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INSTITUTO NACIONAL DE ESTATÍSTICA
STATISTICS PORTUGAL

DIISTAQUE

PRESS RELEASE

12 August 2026
LABOUR MARKET FLOW STATISTICS
2nd quarter of 2026

FROM THE 1ST TO THE 2ND QUARTER OF 2026, 29.7% OF THE UNEMPLOYED MOVED INTO EMPLOYMENT

Of the total persons who were unemployed in the 1st quarter of 2026, 50.6% (175.3 thousand) remained in that state in the 2nd quarter of 2026, 29.7% (102.8 thousand) moved into employment and 19.7% (68.2 thousand) moved into inactivity[1].

In the same period, 32.4% (50.5 thousand) of unemployed men and 27.5% (52.3 thousand) of unemployed women moved into employment.

From the 1st to the 2nd quarter of 2026, 37.2% (83.0 thousand) of the short-term unemployed and 24.9% (30.2 thousand) of those inactives belonging to the "potential workforce" moved into employment.

At the same time, 11.1% (88.9 thousand) of those who were self-employed and 27.9% (96.6 thousand) of those who were unemployed in the previous quarter became employees.

Of the total of employees who, in the 1st quarter of 2026, had a temporary work contract or other contractual arrangement, 24.5% (155.3 thousand) moved into a permanent work contract in the 2nd quarter of 2026.

Of the total of workers who were part-time workers in the 1st quarter of 2026, 22.3% (91.3 thousand) changed to full-time work in the 2nd quarter of 2026.

The percentage of persons who remained employed between the 1st and the 2nd quarter of 2026, but changed job, stood at 3.1% (160.1 thousand).

In the same period, 3.4% (176.8 thousand) of those who remained employed continued to have two or more jobs and 2.0% (102.6 thousand) moved from one job to two jobs or more.

Of the total persons aged 16 to 34 who, in the 1st quarter of 2026, were not in employment, education or training (NEET), 26.2% (50.9 thousand) moved into employment in the 2nd quarter of 2026, while 16.3% (31.6 thousand) started to attend education or training.

[1] The labour market flow estimates published in the current Press Release are still based on the independent estimates of the resident population calculated from the final results of the 2021 Census.

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Of the total persons who were employed in the 1st quarter of 2026, 97.4% (5,162.1 thousand) remained in that state in the 2nd quarter of 2026, while 1.2% (63.4 thousand) moved into unemployment and 1.4% (75.3 thousand) changed into inactivity (Figures 1 and 2).

At the same time, 50.6% (175.3 thousand) of the unemployed remained in that state, while 29.7% (102.8 thousand) moved into employment and 19.7% (68.2 thousand) into inactivity.

As a result, the net flow of employment (that is, total inflows minus total outflows) was positive and estimated at 99.0 thousand persons (as the quarterly change of the employed population in the 2nd quarter of 2026). The net flow of unemployment was negative and estimated at 45.5 thousand persons (as the quarterly change of the unemployed population in the 2nd quarter of 2026), which resulted from the number of persons who moved into unemployment (125.5 thousand) being lower than the number of those who left that state (171.0 thousand).

Figure 1

QUARTERLY LABOUR MARKET FLOWS
(thousand persons)

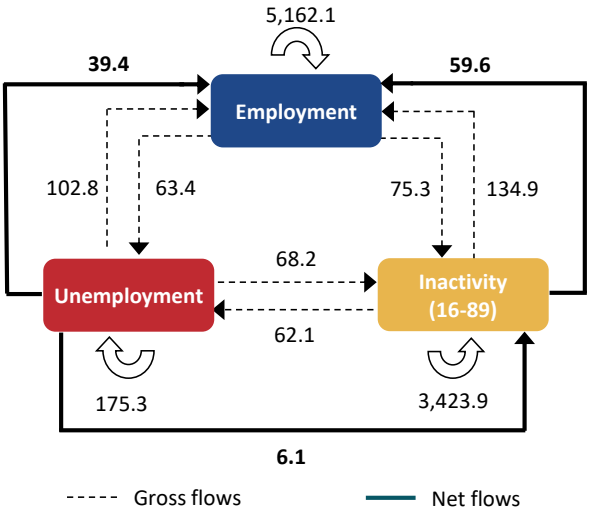
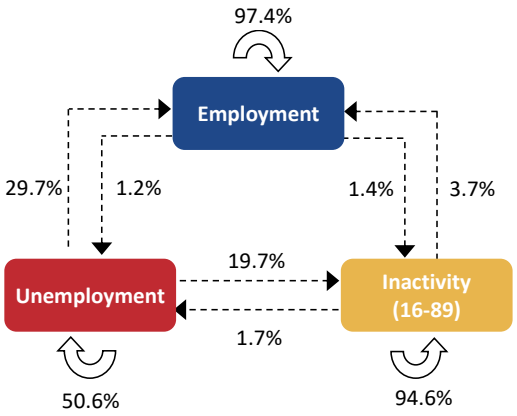


Figure 2

QUARTERLY LABOUR MARKET FLOWS
(in % of initial status)



Considering the flows from unemployment by sex (Figures 3 and 4), it is estimated that 32.4% (50.5 thousand) of unemployed men and 27.5% (52.3 thousand) of unemployed women in the 1st quarter of 2026 moved into employment in the 2nd quarter of 2026.

In the same period, 20.1% (31.4 thousand) of men and 19.4% (36.9 thousand) of women in unemployment moved into inactivity.

Figure 5 shows the quarterly changes and net flows into unemployment for the harmonized Labour Force Survey data series since 2011, thus allowing to quantify the contribution of each flow to the quarterly change in unemployment. In the 2nd quarter of 2026, the net flow between employment and unemployment is the one that

contributes to the decrease in unemployment, as the difference between the number of persons who moved from employment to unemployment (63.4 thousand) and the number of those who moved from unemployment to employment (102.8 thousand) is negative and lower than the difference between the number of persons who moved from inactivity to unemployment (62.1 thousand) and those who moved from unemployment to inactivity (68.2 thousand).

Figure 3

UNEMPLOYMENT QUARTERLY FLOWS – MALES
(in % of initial status)

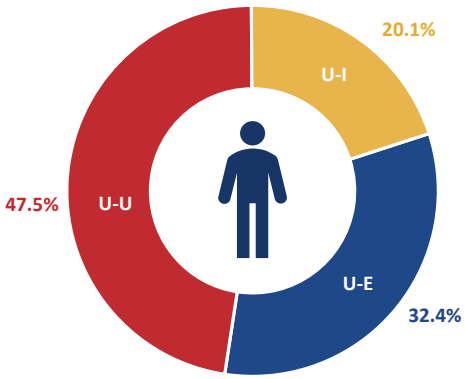
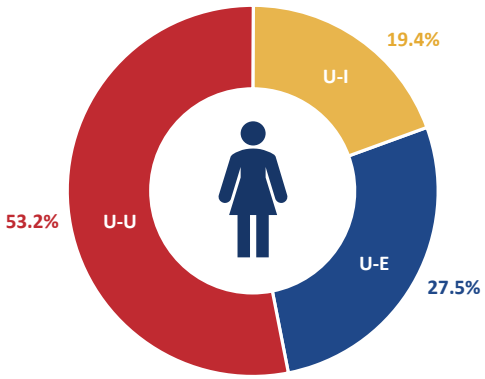


Figure 4

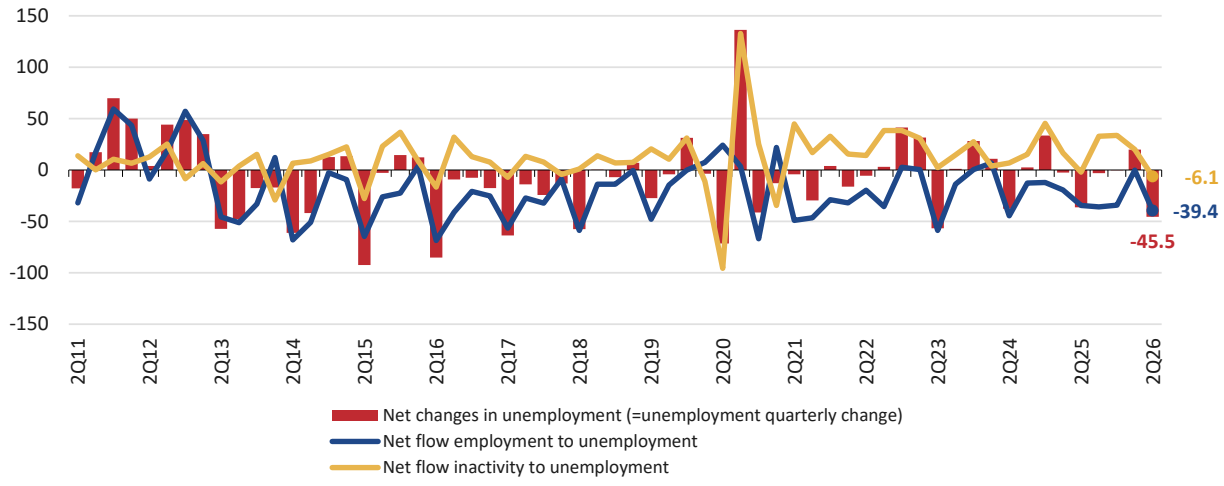
UNEMPLOYMENT QUARTERLY FLOWS – FEMALES
(in % of initial status)



U-E: Transition unemployment-employment **U-U**: Transition unemployment-unemployment **U-I**: Transition unemployment-inactivity

Figure 5

QUARTERLY NET FLOWS INTO UNEMPLOYMENT (thousand persons)



From the 1st to the 2nd quarter of 2026, 37.2% of the short-term unemployed and 24.9% of those inactives belonging to the "potential workforce" moved into employment (Figure 6). In the same period, 16.1% of the long-term unemployed and 3.0% of "other inactive" also moved into employment.

In the 2nd quarter of 2026, 21.3% of those inactives in the "potential workforce" in the 1st quarter of 2026 moved into unemployment (Figure 7). These are non-employed persons who, in the 1st quarter of 2026, did not actively search for a job or did not show availability to start working in the reference week or in the following two weeks if they had found a job and who, in the 2nd quarter of 2026, met both criteria (active search and availability to start working), thus becoming part of the unemployed population.

In addition, 34.2% of those inactives who were in the "potential workforce" in the 1st quarter of 2026 moved into the "other inactivity" in the 2nd quarter of 2026, which means that they no longer actively search for a job and are not available to start working in the reference period, thus staying further away from the labour market.

Figure 6

QUARTERLY FLOWS BETWEEN EMPLOYMENT, UNEMPLOYMENT (BY DURATION) AND TYPE OF INACTIVITY
(in % of initial status)

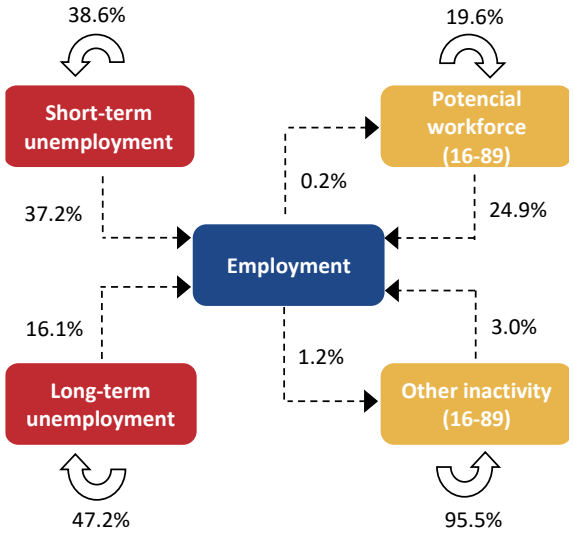
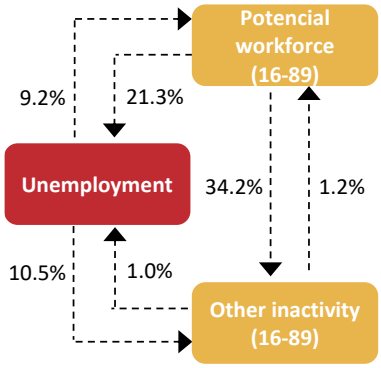


Figure 7

QUARTERLY FLOWS BETWEEN UNEMPLOYMENT AND TYPE OF INACTIVITY
(in % of initial status)



Notes:

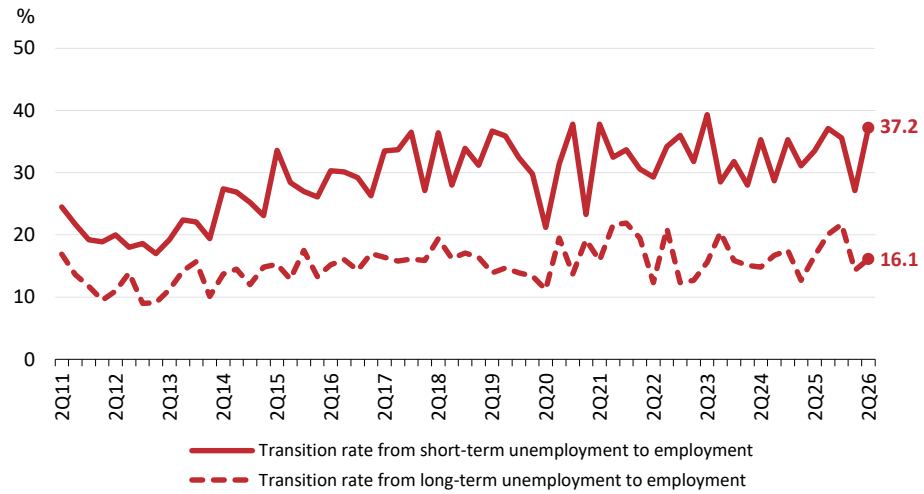
Potential workforce - the group of inactives available to work, but not looking for a job and of inactives searching for a job, but not available to work;

Other inactivity - includes every inactive person who is not part of the "Potential workforce".

Figure 8 shows the quarterly flows from short-term and long-term unemployment to employment (in % of the initial status) referring to the harmonized series since 2011. In the case of the transition from short-term unemployment to employment, there was an increase of 10.1 percentage points (pp) compared to the previous quarter and of 3.7 pp in relation to the same quarter of the previous year. The transition from long-term unemployment to employment increased by 1.8 pp compared to the previous quarter, having decreased by 0.5 pp in relation to the same quarter of the previous year. The transition rates from short-term unemployment to employment are consistently higher than those for long-term unemployment.

Figure 8

QUARTERLY FLOWS BETWEEN UNEMPLOYMENT (BY DURATION) AND EMPLOYMENT (in % of initial status)



In the case of flows into employment by type of inactivity (Figure 9), the results show an increase of 12.9 pp in the transition from the “potential workforce” to employment in relation to the previous quarter. Compared to the same quarter of the previous year, this flow increased by 5.5 pp.

Figure 9

QUARTERLY FLOWS BETWEEN INACTIVITY (BY TYPE) AND EMPLOYMENT (in % of initial status)

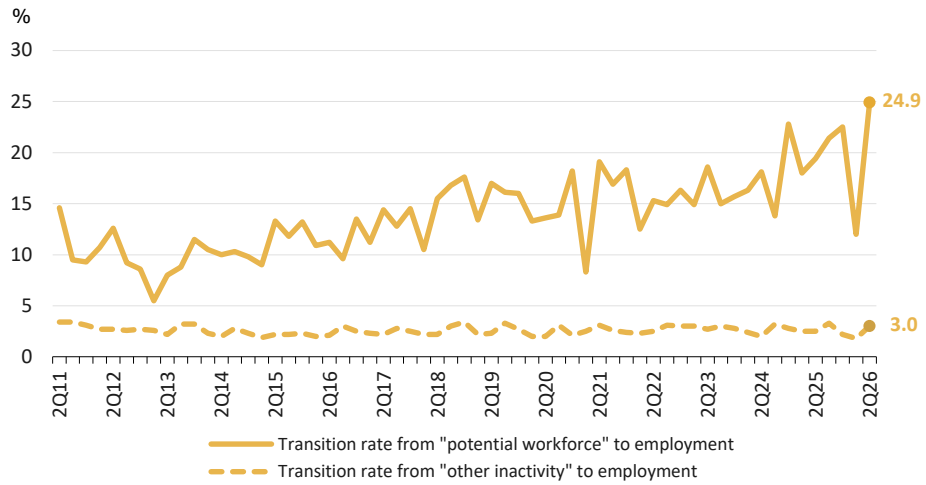
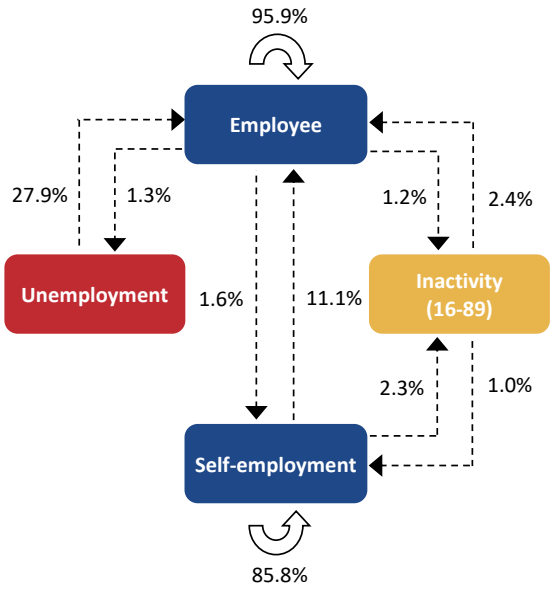


Figure 10

QUARTERLY FLOWS BETWEEN PROFESSIONAL STATUS, UNEMPLOYMENT AND INACTIVITY (in % of initial status)



Note: Due to low reliability, estimates regarding the flows between self-employment and unemployment are not published (these are transitions with little expression in the labour market).

From the 1st to the 2nd quarter of 2026, 11.1% (88.9 thousand) of those self-employed became employees (Figure 10). On the other hand, 1.6% (73.2 thousand) of those who were employees moved into self-employment.

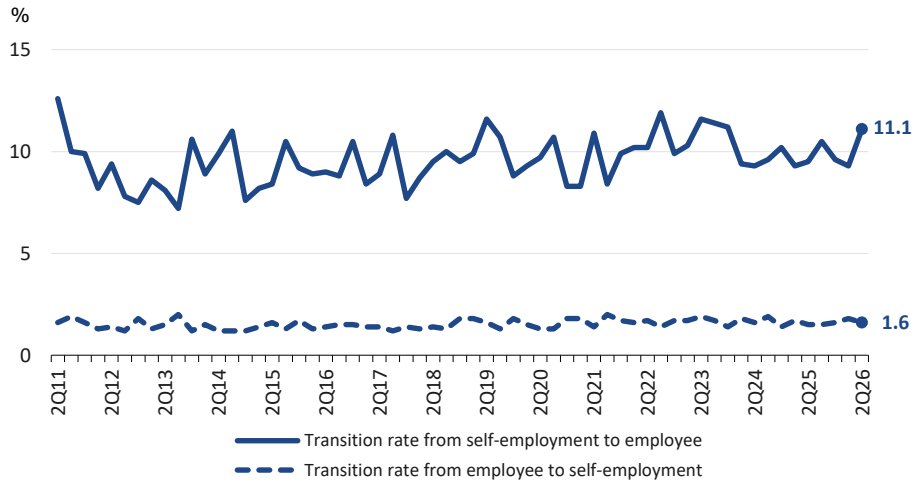
In the same period, 27.9% (96.6 thousand) of the unemployed became employees.

Lastly, of the total of employees in the 1st quarter of 2026, 1.2% (51.7 thousand) moved into inactivity in the 2nd quarter of 2026, while 2.3% (18.7 thousand) of those who were self-employed moved into inactivity.

The percentage of self-employed workers who, in the 2nd quarter of 2026, moved to employee increased by 1.8 pp in relation to the previous quarter and by 1.6 pp compared to the same period of the previous year (Figure 11).

Figure 11

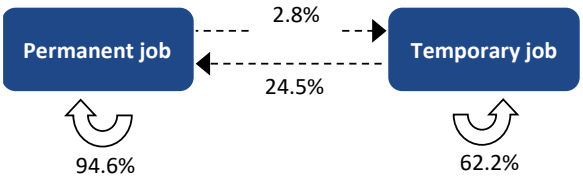
QUARTERLY FLOWS BY PROFESSIONAL STATUS (in % of initial status)



Of all employees that had a temporary job in the 1st quarter of 2026, 24.5% (155.3 thousand) changed to a permanent job in the 2nd quarter of 2026 (Figure 12).

Figure 12

QUARTERLY FLOWS BY PERMANENCY OF THE JOB (in % of initial status)



Notes:

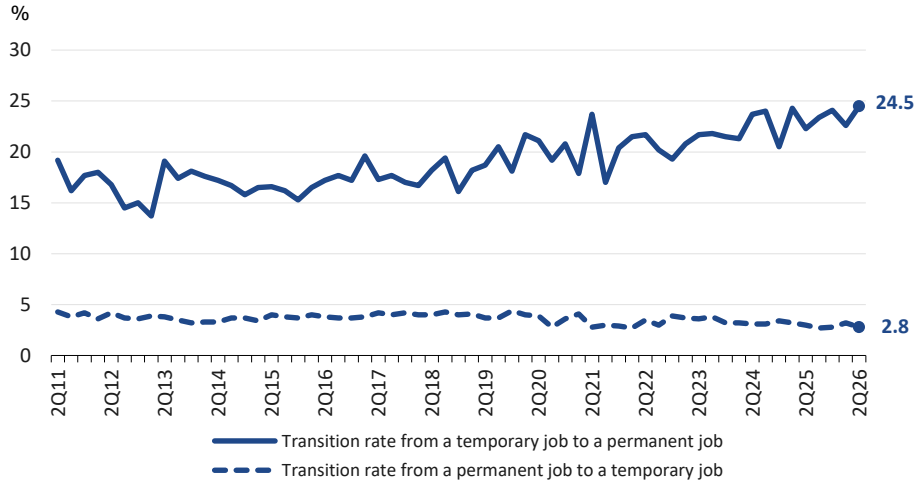
Permanent job - employees with a permanent job or work contract of unlimited duration.

Temporary job - employees with a temporary job or other contractual arrangement of limited duration.

Figure 13 shows that the percentage of employees who had a temporary job and changed to a permanent job in the 2nd quarter of 2026 increased by 1.9 pp in relation to the previous quarter and by 2.2 pp compared to the same quarter of the previous year.

Figure 13

QUARTERLY FLOWS BY PERMANENCY OF THE JOB (in % of initial status)



From the 1st to the 2nd quarter of 2026, 22.3% (91.3 thousand) of all workers with a part-time job moved into a full-time job (Figure 14). At the same time, 18.4% (52.5 thousand) of all employees with a part-time job changed to a full-time job (Figure 15).

Figure 14

QUARTERLY FLOWS BETWEEN FULL-TIME AND PART-TIME WORKERS (in % of initial status)

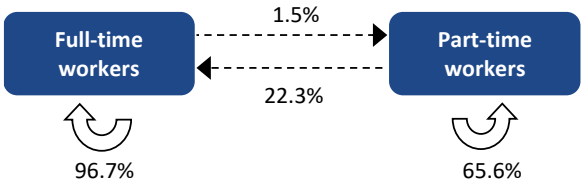
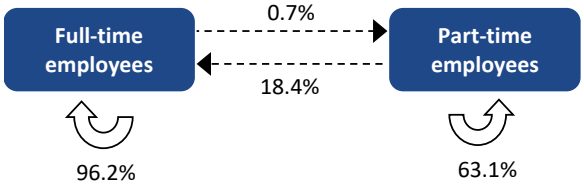


Figure 15

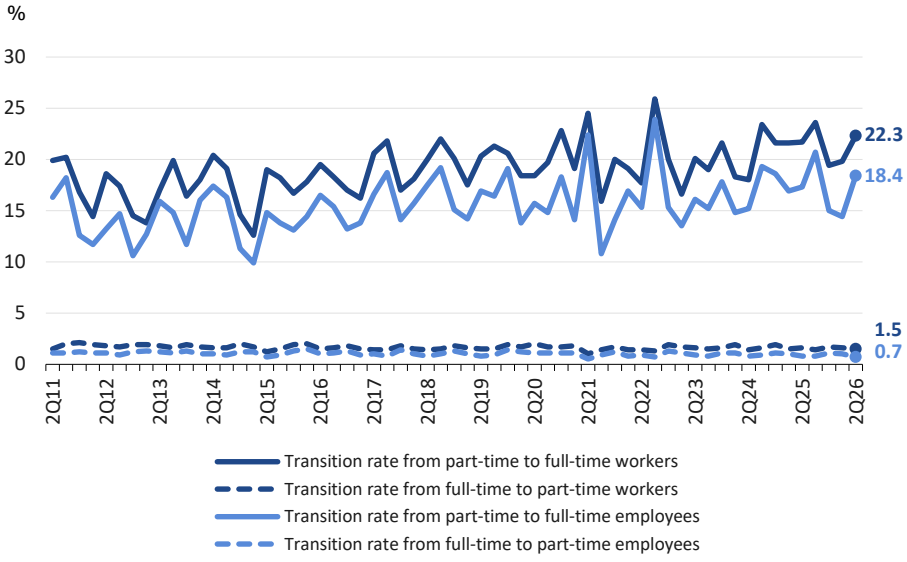
QUARTERLY FLOWS BETWEEN FULL-TIME AND PART-TIME EMPLOYEES (in % of initial status)



Compared to the previous quarter, the flow from part-time to full-time workers increased by 2.5 pp, while in comparison to the same quarter of 2025 it increased by 0.6 pp. Considering the employees, the flow increased by 4.0 pp in relation to the previous quarter and by 1.1 pp compared to the same quarter of the previous year (Figure 16).

Figure 16

QUARTERLY FLOWS BETWEEN FULL-TIME AND PART-TIME WORKERS AND EMPLOYEES (in % of initial status)



The percentage of persons who remained in employment between the 1st and the 2nd quarter of 2026, but changed jobs, stood at 3.1% (160.1 thousand), having decreased by 0.1 pp in relation to the two comparison periods (Figure 17).

This indicator includes persons who, not having moved directly from one job to another, may have been, within a quarter, temporarily unemployed or inactive before moving to a new job. It excludes, however, persons whose work contracts were renewed with the companies where they worked or with temporary work companies, as they do not constitute a change of employer. The quarterly job-to-job transition rate allows defining the relationship between the employed population moving from one job to another within a quarter and the quarterly flow from employment to employment.

Figure 17

QUARTERLY JOB-TO-JOB TRANSITION RATE (in % of transition employment - employment)

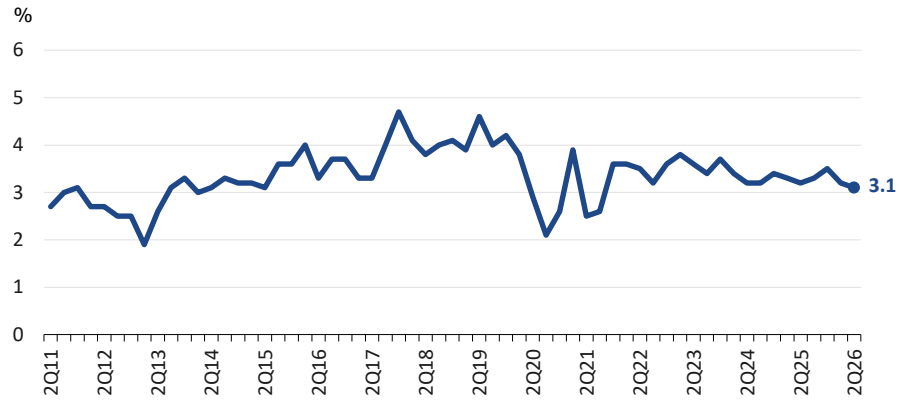
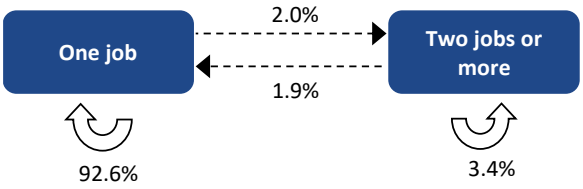


Figure 18 shows that of the total persons who remained in employment between the 1st and the 2nd quarter of 2026, 3.4% (176.8 thousand) continued to have two or more jobs and 2.0% (102.6 thousand) moved from a single job to two jobs or more.

In the same period, 1.9% (100.6 thousand) of those who remained employed moved from two jobs or more to one job.

Figure 18

QUARTERLY FLOWS BETWEEN NUMBER OF JOBS OF THE POPULATION REMAINING IN EMPLOYMENT
(in % of transition employment - employment)



Notes:

One job - Employed population carrying out only one economic activity.

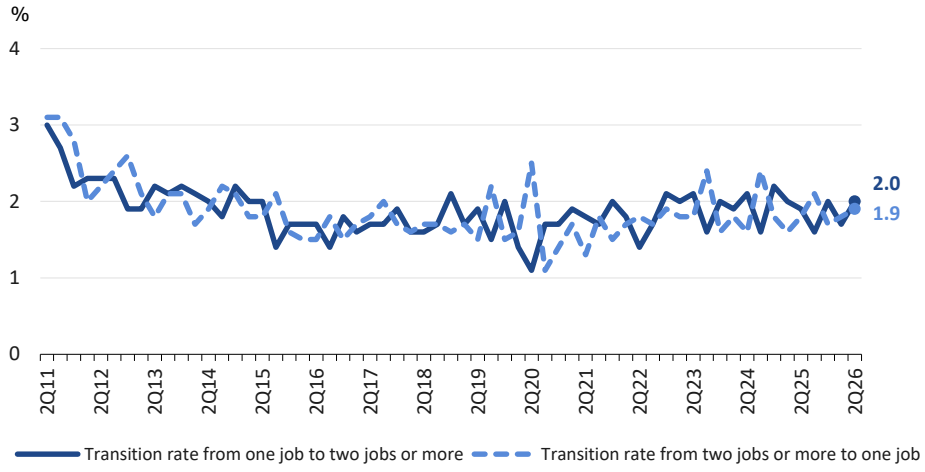
Two or more jobs - Employed population carrying out other economic activities, in addition to the main activity.

Figure 19 shows that the percentage of persons who remained in employment and changed from one job to two or more jobs in the 2nd quarter of 2026 increased by 0.3 pp in relation to the previous quarter and by 0.1 pp in relation to the same quarter of the previous year.

The percentage of those remaining in employment and moving from two or more jobs to a single job increased by 0.1 pp in relation to the two comparison periods.

Figure 19

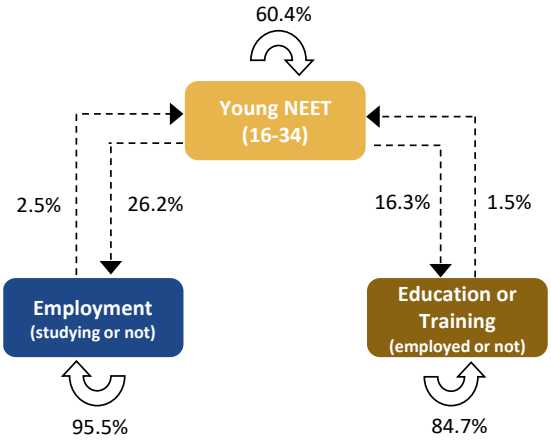
QUARTERLY FLOWS BETWEEN NUMBER OF JOBS OF THE POPULATION REMAINING IN EMPLOYMENT
(in % of transition employment - employment)



From the 1st to the 2nd quarter of 2026, 60.4% (117.1 thousand) of all young persons aged 16 to 34 who were not in employment, education or training (NEET) remained in that state, while 26.2% (50.9 thousand) moved to employment and 16.3% (31.6 thousand) started to attend education or training (Figure 20).

Figure 20

QUARTERLY FLOWS BETWEEN YOUNG PERSONS AGED 16 TO 34 WHO ARE NOT IN EMPLOYMENT, EDUCATION OR TRAINING (NEET) AND EMPLOYMENT, EDUCATION OR TRAINING (in % of initial status)



Notes:

Young NEET (16-34) - young persons aged 16 to 34 who are not in employment, education or training.

Employment (studying or not) - young persons aged 16 to 34 who are employed, regardless of whether they are or not in education or training.

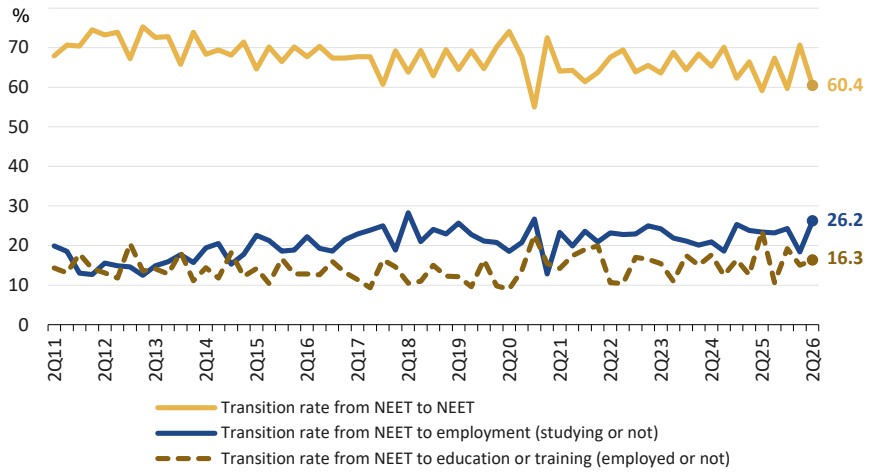
Education or Training (employed or not) - young persons aged 16 to 34 who are in education or training, regardless of whether they are or not in employment.

Those who are simultaneously in employment and in education or training are counted in both states. Therefore, the transitions (in % of initial status) from any state to the other states add up more than 100%.

Compared to the previous quarter, the percentage of young persons aged 16 to 34 who remained without employment and without attending education or training decreased by 10.3 pp in relation to the previous quarter. In relation to the same quarter of the previous year, there was an increase of 1.3 pp. (Figure 21).

Figure 21

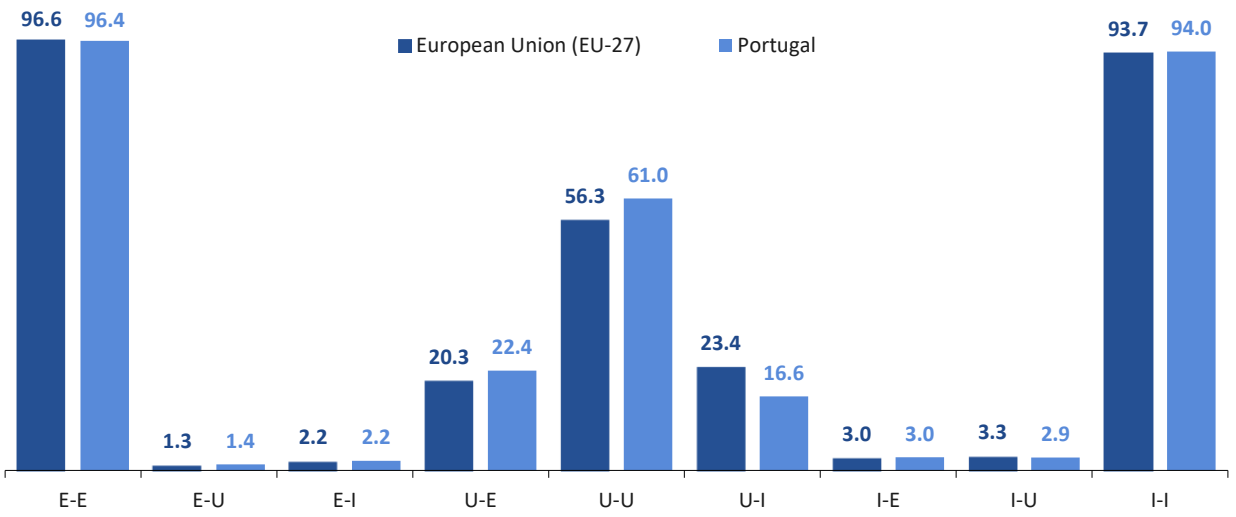
QUARTERLY FLOWS BETWEEN YOUNG PERSONS AGED 16 TO 34 WHO ARE NOT IN EMPLOYMENT, EDUCATION OR TRAINING (NEET) AND EMPLOYMENT, EDUCATION OR TRAINING (in % of initial status)



The results of the 1st quarter of 2026, released by Eurostat on 12 June 2026[2], concerning the quarterly labour market flows of the population aged between 15 and 74[3], indicate that 22.4% of those who were unemployed in Portugal in the 4th quarter of 2025 moved into employment, this value being 2.1 pp higher than that of the European Union (20.3%). In the same period, 16.6% of the unemployed in Portugal changed to inactivity, while in the European Union this flow stood at 23.4%.

Figure 22

LABOUR MARKET FLOWS IN THE IN THE EUROPEAN UNION (EU-27) AND PORTUGAL
(population aged 15 to 74; in % of initial status) – 1ST QUARTER OF 2026



E-E: Transition employment-employment
U-E: Transition unemployment-employment
I-E: Transition inactivity-employment
E-U: Transition employment-unemployment
U-U: Transition unemployment-unemployment
I-U: Transition inactivity-unemployment
E-I: Transition employment-inactivity
U-I: Transition unemployment-inactivity
I-I: Transition inactivity-inactivity

Source: Eurostat, *Transitions in labour market status in the EU, 2025Q4-2026Q1 (in % of initial status; population aged 15-74)* [LFSI_LONG_Q].

[2] The European Union Labour Market Flows for the 2nd quarter of 2026 are expected to be released by Eurostat on 11 September 2026.

[3] For Portugal, those aged 15 in the 4th quarter of 2025 were included in the inactivity into inactivity flow (remaining in inactivity).

TECHNICAL NOTE

The main purpose of the Labour Force Survey is to classify the population in terms of their participation in the labour market. It is a quarterly sample survey, addressed to all persons living in the national territory.

Most of the characteristics observed in this survey report to the situation in one pre-defined week (from Monday to Sunday), known as reference week. The reference weeks are uniformly distributed throughout the quarters and years. The interviews usually take place in the week following the reference week.

The information is obtained directly, through computer-assisted interview by using a mixed data collection mode: the initial interview is done face-to-face by an interviewer visiting the household and the other five interviews are done by telephone if certain requirements are met. However, it should be noted that, following the COVID-19 pandemic and the measures adopted by the competent authorities, Statistics Portugal has decided, between the first half of March 2020 and the end of the collection of the 2nd quarter of 2022, to suspend the face-to-face collection mode, replacing it exclusively with telephone interviews. After analysing the impact of this suspension, Statistics Portugal decided to incorporate the variable "highest level of education completed" in the calibration weighting process from the 2nd quarter of 2020 to the 3rd quarter of 2023, in addition to the information usually used (monthly estimates of the resident population by sex, age group and region).

The LFS sample is divided into six subsamples (rotations), and in each quarter a subsample is replaced by a new one (selected under the same design) after being observed for six consecutive quarters. This rotation design introduces a longitudinal component, thus allowing the follow-up of persons who remain in the sample for a maximum period of one and a half year.

The quarterly labour market flows are calculated considering the subsample of persons who responded simultaneously to the reference quarter and the previous quarter, which represents about 5/6 of the quarterly sample size. Considering that the scope of the flows refers to persons aged between 16 and 89 years old in the reference quarter, persons aged 15 years old in the previous quarter are included in the subsample and are classified as inactive. Persons aged 89 years old in the previous quarter and that have turned 90 years old in the reference quarter are excluded from the subsample.

The quarterly flows subsample weights are derived from the LFS cross-sectional weights of the reference quarter and then recalibrated to compensate the sample size reduction and to ensure the consistency between quarterly flows estimates and LFS quarterly estimates according to:

- estimates of the employed, unemployed and inactive population by sex and ten-year age groups in the reference quarter;
- estimates of the employed, unemployed and inactive population by sex in the previous quarter;
- estimates of the resident population by subregions (LFS calibration weighting regions) in the reference quarter;

- estimates of the employed population by professional status in the reference quarter and in the previous quarter;
- estimates of employees by type of work contract in the reference quarter and in the previous quarter;
- estimates of the total employed population and employees by full-time or part-time job in the reference quarter and in the previous quarter;
- estimates of the unemployed population by duration of unemployment in the reference quarter and in the previous quarter;
- estimates of the inactive population by type of inactivity in the reference quarter and in the previous quarter;
- estimates of the employed population by number of jobs in the reference quarter and in the previous quarter;
- estimates of young persons aged 16 to 34 by employment, education and training status in the reference quarter and in the previous quarter;
- estimates by educational attainment in the reference quarter and in the previous quarter.

The quarterly estimates for the 2011 data series (in force from the 2nd quarter of 2011 to the 4th quarter of 2020) were revised in the light of the reconciliation exercise with the 2021 data series, thus making it possible to compare the estimates between the two series.

Due to consistency, quarterly changes in the total population (movements in and out of scope: natural balance and the net migration) are reflected in the inactive population of the previous quarter. Therefore, estimates of flows regarding the inactive population aged 16 to 89 may not match with those published on the Statistics Portugal's website.

The complete series of the main quarterly flows since 2011 are updated quarterly on the Statistics Portugal's website. In addition, all flow estimates for the last five periods are available in the Excel files attached to the Press Release.

Due to rounding, the totals in figures and tables do not always match the sum of parts.

For more detailed information, please consult the Labour Force Survey methodological document (only in Portuguese) available at https://smi.ine.pt/ (tab *Documentação metodológica*; *tema* "Labour market").

SOME CONCEPTS

Unemployed: person aged 16 and 74 who during the reference period met simultaneously the following situations:

- neither had a job nor was at work;
- had actively sought work, i.e. had actively searched for a paid or unpaid job during the specified period (reference period or the three previous weeks); and
- was available for a paid and unpaid job.

Employed: person aged 16 to 89 who, during the reference period, was in one of the following situations:

- worked for at least one hour for a wage or salary, in cash or in kind (including unpaid family work);
- had a formal attachment to his/her job but was not at work temporarily.
- was in early retirement but working in the reference week.

Inactive: person aged below 16, above 89, 16 to 89 who, during the reference period, could not be considered active, i.e., was neither employed nor unemployed.

The **year-on-year change** compares the level of the variable in the current quarter with that of the corresponding quarter of the previous year. This change considering a seasonal stable pattern is not affected by this type of fluctuation but may, however, be influenced by specific effects in a given quarter.

The **quarterly change** compares the level of the variable over two consecutive periods. Although this indicator allows to monitor the recent pace of the variable, its computation is particularly influenced by seasonal effects and other more specific effects in one (or both) of the quarters under comparison.

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