Labour Force survey

4th quarter 2019

This release contains data received through the Labour Force Survey conducted in the fourth quarter 2019 and the observation period was from October to December 2019. The interviewing was done in 2,062 households on the territory of Montenegro. There were collected data about demographic characteristics for all members of the households (5,832 persons were surveyed) and in addition also data about economic activity for persons aged 15 and more (5,086 persons).

According to the data for the fourth quarter of 2019, there were 283.1 thousands of active populations in Montenegro, out of which there were 238.1 thousands of employed persons or 84.1% and 45.0 thousands of unemployed or 15.9%. The number of persons in employment in comparison with the previous quarter has decreased 6.3% and in comparison with the same quarter of previous year has increased 0.3%. The number of unemployed in comparison with the previous quarter has decreased 1.5% and in comparison with the same quarter of previous year has decreased 0.9%.

There were 216.6 thousands of inactive populations. The number of inactive in comparison with the previous quarter has increased 8.3% and in comparison with the same quarter of previous year has decreased 0.2%.

The activity rate for the fourth quarter 2019 is 56.6%, the employment rate is 47.6%, the unemployment rate is 15.9% and the inactivity rate is 43.4%.

Chart 1 Working age population by status in activity
(in thousands)
Out of total number of labour force (active population), there are 156.3 thousands or 55.2% of men and 126.8 thousands or 44.8% are women, while 128.0 thousands or 59.1% of inactive persons are women and 88.7 thousands or 40.9% are men. Out of total number of employed persons, there are 130.5 thousands or 54.8% of men and 107.6 thousands or 45.2% are women. When unemployed persons observed, there are 25.9 thousands or 57.4% of men and 19.2 thousands or 42.6% are women.

The highest number of labour force (active population) refers to the age group 25-49 years (176.2 thousands). An age group with the highest number of inactive persons is the 65+ group (69.7 thousands of inactive persons). The highest number of employed persons refers to the age group 25-49 years (147.1 thousands). Also, the highest number of unemployed persons is persons of the same age group (29.1 thousands of unemployed persons).
The educational structure of labour force (active population) shows that 62.3% persons have finished the secondary school, followed by persons who have graduated tertiary education 29.8% and persons who finished the primary school or lower education 7.8%.

The highest share in the educational structure of inactive persons has persons with completed secondary education, 51.7%; then 37.8% of persons with primary school or lower education and remaining 10.5% have graduated tertiary education.

The educational structure of persons in employment shows that the 63.0% persons have finished secondary education, followed by persons who have graduated tertiary education (30.4%) and persons with primary school or lower education 6.6%.

The educational structure of unemployed persons shows that 58.5% persons have finished the secondary education, followed by persons who have graduated tertiary education 27.1% and persons who finished the primary school or lower education 14.4%.

Persons in employment by status in employment is consist of:
- employees 79.1%,
- self-employed persons 19.0% and
- unpaid family workers 1.9%.
The structure of persons in employment by sectors of activity shows that the highest share of them works in the service sector, 73.4%; than in industry and construction, 20.3% and 6.3% in agriculture, forestry and fishing.

In the observed period there were 9.1 thousands or 20.2% of unemployed persons who searched for work for less than 12 months; 6.9 thousands or 15.3% of unemployed persons searched for work up to 2 years, while 29.0 thousands or 64.4% 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.