

28 November 2019 | 1100 hrs | 195/2019

Unemployment Rate: October 2019

The purpose of this release is to provide a more timely monthly series of unemployment estimates. For this release, the monthly unemployment rates are based on a harmonised source, the Labour Force Survey (LFS) in combination with Jobsplus as the administrative source. Estimates are seasonally adjusted so as to allow comparability of data with previous months.

Main points

- In October 2019, the seasonally adjusted monthly unemployment rate was 3.4 per cent (Chart 1, Table 1).
- For the month under review, the seasonally adjusted rate for males was 3.3 per cent while the rate for females stood at 3.5 per cent (Table 1).
- The seasonally adjusted unemployment rate during October 2019 for persons aged 15 to 24 years (youth unemployment rate) was 9.7 per cent while the rate for the 25 to 74 age group stood at 2.6 per cent (Table 1).

Chart 1. Seasonally adjusted monthly unemployment rate



Components leading to the monthly unemployment rate

The seasonally adjusted unemployment rate for October 2019 stood at 3.4 per cent, at par with the previous month and down from 3.6 per cent when compared to October 2018 (Table 1).

During October 2019, the seasonally adjusted number of unemployed persons was 8,854 with the unemployed males and the 25 to 74 age group being the major contributors to the overall level of unemployment (Table 2).

In October 2019, the seasonally adjusted unemployment rate for males was 3.3 per cent, at par when compared with the previous month. The rate for females stood at 3.5 per cent, also unchanged when compared to September 2019 (Table 1).

The seasonally adjusted unemployment rate for persons aged 15 to 24 years (youth unemployment rate) was 9.7 per cent, while the rate for the 25 to 74 age group stood at 2.6 per cent (Table 1, Chart 2).

The seasonally adjusted number of unemployed youths amounted to 2,753, whereas the figure for those aged between 25 and 74 was 6,102 (Table 2).

Table 1. Seasonally adjusted monthly unemployment rate

Month	Age group		Sex		Total
	15-24	25-74	Males	Females	
	%				
	2018				
October	9.6	2.7	3.7	3.4	3.6
November	9.6	2.8	3.7	3.5	3.6
December	9.9	2.8	3.6	3.6	3.6
2019					
January	10.3	2.7	3.6	3.7	3.6
February	10.9	2.7	3.5	3.9	3.7
March	10.2	2.7	3.4	3.8	3.6
April	8.9	2.8	3.4	3.5	3.5
May	8.8	2.7	3.4	3.4	3.4
June	8.2	2.7	3.2	3.4	3.3
July	8.1	2.7	3.3	3.3	3.3
August	8.2	2.7	3.2	3.4	3.3
September	9.0	2.7	3.3	3.5	3.4
October	9.7	2.6	3.3	3.5	3.4

Chart 2. Seasonally adjusted monthly unemployment rate by age group

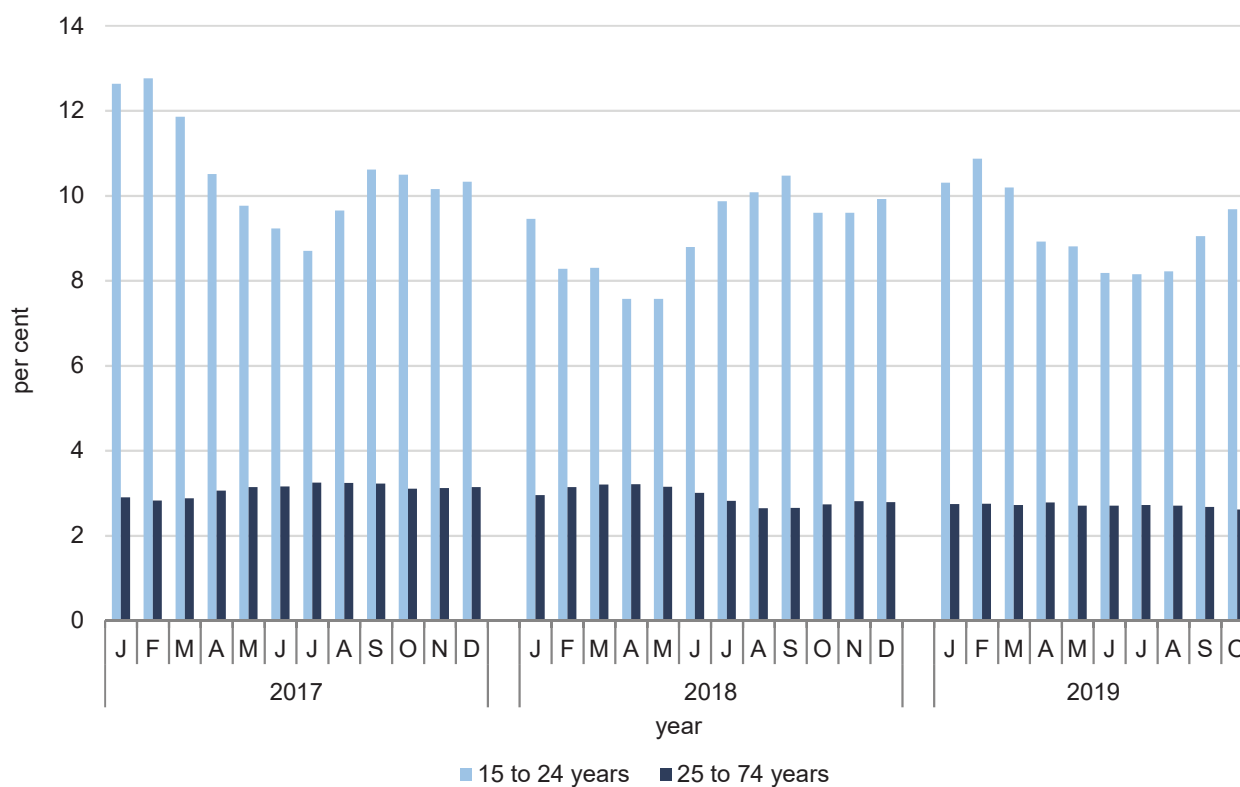


Table 2. Seasonally adjusted monthly unemployment levels

Month	Age group		Sex		Total
	15-24	25-74	Males	Females	
2018					
October	2,877	6,099	5,511	3,465	8,976
November	2,875	6,303	5,524	3,654	9,178
December	2,953	6,260	5,456	3,756	9,213
2019					
January	3,051	6,208	5,379	3,880	9,259
February	3,226	6,257	5,354	4,129	9,484
March	2,988	6,226	5,155	4,059	9,214
April	2,576	6,408	5,193	3,790	8,983
May	2,540	6,259	5,109	3,690	8,799
June	2,332	6,251	4,904	3,679	8,583
July	2,310	6,288	5,041	3,558	8,599
August	2,317	6,268	4,889	3,696	8,585
September	2,560	6,226	4,977	3,810	8,787
October	2,753	6,102	5,021	3,833	8,854

Methodological Notes

1. The purpose of this release is to provide a detailed series of monthly unemployment estimates using harmonised definitions applied in the Labour Force Survey (LFS). The release contains both monthly unemployment rates and monthly unemployment levels.
2. The monthly unemployment rates are based on the definition recommended by the International Labour Organisation (ILO). The measurement is based on a harmonised source, the LFS, which is designed to satisfy the concepts and definitions as outlined by Eurostat, the EU's Statistical Agency.
3. The monthly unemployment rates are computed on the basis of a benchmarking model which combines monthly Jobsplus administrative data on employment and unemployment with quarterly LFS data. This computation produces the non-seasonally adjusted (NSA) estimates, which are then seasonally adjusted (SA). The results in this release are all seasonally adjusted, however, non-seasonally adjusted data are included in the Excel version of this release. The monthly figures produced differ from the quarterly LFS published data due to differences in the method of calculation.
4. Definitions:
 - **Labour force:** The sum of persons aged 15 to 74 years who are either employed or unemployed.
 - **Unemployed persons:** The sum of persons aged 15 to 74 years who, during the LFS reference week, satisfied the following criteria:
 - **without work**
 - **actively seeking work during the previous four weeks:** example of active job search include contacting Jobsplus, applying directly with an employer, contacting a private employment agency, inserting or answering to an advert in a newspaper.
 - **currently available for work:** available to start working within two weeks of the reference week.
 - **Unemployment rate:** Unemployed persons (15 to 74 years) as a percentage of the labour force (15 to 74 years).
5. Methodology:
 - **Calculation of monthly estimates to produce non-seasonally adjusted estimates:** The LFS provides benchmark estimates of employment and unemployment for each quarter since 2005. These quarterly benchmark estimates are used to compile monthly data using the Proportional Denton method. For months where the quarterly LFS data is not yet available, data is forecasted in order to compile the monthly estimates. This methodology provides the non-seasonally adjusted estimates.
 - **Seasonal adjustment:** To correct for typical seasonal patterns, the data series included have been concurrently seasonally adjusted. This seasonal adjustment is completed by applying the ARIMA time series models, integrated in the JDemetra+ application. This seasonal adjustment is conducted using the indirect approach, where each individual series is adjusted. The individual series taken into consideration for both employment and unemployment are:
 - Males aged 15 to 24 years
 - Males aged 25 to 74 years
 - Females aged 15 to 24 years
 - Females aged 25 to 74 years
6. For further information on the methodology to produce the monthly estimates kindly access the link:
https://nso.gov.mt/en/nso/Sources_and_Methods/Unit_C2/Labour_Market_Statistics/Documents/Monthly%20unemployment%20rate%20-%20Methodology.pdf
7. The full series starting from January 2010 for both NSA and SA are published in the Excel version of this release.
8. Revisions:

Due to the method adopted, the data in this news release is subject to revisions, which are caused by the following:

 - **Inclusion of the most recent LFS data in the NSA calculation process**

The monthly estimates are released at approximately 30 days from the reference month. Later, when the quarterly LFS estimates are produced (at approximately 90 days from the end of the quarter), the non-seasonally adjusted estimates of the three months are recalculated. The non-seasonally adjusted monthly estimates are then revised, when data is published for the first month following the LFS reference quarter.

- **Updates to the seasonally adjusted series whenever new monthly data are added**

The monthly seasonally adjusted series are estimated every month including the latest available data, and these updates result in changes in the model parameters. With reference to the seasonally adjusted data, revisions are therefore observed every month.

- **Revisions in LFS data**

Periodically, the monthly estimates will be subject to revision due to revisions in LFS data. Changes in LFS estimates are carried out intermittently to align the estimates with population figures.

9. Compared with the rates published in News Release No. 175/2019 of 29th October 2019, the seasonally adjusted unemployment rate for September 2019 has remained unchanged at 3.4 per cent.

10. Figures may not add up due to rounding.

11. References to this news release are to be cited appropriately.

12. A detailed news release calendar is available on:

https://nso.gov.mt/en/News_Releases/Release_Calendar/Pages/News-Release-Calendar.aspx