

Quarterly Labour Force Survey

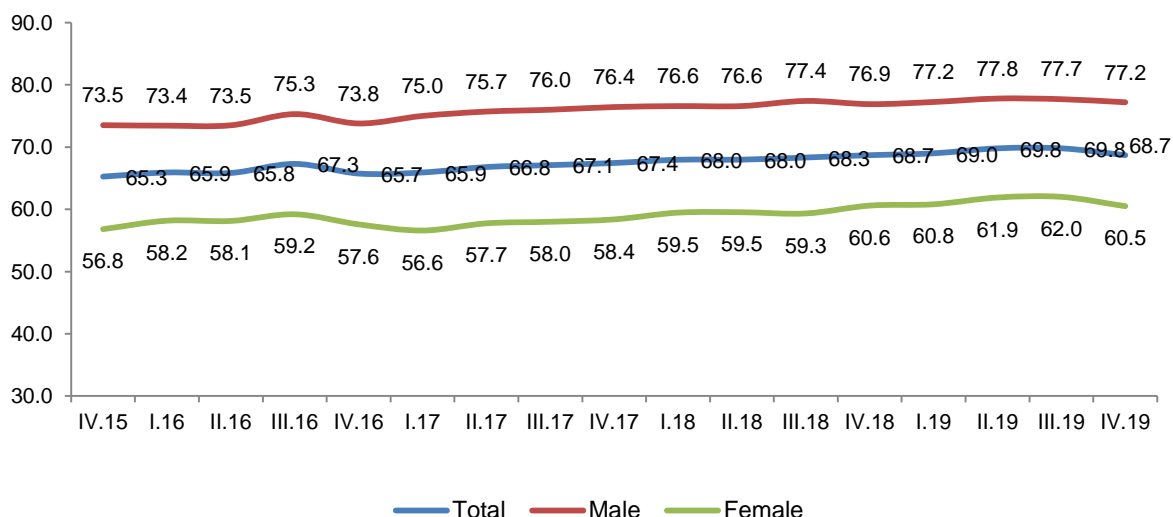
Fourth quarter 2020

Tirana, 12 Mars, 2021: During the fourth quarter of 2020, the employment rate for the population aged from 15 to 64 is 60.2 %. In this quarter, compared to the same quarter of 2019, the total number of employed decreased with 3.4 %. Compared to the third quarter of 2020, this indicator decreased with 2.2 %.

In the fourth quarter of 2020, the official unemployment rate in Albania, for the population aged 15 years and over is 11.8 %. Compared to the fourth quarter of 2019, the official unemployment rate increased with 0.6 percentage points. Compared to the third quarter 2020, the official unemployment rate increased with 0.2 percentage points.

In the fourth quarter of 2020, the labour force participation rate for the population aged from 15 to 64 is 68.7%. Compared to the fourth quarter of 2019, the labour force participation rate is 1.0 percentage points lower. Compared with the previous quarter this indicator decreased by 1.1 percentage points.

Fig. 1 Labour Force Participation Rate, population aged 15 to 64, Q.4/16- Q.4/20



The women labour force participation rate is 60.5 %, whereas for men this indicator is 77.2 %. The men labour force participation rate is 16.7 percentage points higher than women. Compared to the same quarter

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of 2019, the women labour force participation rate decreased by 1.4 percentage points and for men decreased by 0.5 percentage points.

Over the fourth quarter 2020, the youth labour force participation rate (population aged from 15 to 29) is 51.0 %. For the population aged from 30 to 64, in the fourth quarter 2020, the labour force participation rate is 77.8 %.

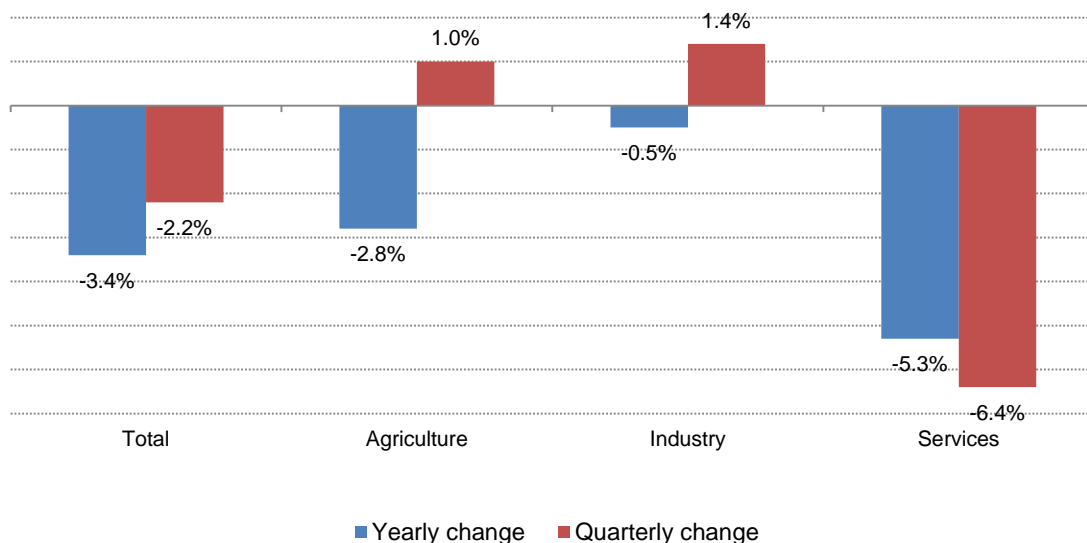
Employment

During the fourth quarter 2020, the employment rate for the population 15-64 is 60.2 %.

The employment growth rate for the population aged 15 and over, from the fourth quarter 2019 to the fourth quarter 2020, is -3.4 %. In annual terms, employment decrease by 2.8 % in agriculture, by 5.3 % in services, and by 0.5 % in industry.

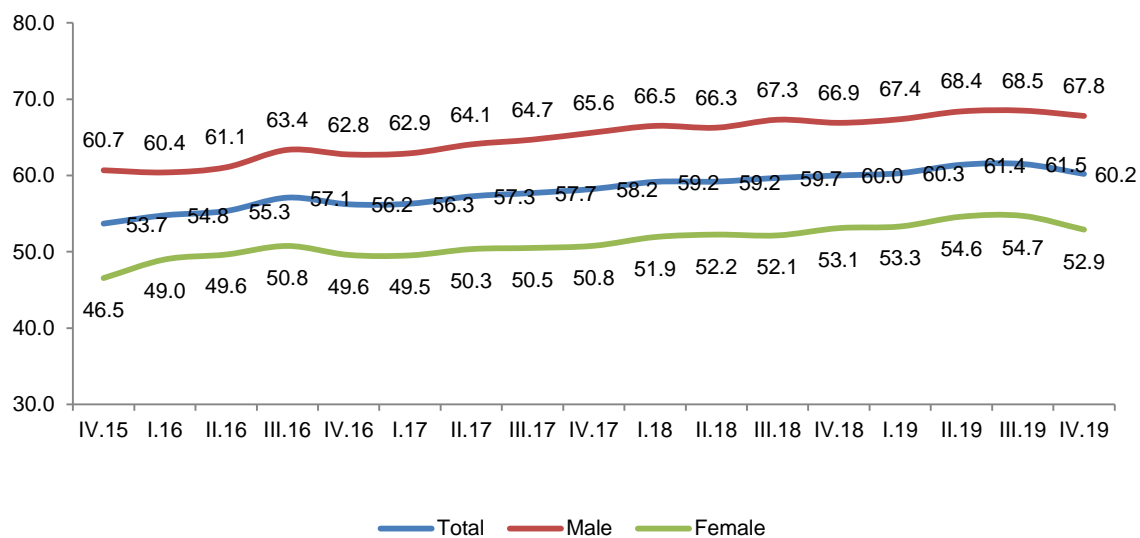
Compared to the previous quarter, in the fourth quarter 2020, employment for the population aged 15 years and over, decreased by 2.2 %. Employment increased in industry and agriculture by 1.4 % and 1.0 % respectively, while decreased in services by 6.4 %.

Fig. 2 Employment growth rate in yearly and quarterly basis, population aged 15 and over (%)



The men employment rate is 67.8 %, whereas for women is 52.9 %. Compared to the same quarter of 2019 the employment rate for men decreased by 0.7 percentage points, and for women by 1.9 percentage points. The youth employment rate is 40.0 %. For the population aged 30 to 64, in the fourth quarter 2020, the employment rate is 70.7 %.

Fig. 3 Employment Rate, population aged 15 to 64, Q.4/16 - Q.4/20

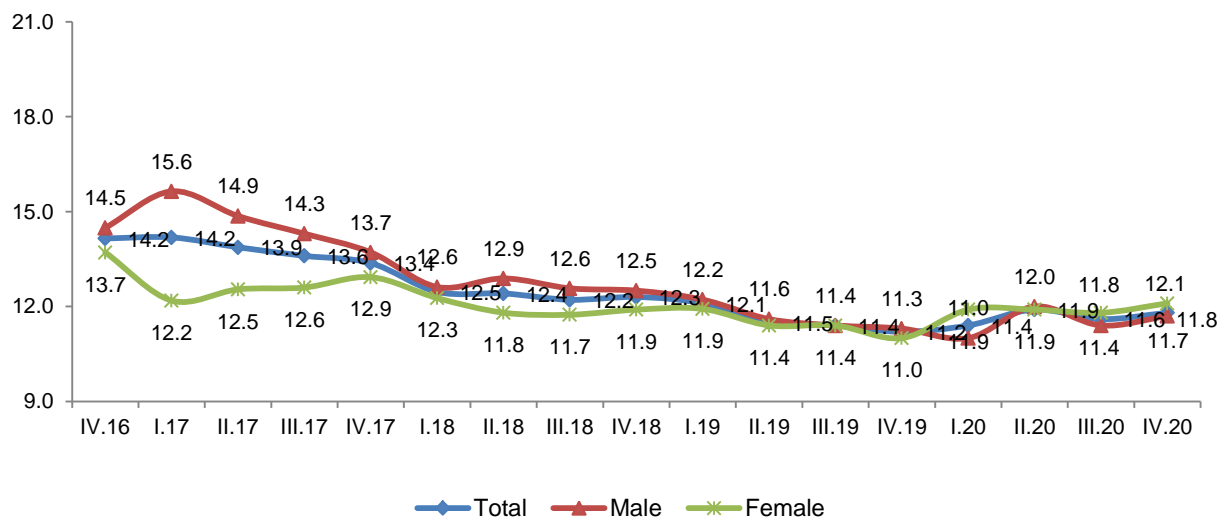


Unemployment

In the fourth quarter of 2020, the official unemployment rate in Albania is 11.8 %. In annual terms, the official unemployment rate decreased by 0.6 percentage points. Compared to the previous quarter, the official unemployment rate increased by 0.2 percentage points.

The official unemployment rate for males is 11.7 % while for females is 12.1 %. Compared to the same quarter of 2019, the unemployment rate increased by 0.4 percentage points for males while for females decreased by 1.1 percentage points.

Fig. 4 Official Unemployment Rate, population aged 15 and over, Q.4/16 - Q.4/20



The official youth unemployment rate is 21.7 %. Compared to the fourth quarter of 2019, the youth unemployment rate in the fourth quarter of 2020 is 0.3 percentage points higher. Compared to the third quarter of 2020, the youth unemployment rate increased by 1.0 percentage points.

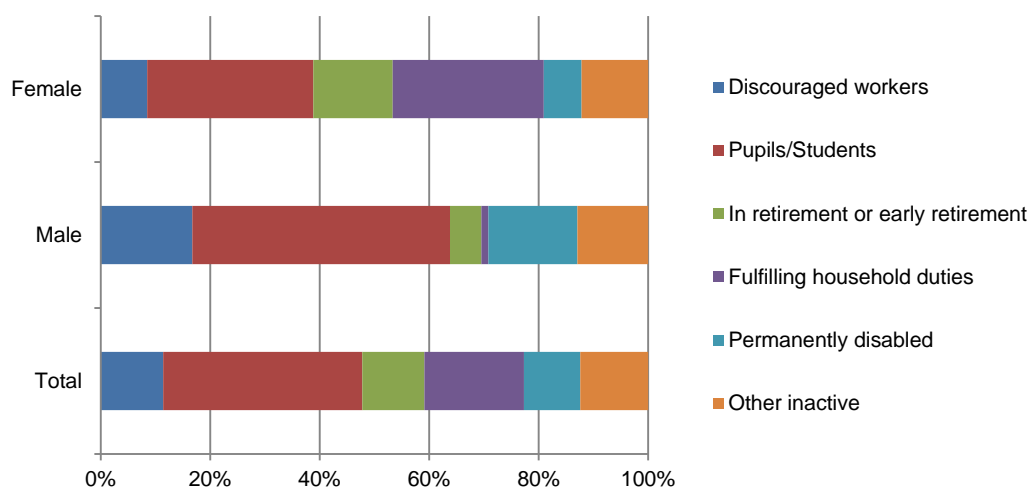
The unemployment rate for the population aged 30 to 64 is 9.2 %. In annual terms this indicator increased by 0.9 percentage points. Compared to the previous quarter, the unemployment rate for this age group increased by 0.2 percentage points.

The economically inactive population

Over the fourth quarter of 2020, 18.2 % of the economically inactive population and at working age (15 to 64 years), were fulfilling household duties, 11.4 % was in retirement or early retirement, while 10.3 % were permanently disabled.

In the fourth quarter of 2020, 11.4 % of the economically inactive population (aged 15 to 64) declared that the reason for not looking for work is because they believe that no work is available, so classified as discouraged workers.

Fig. 5 Structure of the economically inactive population by sex and inactivity status



Within the non-economically active youth population aged 15 to 29, 68.1 % are pupils/students or pursuing a training while 10.3 % are classified as discouraged workers. In the adult economically inactive population (aged 30 to 64), discouraged workers account for 12.7 %.

Tab. 1 Unemployment Rate, Q.4/16-Q.4/20

Age	Sex	Q.4.2016	Q.1.2017	Q.2.2017	Q.3.2017	Q.4.2017	Q.1.2018	Q.2.2018	Q.3.2018	Q.4.2018	Q.1.2019	Q.2.2019	Q.3.2019	Q.4.2019	Q.1.2020	Q.2.2020	Q.3.2020	Q.4.2020
15 years and over	Total	14.2	14.2	13.9	13.6	13.4	12.5	12.4	12.2	12.3	12.1	11.5	11.4	11.2	11.4	11.9	11.6	11.8
	Male	14.5	15.6	14.9	14.3	13.7	12.6	12.9	12.6	12.5	12.2	11.6	11.4	11.3	11.0	12.0	11.4	11.7
	Female	13.7	12.2	12.5	12.6	12.9	12.3	11.8	11.7	11.9	11.9	11.4	11.4	11.0	11.9	11.9	11.8	12.1
15-64 years	Total	14.5	14.6	14.3	14.0	13.6	13.0	12.9	12.7	12.7	12.6	12.0	11.8	11.6	11.9	12.5	12.1	12.3
	Male	15.0	16.1	15.4	14.8	14.1	13.2	13.5	13.1	13.0	12.8	12.1	11.9	11.8	11.5	12.6	11.9	12.2
	Female	13.9	12.5	12.8	12.8	13.0	12.7	12.2	12.1	12.3	12.3	11.8	11.8	11.4	12.4	12.4	12.3	12.5
15-29 years	Total	28.1	26.6	26.4	26.0	24.6	24.5	22.6	23.2	22.3	22.2	20.9	21.4	21.4	20.0	21.4	20.7	21.7
	Male	29.3	28.6	27.4	26.6	25.6	24.2	23.4	22.8	22.4	22.4	21.0	20.6	21.2	19.9	21.9	20.3	21.3
	Female	26.2	23.4	24.7	25.0	23.1	24.9	21.5	23.8	22.2	21.9	20.8	22.4	21.5	20.2	20.8	21.4	22.2
30-64 years	Total	10.6	11.2	10.8	10.6	10.5	9.2	9.6	8.9	9.2	9.1	8.8	8.5	8.3	9.1	9.5	9.0	9.2
	Male	10.5	12.3	11.5	11.1	10.6	9.3	9.7	9.2	9.4	9.1	8.8	8.8	8.5	8.4	9.3	8.8	8.9
	Female	10.7	9.8	9.9	10.0	10.4	9.0	9.5	8.5	8.9	9.1	8.8	8.1	7.9	9.8	9.8	9.4	9.5

Tab. 2 Employment Rate, Q.4/16-Q.4/20

Age	Sex	Q.4.2016	Q.1.2017	Q.2.2017	Q.3.2017	Q.4.2017	Q.1.2018	Q.2.2018	Q.3.2018	Q.4.2018	Q.1.2019	Q.2.2019	Q.3.2019	Q.4.2019	Q.1.2020	Q.2.2020	Q.3.2020	Q.4.2020
15 years and over	Total	49,1	49,2	50,0	50,7	51,2	51,9	52,0	52,2	52,3	52,5	53,6	53,8	53,8	53,1	51,7	53,2	52,0
	Male	55,4	55,6	56,7	57,7	58,2	58,9	58,7	59,4	59,0	59,2	60,3	60,4	60,4	60,0	57,9	59,9	58,8
	Female	42,8	42,7	43,4	43,8	44,2	45,0	45,4	45,0	45,7	45,9	47,1	47,3	47,4	46,5	45,8	46,7	45,4
15-64 years	Total	56,2	56,3	57,3	57,7	58,2	59,2	59,2	59,7	60,0	60,3	61,4	61,5	61,6	61,4	59,6	61,3	60,2
	Male	62,8	62,9	64,1	64,7	65,6	66,5	66,3	67,3	66,9	67,4	68,4	68,5	68,5	68,7	66,2	68,7	67,8
	Female	49,6	49,5	50,3	50,5	50,8	51,9	52,2	52,1	53,1	53,3	54,6	54,7	54,8	54,2	53,2	54,2	52,9
15-29 years	Total	32,5	33,0	33,6	33,5	34,9	35,9	37,9	39,5	40,8	41,0	41,9	41,3	40,6	42,7	39,7	42,3	40,0
	Male	35,9	36,9	38,4	39,2	39,7	41,6	44,5	46,8	46,0	46,7	47,3	46,9	45,5	48,3	44,7	48,6	46,2
	Female	28,6	28,4	28,1	26,9	29,7	29,8	31,1	31,8	35,1	35,1	36,3	35,7	35,8	37,2	34,5	35,9	33,6
30-64 years	Total	67,8	67,5	68,6	69,3	69,4	71,9	70,8	70,7	70,5	70,6	71,8	72,3	72,7	70,9	69,9	71,1	70,7
	Male	77,0	76,6	77,8	78,1	79,0	80,6	78,6	79,1	78,8	78,8	80,0	79,9	80,9	79,5	77,5	79,3	79,4
	Female	58,9	58,7	60,0	60,9	60,3	63,5	63,3	62,6	62,4	62,6	63,9	64,8	64,8	62,8	62,5	63,3	62,5

Tab. 3 Labour Force Participation Rate, Q.4/16-Q.4/20

Age	Sex	Q.4.2016	Q.1.2017	Q.2.2017	Q.3.2017	Q.4.2017	Q.1.2018	Q.2.2018	Q.3.2018	Q.4.2018	Q.1.2019	Q.2.2019	Q.3.2019	Q.4.2019	Q.1.2020	Q.2.2020	Q.3.2020	Q.4.2020
15 years and over	Total	57,2	57,3	58,1	58,7	59,1	59,3	59,3	59,4	59,6	59,7	60,6	60,7	60,6	60,0	58,8	60,2	59,0
	Male	64,8	66,0	66,6	67,3	67,4	67,4	67,4	68,0	67,5	67,5	68,2	68,2	68,1	67,4	65,8	67,6	66,6
	Female	49,5	48,6	49,6	50,1	50,8	51,3	51,4	51,0	51,9	52,1	53,1	53,4	53,3	52,8	51,9	52,9	51,6
15-64 years	Total	65,7	65,9	66,8	67,1	67,4	68,0	68,0	68,3	68,7	69,0	69,8	69,8	69,7	69,6	68,1	69,8	68,7
	Male	73,8	75,0	75,7	76,0	76,4	76,6	76,6	77,4	76,9	77,2	77,8	77,7	77,7	77,6	75,7	77,9	77,2
	Female	57,6	56,6	57,7	58,0	58,4	59,5	59,5	59,3	60,6	60,8	61,9	62,0	61,9	61,9	60,7	61,8	60,5
15-29 years	Total	45,2	44,9	45,7	45,2	46,3	47,5	49,0	51,4	52,5	52,7	53,0	52,5	51,7	53,4	50,5	53,3	51,0
	Male	50,8	51,6	52,9	53,4	53,3	54,9	58,1	60,5	59,3	60,2	59,9	59,1	57,8	60,2	57,3	61,0	58,7
	Female	38,8	37,1	37,3	35,9	38,6	39,7	39,6	41,7	45,1	45,0	45,8	46,0	45,6	46,6	43,6	45,6	43,2
30-64 years	Total	75,8	76,0	76,9	77,5	77,6	79,1	78,3	77,5	77,6	77,6	78,7	79,0	79,2	78,0	77,2	78,2	77,8
	Male	86,0	87,3	87,9	87,8	88,3	88,9	87,1	87,1	87,0	86,7	87,8	87,6	88,4	86,8	85,5	87,0	87,1
	Female	66,0	65,1	66,6	67,7	67,3	69,8	69,9	68,4	68,5	68,9	70,0	70,5	70,4	69,6	69,3	69,9	69,0

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.

The sample frame used for the QLFS is based on data of Enumeration Areas according to the Housing and Population Census of 2011. The sample size for the fourth quarter of 2020 is 7,936 households. 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 households by equal probability systematic sampling method.

The QLFS uses a rotational sampling design, whereby a household once initially selected for interview, is retained in the sample for 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 after the first. In the fourth quarter of 2020, the household response rate was 79.5 %.

Data collection in the fieldwork is spread during all months of the year. 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.

As for the weighting procedure of LFS data, it is used the estimated annual population, based on 2011 housing and population census data and vital statistics (births and deaths) provided from the General Directory of Civil Status

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

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 the interview.

As employed are considered also the persons who were receiving a salary or wage while they were in training during their work and the persons temporarily absent at work during the reference week for the following 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 when (a) the duration of absence is three months or less, and the person is not a seasonal worker or (b) the person takes 50 % or more of the 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 also 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, (within 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 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.

Labour Force includes employed and unemployed persons.

Non-economically active population comprises all the persons who are not classified as employed or unemployed (pupils/students, housekeepers, 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.

Explanatory note on the labour market indicators

The headline labour force participation and employment rates are based on the population aged 15 to 64. Whereas, the headline unemployment rate is based on the economically active population (labour force) aged 15 and over. The employment and labour force participation rates for those aged 15 and over are affected by the inclusion of the retired population in the denominators and are therefore less meaningful than the rates for those aged from 15 to 64. However, for the unemployment rate for those aged 15 and over, the denominator for the unemployment rate is the economically active population which includes people in work or actively seeking and able to work. Therefore, this indicator is not affected by the retired population.

The quality of labour market statistics

The main labour market indicators are estimates based on the quarterly labour force survey. The survey is based on a probability sample of 7,936 households. The selection of households is made such as to insure as much as possible the accuracy of estimates for the main labour market indicators. Thus, from the survey are obtained estimates and not precise figures for the number of employed and unemployed. For each estimate obtained by the survey is calculated the generalised sampling variability in order to explore how the estimate would change if we were drawing different random samples with the same size and for the same period, instead of just one sample. This allows defining the range within which should lay the estimate (which in the statistical terminology is known as confidence interval).

In general, the lower the relative standard deviation of an estimate, the higher the accuracy level of that estimate. Table 4 below shows the relative standard deviation and the confidence interval for the main labour market indicators for the population aged 15+.

Tab. 4 Generalised sampling standard deviations for the main labour market indicators

	Number of employed persons Age group: 15+	Employment rate as a percentage of the population Age group: 15+	Number of unemployed persons Age group: 15+	Unemployment rate as a percentage of labour force Age group: 15+
ESTIMATE	1,231,453	52.0	165,485	11.8
CV	1.18	1.18	4.94	4.84
SE	14,572	0.62	8,169	0.57
CI *	(1,202,891-1,260,014)	(50.80-53.24)	(149,474-181,496)	(10.73-12.97)

(*) for a 95 % confidence level

The unemployment rate, for a 95 % confidence level, lies within the range of 10.73 % to 12.97 %, with a standard error of 0.57 %. The standard error for the proportion of population aged 15+ in employment is 0.62 % and for a 95 % confidence level, the estimate of employment rate is between the values 50.80 % to 53.24 %.