Labour Market 2016

Tirana, April 28, 2017: Over the year 2016, according to Labour Force Survey estimates, labour force is 1,365 thousand persons. Females account for 43.4 % of the labour force and males 56.6 %. Employed are 1.157 thousand persons, from which females account for 43.8 % and males 56.2 %. The number of unemployed is estimated 208 thousand persons, of which 41 % are females and 59 % of are males.

The labour force participation rate for the population aged 15-64 years old is 66.2 %. For male population aged 15-64, the labour force participation rate is 15.8 percentage points higher than females.

The employment rate for the population aged 15-64 years old is 55.9 %. Employment rate for female is 49.7 % and for males 61.9 %. The gender gap in employment for this age-group is 12.2 percentage points.

The agricultural and services sectors have the highest share of employed with respectively 40.2 % and 40.4 % of the total employment. According to the 2016 survey estimates, it results that 41.2 % of employed are employees, 34.9 % are self-employed (with employees or without employees) and 23.9 % are contributing family workers.

Fig.1 Unemployment rate by age-groups

For Release 28/04/2017
The official unemployment rate, for population 15 years old and over, is 15.2 %. For males, the unemployment rate is 1.5 percentage points higher than females. Compared to 2015, the official unemployment rate decreased with 1.9 percentage points.

Youth (15-29 years old) unemployment rate is 28.9 %, (29.7 % for males and 27.8 % for females). Compared to the previous year, youth unemployment rate has decreased by 4.3 percentage points.

Over the year 2016, youth aged 15-29 years old neither in employment nor in education or training account for 30.0 % of all youth population.

**Fig.2 Youth (15-29 years old) neither in employment nor in education or training by labour market status, 2016**

<table>
<thead>
<tr>
<th></th>
<th>Female</th>
<th>Male</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unemployed</td>
<td>28.4%</td>
<td>50.6%</td>
<td>39.2%</td>
</tr>
<tr>
<td>Discouraged</td>
<td>10.1%</td>
<td>16.2%</td>
<td>13.1%</td>
</tr>
<tr>
<td>Family care</td>
<td>36.3%</td>
<td>2.9%</td>
<td>20.0%</td>
</tr>
<tr>
<td>Other inactive</td>
<td>25.2%</td>
<td>30.3%</td>
<td>27.7%</td>
</tr>
</tbody>
</table>

In the group of youth aged 15-29 years old neither in employment nor in education or training, 39.2 % are classified as unemployed. The other part is outside the labour force because they are discouraged workers (13.1 %) or fulfilling domestic and family responsibilities (10.0 %) or for other reasons (27.7 %).

**Regions**

An analyses by regions, indicate that in 2016, prefectures with the highest employment rate for the population 15-64 years old are: Elbasan (64.5 %), Fier (61.5 %) and Berat (61.5 %). Prefectures with lowest employment rate are Tirana (50.3 %) and Kukës (50.3 %). For the same population, prefectures with highest unemployment rate are prefectures of Vlora with 25.1 % and Tirana with 19.8 % whereas the lowest rate is noted for the prefecture of Dibra with 8.6 %.

To consult other publications, visit INSTAT webpage: [http://www.instat.gov.al/](http://www.instat.gov.al/)
In 2016, in the prefecture of Tirana, employment in agriculture constitute a very small percentage of the total employment (5.4 %). Further, the major part of employed seems to be engaged in the services sector (68.5 %). Industry constitute an important part as well (26.1 %).

**Fig. 3 Employment structure by prefectures and economic sectors, 2016**

**Wages**

Over the year 2016 in Albania, the gross average monthly wage\(^1\) per employee in Albania is 45,845 Lek. The gender pay gap is 6.3 %.

For an employee in public enterprises the gross average monthly wage is 55,472 Lek. In public sector, the gender pay gap is lower than in other sectors of economy.

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\(^1\) The gross average monthly wage per employee is calculated based on the data of payrolls declared by economic enterprises to the General Directorate of Taxation.

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In 2016 the top five group of occupations with the highest gross average monthly wage per employee are: Administrative and commercial managers; Information and communications technology professionals; Production and specialised services managers; Business and administration professionals; Chief executives, senior officials and legislators.

The gross average monthly wage is lower in the group of occupations that require low-level skills such as: Subsistence farmers, fishers, hunters and gatherers; Street and related sales and service workers; Food preparation assistants; Food processing, wood working, garment and other craft and related trades workers; Handicraft and printing workers.
Methodological note

Employment rate: Number of employed persons 15-64 years divided by the population 15 to 64 years old.

Official unemployment rate: Number of unemployed persons 15 years old and over divided by the number of persons in the labour force (employed and unemployed) 15 years old and over.

Labour force participation rate: number of persons 15 to 64 years old in the labour force divided by the number of population 15 to 64 years old.

Labour force participation rate and employment rate are calculated for the population 15-64 years old. While unemployment rate is calculated for the economically active population (labour force) 15 years old and over. Employment rates and labour force participation rates calculated for the population 15 years old and over are affected by the inclusion of persons in retirement in denominator and for this reason are less meaningful than rates calculated for the population 15-64 years old. Whereas in the calculation of the unemployment rate for the population 15 years old and over, in the denominator we have the economically active population, which include employed persons or persons actively looking and available for a job and as a consequence this indicator is not affected by the population above the retirement age.

Gross average monthly wage is calculated for employees and includes: the basic wage, additional payment for – (a) managerial duties; (b) years at work; (c) difficult working conditions; and (d) other regular additional payments. Personal social security contributions and taxation on income are not deducted from the gross average monthly wage.