

26 April 2018

**Economically Active Population Survey (EAPS)
First Quarter of 2018****Main results**

- The number of employed persons decreased by 124,100 persons in the first quarter of 2018 as compared with the previous quarter (-0.65%), standing at 18,874,200 employed persons. In seasonally adjusted terms, the quarterly variation was 0.46%. Employment has grown by 435,900 persons (2.36%) in the last 12 months.
- Employment in the public sector increased by 31,000 this quarter, while in the private sector it fell by 155,200. In the last twelve months, employment has increased by 304,000 persons in the private sector and 131,900 in the public sector.
- Salaried employees decreased this quarter by 130,300. This decrease was concentrated among those with temporary contracts (128,900 fewer). The number of salaried employees increased by 451,500 in the annual rate (permanent employment increased by 278,500 persons and temporary employment by 173,000). The number of self-employed workers increased by 5,900 this quarter and decreased by 15,600 in the last 12 months.
- This quarter, employment increased in *Agriculture* (13,100 more) and *Construction*(8,200) and decreased in *Services* (-110,500) and *Industry* (-34,900). In the last year, in *Services* there were 274,000 more employed persons, in *Industry* 105,500 and in *Construction* 70,400, while in *Agriculture* there were 14,000 less.
- This quarter employment increased in Comunidad de Madrid (21,900 more) and Canarias (7,600). The greatest decreases were registered in Comunitat Valenciana (38,200 fewer), Illes Balears (31,600 fewer) and Castilla–La Mancha (21,900 fewer). Within the last year, the highest increases in the number of employed persons were observed in Cataluña (105,300), Comunidad de Madrid (92,300) and Canarias (69,800). In turn, the greatest decrease was recorded in Principado de Asturias, with 6,300 fewer.
- The number of unemployed persons increased by 29,400 this quarter (0.78%), standing at 3,796,100. In seasonally adjusted terms, the quarterly variation was -2.97%. Over the last 12 months, unemployment has decreased by 458,900 persons (-10.79%).
- The unemployment rate stood at 16.74%, which is 20 hundredths more than the previous quarter. Within the last year, this rate decreased by 2.01 points.
- By Autonomous Community, the greatest unemployment decreases this quarter were recorded in Cataluña (20,600 less unemployed persons), Canarias (-18,000) and Comunidad de Madrid (-10,300). And the greatest increases in Illes Balears (28,000 more), Andalucía (15,100) and Región de Murcia (9,100). In annual terms, the greatest decreases in the number of unemployed persons occurred in Cataluña (118,000 fewer), Andalucía (-96,700) and Comunitat Valenciana (-66,200).
- This quarter, the number of economically active people decreased by 94,700, standing at 22,670,300. The activity rate decreased by 34 hundredths standing at

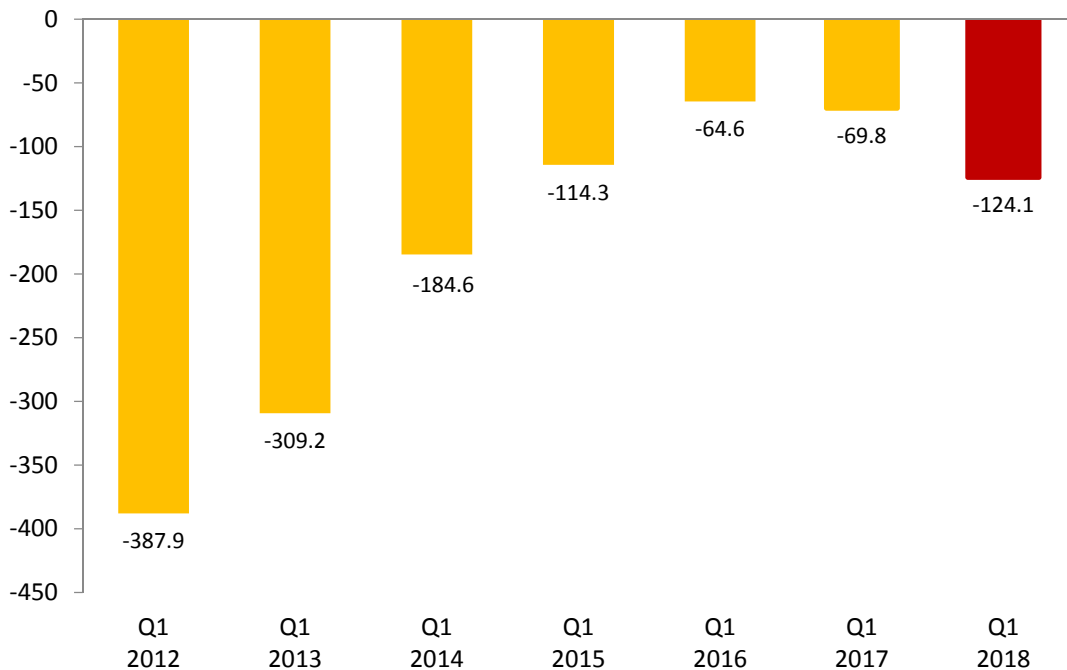
58.46%. Over the last year, the economically active population has decreased by 23,000 persons.

Employment

The number of employed persons decreased by 124,100 persons in the first quarter of 2018, standing at 18,874,200. The quarterly employment variation rate stood at -0.65%.

The employment rate (percentage of employed persons in relation to the population aged 16 and over) stood at 48.67%, representing a decrease of 40 hundredths as compared to the previous quarter. In annual variation, the rate rose by 91 hundredths.

Quarterly variation of employment, in thousands (Q1 compared with Q4 of last year)



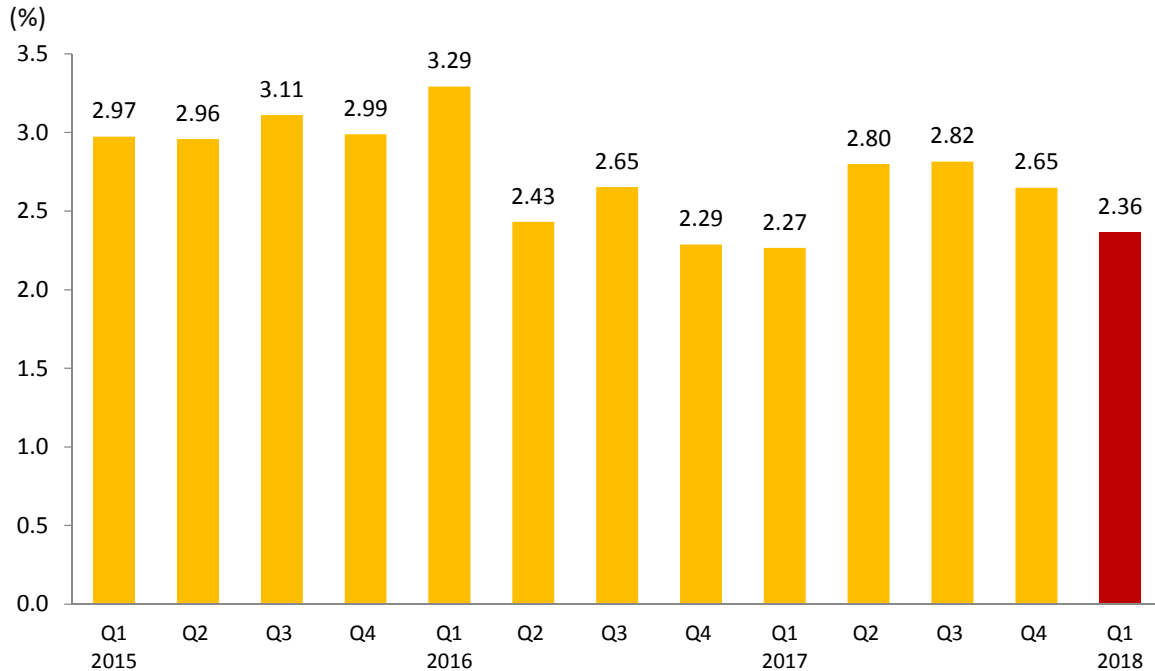
By sex, employment decreased this quarter by 55,200 for men and 69,000 for women.

By nationality, employment fell by 90,300 persons among Spaniards and by 33,900 among foreign nationals.

By age, employment increases were observed this quarter in the 40-44 age group, the 45-49 age group and the 55 and over age group, with the 45-49 age group showing the greatest increase (18,600 more employed persons). On the other hand, below the age of 40, the general trend was an employment decline, with the 35-39 age group showing the greatest decline (-58,100).

In the past twelve months, employment has increased by 435,900 persons (235,500 men and 200,400 women). The annual variation rate of employment was 2.36%, representing a decrease of 29 hundredths compared to the previous quarter.

Annual variation rate of employment



This quarter, employment increased in *Agriculture* (13,100 more) and *Construction*(8,200). On the contrary, it decreased in *Services* (-110,500) and *Industry*(-34,900).

In the last year employment has risen in *Services* (274,000 more employed persons), *Industry* (105,500) and *Construction* (70,400). In turn, in *Agriculture* there were 14,000 employed persons less than a year ago.

Full-time employment decreased by 133,100 persons this quarter, while the number of part-time employed persons increased by 8,900. The percentage of persons employed part-time increased by 14 hundredths, up to 14.91%.

Over the last 12 months, full-time employment has increased by 495,900 persons and part-time employment has fallen by 60,000.

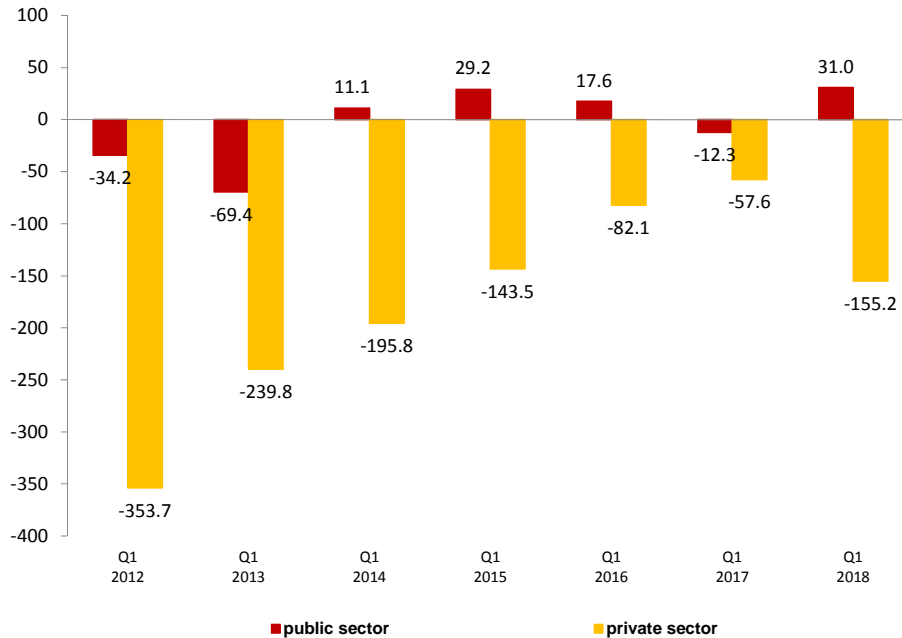
This quarter, the number of salaried employees decreased by 130,300. This decline was concentrated among those with temporary contract (128,900 less), while those who have a permanent contract fell by 1,400. The temporary employment rate decreased 60 hundredths, to 26.11%.

Over the last 12 months, the number of salaried employees has increased by 451,500. Permanent employment increased by 278,500 persons and temporary employment did so by 173,000.

The number of self-employed persons increased by 5,900 persons in quarterly variation.

This quarter, private employment¹ decreased by 155,200 persons, standing at 15,768,400. Public employment² increased by 31,000, up to 3,105,800.

Quarterly variation of employment by nature of employer, in thousands (Q1 compared with Q4 of last year)

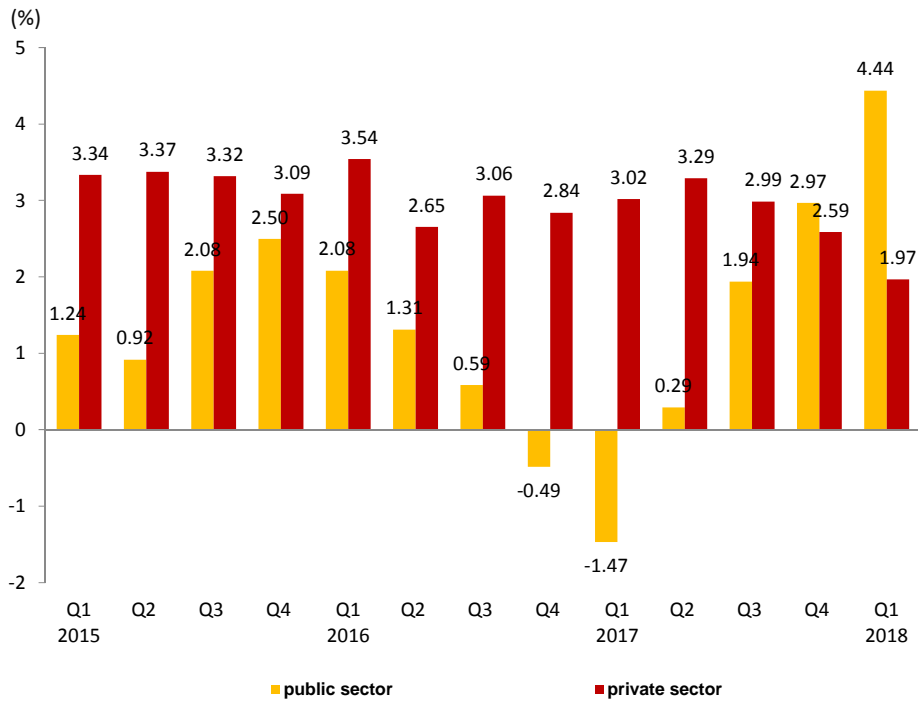


Employment in the private sector showed an annual variation of 1.97%, while public employment of 4.44%. In the past twelve months, employment has increased by 304,000 persons in the private sector and by 131,900 in the public sector.

Annual variation rate of employment by nature of employer

¹ Employment in the private sector includes: salaried employees from the private sector, employers, self-employed workers and businesspersons without employees, members of cooperatives, contributing family workers and other professional situations.

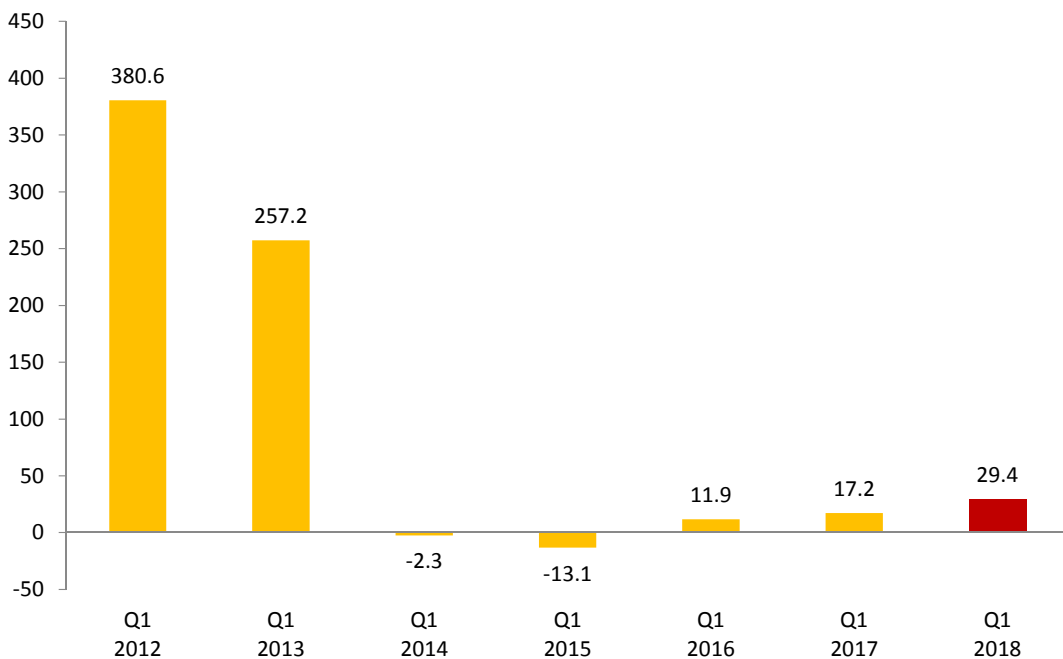
² Employment in the public sector includes all salaried employees of public companies and of the National and Regional Administrations, including both workers contributing to the General Social Security System and those attached to the Special Civil Service System.



Unemployment and unemployment rate

Unemployment increased by 29,400 persons this quarter. The total number of unemployed persons stood at 3,796,100. In relative terms, the quarterly increase in unemployment was 0.78%.

Quarterly variation of unemployment, in thousands (Q1 compared with Q4 of last year)



The unemployment rate increased 20 hundredths and stood at 16.74%. In the last 12 months, this rate has decreased by 2.01 points.

By sex, the number of unemployed men increased by 20,100 this quarter, standing at 1,840,700. Among women, unemployment increased by 9,300, reaching 1,955,400.

Female unemployment rate increased by 19 hundredths and stood at 18.54%, while male unemployment did so by 21 hundredths, reaching 15.18%.

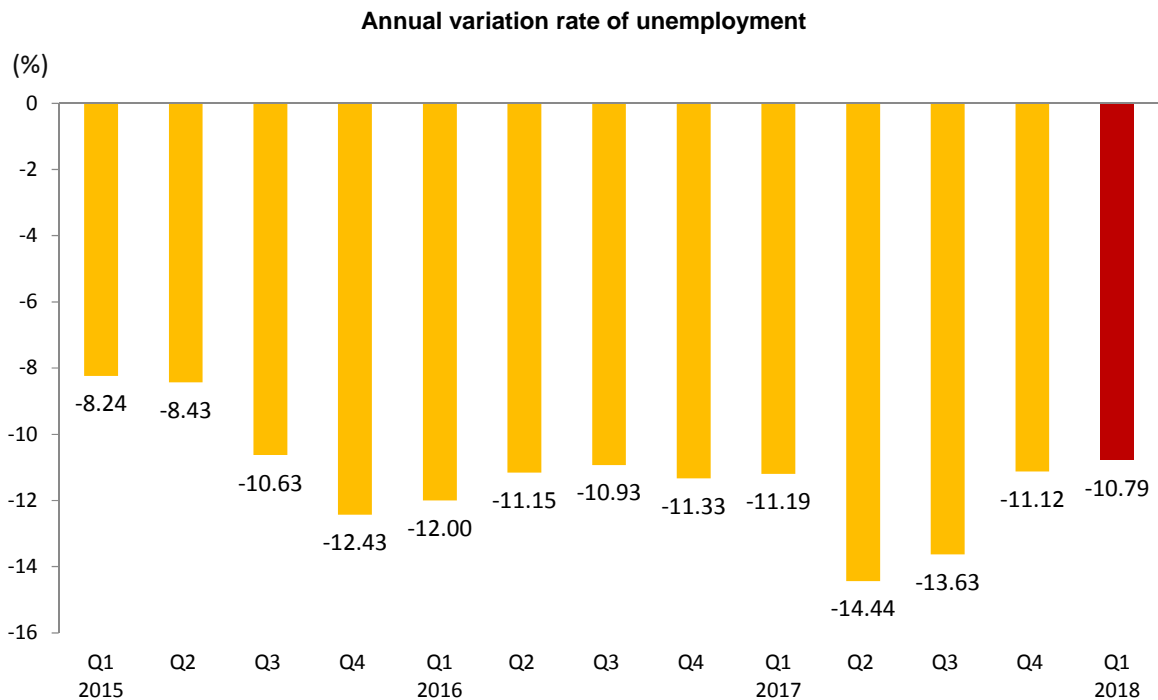
By age, there was a decrease in unemployment this quarter among those under 25 years of age (35,600 unemployed less among the 20-24 age group and 7,300 less among the 16-19 age group). On the other hand, the number of unemployed persons increased by 51,600 among people aged 25 to 54 and by 20,700 among those aged 55 and over.

By nationality, unemployment increased this quarter among Spaniards by 13,900 and among foreigners by 15,500. The unemployment rate of the Spanish population was 15.70%, while that of the foreign population was 24.28%.

Unemployment increased this quarter in all sectors: in *Services* it rose by 91,300, in *Industry* by 8,600, in *Agriculture* by 7,600 and in *Construction* by 6,300.

Unemployment decreased by 46,900 among first-time job seekers and by 37,400 among those who lost their job more than a year ago.

The evolution of unemployment in annual variation was -10.79%. The total number of unemployed persons has decreased by 458,900 persons in one year, with a decrease of 249,900 for men and 209,100 for women.



By age, the annual decrease of unemployment took place in all groups. The largest decrease was in the 25-54 age group (375,800 fewer unemployed persons).

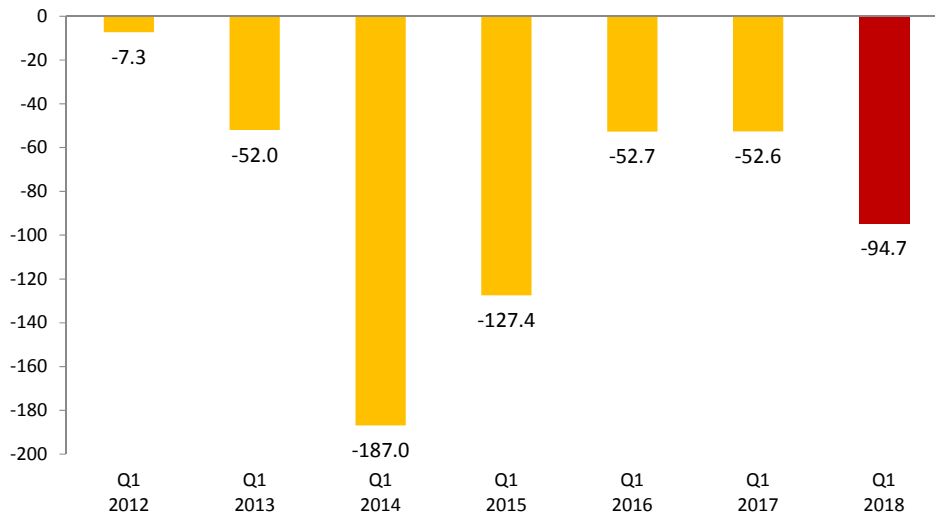
In the last 12 months unemployment has fallen in *Services* (77,700 fewer unemployed persons), *Construction* (-21,100) and *Agriculture* (-11,300). In industry it has remained virtually unchanged. On the other hand, the number of unemployed persons who lost their jobs over a year ago has decreased by 296,100 and the number of unemployed persons looking for their first job by 52,200.

Economically active population and activity rate

The economically active population decreased by 94,700 persons in the first quarter standing at 22,670,300. The number of economically active men increased by 35,100, whereas the number of active women did so by 59,600.

By nationality, the number of economically active persons decreased in this quarter by 76,400 among Spaniards and by 18,400 among foreign nationals.

Quarterly variation of activity, in thousands (Q1 compared with Q4 of last year)

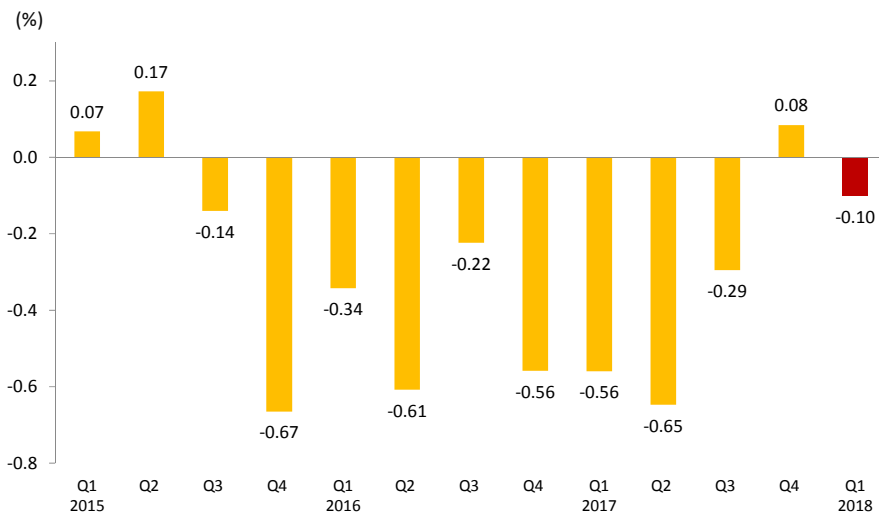


The activity rate decreased 34 hundredths this quarter to 58.46%. For men, the rate dropped by 28 hundredths standing at 64.29%. For women, it fell by 39 hundredths to 52.94%.

The activity rate of Spaniards decreased 24 hundredths as compared with the previous quarter, standing at 56.99%. For foreigners it fell by 1.39 points to 71.81%. The difference of almost 15 points between both rates is mainly explained by the different age structures for both populations.

In annual terms, the economically active population has decreased by 23,000 persons. The annual variation rate of economically active persons was -0.10%.

Annual variation rate of activity



Households

The number of households increased by 16,300 this quarter, standing at 18,545,900. Of these, 4,732,600 were single-person households.

Households in which all economically active members were unemployed increased by 31,300 this quarter, up to a total of 1,241,800. Of these, 313,800 were single-person households.

On the other hand, the number of households in which all of the economically active members were employed decreased by 45,700, standing at 10,169,300. Of these, 1,866,600 were single-person households.

In annual comparison, the number of households with at least one economically active member in which those members were unemployed has decreased by 152,800, while those where all active members were employed has increased by 337,300.

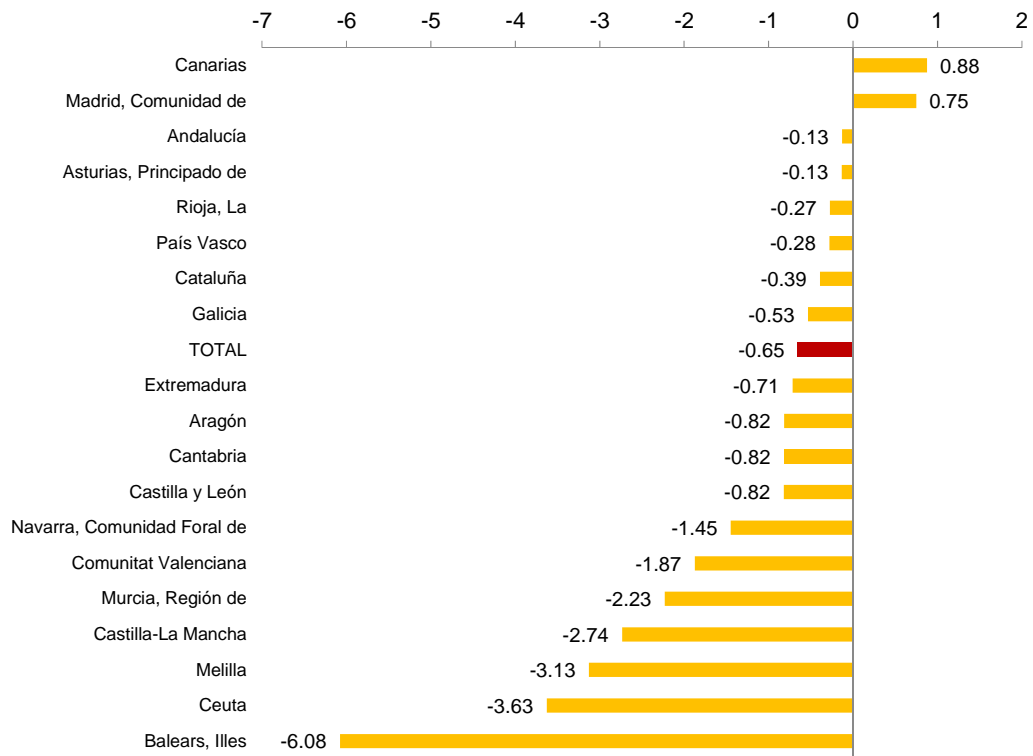
Results by Autonomous Communities³

Comunidad de Madrid (21,900 more employed persons) and Canarias (7,600 more) were the only Autonomous Communities in which employment increased this quarter. The largest decreases in the number of employed persons were recorded in Comunitat Valenciana (38,200 fewer), Illes Balears (-31,600) and Castilla-La Mancha (-21,900).

In relative terms, the Autonomous Communities that showed a quarterly increase in employment were Canarias (0.88%) and Comunidad de Madrid (0.75%). In turn, the greatest decreases were registered in Illes Balears (-6.08%), Castilla-La Mancha (-2.74%) and Región de Murcia (-2.23%).

Quarterly variation rate of employment by Autonomous Community (%)

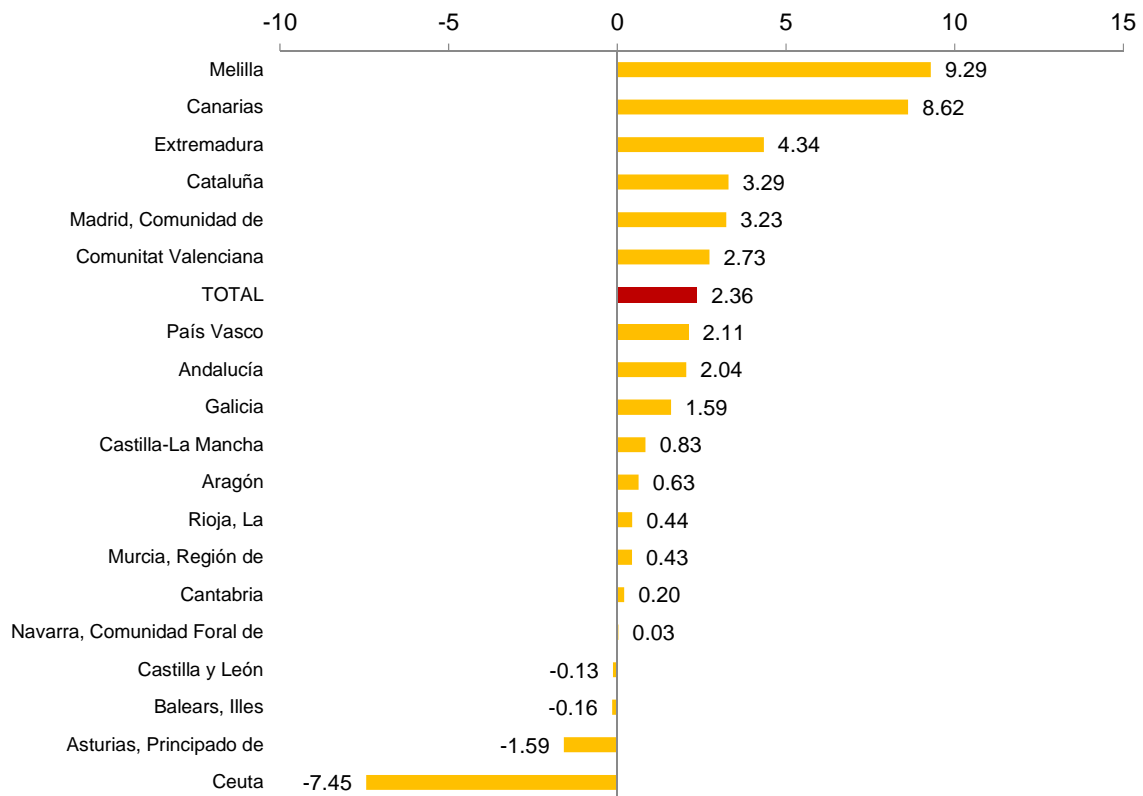
³ As with the rest of the EAPS data, employment results in this section are presented according to the Autonomous Community of residence of those persons interviewed in the survey, and not according to where their workplace is.



In annual variation, the largest employment increases were observed in Cataluña (105,300), Comunidad de Madrid (92,300) and Canarias (69,800). In turn, the greatest decrease in the number of employed persons occurred in Principado de Asturias (6,300 fewer).

In relative terms, the Autonomous Communities with the greatest annual increases in employment were Canarias (8.62%), Extremadura (4.34%) and Cataluña (3.29%). In turn, Principado de Asturias (-1.59%), Illes Balears (-0.16%) and Castilla y León (-0.13%) registered annual employment decreases.

Annual variation rate of employment by Autonomous Community (%)



The greatest unemployment decreases this quarter were recorded in Cataluña (-20,600 unemployed persons), Canarias (-18,000) and Comunidad de Madrid (-10,300). On the other hand, the greatest increases were recorded in Illes Balears (28,000 more), Andalucía (15,100) and Región de Murcia (9,100).

In annual variation, unemployment decreased in most Autonomous Communities. The greatest decreases were observed in Cataluña (-118,000), Andalucía (-96,700) and Comunitat Valenciana (-66,200).

Comunidad Foral de Navarra (10.54%), País Vasco (10.76%) and La Rioja (11.03%) recorded the lowest unemployment rates this quarter. At the other extreme, Extremadura (25.94%), Andalucía (24.74%) and Castilla–La Mancha (20.68%) showed the highest rates.

The largest increases in the in the economically active population this quarter were registered in Comunidad de Madrid (11,600 more economically active people), Andalucía (11,300) and Extremadura (1,900). The greatest decreases were in Comunitat Valenciana (-35,200), Cataluña (-33,500) and Castilla-La Mancha (-15,700).

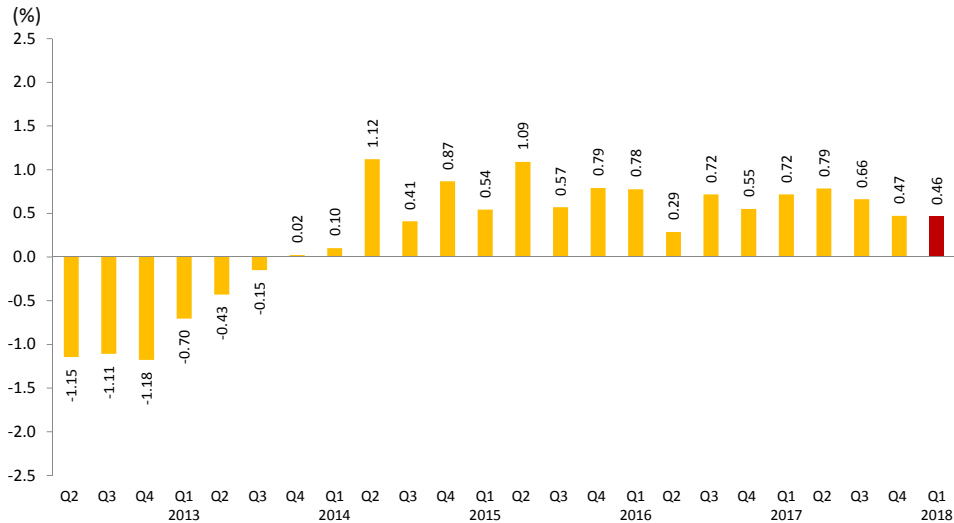
In the last 12 months, Comunidad de Madrid (74,400 more economically active persons), Canarias (18,400) and País Vasco (8,700) registered the greatest increases in the number of economically active persons. In turn, the greatest decreases occurred in Andalucía (-37,300), Castilla y León (-17,400) and Castilla–La Mancha (-14,400).

This quarter, the activity rates fluctuated between 63.27% for Comunidad de Madrid and 50.95% for Principado de Asturias.

Seasonally adjusted series

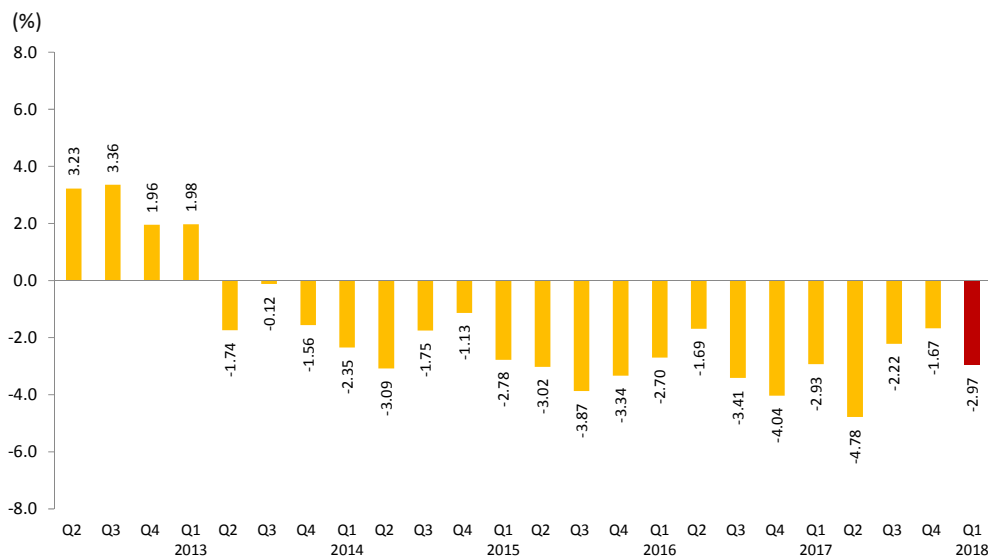
In the first quarter of 2018, the quarterly variation rate of employment adjusted for seasonal effects was 0.46%.

Quarterly variation rate of seasonally adjusted employment



As regards seasonally-adjusted unemployment results, a decrease of 2.97% was observed.

Quarterly variation rate of seasonally adjusted unemployment



The series adjusted for seasonal and calendar effects are obtained with the JDemetra+ software (version 2.2.0), as from the publication of data referring to 2018. The change of software from TRAMO/SEATS to JDemetra+ does not affect the seasonal adjustment methodology in the INE series, as the TRAMO/SEATS seasonal adjustment method is still used.

As explained in the methodology used for seasonal adjustment, the seasonal adjustment model is maintained for a year, with the first quarters corresponding to the time of the model's re-identification, but the coefficients are recalculated quarterly, so that each quarter the previous results are reviewed (either by re-identification or by revision of coefficients) and therefore the latest series available must always be consulted. The series of the quarterly variation rates of the seasonally adjusted results of employment and unemployment since 2005 and the description of the method used can be found in:

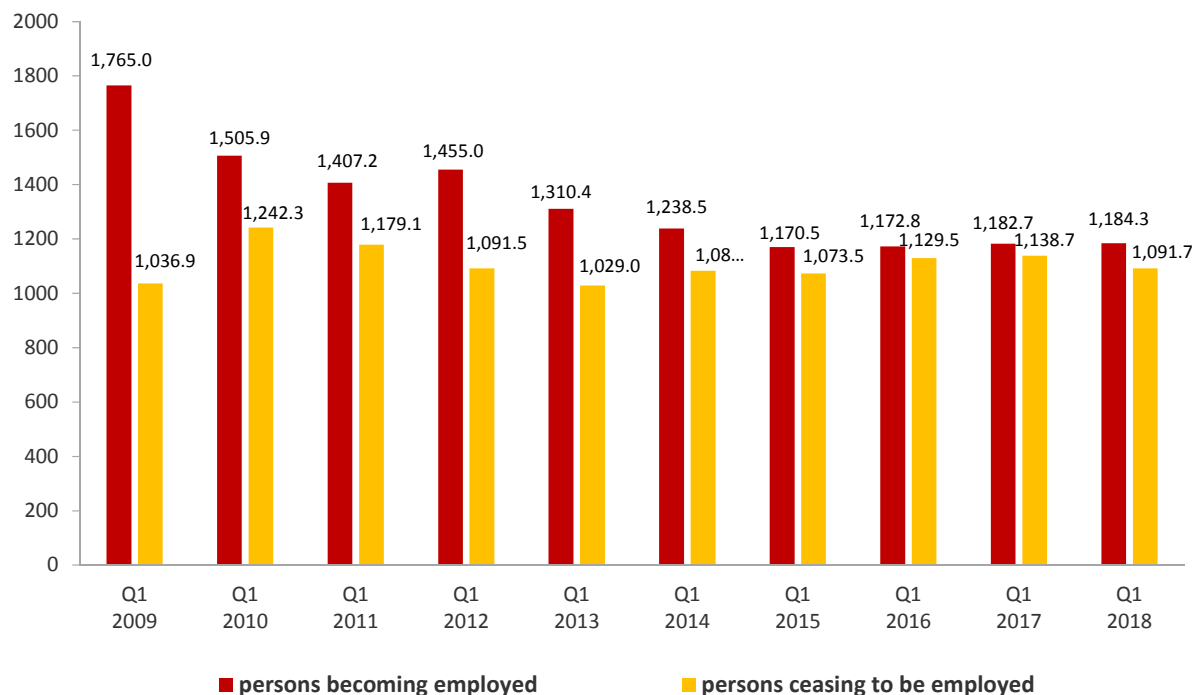
http://www.ine.es/en/daco/daco42/daco4211/epa_desestacional_en.xlsx

Flows in absolute values as compared with the previous quarter⁴

The total inflow to employment in the first quarter of 2018 was 1,091,700 people, a figure 47,000 lower than that registered in the same quarter of the previous year.

However, the outflow from employment was 1,184,300 people, which is 1,600 more than in the same quarter of 2017.

Flows of persons (in thousands) becoming and ceasing to be employed each quarter

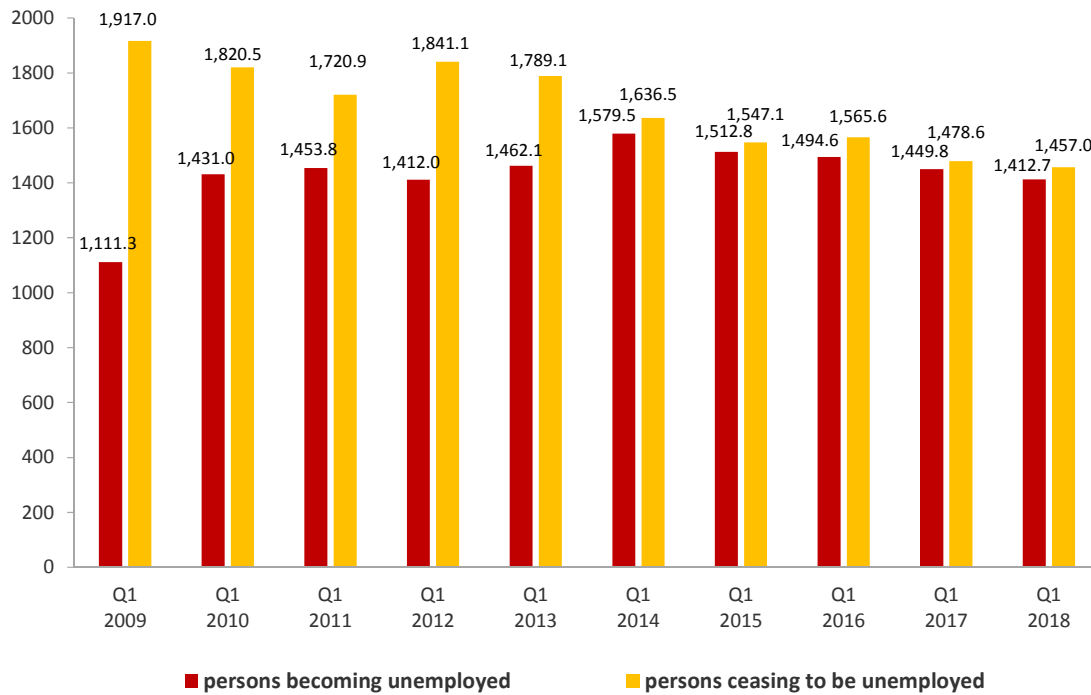


The number of persons who were unemployed three months ago but are not unemployed now stood at 1,412,700, which is 37,100 fewer persons than in the same period in 2017.

However, the total inflow to unemployment reached 1,457,000 people, which is 21,600 fewer persons than in the same quarter of 2017.

⁴ This section compiles the results of the *Economically Active Population Flow Statistics*. Due to the methodology used in its preparation, the results do not necessarily correspond to the net balances of the quarterly EAPS. The differences are caused by the "no data recorded" groups (persons turning 16 years old in the change between one quarter and the next who did not live in Spain in the previous quarter).

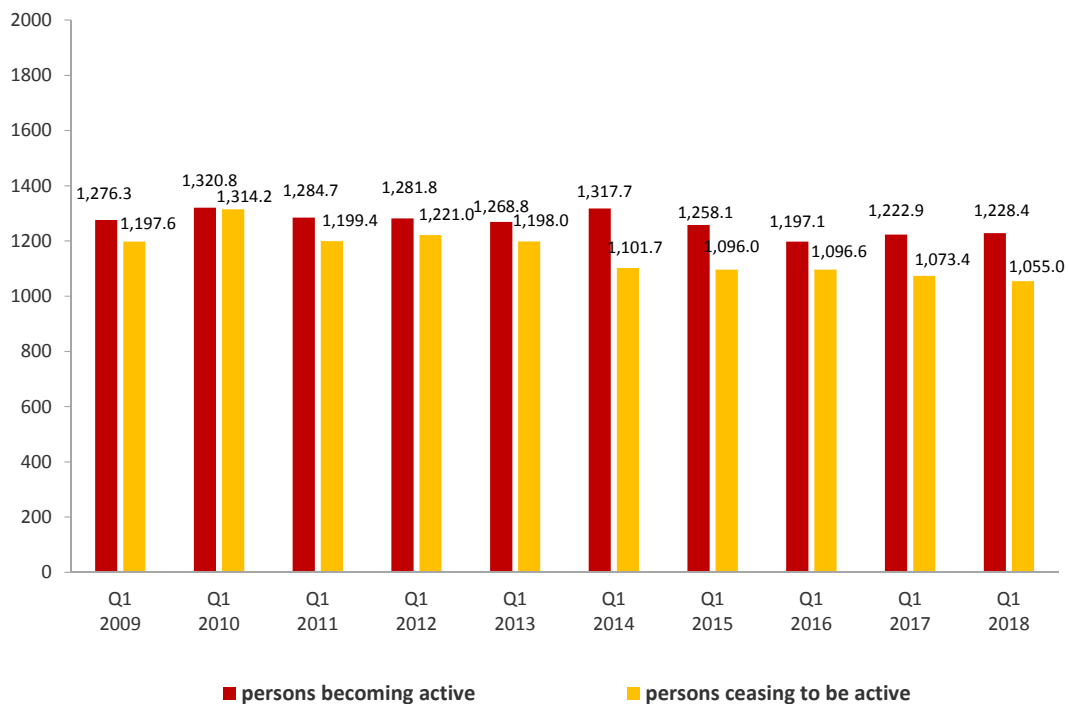
Flows of persons (in thousands) becoming and ceasing to be unemployed each quarter



The inflow to activity in this first quarter was 1,055,000, a figure 18,400 lower than that of the same period in 2017.

Meanwhile, a total of 1,228,400 people have left the activity this quarter, compared to 1,222,900 who did so during the same period in 2017 (that is, 5,500 more).

Flows of persons (in thousands) becoming and ceasing to be active each quarter



The outflow from employment to inactivity of people aged 60 and over was 99,300 this quarter. This figure is higher by 5,500 than that observed in the first quarter of 2017.

People under the age of 25 years who have been employed directly after being economically inactive this quarter were 88,500, the same figure as in the first quarter of 2017.

The flow data on which these comments are based can be found in the annex to this press release http://www.ine.es/en/daco/daco42/daco4211/epafluj0118_en.xlsx

EAPS results by province

The provincial results summary of the EAPS may be accessed via the following link:

http://www.ine.es/en/daco/daco42/daco4211/epapro0118_en.pdf

All the provincial information can also be accessed from the INEbase database:

<http://www.ine.es/dynt3/inebase/en/index.html?padre=996>

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Methodological note

General features

The Economically Active Population Survey (EAPS) is a continuous sample-based study aimed at family dwellings, and which has been conducted since 1964. Its main objective is to obtain data on the labour force and on its different categories (employed, unemployed), as well as on the population outside of the labour force (inactive).

A stratified two stage sample has been used, in which first stage units are census sections. There are 3,588 sections in the sample, to which 234 sections in the Autonomous Community of Galicia are added starting the third quarter of 2009. The additional sample is collected by the Galician Statistics Institute (IGE) using the same fieldwork system and identical methodology to that of the INE. Therefore, the EAPS sample is made up of 3,822 census sections from the more than 36,000 census sections into which Spain is divided. Taking a minimum theoretical sample of 20 households by section, which implies a theoretical size of 76,000 households, an effective sample size of approximately 63,000 dwellings is reached, providing information on some 163,000 persons.

The data is collected via personal and telephone interviews. Interviews are evenly distributed throughout the 13 weeks of the quarter. Following Eurostat's guidelines⁵, the first week of the year is that which has the first Thursday of said year. The first quarter has 13 consecutive weeks which start in the first week of the year. The following 13 weeks are attributed to the second quarter, and so on.

The information is carefully filtered and computer-processed. Results are obtained in the month following the end of the reference quarter for data and are published on the appointed date, as set out in INE's Short-term Statistics Availability Calendar.

Main definitions

(Economically) Active persons: persons aged 16 years old and over who, during the reference week (the week prior to that when the interview is held), supplied labour for the production of goods and services, or were available to do so and in conditions to incorporate themselves into said production. They are divided into employed and unemployed persons.

Employed persons: persons aged 16 years old and over who, during the reference week, worked for at least one hour in exchange for payment (salary, wage, business benefit, etc.) in cash or in kind. Persons who, being employed, had been temporarily absent from their job due to illness, holidays, etc., are also considered employed persons.

Employed persons are classified, considering their professional status, as non-wage earners (employers, businesspersons without wage earners and independent workers, cooperative members, family assistance) and wage earners (public or private).

⁵ See Regulation (CE) No 377/2008 from the Commission.

Considering the length of the working day, employed persons are classified as full-time and part-time employed persons. The usual working week may not be shorter than 30 hours in the first case, nor exceed 35 hours in the second. Part-time employment rate is calculated as the proportion of part-time employed persons compared with the total of employed persons.

Wage earners are classified as permanent and temporary. For the latter, the end of their contract or work relationship is set by means of objective conditions, such as the expiry of a certain period of time, the completion of a specific task, etc. Temporary employment rate is calculated as the proportion of employed persons with a temporary contract compared with the total of employed persons.

A significant category within employment is that of time-related underemployment, defined in the 16th International Labour Statisticians Conference (Geneva, 1998). In the EAPS, time-related underemployed persons are persons who wish to work more hours, who are available to do so and whose actual working hours during the reference week are less than the weekly working hours of full-time employees in the branch of activity in which the unemployed person has their main job.

Unemployed persons: persons aged 16 years old and over who, during the reference week, were unemployed, available for work, and actively looking for a job. Persons who might have already found a job and are waiting to start are also considered to be unemployed, provided that they meet the first two conditions.

According to European Commission Regulation 1897/2000, the following are considered to be active search methods, in the four weeks prior to the interview:

- Being in contact with a public employment office for the purpose of finding work, whatever part they play in the initiative (the renewal of registration due to purely administrative reasons does not constitute active planning).
- Being in contact with a private office (temporary employment agency, specialised hiring agency, etc.) with the objective of finding work.
- Having sent an application directly to employers.
- Having searched via personal relations and trade unions, etc.
- Having advertised oneself or responded to newspaper advertisements.
- Having studied job vacancies.
- Having taken part in a test, public exam or interview in the framework of a contracting procedure.
- Having looked for land, premises or material.
- Having taken steps to obtain permits, licences or financial resources.

(Economically) Inactive persons: persons aged 16 years old and over not included in any of the above categories.

Economically Active Population Flow Statistics: Quarterly changes in the labour situation

The Flows Statistics estimates the magnitude of all the movements that have taken place regarding employment, unemployment and economically inactive situations between

the current and the previous quarter. In order to do so, a longitudinal monitoring of the persons interviewed in the EAPS over time is conducted.

Therefore, results are calculated from the common sample interviewed effectively in both periods, adding the sample of the persons who have turned 16 years of age during the current quarter and the sample of the persons who have arrived in Spain from abroad during that same period.

The rotation established for the EAPS, which consists in renovating one-sixth of the households in the sample each quarter, implies that the maximum available sample to calculate the estimates based on the common sample is 5/6. Nevertheless, incidences regarding information collection in one quarter or the next cause a greater decrease in the proportion of the sample used to estimate flows. Therefore, if the complete sample of persons aged 16 and over of a quarter is around 140,000 persons, the sample that holds flow estimates is a bit more than 100,000.

Elevation factors are calculated in the same way as they are calculated for the quarterly EAPS, but adding an additional measure to the total amount of employed, unemployed and economically inactive persons by Autonomous Community, with the intention that both samples (flow and complete EAPS samples) offer the same results for the main magnitudes in the current quarter.

This procedure, however, does not allow adjusting EAPS flow estimates with the results of previous quarters. This information must always be used in relation with the results of the current quarter. Any accounting exercise involving the addition or subtraction of flow figures to/from the current quarter figures will have discrepancies with the results of the previous quarter, due to the weighting of the used results and the presence in the current quarter of population that was not considered in the previous one (persons arrived from abroad and persons who have turned 16 years of age in the last three months).

A full overview of the results regarding flows may be accessed via the following link:

http://www.ine.es/en/inebaseDYN/flujo30310/docs/metoflujos_valores_absolutos_en.pdf