



EURES (EUROpean Employment Services)

Labour market information: Portugal

08/08/2023

National Level



EURES Advisers

Let us know if you have any questions.



Short overview of the labour market

NOTE: *given the uncertainty resulting from the war in Ukraine and inflationary changes, the information provided is subject to a degree of risk when predicting trends in the economy and labour market. However, despite the current situation, estimated inflation has fallen for 6 consecutive months.*







According to the Employment Survey by INE [the Portuguese National Statistics Institute], Portugal had a total resident population of 10 301 500 in the first quarter of 2023, of which 47.2 % are male and 52.8 % are female.

The active population rose to 5 305 000 (up by 1.8 % on the same period in 2022), while the activity rate was 60.8 %, with a 0.5 % increase in the population in employment compared to the same period of the previous year. However, according to INE data, the labour underutilisation rate remained at 12.5 %, up on the previous quarter and the same period of the previous year. 40 % of this figure corresponds to underemployment among part-time workers and inactive workers available for work but not seeking a job.

The unemployment rate was 7.2 %, higher than in the previous quarter, equalling the level seen 2 years ago. Unemployment continues to affect women more (7.5 %), while youth unemployment (16-24 years) fell slightly to 19.6 %. Long-term unemployment accounts for 36.5 % of the total.

According to the European Labour Force Survey (2022 data), Portugal's activity rate (76.4 %) was higher than the EU-27 average of 74.5 %. The participation of women in the labour market (74.4 %) was also higher than the EU-27 average of 69.5 %.

In terms of new forms of employment, part-time working is still relatively uncommon in Portugal (only 7.3 % of all employment compared to 18.1 % for the EU-27), and is particularly underutilised among women (10.2 %), compared to an average of 29 % of all female employment throughout the EU-27.

During the pandemic, there was a significant increase in remote working practices. Despite a gradual decrease, they   % of the total employed population in the first quarter of 2023, particularly in the   insurance sectors, in the Lisbon Metropolitan Area and in the most highly skilled  .

At the end of May 2023, the number of unemployed people registered with the employment services in Portugal stood at 285 855 (a decrease of over 10 500 compared to May 2022). Of these, 44 % were men, 56 % were women, and 39.8 % had been registered unemployed for over a year.

Almost 14.5 % of people registered unemployed in mainland Portugal were foreign nationals, of whom 7.2 % were from the European Union, 9.6 % from other Eastern European countries (in particular Ukraine), 23.6 % from Africa and 43.9 % from the Americas. It should be noted that over 60 % of foreign nationals registered unemployed were from Portuguese-speaking countries, in particular Brazil (41.1 % of all registered unemployed foreign nationals), Angola, Cape Verde and Guinea-Bissau.

In terms of the country's job market (INE Employment Survey, first quarter of 2023), just 2.9 % of the in-work population were employed in agriculture, livestock farming, hunting, forestry and fishing. Manufacturing, construction, energy and water accounted for 25.1 % of jobs, while 72.1 % of people worked in the services industry.

Portugal continues to shift toward tertiarisation and digitisation, with a particular emphasis on vehicle trade and repair (almost 19.8 % of employment in services), health and social support services (14.3 %) and education (11.9 %).

The hotel and restaurant industry, which represents 9.1 % of all employment in the services sector, was among the most affected in the last 2 years, but appears to be recovering, recording 21 % growth this quarter compared to the first quarter of 2022. Administrative activities and

support services also grew by 10 % (over 17 thousand jobs), as did arts, entertainment, sports and recreation, which grew by 12.6 % compared to the same period in the previous year.

By contrast, the education and financial and insurance sectors saw a decrease of 12.3 % and 10.6 %, respectively, compared to the same period in 2022.

The industry, construction, energy and water sector, which suffered major losses in 2020 and 2021 in both manufacturing and construction, is now showing some signs of recovery, recording a net increase of over 13 800 jobs in the manufacturing industry and 25 800 in construction in the space of one year.

While not the most dynamic sector of the Portuguese economy, the manufacturing industry (which accounts for 17 % of all employment) has been modernising and seeking niches within the market, harnessing innovation and quality as a means of setting itself apart from the competition. The manufacturing industry has also played an important role in the transition to a more sustainable economy, with many companies adopting more environmentally-friendly practices and technologies, reducing the consumption of natural resources and using renewable energy sources.


In the current context, it is worth highlighting the automotive industry, specifically manufacturers of high-quality components, and the agri-food industry, famous for producing wine, olive oil, preserves and other high-quality products, which have set themselves apart through innovation and the use of sustainable production methods. Portugal also occupies a relatively competitive position in the building materials industry, producing materials such as ceramics, cement and masonry products. The same goes for the electronics and technology industries, with an emphasis on the manufacture of electronic components, communications equipment, and software and technology services. Several Portuguese companies have gained international recognition in fields such as automotive electronics, medical devices and software solutions.


Traditional industries, such as footwear and clothing, have also committed to modernisation, innovation and international expansion in recent years, resulting in the creation of more highly skilled jobs. The textile industry, for instance, has gained a reputation for producing high-quality fabrics and for its focus on technical textiles and luxury fashion. Portuguese companies are investing in more advanced technologies, sustainability and digitalisation to increase their efficiency and competitiveness. The use of recycled and biodegradable fibres is an example of this and presents promising opportunities.

Links:

Title / name URL

Instituto do
Emprego e
Formação
Profissional
[Institute for
Employment
and Vocational
Training]:
indicators on
the labour
market <https://www.iefp.pt/estatisticas> 

Instituto
Nacional de
Estatística
[National
Statistics
Institute] <http://www.ine.pt> 

AICEP
[Portugal
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Investment
Agency]
Invest in
Portugal <http://www.portugalglobal.pt/PT/InvestirPortugal/Paginas/investiremPortugal.aspx> 

AICEP Invest
in Portugal (in
English) <https://www.portugalglobal.pt/EN/InvestInPortugal/Pages/index.aspx> 

EUROSTAT EU
Labour Force
Survey <https://ec.europa.eu/eurostat/web/lfs/overview>

Where are the available jobs?

The unemployment rate has decreased among almost all professional groups. Portuguese companies face particular difficulties in recruiting workers in the following fields:

- information and communication technologies (with opportunities in software development, data analysis and cyber security and for IT engineers with specific areas of expertise);
- contact centres / business support centres and shared service centres (including roles in sales, administration, human resources, accounting and management control), professionals with very specific language skills that are difficult to find in Portugal;
- healthcare (doctors and nurses with different specialisations);
- hotels, tourism, restaurants, bars and cafés;
- agriculture (seasonal employment), particularly fruit and vegetable picking;
- construction (plumbers, electricians and other skilled tradespeople);
- renewable energies (project development, installation and maintenance).

For vacancies in contact centres and shared service centres, knowledge of Portuguese is not necessary, since the working languages are English and the relevant native languages. There are also opportunities in the information technology sector for people who do not speak Portuguese. For the remaining positions, Portuguese language skills are essential, particularly in occupations involving contact with the public.

Where are the available workers?

There are workers who could relocate within Europe in the following areas:

- economics, management and other business studies graduates (including accountancy);
- marketing, advertising and sales;
- secondary school teachers (in various subject areas);
- social sciences and humanities graduates (social workers, social educators, etc.);
- certain areas of engineering and related activities (civil and mechanical engineers, architects, etc.);
- in tourism, hotel receptionists and travel/booking agents.

These workers English and/or French language skills as a minimum. They have the ability to communicate in Spanish, acquired informally.

- There are also many workers available to relocate in other lower-skilled occupations: retail (shop assistants, cashiers and ticket sellers);
- cleaning services;
- administration;
- logistics (supply and warehouse employees);
- personal services (childminders or care workers without specialised training).

Workers of this type may have some language skills, though they are generally more basic.

North

Short overview of the labour market

The total population (aged 16 and over) of the North region was 3 105 600 (according to the INE Employment Survey for the first quarter of 2023). It is the most populous region of the country, home to 35 % of the total population, 25 % of whom are under 35 years old.

The population in employment, which accounted for 55.8 % of the total population in this quarter, fell by 0.8 % compared to the same period in 2022.

The unemployment rate, which has been growing since the beginning of 2022 (when it was 5.4 %), stood at 7.6 % in the first quarter of 2023, higher than the national average of 7.2 %.

At the end of May 2023, 110 574 people were registered unemployed (38.7 % of the nationwide total), of whom 43.5 % had been registered for more than a year (long-term unemployed) and 35.2 % were aged over 55.

In terms of forms of employment, this region of the country has the highest level of job stability, 84.1 % of those in work having a permanent contract.

In the region, the importance of agriculture is in decline (both in economic terms and in terms of employment), accounting for just 2.6 % of the region's employed population in the first quarter of 2023. Despite this, the number of people working in the sector increased slightly year-on-year, approaching the figure recorded in the first quarter of 2020.

The North region is characterised by a high degree of industrial specialisation (it is the most industrialised region of Portugal, with 33.3 % of the region's employed population working in the manufacturing industry), particularly in more traditional segments.

However, the job structure in the North is mixed, and it is possible to distinguish between three sub-regions with specific characteristics:

- the Porto Metropolitan Area, with a strong focus on services (particularly retail) and some industrial centres specialising in science and technology;
- a more industrialised surrounding belt open to foreign trade (Cávado, Ave, Tâmega and Entre Douro e Vouga), where the proportion of people employed in industry exceeds the national average;
- the mainly rural areas (Minho-Lima, Trás-os-Montes and Alto Douro), with a high concentration of jobs in agriculture and non-commercial services.

Agriculture is largely based on family businesses. Grapes are a key crop in the region (Douro, Minho-Lima and Cávado), which produces one of the world's most famous fortified wines, Port, and table wines of world-renowned quality. Employment in this sector, which experienced a slowdown in previous quarters, showed a slight year-on-year increase in the first quarter of 2023, approaching the figure recorded in the first quarter of 2020.

The region's heavily export-driven industrial base specialises in the following areas:

- the textile sector, in particular the clothing manufacturing industry, which has managed to adapt to new business models, invest in new technologies and position itself in international markets through the quality of its products, becoming one of the country's leading export sectors;
- the footwear industry, where production levels have increased with a positive impact on employment. The issues facing the industry are the supply and price of inputs, the availability of raw materials and the shortage of labour to meet strong demand;
- forestry, particularly high-quality cork agglomerates, wood products and a strong furniture making industry (facing some challenges in terms of growth and sustainability);
- the manufacture of parts, materials and accessories for the automotive sector;
- the agri-food industry, particularly dairy produce and wines.

The industrial, construction, energy and water sector, which accounts for 33.3 % of all employment in the region – and in particular the manufacturing segments (with an emphasis on

the production of automotive parts and building materials) – saw a growth in employment, with more than 30 000 jobs created in the space of one year.

64.2 % of jobs in the North region are in the services sector, with a focus on vehicle trade and repair (14.8 %), human health and social support (9.8 %) and education (8.3 %), sectors which, despite being the most important, experienced the heaviest job losses compared to the same period of the previous year (60 thousand fewer jobs).

Hotels and restaurants (which account for 5 % of all employment in the region) showed the highest growth in employment in the first quarter of 2023, with over 20 000 jobs created in the last year alone.

Links:

Title / name	URL
Instituto do Emprego e Formação Profissional [Institute for Employment and Vocational Training]: indicators on the labour market	https://www.iefp.pt/estatisticas 
Instituto Nacional de Estatística [National Statistics Institute]	http://www.ine.pt 
Boletim Trimestral 'Norte Conjuntura' [Quarterly Bulletin 'Economic Situation in the North region']	https://www.ccdr-n.pt/pagina/regiao-norte/norte-conjuntura 
Comissão de Coordenação e Desenvolvimento Regional do Norte [North Region Development and Coordination Committee]	http://www.ccdr-n.pt/ 

Where are the available jobs?

In general there has been a fall in the number of job vacancies. However, there are some recruitment needs in the following occupations:

- in industry: welders, CNC operators and low-skilled industrial workers, metalworkers / component assemblers; in more traditional segments: sewing machine operators (in the textile sector) and specialised workers in the footwear industry;
- in services: contact centre and business support centre operators (especially those fluent in French or Spanish, although other languages may be requested), home care workers and hairdressers;
- in agriculture: low-skilled agribusiness workers and some seasonal agricultural and forestry work, specifically in the north-east of the country.

For vacancies in contact centres / business support centres, knowledge of Portuguese may not be necessary, since the working languages tend to be English and the relevant native languages. There may also be opportunities in the IT sector for people who do not speak Portuguese, provided that they have a good command of English. For other positions, Portuguese language skills are essential.

Where are the available workers?

Workers are available in the following areas:

- primary and secondary school teachers (in various subject areas);
- nursery school teachers and childminders;
- recent graduates in general, especially graduates in social sciences, humanities and business studies;
- architects and planning specialists;
- cleaners;
- administrative service employees;
- miscellaneous personnel (particularly construction labourers, assistants in various sectors and general support staff).

Graduates generally have English and/or French and/or Spanish language skills as a minimum. In some of the other professions, language skills, if any, can be very basic.

Centre (P)

Short overview of the labour market

The total population (aged 16 and over) of the North region was 3 084 300 (according to the INE Employment Survey for the first quarter of 2023).

The region had the lowest unemployment rate in the country (5.6 %) and one of the highest employment rates: 57.1 %. However, unemployment increased in both the last quarter of 2022 and the first quarter of 2023.

At the end of May 2023, 38 988* people were registered as unemployed with the region's employment services, 37.5 % of whom were registered for over a year (long-term unemployed).

In the Centre region, the services sector is the largest employer (67.2 %), with an emphasis on vehicle trade and repair (14.1 %), health and social support services (11.5 %) and education (9.7 %). Indeed, this sector has been the main contributor to employment growth in this region, with an additional 20 000 jobs created over the last year, mainly thanks to an increase in jobs in human health and social support, hotels and restaurants, and administrative and support services.


The industrial, construction, energy and water sector (which currently accounts for 29.4 % of employment in the region) has also seen growth over the past year, mainly in the manufacturing industries. Key growth segments included: paper pulp / packaging, ceramics and glass, hardware, metal furniture and taps, water heaters, moulds and plastics and woollens, which continue to show some export potential.

Industry in the region can be divided into two distinct areas, each with their own dynamic:

- the interior – specialising in labour-intensive industries;
- the coast – non-metallic mineral and base metal industries, which have carved a niche for themselves thanks to the distinctive nature of their products.

Traditional and family farming currently accounts for just 3.4 % of all employment, but has seen a small increase compared to the previous year. The sector is mainly focused in the inland regions, where forestry is especially significant, and in the west, where fruit and vegetable farms and vineyards dominate (with links to the agri-food industry).

The region's economy benefits from a wide range of technological support and development structures with ties to local universities (for instance in the fields of ceramics and glass, moulds and specialist tools, textiles and clothing and biomass for producing energy). There are also university departments with links to the pharmaceutical, biomedicine, biotechnology and healthcare industries (based in Coimbra), precision engineering and information technology, etc.

During the quarter in question, 16.6 % of the total employed population worked remotely. It is the region with the second highest rate of remote working, surpassed only by Lisbon. The 'Work From Centro de Portugal' [platform](#)  aims to demonstrate the benefits of the region to those choosing to work remotely from this part of the country, including facilities that enable different forms of working, such as co-working spaces, arts incubators, incubators, business centres, start-up centres, entrepreneurial spaces, creative hubs, hotels, technology parks, co-living, collaborative spaces, rural incubators, artistic residencies and business retreats.

The Centre region covers a quarter of Portugal's border and is home to a fifth of the total border population, an ageing, isolated population, mostly working in agriculture.

Links:

Title / name	URL
Instituto do Emprego e Formação Profissional [Institute for Employment and Vocational Training]: indicators on the labour market	https://www.iefp.pt/estatisticas 
Instituto Nacional de Estatística [National Statistics Institute]	https://www.ine.pt 
Boletim Trimestral da CCDR Centro [Quarterly Bulletin of the Centre Region Development and Coordination Committee]	http://www.ccdrc.pt/index.php?option=com_ccnewsletter&view=newsletterar... 
Datacentro – information on the Centre region	https://datacentro.ccdrc.pt/ 
Comissão de Coordenação e Desenvolvimento Regional do Centro [Centre Region Development and Coordination Committee]	http://www.ccdrc.pt/ 

Where are the available jobs?

The Centre is among the regions creating the greatest number of job vacancies, vying for first place with the Lisbon Metropolitan Area. Gazelle companies* have great potential to generate new jobs in the region, having almost tripled their workforce in 4 years. The main economic activities of these companies include manufacturing (36 %) which, together with construction (20 %) and trade (13 %), accounted for around two thirds of the gazelle companies in the region.

Opportunities exist in the following areas:

- personal care (including care workers, healthcare assistants and childcare workers);
- healthcare – all professional groups;
- distribution, logistics and transport;
- pharmaceutical industry, including research;
- civil construction: skilled workers;
- machine operators;
- unskilled agricultural workers (seasonal vacancies), particularly fruit and vegetable picking and cultivation of trees and bushes.

There is also a need for skilled professionals (with language, programming and other technical skills) in the IT and electronics and contact centre segments.

These jobs are mainly concentrated in the interior of the region, particularly in Castelo Branco, Arganil, Guarda, Viseu, Covilhã and, more recently, Fundão, while IT businesses tend to be located on the coast (Aveiro – Coimbra – Leiria).

- Aveiro – Industrial, maintenance, process and quality engineering;
- Coimbra – Health technology, IT, electronics and commercial technology;
- Guarda – Automotive industry professionals (maintenance, quality, manufacturing);
- Viseu – Industrial engineering and logistics, mainly for the pharmaceutical and automotive industries.
- Leiria – construction project managers, sales staff, site preparation, maintenance technicians and production supervisors. Applicants with a willingness to relocate, particularly from French-speaking countries, are valued. Knowledge of French and of construction software is highly sought after.

Knowledge of Portuguese is very important, with English being used as an alternative working language, particularly in the ITC industry and contact centres.

*‘Gazelle companies’ are young companies (less than 5 years old) that show a rapid growth in employment and turnover, sustained over time. They operate in all sectors and set themselves apart through their market positioning and risk management capacity.

Where are the available workers?

Workers are available in the following areas:

- unskilled mining, construction, manufacturing and transport workers;
- sales staff;
- administrative workers: secretarial and clerical staff, finance and trade specialists.

These workers have limited language skills and mainly work in the following sectors:

- manufacturing and logistics;
- property, administrative and support services;
- wholesale and retail trade;
- public administration, education, health and social care services.

There are also recent graduates with the potential to relocate in Europe, with qualifications in the fields of:

- mathematics and physics;
- social sciences and humanities (i.e. social workers/assistants).

This group possesses English and/or French language skills as a minimum (a growing number having knowledge of German and Spanish), and is more concentrated in the district capitals and along the coastline.

Lisbon

Short overview of the labour market

The total population (aged 16 and over) of the Lisbon Metropolitan Area was 2 391 100 (according to the INE Employment Survey for the first quarter of 2023).

This is by far the most densely populated region of Portugal, with 27 % of the population occupying just 3.3 % of the country's surface area, and is the driving force behind national development, home to 30 % of the country's businesses and 37 % of its employees. With a diversity of landscapes, industries and cultures, it is a dynamic and highly attractive region. Its active population is also the most qualified in the country, around 40 % being graduates – compared to the national average of 31.8 %.

Despite an unemployment rate of 8 % (above the national average of 7.2 %), this region has registered an increase in employment in the last 3 quarters. Net gains in the hotel and restaurant industry, construction and other service industries contributed decisively to this growth.

At the end of May 2023, 98 882 people were registered as unemployed (almost 35 % of the national total), 36.9 % of whom were registered for over a year (long-term unemployed).

In terms of forms of employment, self-employment and part-time work are more common here than in any other region, but still account for just 10 % of all employment.

It was also the region quickest to adopt (full or partial) remote working practices (probably as a result of the high concentration of professional roles). In this quarter, the phenomenon prevails, with 30.1 % of the employed population in the region working remotely, compared to a nationwide average of 19 %.

It is a region defined by a high level of commuting, thousands of people traveling for work, mainly (but not always) to the city of Lisbon itself. This phenomenon increased significantly in 2022, and in 2023 Lisbon was the destination of choice for an unparalleled flow of people.

A sectoral analysis of employment paints a clear picture of the region: agriculture, livestock farming, hunting, forestry and fishing have only residual importance; industry, construction, energy and water account for 15.2 % of all employment while the service sector provides 84.3 % of jobs in the region.

Indeed, it is the region with the greatest concentration of services, with a particular emphasis on those usually provided by the public sector, representing 25.2 % of employment: public administration, defence and social security; education; health and social care services. The central offices of most state agencies are located in Lisbon. The region also has the highest concentration of public and private higher education establishments (nearly one-third of the national total), and a large number of research and development institutions.

Other key industries in economic and employment terms include:

- banks and other financial institutions;
- business services, including consultancy, accounting, IT support and advertising;
- companies managing national infrastructure in the energy (electricity, gas and other fuels), telecommunications (landline, mobile and data networks) and audiovisual (major national TV channels, radio stations and the written press) sectors, air, land and sea transport and associated logistical services;
- civil construction;
- trade, tourism, hotels and restaurants, which represent over 20 % of employment in the region;
- tourism activities that specialise in providing services for the corporate and not-for-profit sector – conferences and events – and the culture and sports sectors;
- private health services;
- certain key manufacturing industries (particularly the automotive industry on the Setúbal peninsula), strongly orientated towards the export market.

Links:

Title / name	URL
Instituto do Emprego e Formação Profissional [Institute for Employment and Vocational Training]: indicators on the labour market	https://www.iefp.pt/estatisticas 
Instituto Nacional de Estatística [National Statistics Institute]	http://www.ine.pt 
Lisbon and Tagus Valley regional information system	https://www.ccdr-lvt.pt/regiao/ 
Comissão de Coordenação e Desenvolvimento Regional de Lisboa e Vale do Tejo [Lisbon and Tagus Valley Regional Development and Coordination Committee]	http://www.ccdr-lvt.pt/ 
Pordata	https://www.pordata.pt/municipios 

Where are the available jobs?

Opportunities exist in the following areas:

- metalworking: particularly metalworkers in the mechanical and construction industries and welders;
- electromechanics: mainly industrial electromechanics, air conditioning and refrigeration;
- civil construction: mainly joiners, plumbers, electricians, bricklayers/tilers, painters and labourers;
- information technology: software and application programmers, web and multimedia programmers, computer network installation and management technicians and computer systems installation and maintenance technicians, multimedia technicians and installers of mechanical machinery and electronic equipment;
- hotels and restaurants: chefs, kitchen porters, confectioners, waiters and bar staff, hotel receptionists;
- healthcare: doctors, nurses and veterinarians;
- motor vehicle repairs: mechanics and motor vehicle repairers;
- personal services: care workers, hairdressers, beauticians and manicurists;
- contact centres and shared service centres: workers with varying degrees of specialisation and/or knowledge of specific foreign languages;
- transport: heavy goods vehicle drivers;
- warehousing and distribution: warehouse workers and operatives, forklift operators;
- manufacturing industry: unskilled production line operatives, tannery workers and packers in the manufacturing industry;
- agriculture: unskilled labourers (seasonal);
- business services: accountants and managers; gardening: gardeners and street cleaners for the maintenance of public spaces.

It is worth noting that reliance on public transport in the Lisbon metropolitan area is a hindrance for accessing certain job vacancies, with many available roles requiring shift work (care workers and restaurant staff).

Knowledge of Portuguese is essential for most occupations. English is the most sought-after working second language. However, French, Spanish, Italian and/or German may be an advantage, particularly in the hotels and restaurants sector.

All roles require some level of ability to use IT tools independently.

In specific areas such as contact centres, knowledge of specific languages to C2 / native level is often sought, together with English, which is the lingua franca between the various nationalities. There are also opportunities in the IT sector for people who do not speak Portuguese (provided that they have a good command of English).

In these segments a combination of remote and office-based working is currently the norm and this trend looks set to continue. However, this is currently only available to Portuguese nationals and people legally resident in the country (with a Portuguese tax identification number, which enables them to sign employment contracts).

Where are the available workers?

The shortage of human resources cuts across several sectors. Workers are available in the following fields:

- graduates in social sciences, humanities and business studies (psychologists, sociologists, historians, managers, economists, *marketers*, media professionals, etc.), particularly young, recent graduates;
- administrative staff;
- sales executives;
- unskilled workers in certain manufacturing industries;
- general workers (particularly young people with basic or secondary education);
- some workers without official qualifications, but possessing experience in the role: waiters, kitchen porters, chefs;
- cleaners;
- light goods vehicle drivers;
- sales assistants, shop workers and shelf stackers;
- teaching assistants.

Graduates and more highly skilled professionals generally have language skills in English and/or French and/or Spanish as a minimum. Less skilled professionals usually have a low level of education and limited language skills. Regardless of one's professional and academic qualifications, Portuguese language skills, even at a basic level, are a key factor when being hired, and preference is given to those who possess them.

Alentejo

Short overview of the labour market

In the first quarter of 2023, the total population (aged 16 and over) of the Alentejo region was 604 800 (according to the INE Employment Survey for the first quarter of 2023). Despite being the largest region in Portugal, accounting for over one third of the country's surface area, it has a low population density and is home to just 6.8 % of the Portuguese population.

Free from congestion, it is unspoilt and safe, rich in heritage and culture and has the potential to stand out and compete sustainably.

However, Alentejo is not a single region: it is formed of at least 4 regions (North Alentejo, Alentejo Central, Baixo Alentejo and Alentejo Litoral), each of which has its own peculiarities, while sharing certain socio-economic characteristics.

Although it is usually the region with the lowest activity rate in the country, it also tends to have a lower unemployment rate than other regions. However, in the first quarter of 2023, this rate rose to 7.2 % from 5.1 % in the same quarter of the previous year.

At the end of May 2023, 13 175 people were registered as unemployed with the region's employment services, 40.7 % of these for over a year (long-term unemployed) and nearly 13 % being under the age of 25.

Certain local products are known worldwide for their quality: cork, decorative stone, wine, olive oil and fresh vegetables. Most of the region's land is devoted to agriculture (usually combined with livestock farming) and around 10 % of the population works in this sector (the national average is 2.7 %). This is becoming increasingly specialised and mechanised, due in part to the large size of farms in the region (over 60 hectares on average). The main products are cereals, grapes and olives, tree fruits, cattle ('*carne alentejana*' or 'Alentejo beef') and pigs ('*porco preto*' or 'black pork'). In the coastal region, large areas are devoted to soft fruit such as strawberries, raspberries and blackberries. Forestry (in particular cork oak and cork extraction) is also an economically significant industry in Alentejo. Portugal is already the world's largest cork producer, accounting for half of all global production.

Alongside these key traditional sectors, tourism also plays an important role. According to INE data, Alentejo is among the regions where the number of overnight stays has increased most sharply, up 22.3 % since March 2019.

The secondary sector, representing 22.6 % of the employed population – 60 % in manufacturing and 27.4 % in civil construction – is fairly buoyant. There is some specialist industry within the agri-food sector (production of PDO-certified cheese, wine and smoked meats), the chemical and oil derivatives sector (the latter associated with the Sines industrial complex), and manufacturing of automotive and aircraft components, and electronic components.

The development of infrastructure to improve accessibility has been an important factor in attracting foreign investment to this region.

The services sector (which accounts for 67.4 % of employment) has recorded 20 000 job losses over the past year, many of these in the education and public administration segments. By contrast, hotels and restaurants and vehicle trade and repair grew most in year-on-year terms.

Cross-border commuting with the Extremadura and Andalusia regions of Spain is relatively insignificant, except in the municipalities of Serpa, Campo Maior and Elvas. This movement mainly involves agricultural workers.

Links:

Title / name	URL
Instituto do Emprego e Formação Profissional [Institute for Employment and Vocational Training]: indicators on the labour market	https://www.iefp.pt/estatisticas 
Instituto Nacional de Estatística [National Statistics Institute]	http://www.ine.pt 
Comissão de Coordenação e Desenvolvimento Regional do Alentejo [Alentejo Regional Development and Coordination Committee]	https://www.ccdr-a.gov.pt/ 
CCDR Alentejo [Alentejo Regional Development and Coordination Committee] – regional monitoring	https://www.ccdr-a.gov.pt/index.php/dr/monitorizacao-regional 

Where are the available jobs?

Skilled staff are required in the following occupations:

- agricultural, agri-food and mechanical engineers;
- computer programmers;
- agricultural and forestry machinery repair technicians and operators;
- agricultural workers for fruit picking (seasonal, from March to October);
- electromechanical and electrical maintenance technicians;
- highly-skilled chefs;
- waiters;
- hotel receptionists;
- fish processing and cannery workers;
- meat processing workers;
- civil construction workers of all types;
- heavy goods vehicle drivers;
- care workers.

Where are the available workers?

Workers are available in the following areas:

- unskilled workers in services and trade;
- office staff;
- protection and security officers;
- home help.

These workers generally do not have language skills or, when they do, they are very limited.

Algarve

Short overview of the labour market

The total population (aged 16 and over) of the Algarve region was 364 600 people (according to the INE Employment Survey, first quarter 2023), which represents a small decrease on previous quarters. The employed population also decreased, both in relation to the same quarter or the previous year and the one before.

The unemployment rate was 7.2 %, its highest level since the third quarter of 2021 and a significant increase on the previous quarter (6.3 %). However, this figure is expected to fall in the coming quarters, especially with the arrival of summer and the increase in seasonal employment.

Unemployment in this region tends to be seasonal. The arrival of hundreds of thousands of tourists every year, particularly between June and September, boosts the tourism and hotel trade and is reflected in an increased demand for staff in the trade and service sectors, contributing to an uptick in employment during this period, followed by a sharp drop in the subsequent quarter.

At the end of May 2023, 10 478 people were registered as unemployed with the region's employment services, of whom 30.5 % were long-term unemployed but only 9.8 % were under the age of 25 (representing the lowest relative youth unemployment rate in the country).

In terms of employment trends by sector of activity, there was an increase in jobs in vehicle trade and repair, construction and administrative and support services compared to the first quarter of 2022. 82 % of the employed population in this region works in the services sector, 33 % in trade, hotels and restaurants and 25 % in the public sector (public administration, defence and social security; education; human health and social support).

The Algarve continues to be a low-knowledge job market, with a strong focus on personal services and an ongoing prevalence of low-skilled employment (and unemployment).

Apart from the hospitality sector, the business landscape consists almost exclusively of small and micro-enterprises whose staff have few qualifications.

However, this region has seen an improvement in the educational level of its labour force, the proportion of people with higher education qualifications gaining on other regions, while remaining below the national average. The University of the Algarve is an important centre for cultural, scientific and technological development, with strong links to business. It is a dynamic university that responds to the region's development strategies by promoting areas of study and research relevant to key regional industries.

The economy of the Algarve is based on six key sectors associated with the region's natural resources: hotels, restaurants and tourism, healthcare, IT, the creative industries, the agri-food industry and maritime activities.

There are many companies dedicated to retail and wholesale trade, car rental, hotels and restaurants, underlining the role of tourism as a polarising force in the local development of the Algarve.

The level of cross-border commuting in areas close to the border with Andalusia in Spain remains relatively insignificant, mainly because of the similar economic structure of the two regions. Most Portuguese cross-border commuters working in Andalusia are employed in hotels, restaurants, fish canning plants and agriculture.

Links:

Title / name	URL
Instituto do Emprego e Formação Profissional [Institute for Employment and Vocational Training]: indicators on the labour market	https://www.iefp.pt/estatisticas 
Instituto Nacional de Estatística [National Statistics Institute]	http://www.ine.pt 
Comissão de Coordenação e Desenvolvimento Regional do Algarve [Algarve Regional Development and Coordination Committee]	http://www.ccdr-alg.pt/ 
Observatório das Dinâmicas Regionais do Algarve [Algarve Regional Dynamics Observatory]	https://www.ccdr- alg.pt/site/info/observatorio-das-dinamicas- regionais 

Where are the available jobs?

Employers in the region have difficulty recruiting:

- in the healthcare sector, doctors, nurses and hospital assistants or their equivalent;
- agricultural labourers for the fruit harvest, particularly for soft fruits (raspberries) at specific times of the year, particularly February to June;
- in IT-related professions and electronic engineering;
- workers in the tourism, hotel and restaurant sectors.

Knowledge of Portuguese is essential for most jobs. Knowledge of English, French, Spanish and/or German may be an advantage in the hotel and restaurant sector and for occupations requiring contact with the public.

Where are the available workers?

There is a surplus of labour in the following fields:

- clerical staff and other unskilled trade and service sector workers;
- cleaners;
- light goods vehicle drivers;

Given the highly seasonal nature of the tourism industry in the region, there are generally workers available in the tourism, hotels and restaurants sector from October to April.

There are also non-specialised workers who, despite having no significant professional experience, are available to work in factories (mass production, assembly lines).

In terms of economic activities, most unemployed workers come from the hotel and restaurant sector (November to March), trade and other service activities, property, administrative and support services.

Many of these workers have some language skills, especially in English, but these are sometimes limited and obtained informally (mainly spoken).

Azores

Short overview of the labour market

According to the Employment Survey for the first quarter of 2023, the total population of the Azores (aged over 16) stands at around 204 200. The Azores remains the youngest region in the country: almost 30 % of the resident population is under 35 years old (the national average is 24.3 %), but it also has the lowest percentage of graduates in the labour force (20.6 % compared to the national average of 31.8 %).

The unemployment rate stood at 6.2 %, 0.7 percentage points higher than in the previous quarter, but remained the second lowest in the country.

At the end of May 2023 (Institute for Employment and Vocational Training data), there were 5 260 unemployed people registered with Centres for Qualification and Employment in the region, 35 % of whom were young people under the age of 35. Long-term unemployment (those registered for over a year) accounted for 37.5 % of the total unemployed population.

The regional economy is mainly based on the tertiary sector, which provides almost 76 % of all jobs. Within this sector, services usually provided by the public sector (public administration, social security, education, health and social care services) are particularly important, representing 33 % of all jobs in the region. Vehicle trade and repair (14.3 %) and hotels and restaurants (7.8 %) are also major sources of employment in the region, buoyed by sustained growth in the tourism industry in recent years, both in traditional hotels and local accommodation, and restaurants and tourist-orientated leisure services.

In the secondary sector (15.5 % of all jobs), manufacturing (5.7 % of overall employment) plays a fairly important role, particularly the agri-food industry, which combines export-oriented activities such as production of tea and dairy products (particularly yoghurt, cheese and butter), with other activities mainly catering to the local market, such as tobacco. Civil construction also accounts for a significant proportion of jobs in the region (8.1 %), a level that has increased in the last year, leading to a growing struggle to recruit in this sector.

Finally, the primary sector, which consists mainly of arable and livestock farming, continues to play a significant role in the regional economy, accounting for 8.1 % of overall employment. Key products include pineapples, bananas and tea, beef (from the Azores demarcated region) and beef products, both for local consumption and export to mainland Portugal.

Links:

Title / name	URL
Instituto do Emprego e Formação Profissional [Institute for Employment and Vocational Training]: indicators on the labour market	https://www.iefp.pt/estatisticas 
Instituto Nacional de Estatística [National Statistics Institute]	http://www.ine.pt 
Governo Regional dos Açores [Regional Government of the Azores]	http://www.azores.gov.pt 
Serviço Regional de Estatística dos Açores [Regional Office for Statistics of the Azores] – publications on the labour market	https://srea.azores.gov.pt/Conteudos/Relatorios/lista_relatorios.aspx? i... 

Where are the available jobs?

Workers are needed in the following sectors:

- civil construction (skilled workers such as joiners, plumbers, electricians, bricklayers and metalworkers);
- hotels and restaurants (limited in the 2020 summer season);
- trade;
- Personal support services – care for the elderly and other vulnerable people

Knowledge of Portuguese is indispensable in all professions, but fluency in English may be sufficient in the tourism industry. In addition to English, knowledge of French or other languages can be an advantage in the fields of outdoor or nature tourism and in the hotel and restaurant sector.

Where are the available workers?

Unemployment is highest in the following sectors:

- public administration, education, health and social care;
- trade;
- property, administrative and support services;

and in the following occupations:

- cleaners;
- sales staff;
- waste operatives and other basic services;
- unskilled labourers in the mining, construction, manufacturing and transport industries;
- clerical staff, secretaries and data processing assistants.

The more highly skilled professionals generally have language skills, at least in English. Less qualified individuals tend to have poor language skills.

Madeira

Short overview of the labour market

The total population (aged 16 and over) of the Autonomous Region of Madeira was 221 200 (according to the INE Employment Survey for the first quarter of 2023). 44 % of the resident population was under 45 years of age (above the national average of 39.5 %) and 24.9 % of the active population was educated to degree level.

The unemployment rate stood at 6.5 %, below the national average and lower than the previous quarter and the same quarter of the previous year.

At the end of May 2023, 8 498 people were registered as unemployed with the region's employment services, 28.1 % of whom were under the age of 35. Long-term employment is the highest in the country: 48.4 % of unemployed people have been registered for more than a year (national average: 39.8 %).

Employment has seen a sustained recovery since the beginning of 2022, with 3.6 thousand additional jobs created in the space of a year.

The regional economy is mainly based on the tertiary sector, which accounts for 82.8 % of all jobs. In this sector, public administration, social security, education and health and social care services are particularly significant, representing 30 % of jobs in the region, followed by hotels and restaurants (15.6 %) and vehicle trade and repair (12.8 %). Tourism is the main driving force of the regional economy and its greatest source of revenue.

Around three-quarters of the archipelago's population live on the south coast, mainly in the capital city, Funchal. Much of the economic activity occurs in this area, which also has the highest concentration of hotels.

13.4 % of the region's employed population work in the secondary sector, with civil construction continuing to play an important role (8.1 %). In the manufacturing sector, which has relatively little weight in the region (just 3.7 % of employment), export-driven craft industries such as embroidery, tapestry and wickerwork coexist with other activities mainly catering to the regional market, such as milling, breadmaking and confectionery, dairy products, beer, tobacco and wine.

Finally, the primary sector – which has been decreasing in relative importance, accounting for just 3.8 % of employment in the quarter in question – is almost entirely dominated by agriculture, in particular banana production and the world famous Madeira fortified wine.

Links:

Title / name	URL
Instituto do Emprego e Formação Profissional [Institute for Employment and Vocational Training]: indicators on the labour market	https://www.iefp.pt/estatisticas 
Instituto Nacional de Estatística [National Statistics Institute]	http://www.ine.pt 
Regional Government of Madeira	https://www.madeira.gov.pt/ 
Instituto de Emprego da Madeira [Madeira Employment Institute]	https://www.iem.madeira.gov.pt/ 
Madeira Employment Institute statistics	https://www.iem.madeira.gov.pt/instituto/estatisticas/ 
Direção Regional de Estatística da Madeira [Regional Department of Statistics of Madeira] – Employment Survey	https://estatistica.madeira.gov.pt/download-now/social/merctrab-pt/merc... 

Where are the available jobs?

Employers in the region have difficulty recruiting:

- professionals with higher education qualifications in:
 - commercial management, marketing and sales;
 - healthcare (nursing, physiotherapy, pharmacy, veterinary);
 - engineering (IT, electrotechnical, environmental);
 - accounting (certified accountants);
- workers with vocational / intermediate qualifications in:
 - civil construction (draughtspeople, welders, joiners, upholsterers, rebar installers, backhoe loader operators);
 - confectionery;
 - real estate sales representatives and agents;
 - hairdressers;
 - car mechanics;
 - pharmacists;
 - refrigeration technicians;
 - occupational and environmental hygiene, health and safety technicians;
- workers without specific qualifications, particularly in civil construction: experienced tradespeople (metalworkers, bricklayers, tilers, plasterers and glaziers).

Knowledge of Portuguese is essential for most jobs. Knowledge of English, French, Spanish and/or German may be an advantage in the hotels and restaurants sector, particularly in occupations requiring contact with the public.

Where are the available workers?

There are available unemployed workers in the following professional fields:

- hospitality: chefs, waiters and bar staff, food preparation assistants;
- trade: shop assistants, salespeople and general sales staff;
- administration: clerical staff, secretaries and data processing assistants;
- personal services: hairdressers and beauticians;
- cleaners and waste disposal operatives, including domestic cleaners, road sweepers, office assistants, goods distributors and other miscellaneous roles;
- unskilled workers in the mining, manufacturing, construction and transport industries.

These workers generally have some language skills, particularly in English. Some workers have limited knowledge of French and German.

[Living and working conditions - Portugal](#) ([//living-and-working/living-and-working-conditions/living-and-working-conditions-portugal_en](#)).

[Free movement of workers](#) ([https://ec.europa.eu/social/main.jsp?langId=en&catId=1172](#)).

[Find a job - Portugal](#) ([https://ec.europa.eu/eures/portal/jv-se/search?page=1&resultsPerPage=10&orderBy=BEST_MATCH&locationCodes=pt](#)).

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