Labour Force survey

2nd quarter 2017

This release contains data received through the Labour Force Survey conducted in the second quarter 2017 and the observation period was from April to June 2017. The interviewing was done in 2,271 households on the territory of Montenegro. There were collected data about demographic characteristics for all members of the households (6,790 persons were surveyed) and in addition also data about economic activity for persons aged 15 and more (5,774 persons).

According to the data for the second quarter of 2017, there were 273.8 thousands of active population in Montenegro, out of which there were 232.5 thousands of employed persons or 84.9% and 41.3 thousands of unemployed or 15.1%. The number of persons in employment in comparison with the previous quarter has increased by 4.4% and the number of unemployed has decreased by 11.9%.

There were 225.8 thousands of inactive population and in comparison with the previous quarter this number has decreased by 1.9%.

The activity rate for the second quarter 2017 is 54.8%, the employment rate is 46.5%, unemployment rate is 15.1% and the inactivity rate is 45.2%.

Chart 1. Working age population by status in activity
(in thousands)

<table>
<thead>
<tr>
<th>Labour force</th>
<th>Inactive persons</th>
<th>Persons in employment</th>
<th>Unemployed persons</th>
</tr>
</thead>
<tbody>
<tr>
<td>273.8</td>
<td>225.8</td>
<td>232.5</td>
<td>41.3</td>
</tr>
</tbody>
</table>
Out of total number of labour force (active population), there are 55.6% of men, and 44.4% are women, while 59.4% of inactive persons are women and 40.6% are men. Out of total number of employed persons, there are 55.9% of men, and 44.1% are women. When unemployed persons observed, there are 54.0% of men and 46.0% are women.

The highest number of labour force (active population) refers to the age group 25-49 years (174.5 thousands). An age group with the highest number of inactive persons is the 65+ group (73.3 thousands of inactive persons). The highest number of employed persons refers to the age group 25-49 years (145.6 thousands). Also, the highest number of unemployed persons are persons of the same age group (28.8 unemployed persons).
The educational structure of labour force (active population) shows that 62.0% persons have finished the secondary school, followed by persons who have graduated tertiary education 26.8% and persons who finished the primary school or lower education 11.3%.

The highest share in the educational structure of inactive persons older than 15 years has persons with completed secondary education, 51.4%; then 39.9% of persons with primary school or lower education and remaining 8.7% have graduated tertiary education.

The educational structure of persons in employment shows that the 60.6% persons have finished secondary education, followed by persons who have graduated tertiary education (28.8%), and persons with primary school or lower education 10.7%.

The educational structure of unemployed persons shows that 69.7% persons have finished the secondary education, followed by persons who have graduated tertiary education 15.5% and persons who finished the primary school or lower education 14.8%.

The structure of persons in employment by status in employment shows the highest share of employees, 77.9%. The share of self-employed persons is 18.4% and the share of unpaid family workers was 3.6%.
The structure of persons in employment by sectors of activity shows that the highest share of them works in the service sector, 74.3%; than in industry and construction, 17.8% and 7.9% in agriculture, forestry and fishing.

In the observed period, there were 20.1% of unemployed persons who searched for work for less than 12 months; 14.8% of unemployed persons searched for work up to 2 years, while 65.1% of unemployed persons searched for work 2 years and over.
METHODOLOGICAL EXPLANATIONS

The Labour Force Survey is carried out in compliance with standards and recommendations of the International Labour Organisation (ILO) guidelines for labour force statistics, as well as in compliance with European legislative acts of the Council and Parliament, and with EUROSTAT’s requirements in relation to a methodology, survey organisation, sample procedure, design of questionnaires and definition of employment and unemployment.

Labour Force Survey provides the data on population aged 15 years and over by activity in the reference quarter, not by formal status of interviewed persons.

Working age population comprises all persons aged 15 years and over.

The term employed in the survey refer to persons who:

- performed any work for wage or profit (in cash, goods or services) during the reference week, even for one hour. Persons who receive wages for on-the-job training (apprentices or trainees) are also considered as employed.
- did not work (due to illness, annual leave or state holidays, education or training, maternity/paternity leave, reduced production and other temporary inability to work) but had a job or business from which he/she was absent during the reference week is considered as employed.

Self-employed persons with a business or farm are also considered to be working if one of the following applies:

- A person works in his own business or farm for the purpose of earning a profit, even if the enterprise is failing to make a profit;
- A person spends time on the operation of a business or farm even if no sales were made, no professional services were rendered, or nothing was actually produced (for example, a farmer who engages in farm maintenance activities; an architect who spends time waiting for clients in his/her office; a fisherman who repairs his boat or nets for future operations; a person who attends a convention or seminar);
- A person is in process of setting up a business or farm, such as the buying or installing of equipment, renting the office or ordering of supplies in preparation for opening a new business;
- A person who works on its own agriculture farm should be considered as employed if worked during the reference week. A person who works on its own small agriculture farm, and sell their products are also considered as employed.

A family worker is a person who assisted the other member of the household in running family business or agricultural holding, without receiving any formal pay, and providing that they not considered themselves as employed.

The term unemployed refers to persons who:

- in the reference week did not work (not in paid employment or self-employment and did not do any paid work),
- in the past four weeks were actively seeking work (specific steps were taken to seek paid employment or self-employment),
- were currently available for work (within two weeks).

Persons who had found a job to start later are also included among unemployed persons.

Active population (labour force) include persons in employment (employed persons) and unemployed persons aged 15 years and over.

Inactive population are all persons aged 15 years and over, who are neither employed nor unemployed.

Activity rate represents the percentage of active population in the total population aged 15 years and over.

Employment rate represents the percentage of persons in employment in the total population aged 15 years and over.

Unemployment rate represents the percentage of unemployed persons in the total active population.

Inactivity rate represents the percentage of inactive population in total population aged 15 years and over.

Explanation of symbols

- not zero but extremely inaccurate estimation (CV>=0.3)
- inaccurate estimation (0.2<=CV<0.3)
- less accurate estimation (0.1<=CV<0.2)

CV: Coefficient of variation