

PORTUGUESE LABOUR FORCE SURVEY - CORRECTION FOR BREAKS IN TIME SERIES

In January 2021, the countries of the European Statistical System have started, in a coordinated manner and in conjunction with Eurostat, the collection of a new data series of the Labour Force Survey (LFS), following the adoption of new concepts at the International Labour Organization level and the publication of a set of European regulations to operationalise them.

In Portugal, among the changes introduced by these regulations there are two that stand out by their clear impact in the employment and labour force estimates, making direct comparisons to the estimates from the previous data series (LFS2011, in force from the 1st quarter of 2011 to the 4th quarter of 2020, and LFS1998, in force from the 1st quarter of 1998 to the 4th quarter of 2010) no longer viable:

- People engaged in agricultural and fishing activities for self-consumption are no longer classified as employed.
- The restriction of the active population to those aged 16 to 89 (in Portugal, this reference age starts at 16 years old to align it with the recent changes regarding the compulsory education and with the Portuguese labour law).

To create backward revised data series since the 1st quarter of 2009 for selected indicators as agreed with the Eurostat, Statistics Portugal has revised LFS1998 and LFS2011 microdata from that quarter onwards to adapt them to those two changes.

However, as these two adjustments do not run out the set of changes introduced, Statistics Portugal carried out, during the 1st quarter of 2021, in parallel with the main operation, an additional data collection using the questionnaire from the LFS2011 series applied to a smaller sample. From this assessment it was concluded that the other changes introduced by the new regulations, in addition to the two already above-mentioned, did not determine statistically significant disturbances that would justify further adjustments to the LFS2011 data series to obtain retrospective series consistent with the new one.

To correct the break between the LFS1998 and the LFS2011 series for the quarters of 2009 and 2010, Statistics Portugal has used the correction factors computed for the 2011 break, published with the 1st quarter of 2011 results, together with a proportion method for those indicators for

which no correction factor was available.

With this approach, Portugal has managed to transmit to Eurostat the whole set of selected indicators backwards revised since the 1st quarter of 2009 and consistent with the 2021 data series, except for the “Inactive population with tertiary education (both men and women)” and for the “Inactive population with secondary education (men)” indicators, for the years of 2009 and 2010. Since no break correction was possible, these two indicators are flagged with a break in these years.