

Quarterly Labour Force Survey

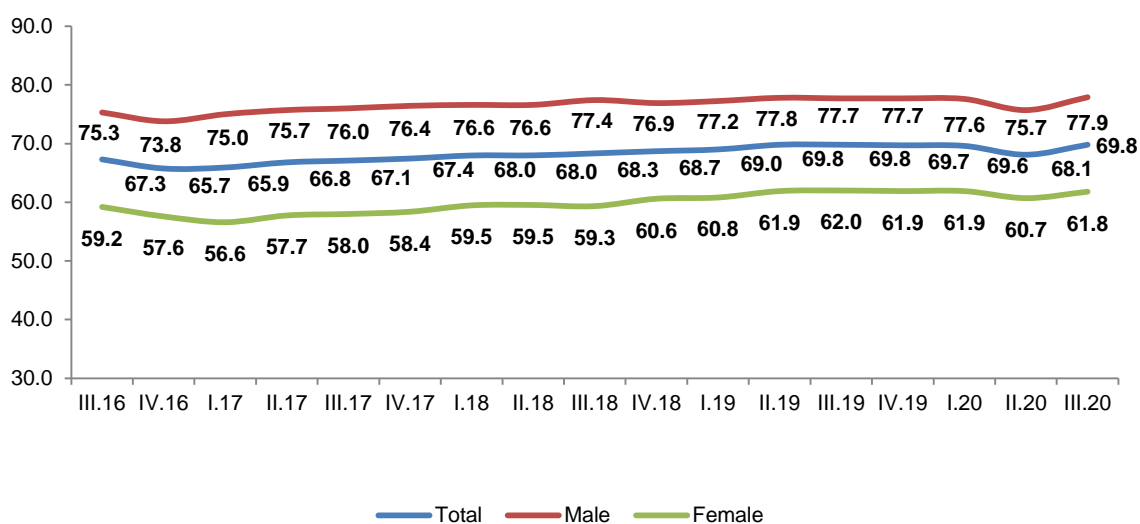
Third quarter 2020

Tirana, 10 December, 2020: During the third quarter of 2020, the employment rate for the population aged from 15 to 64 is 61.3 %. In this quarter, compared to the same quarter of 2019, the total number of employed decreased with 1.2 %. Compared to the second quarter of 2020, this indicator increased with 2.8 %.

In the third quarter of 2020, the official unemployment rate in Albania, for the population aged 15 years and over is 11.6 %. Compared to the third quarter of 2019, the official unemployment rate increased with 0.2 percentage points. Compared to the second quarter 2020, the official unemployment rate decreased with 0.3 percentage points.

In the third quarter of 2020, the labour force participation rate for the population aged from 15 to 64 is 69.8 %. Compared to the third quarter of 2019, the labour force participation rate is at the same level. Compared with the previous quarter this indicator increased with 1.7 percentage points.

Fig. 1 Labour Force Participation Rate, population aged 15 to 64, Q.3/16 - Q.3/20



The women labour force participation rate is 61.8 %, whereas for men this indicator is 77.9 %. The men labour force participation rate is 16.1 percentage points higher than women. Compared to the same quarter of 2019, the women labour force participation rate decreased by 0.2 percentage points and for men increased by 0.2 percentage points.

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Over the third quarter 2020, the youth labour force participation rate (population aged from 15 to 29) is 53.3 %. For the population aged from 30 to 64, in the third quarter 2020, the labour force participation rate is 78.2 %.

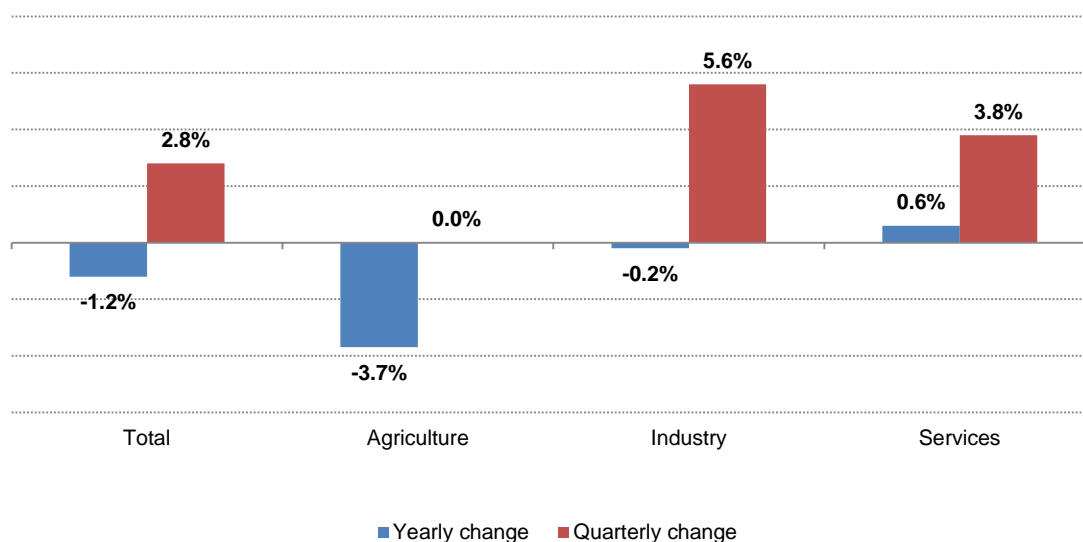
Employment

During the third quarter 2020, the employment rate for the population 15-64 is 61.3 %.

The employment growth rate for the population aged 15 and over, from the third quarter 2019 to the third quarter 2020, is -1.2 %. The annual employment growth rate by main economic sectors is: -3.7 % in agriculture, -0.2 % in industry and 0.6 % in services.

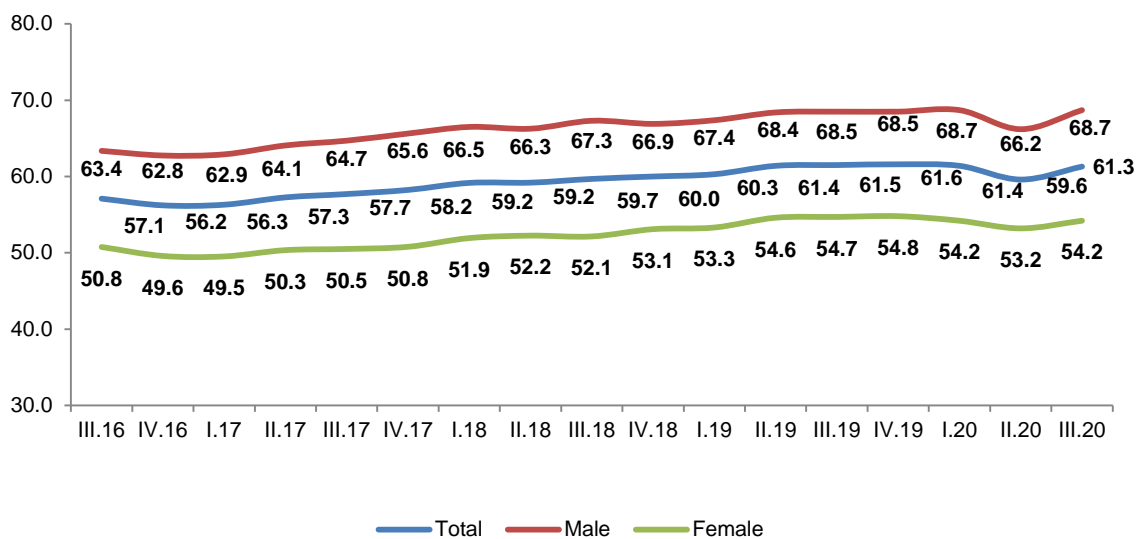
Compared to the previous quarter, in the third quarter 2020, employment for the population aged 15 years and over, increased by 2.8 %. Employment remained at the same level in agriculture and increased in industry with 5.6 % and in services with 3.8 %.

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



The men employment rate is 68.7 %, whereas for women is 54.2 %. Compared to the same quarter of 2019, the employment rate for men increased by 0.2 percentage points while for women decreased by 0.5 percentage points. The youth employment rate is 42.3 %. For the population aged 30 to 64, in the third quarter 2020, the employment rate is 71.1 %.

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

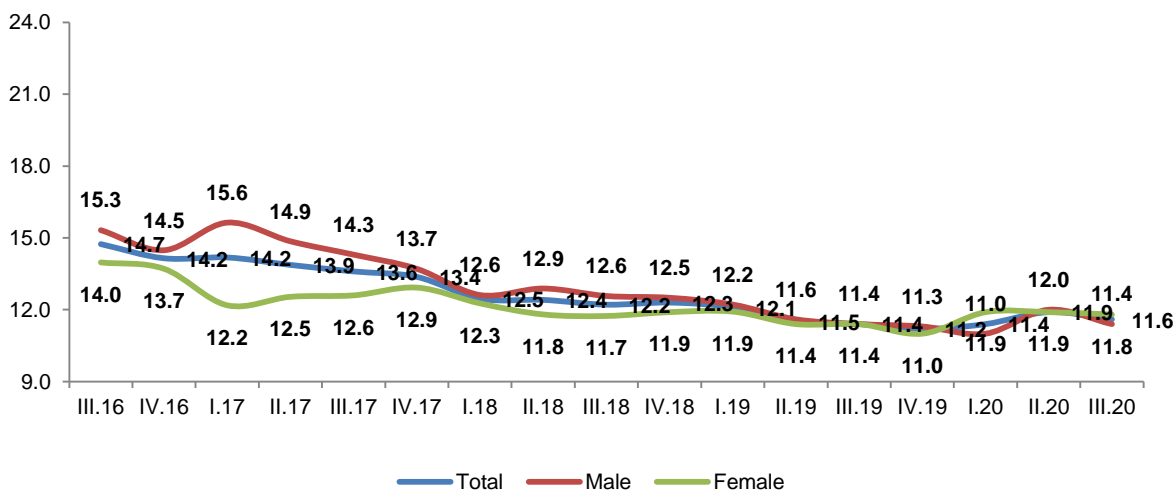


Unemployment

In the third quarter of 2020, the official unemployment rate in Albania is 11.6 %. In annual terms, the official unemployment rate increased by 0.2 percentage points. Compared to the previous quarter, the official unemployment rate decreased with 0.3 percentage points.

The official unemployment rate for males is 11.4 % while for females is 11.8 %. Compared to the same quarter of 2019, the unemployment rate for males is at the same level while for females increased with 0.4 percentage points.

Fig. 4 Official Unemployment Rate, population aged 15 and over, Q.3/16 - Q.3/20



The official youth unemployment rate is 20.7 %. In annual terms, the youth unemployment rate has an decreasing trend. Compared to the third quarter of 2019, the youth unemployment rate in the third quarter

of 2020 is 0.7 percentage points lower. Compared to the second quarter of 2020, the youth unemployment rate decreased with 0.7 percentage points.

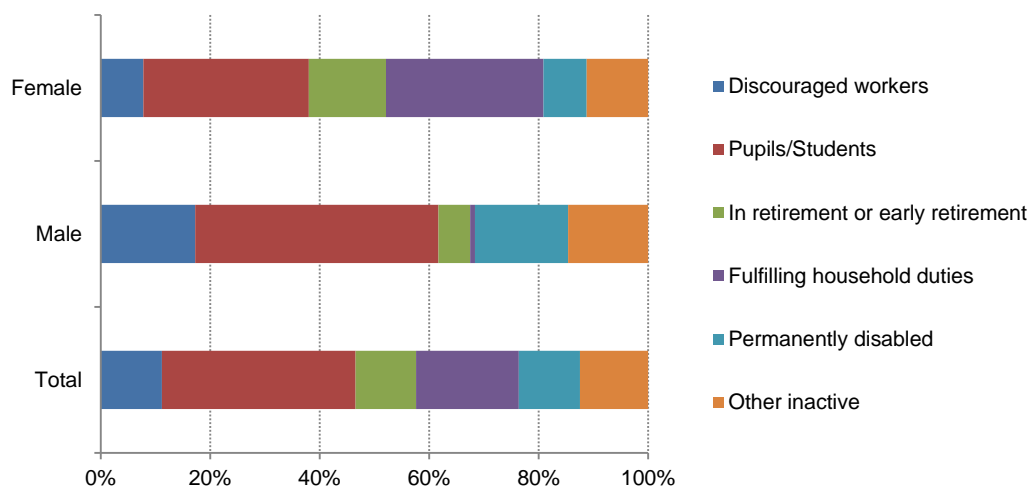
The unemployment rate for the population aged 30 to 64 is 9.0 %. In annual terms this indicator has increased with 0.5 percentage points. Compared to the previous quarter, the unemployment rate for this age group decreased with 0.5 percentage points.

The economically inactive population

Over the third quarter of 2020, 18.7 % of the economically inactive population and at working age (15 to 64 years), were fulfilling household duties, 11.1 % was in retirement or early retirement, while 11.2 % were permanently disabled.

In the third quarter of 2020, 11.2 % 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, 67.2 % are pupils/students or pursuing a training while 8.5 % are classified as discouraged workers. In the adult economically inactive population (aged 30 to 64), discouraged workers account for 14.1 %.

Tab. 1 Unemployment Rate, Q.3/16-Q.3/20

Age	Sex	Q.3.2016	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
15 years and over	Total	14.7	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
	Male	15.3	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
	Female	14.0	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
15-64 years	Total	15.2	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
	Male	15.9	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
	Female	14.3	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
15-29 years	Total	27.4	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
	Male	27.7	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
	Female	26.9	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
30-64 years	Total	11.7	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
	Male	12.1	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
	Female	11.1	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

Tab. 2 Employment Rate, Q.3/16 - Q.3/20

Age	Sex	Q.3.2016	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
15 years and over	Total	49.9	49.1	49.2	50	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
	Male	56.1	55.4	55.6	56.7	57.7	58.19	58.9	58.7	59.4	59.0	59.2	60.3	60.4	60.4	60.0	57.9	59.9
	Female	43.7	42.8	42.7	43.4	43.8	44.23	45.0	45.4	45.0	45.7	45.9	47.1	47.3	47.4	46.5	45.8	46.7
15-64 years	Total	57.1	56.2	56.3	57.3	57.7	58.24	59.2	59.2	59.7	60.0	60.3	61.4	61.5	61.6	61.4	59.6	61.3
	Male	63.4	62.8	62.9	64.1	64.7	65.63	66.5	66.3	67.3	66.9	67.4	68.4	68.5	68.5	68.7	66.2	68.7
	Female	50.8	49.6	49.5	50.3	50.5	50.78	51.9	52.2	52.1	53.1	53.3	54.6	54.7	54.8	54.2	53.2	54.2
15-29 years	Total	33.5	32.5	33	33.6	33.5	34.93	35.9	37.9	39.5	40.8	41.0	41.9	41.3	40.6	42.7	39.7	42.3
	Male	37.9	35.9	36.9	38.4	39.2	39.69	41.6	44.5	46.8	46.0	46.7	47.3	46.9	45.5	48.3	44.7	48.6
	Female	28.4	28.6	28.4	28.1	26.9	29.67	29.8	31.1	31.8	35.1	35.1	36.3	35.7	35.8	37.2	34.5	35.9
30-64 years	Total	68.5	67.8	67.5	68.6	69.3	69.44	71.9	70.8	70.7	70.5	70.6	71.8	72.3	72.7	70.9	69.9	71.1
	Male	76.7	77	76.6	77.8	78.1	78.96	80.6	78.6	79.1	78.8	78.8	80.0	79.9	80.9	79.5	77.5	79.3
	Female	60.6	58.9	58.7	60	60.9	60.26	63.5	63.3	62.6	62.4	62.6	63.9	64.8	64.8	62.8	62.5	63.3

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

Age	Sex	Q.3.2016	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
15 years and over	Total	58.5	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
	Male	66.3	64.8	66	66.6	67.3	67.44	67.4	67.4	68.0	67.5	67.5	68.2	68.2	68.1	67.4	65.8	67.6
	Female	50.8	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
15-64 years	Total	67.3	65.7	65.9	66.8	67.1	67.45	68.0	68.0	68.3	68.7	69.0	69.8	69.8	69.7	69.6	68.1	69.8
	Male	75.3	73.8	75	75.7	76	76.43	76.6	76.6	77.4	76.9	77.2	77.8	77.7	77.7	77.6	75.7	77.9
	Female	59.2	57.6	56.6	57.7	58	58.38	59.5	59.5	59.3	60.6	60.8	61.9	62.0	61.9	61.9	60.7	61.8
15-29 years	Total	46.1	45.2	44.9	45.7	45.2	46.34	47.5	49.0	51.4	52.5	52.7	53.0	52.5	51.7	53.4	50.5	53.3
	Male	52.5	50.8	51.6	52.9	53.4	53.35	54.9	58.1	60.5	59.3	60.2	59.9	59.1	57.8	60.2	57.3	61.0
	Female	38.8	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
30-64 years	Total	77.5	75.8	76	76.9	77.5	77.59	79.1	78.3	77.5	77.6	77.6	78.7	79.0	79.2	78.0	77.2	78.2
	Male	87.3	86	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
	Female	68.1	66	65.1	66.6	67.7	67.26	69.8	69.9	68.4	68.5	68.9	70.0	70.5	70.4	69.6	69.3	69.9

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 third quarter of 2020 is 7,932 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 third quarter of 2020, the household response rate was 79.4 %.

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 7,932 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	Employment rate as a percentage of the population	Number of unemployed persons	Unemployment rate as a percentage of labour force
	Age group: 15+	Age group: 15+	Age group: 15+	Age group: 15+
ESTIMATE	1259047	53.2	164803	11.6
CV	1.19	1.19	5.10	5.0
SE	14935	0.63	8411	0.58
CI*	(1229774-1288319)	(51.96-54.42)	(148317-181288)	(10.43-12.71)

(*) for a 95 % confidence level

The unemployment rate, for a 95 % confidence level, lies within the range of 10.43 % to 12.71 %, with a standard error of 0.58 %. The standard error for the proportion of population aged 15+ in employment is 0.63 % and for a 95 % confidence level, the estimate of employment rate is between the values 51.96 % to 54.42 %.