

## Unemployment Rate: August 2020

The seasonally adjusted monthly unemployment rate for August 2020 reached 4.1 per cent, a decrease of 0.1 percentage points from the previous month.

### Main points

- In August 2020, the seasonally adjusted monthly unemployment rate was 4.1 per cent (Chart 1, Table 1).
- For the month under review, the seasonally adjusted unemployment rate for males was 3.8 per cent while the rate for females stood at 4.4 per cent (Table 1).
- The seasonally adjusted unemployment rate during August 2020 for persons aged 15 to 24 years (youth unemployment rate) was 9.5 per cent while the rate for those between 25 and 74 years stood at 3.4 per cent (Table 1).

**Chart 1. Seasonally adjusted monthly unemployment rate**



Note: Data for reference years 2010-2019 is on an annual basis; data for reference year 2020 is from January to August.

Statistics in this News Release should be interpreted in the context of the COVID-19 situation.

## Components leading to the monthly unemployment rate

The seasonally adjusted unemployment rate for August 2020 stood at 4.1 per cent, decreasing by 0.1 percentage points from the previous month and up by 0.5 percentage points when compared to August 2019 (Table 1).

During August 2020, the seasonally adjusted number of unemployed persons was 10,994 with the unemployed males and the 25 to 74 age group being the major contributors to the overall level of unemployment. The seasonally adjusted number of unemployed youths amounted to 2,592, whereas those aged between 25 and 74 stood at 8,402 (Table 2).

In August 2020, the seasonally adjusted unemployment rate for males was 3.8 per cent, decreasing by 0.2 percentage points from the previous month. The rate for females stood at 4.4 per cent, 0.1 percentage points less than July 2020 estimates (Table 1).

The seasonally adjusted unemployment rate for persons aged 15 to 24 years (youth unemployment rate) was 9.5 per cent, while the rate for those between 25 and 74 years stood at 3.4 per cent (Table 1, Chart 2).

**Table 1. Seasonally adjusted unemployment rate by age group, sex and month**

Month	Age group		Sex		Total
	15-24	25-74	Males	Females	
	%				
<b>2019</b>					
August	8.8	2.9	3.2	4.2	<b>3.6</b>
September	9.1	2.9	3.2	4.2	<b>3.6</b>
October	9.1	2.9	3.3	4.1	<b>3.6</b>
November	9.6	2.8	3.3	4.0	<b>3.6</b>
December	9.8	2.9	3.5	3.8	<b>3.6</b>
<b>2020</b>					
January	10.9	2.8	3.7	3.7	<b>3.7</b>
February	11.0	2.6	3.8	3.2	<b>3.5</b>
March	10.7	3.1	4.1	3.6	<b>3.9</b>
April	10.1	3.8	4.4	4.6	<b>4.5</b>
May	10.9	3.7	4.2	4.8	<b>4.5</b>
June	9.7	3.6	3.9	4.8	<b>4.3</b>
July	9.4	3.6	4.0	4.5	<b>4.2</b>
August	9.5	3.4	3.8	4.4	<b>4.1</b>

Chart 2. Seasonally adjusted monthly unemployment rate by age group

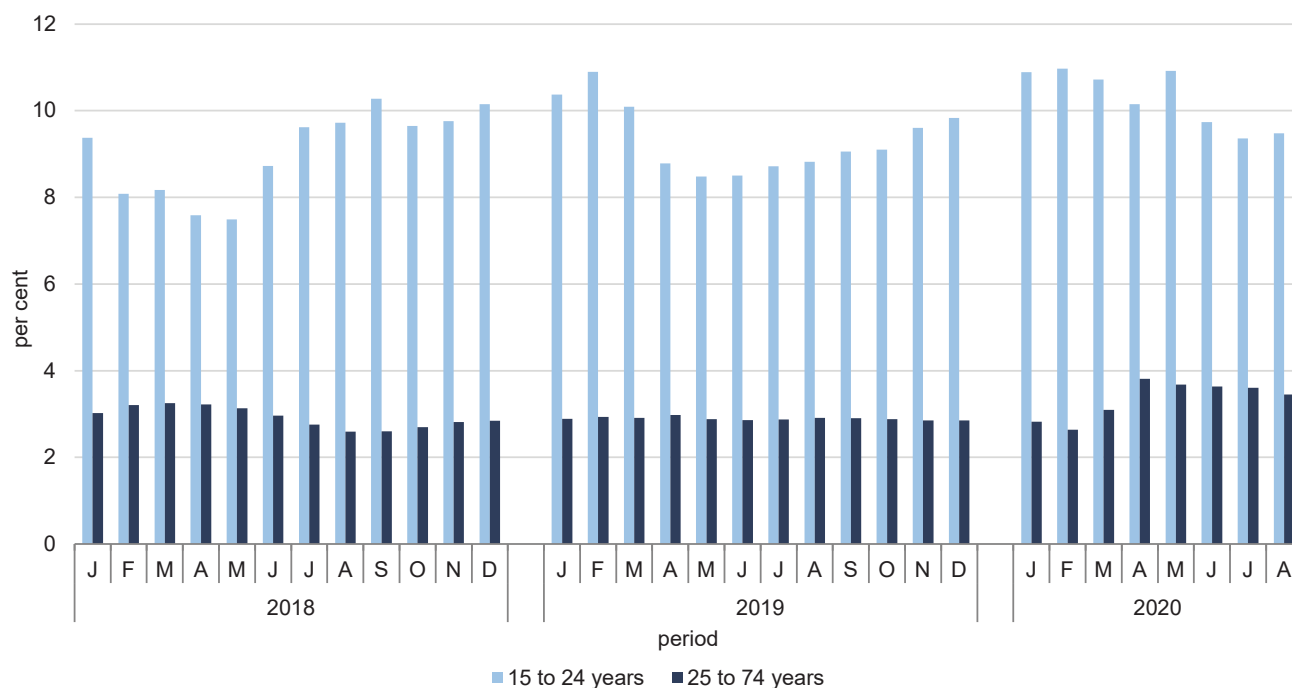


Table 2. Seasonally adjusted monthly unemployment levels by age group, sex and month

Month	Age group		Sex		Total
	15-24	25-74	Males	Females	
<b>2019</b>					
August	2,747	6,750	5,067	4,430	<b>9,497</b>
September	2,843	6,809	5,152	4,500	<b>9,652</b>
October	2,838	6,854	5,254	4,439	<b>9,693</b>
November	2,969	6,853	5,371	4,452	<b>9,823</b>
December	2,970	6,940	5,669	4,241	<b>9,910</b>
<b>2020</b>					
January	3,248	6,963	6,055	4,157	<b>10,211</b>
February	3,197	6,495	6,122	3,570	<b>9,692</b>
March	3,106	7,605	6,621	4,091	<b>10,711</b>
April	2,959	9,304	7,146	5,116	<b>12,263</b>
May	3,210	8,910	6,835	5,284	<b>12,120</b>
June	2,776	8,769	6,311	5,234	<b>11,545</b>
July	2,576	8,784	6,370	4,990	<b>11,360</b>
August	2,592	8,402	6,169	4,825	<b>10,994</b>

## 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:
  - **Employed persons:** all persons aged 15 to 74 years who, during the reference week, were in one of the following categories:
    - **paid employment:** includes those who during the reference week worked for at least one hour for a wage or salary, in cash or in kind.
    - **were employed but absent from work:** due to sick leave, bad weather, were undergoing training or education, did not work due to a labour dispute, were on maternity or parental leave, did not work due to slack work for technical or economic reasons, were absent from work for a period of less than 3 months, or were not working because on layoff and receiving at least 50 per cent of the salary/wage.
    - **self-employed:** covers persons who run a trade or business, rather than working as an employee for someone else. A person is self-employed if s/he is a sole proprietor or a partner working in a business.
    - **unpaid family workers:** refers to people who worked without pay in a family business or farm. Housewives are not included.
  - **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](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 is 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 updated population figures.

9. Compared with the rates published in News Release No. 143/2020 on 31st August 2020, the seasonally adjusted unemployment rate for July 2020 increased by 0.1 percentage point to 4.2 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](https://nso.gov.mt/en/News_Releases/Release_Calendar/Pages/News-Release-Calendar.aspx)