to find a job. This job search method is combined with the direct application to an employer (52 %) and with the placement of advertisements in newspapers, studying of announcements for job vacancies in newspapers, etc.

Over the third quarter 2014, unemployed persons looking for their first job account for 60.2% of the unemployed jobseekers.

Non-economically active population

Over the third quarter of 2014, the population aged 15-64 years old, out of the labour market and not seeking job nor available for a job (the non-economically active population) account 730,137 persons.

Population 15-64 years old classified as non-economically active constitute 36.6 % of the working age population. Over the third quarter of 2014, 20.6% of the non-economically active population aged 15-64 years old were fulfilling household duties.

According to the LFS data, 11.4 % of the non-economically active population aged 15-64 years is in retirement and 9.4 % are permanently disabled.

Over the third quarter of 2014, according to the LFS data, 12.5 % of non-economically active population aged 15-64 years old are discouraged workers.

63.7 % of the non-economically youth population aged 15-29 years old declared that they are pupils/students or in training.

Among the non-economically active youth population (aged 15-29) 9.5 % are classified as discouraged workers, whereas the adult (aged 30-64 years old) discouraged workers account for 15.9 % of the non-economically active adult population.

Tab. 2 Unemployment rate Q.1/12 - Q.3/14

Age	Sex	Q.1 2012	Q.2 2012	Q.3 2012	Q.4 2012	Q.1 2013	Q.2 2013	Q.3 2013	Q.4 2013	Q.1 2014	Q.2 2014	Q.3 2014
15 years old and over	Total	12.9	13.3	13.6	13.6	14.3	16.0	16.8	16.8	18.2	17.2	17.0
	Male	14.2	15.0	14.6	14.7	15.4	18.0	19.3	18.6	19.4	19.3	19.1
	Female	11.4	11.0	12.2	12.1	13.1	13.3	13.5	14.3	16.4	14.4	14.2
15-64 years	Total	13.4	13.7	14.1	14.1	14.8	16.4	17.2	17.1	18.6	17.7	17.4
	Male	14.6	15.5	15.2	15.4	16.0	18.6	19.8	18.9	19.9	19.8	19.6
	Female	11.7	11.3	12.6	12.4	13.4	13.6	13.8	14.6	16.8	14.7	14.5
15-29 years	Total	23.6	24.6	29.6	26.6	25.4	27.9	27.3	28.3	30.2	33.5	32.4
	Male	24.8	27.7	31.8	29.6	26.4	32.1	31.4	28.9	33.0	37.1	35.7
	Female	21.7	19.4	25.9	21.4	24.0	21.6	21.2	27.4	25.4	27.1	26.9
30-64 years	Total	10.1	10.2	9.3	10.4	11.7	13.0	14.2	13.5	15.1	12.8	12.4
	Male	10.9	11.1	9.3	10.4	12.7	14.2	16.1	15.5	15.5	13.8	13.6
	Female	9.2	9.2	9.3	10.3	10.6	11.5	11.8	11.0	14.6	11.5	11.0

Tab. 3 Employment rate Q.1/12 - Q.3/14

Age	Sex	Q.1 2012	Q.2 2012	Q.3 2012	Q.4 2012	Q.1 2013	Q.2 2013	Q.3 2013	Q.4 2013	Q.1 2014	Q.2 2014	Q.3 2014
15 years old and over	Total	51.1	50.2	48.6	48.7	47.0	44.1	42.9	42.4	41.5	44.4	45.8
	Male	56.7	56.2	55.3	55.4	53.0	50.7	49.2	49.8	48.3	52.2	52.7
	Female	45.6	44.3	41.9	42.0	41.5	38.1	37.1	35.5	34.9	37.1	39.2
15-64 years	Total	58.2	56.8	54.2	54.4	52.8	49.9	48.6	48.2	47.1	50.5	52.3
	Male	63.9	62.9	61.0	61.1	59.5	57.2	55.8	56.7	54.4	58.7	59.7
	Female	52.4	50.8	47.5	47.8	46.7	43.3	42.1	40.5	39.9	42.7	45.4
15-29 years	Total	38.0	36.7	31.5	32.0	30.1	27.6	27.3	27.8	25.8	27.5	30.5
	Male	42.9	40.8	35.7	35.9	35.6	32.3	32.0	34.8	30.2	32.8	35.4
	Female	32.2	31.9	26.6	27.3	24.8	23.1	22.8	21.3	21.1	22.1	25.5
30-64 years	Total	67.9	66.5	65.6	65.8	65.1	62.4	60.2	59.6	59.4	62.9	64.1
	Male	75.6	74.9	75.4	75.6	73.0	71.7	69.1	69.3	69.4	73.5	73.7
	Female	61.0	58.7	56.6	56.8	58.2	54.2	52.3	50.9	50.0	53.2	55.3

Tab. 4 Labour force participation rate Q.1/12 - Q.3/14

Age	Sex	Q.1 2012	Q.2 2012	Q.3 2012	Q.4 2012	Q.1 2013	Q.2 2013	Q.3 2013	Q.4 2013	Q.1 2014	Q.2 2014	Q.3 2014
15 years old and over	Total	58.7	57.9	56.2	56.4	54.9	52.5	51.5	50.9	50.8	53.6	55.2
	Male	66.1	66.1	64.8	65.0	62.6	61.9	60.9	61.2	59.9	64.7	65.1
	Female	51.5	49.8	47.7	47.8	47.7	43.9	42.9	41.4	41.8	43.3	45.8
15-64 years	Total	67.1	65.8	63.1	63.4	62.0	59.7	58.6	58.1	57.9	61.3	63.4
	Male	74.9	74.5	72.0	72.2	70.9	70.3	69.6	70.0	68.0	73.2	74.2
	Female	59.4	57.2	54.3	54.6	53.9	50.2	48.8	47.4	47.9	50.1	53.0
15-29 years	Total	49.8	48.6	44.8	43.6	40.3	38.3	37.5	38.8	36.9	41.4	45.1
	Male	57.0	56.4	52.3	51.0	48.5	47.6	46.6	49.0	45.1	52.2	55.0
	Female	41.1	39.5	35.9	34.7	32.6	29.5	29.0	29.3	28.2	30.3	34.9
30-64 years	Total	75.6	74.1	72.3	73.4	73.8	71.7	70.2	68.9	69.9	72.1	73.2
	Male	84.8	84.3	83.2	84.4	83.6	83.5	82.4	82.0	82.1	85.3	85.3
	Female	67.1	64.7	62.4	63.3	65.1	61.3	59.3	57.2	58.6	60.1	62.2

Methodology

The Quarterly Labour Force Survey is a household based survey. Its main objective is to provide information on the labour market situation in Albania which serves policymakers to design labour market policies and to assess their effectiveness, and to meet user needs for updated information on the labour market dynamics.

During the period 2007-2011, labour force survey was conducted by INSTAT on annual basis. In 2012, a pilot quarterly labour force survey was designed in order to get quarterly representative estimates on employment and unemployment at national level. Starting from the first quarter of 2013, the labour market indicators published by INSTAT are estimated based on the data gathered by the quarterly labour force survey.

The QLFS uses a rotational sampling design, whereby a household once initially selected for interview, is retained in the sample for a total of five consecutive quarters. The same household is scheduled to be interviewed, exactly after 13 weeks apart, so that the fifth interview takes place one year on after the first. According to the rotational sampling design, each quarter one fifth of the selected households are new and 80 percent of them are in common. So, in each quarter, in the selected sample, 1,008 new households are added and the same number of households that has been interviewed for five consecutive quarters is dropped out from the sample.

The sample size for QLFS is 5,040 households for each calendar quarter. The sample is based in a two-stage sampling procedure. In the first stage are selected the geographical areas with a proportional probability to the size of the enumeration area. In the second stage within each of the geographical areas (once selected in the first stage) are selected a fix number of 8 households by equal probability systematic sampling method.

Data collection in the fieldwork is spread during all months of the year 2012. In the selected households, were surveyed by face to face interview, all household members aged 15 years and above. The QLFS questionnaire was drafted with the technical assistance from EUROSTAT and in complete compliance with its recommendations and regulations. The methodological part fulfils all EUROSTAT standards linked with the representation of the sample, coefficient of the variation of the main indicators, the questionnaire design, and data weighting procedures.

Employed are considered all the persons who have worked even for one hour with a respective salary or profit during the reference week. The **reference week** is the calendar week from Monday to Sunday before the date of interview.

As employed are considered also all persons who were receiving a salary or wage while they were in training during their work. Employed are also considered persons temporarily not at work during the reference week for some reasons: (1) maternity leave, illness, injury or temporary disability and expect to return to work, education / training directly related to the actual work; (2) salaried employees absent from work for some reasons other than the above that (a) lack of the duration is three months or less, and the person is not a seasonal worker or (b) the person takes 50 % or more salary; (3) the self-employed who intend to return to the business / farm / or professional practice; (4) workers not being paid who expect to return to work in three months or less.

People who work on their small farm, who do not sell their products, but produce only for self-consumption, are considered as employed.

Unemployed comprise persons who during the reference week were:

a) Without work, i.e. neither had a job nor were at work (for one hour or more) in paid employment or self-employment;

b) Currently available for work, (were available before the end of the two weeks following the reference week;

c) Actively seeking work, (had taken specific steps in the four week period ending with the reference week to seek paid employment or self-employment) or who found a job to start later, (within a period of at most three months).

The following are considered as specific steps:

- Having been in contact with a public employment office to find work;

- Having been in contact with a private employment agency to find work;
- Applying to employers directly;
- Asking friends, relatives, unions, etc., to find work;
- Placing or answering job advertisements;
- Studying job advertisements;
- Taking a recruitment test or examination or being interviewed;
- Looking for land, premises or equipment;
- Applying for permits, licences or financial resources.

Working age population is the population between 15-64 years old.

Labour Force includes employed and unemployed persons.

Non-economically active population comprises all persons who are not classified as employed or unemployed (pupils/students, housekeepers, in a compulsory military service, retired, disabled, discouraged unemployed).

The employment rate is the proportion of employed 15-64 years compared to the working age population.

The unemployment rate is the ratio of the unemployed to the labour force.

Labour force participation rate is the proportion of the labour force compared to the working age population.