

EMPLOYMENT AND TRAINING 2024 ANNUAL REPORT

EXECUTIVE SUMMARY

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1. Macroeconomic scenario - Portugal in the European context

1. The year 2024, like the previous year, was still affected by the uncertainty associated with international conflicts, especially in Ukraine and various regions of the Middle East, which were exacerbated by the electoral cycles that brought about changes in several European countries and, at the end of the year, in the United States. In Portugal, the year that began with a political crisis also saw parliamentary elections that led to the formation of a new government.
2. In spite of the uncertain environment, the Portuguese economy recorded real growth of 1.9% in 2024. Although this represents a slowdown (-0.7 p.p.) compared to 2023, for the third consecutive year, growth is significantly higher than that recorded in the European Union as a whole (1.0%).
3. In the area of public finances, public expenditure and revenue increased by 7.6% and 6.3% respectively. The weight of public debt in GDP at the end of the year stood at 96%.
4. Despite the fiscal policy stance, there continued to be a public account surplus corresponding to 0.7% of GDP, albeit lower than in the previous year (1.2%). Per capita GDP (GDPpc) shows a similar trend, although, due to population growth, it is slightly lower than GDP (+0.9%). However, the change recorded represents a slowdown compared to the previous year (+1.6%) and is closer to the change recorded by the European Union (+0.7%).
5. At the end of the year, GDPpc (in purchasing power parities) in Portugal corresponded to 81.6% of the European Union value. Reflecting the faster pace of growth of the Portuguese economy compared to the European economy in every year of the post-pandemic period, 2024 was the third consecutive year in which Portuguese GDP per capita approached the European average (+4.2 p.p. since 2022). Despite this, the difference remains very significant.
6. The recovery in external demand, particularly for goods, and the dynamism of private consumption in the second half of the year, which, as mentioned above, benefited from the expansion in household disposable income, contributed positively to the observed GDP growth.

- 7.** On the external front, exports of goods and services, although slowing down, increased by 3.4% (3.8% in the previous year), because of the combined evolution of the recovery in goods exports and the slowdown in the services component. In turn, imports of goods and services accelerated significantly, increasing by 4.9% (1.8% in the previous year) due to the increase in imports of goods.
- 8.** The inflation rate stood at 2.7% in 2024 (5.3% in 2023), compared with 2.6% (6.4%) in the European Union. Despite the clear slowdown, the inflation rate remained above, but closer to, the medium-term target (2%). In December 2024, the average price level exceeded the 2021 figure by 16.2%.
- 9.** Inflation behaviour in 2024 reflects the evolution of product prices (core inflation, which excludes the evolution of volatile component prices) – +2.5% compared to +5.0% in 2023 – and unprocessed food prices – +1.6% compared to +9.0% in 2023. Prices for food and non-alcoholic beverages were 28.0% above the average level for 2021 at the end of the year.
- 10.** Contrary to what happened in the previous two years, there was an easing in the cost of financing, which benefited most sectors of the economy. Nevertheless, the transition to 2025 is marked by some uncertainty and a slight increase in interest rates during the first quarter.
- 11.** In the labour market, the slowdown in GDP growth was reflected in a deceleration in the pace of total employment growth (+1.3% versus 1.9% in the previous year). However, because the increase in the working population was substantially lower than in the previous year (+1.2% versus +2.4%, respectively), the unemployment rate remained stable (6.5% in both years), but distanced itself from the European Union average, which fell from 6.1% to 5.9%.
- 12.** Despite the evolution of the capital/labour ratio, labour productivity, both in terms of the number of workers and, above all, hours worked, evolved favourably, albeit with a sharp slowdown in the former case.
- 13.** In a context of productivity and employment growth, salaries per worker grew by 7.8% in nominal terms, with total labour salaries (including social contributions paid by employers) representing 48.3% of GDP, which is already above the European Union average (47.9%).
- 14.** The combined evolution of productivity and labour salaries led to a nominal growth in unit labour costs of 7.7% (6.4% in 2023), 2.7 p.p. above the average growth in the European Union.

2. Summary analysis of labour market developments

2.1. Labour supply

- 15.** According to data from the INE Employment Survey, in 2024, 10,668,400 people resided in Portugal, representing a 1% increase compared to 2023. The number of female residents increased by 1% and the male population also increased by 0.7% compared to 2023.
- 16.** According to INE's annual estimates¹ for both emigration and immigration, in 2024 there was a significant positive net migration (an increase of 143,600 individuals), given that around 33,900 people left Portugal permanently, which was offset by the permanent entry of 177,600 people.
- 17.** Looking at this data by gender, it is clear that, throughout the period under review, permanent and temporary male emigration has always been higher than female emigration.
- 18.** In terms of age structure, in 2023² there was a concentration of the emigrant population in the 25-54 age bracket, whose relative weight in both permanent and temporary emigration exceeded more than half of the total emigration, i.e. 63.9% of permanent emigration and 53.2% of temporary emigration belonged to this age group.
- 19.** The 15-24 age group also showed significant numbers, accounting for more than 20% of total Portuguese emigration over the last few years under analysis. In fact, in 2023, more than 25% of emigrants, both temporary and permanent, were between 15 and 24 years old.
- 20.** In Portugal, in 2024, the inactive population aged 16 and over totalled around 3,742,500 people, 1.1% less than the previous year. More than half of these inactive people were retired (57.1%) and, together with the student category, were the ones who grew in relation to 2023. Students accounted for 18.3%, while 'other inactive' and 'domestic' workers represented 15.8% and 8.8%, respectively. The 'other inactive' category saw the largest decrease compared to 2023 (1.5%).
- 21.** The activity rate of the population aged 16 and over in 2024 was 60.2%, remaining unchanged from 2023. The male activity rate was 64.2% and did not increase compared to 2023, while the female activity rate, which was 56.7%, increased by 0.1 p.p.

¹ Data collected in June 2025. Annual estimates of emigration and annual estimates of immigration.

² Last available year. Data collected in June 2025.

- 22.** In 2024, the activity rate increased for all age groups except for the 16-24 age group, which decreased by 0.8%, and the 35-44 age group, which also decreased by 0.2%. The biggest increase was in the 55 to 64 age group (1.2%). With regard to women, there was a more significant decrease in the 35 to 44 age group (0.5%), while for men, there was a notable decrease in the 16 to 24 age group (1.1%).
- 23.** In 2024, the proportion of early school leavers in Portugal, i.e. those aged 18 to 24 whose level of education does not exceed lower secondary education (ISCED 0-2) and who are no longer in school or other types of training, remained below the EU average. It should be noted that this early school leavers, which has been progressively decreasing, has shown a more pronounced decrease in Portugal than in the average of European countries.
- 24.** In 2024, the percentage of the Portuguese population aged between 15 and 29 who were neither working nor studying or attending any other type of training remained below the European average (2.4 percentage points lower).

2.2. Employment

- 25.** According to the INE Employment Survey, in 2024, 5,112,300 people were employed in Portugal, representing an increase of 61,100 employees compared to 2023, a less significant increase than in previous years. Employed men made up 51% of the total, but the number of employed women grew more (1.3%).
- 26.** In 2024, in Portugal, the employed population with basic education represented 33.8% of the total, with the employed population with secondary education representing 32.8% and the population with higher education representing 33.4%. Between 2023 and 2024, the number of people employed with basic education decreased by 6%, significantly more than in the previous year; the employed population with secondary education grew by 4.5% and the population with higher education grew by 6%.
- 27.** According to INE data, in 2024, approximately 4,349,900 individuals in Portugal were employees, representing 85.1% of the total number of people employed; 736,800 were workers, constituting 14.4% of the total, and 25,500 were unpaid family workers. Approximately 67.1 per cent of workers worked alone.

- 28.** In Portugal, in 2024, the full-time employed population totalled 4,682,900 people, representing 91.6% of the total and growing by 1.1% compared to 2023 (an additional 49,000 people). Men working full-time represented 52% of the total, but grew less than women compared to the previous year.
- 29.** The part-time employed population also increased, growing by 2.9% (12,100 more people), but it should be noted that between 2023 and 2024, the number of men in this category grew by 7.1% (i.e. an increase of 10,600 people).
- 30.** In Portugal, in 2024, of the 4,349,900 people who were employed (TCO), 84.1% (around 3,656,700 people) had full-time contracts, with their number growing by around 97,900 compared to 2023. Employees with fixed-term contracts represented 13% (567,500 people), having decreased by around 53,400 people compared to the previous year. Employees with other types of contracts constituted 2.9% (125,700 people) and decreased by around 5,100.
- 31.** In 2024, as many as 72.3% of employed persons in Portugal, i.e. about 3,694,400, worked in the Services sector; 24.7% (1,263,800) worked in industry, construction, energy and water, and 2.6% (133,600) in agriculture, animal production, hunting, forestry and fishing.
- 32.** Employment in the Services sector grew between 2023 and 2024, increasing by around 65,200 people (1.8%). In Industry, construction, energy and water, there was also an increase of 1,300 people (0.2%). In agriculture, animal production, hunting, forestry and fishing, employment fell by 3,500 people (2.6%).
- 33.** Looking at the most representative groups in terms of employed population in Portugal in 2024, the group of intellectual and scientific specialists accounted for 23% of total employees; personal, protection and security workers and salespeople (18.2%); skilled industrial and construction workers and craftsmen (12.8%) and intermediate-level technicians and professionals (11.6%).
- 34.** According to data from the Directorate-General of Administration and Public Employment (DGAEP), in December 2024, there were around 753,900 jobs in public administration in Portugal, 7,500 more than in the same period of the previous year. Approximately 62.4% of these jobs were held by women, who saw an increase of 6,500 compared to the previous year, while men saw an increase of 1,000 jobs.
- 35.** Considering the statistical information provided by the INE Employment Survey, it is estimated that, in 2024, Portugal will have had a labour underutilisation rate of 11%.

2.3. UNEMPLOYMENT

- 36.** Based on data from the INE Employment Survey, in 2024, 351,100 people were unemployed in Portugal, a figure identical to that recorded in 2023. Unemployed women accounted for 52.6% of the total, having grown by 0.9% between 2023 and 2024; unemployed men, on the other hand, decreased compared to the same period (0.8%).
- 37.** Between 2023 and 2024, unemployment rose in most age groups, except for the 25 to 34 age group, which fell by 4.4%, and the 35 to 44 age group, which also fell by 3.9%. The number of unemployed men grew significantly in the 55 to 74 age group (20%) and in the 45 to 54 age group (6.2%). With regard to unemployed women, there was a significant increase in the 16 to 24 age group (10.4%), followed by the 45 to 54 age group, which also grew (6.2%), and finally the 55 to 74 age group (3.2%).
- 38.** The Portuguese unemployment rate has shown a progressive decline over the last decade, reaching 12.6% in 2015, the year in which unemployment in Portugal peaked during the period under review. Since then, the trend has reversed, with a gradual decrease in the unemployment rate, which stood at 6.5% in 2024.
- 39.** The unemployment rate among young people aged 15 to 24 showed a very similar pattern to that of the total population. In fact, the Portuguese youth unemployment rate, which, like the overall unemployment rate, peaked in this series in 2015 (31.8%), gradually declined until 2019, when it stood at 18.3%. Since then, it has fluctuated, settling at 21.6% in 2024.
- 40.** In Portugal, in 2024, the unemployed population seeking new employment constituted 85.4% of the total unemployed (approximately 299,800 people). The unemployed looking for their first job accounted for 14.6% (around 51,400 people). Compared to 2023, unemployment grew (1%) in the category of unemployed seeking their first job and decreased slightly (0.1%) in the category of unemployed seeking new employment.
- 41.** In 2024, in Portugal, of the 351,100 unemployed, approximately 140,000 (41.3% of the total) had been unemployed for 12 or more months, i.e. they were long-term unemployed (LTU). Between 2023 and 2024, the number of long-term unemployed fell by around 2.4 thousand people. However, the number of unemployed for up to 12 months increased by approximately 2,500. In 2024, women accounted for 52.3% of LTUs, with their share increasing slightly (by around 0.1 percentage points) compared to 2023.

- 42.** According to the monthly labour market statistics provided by the IEFP, at the end of December 2024, around 335,700 unemployed people were registered at Portugal's employment centres, representing an increase of 18,000 individuals compared to the same period in the previous year. This increase in registered unemployment had a similar impact on both sexes, although the percentage increase in the number of men registered at Employment Centres was slightly higher (5.8% for men, compared to 5.5% for women).
- 43.** In Portugal, according to statistics provided by the MTSSS Institute of Informatics, at the end of 2024, there were around 187,000 beneficiaries receiving unemployment benefits. Of these, 751 workers were receiving benefits for cessation of activity.

2.4. Labour flows between employment, unemployment and inactivity

- 44.** In 2024, the employed population continued to present a surplus (approximately 61,000 more people), which resulted from individuals entering the workforce from a situation of inactivity or unemployment. The inactive population, on the other hand, showed a decrease of 61,100 people, mainly due to the number of people who moved from inactivity to employment.
- 45.** According to information provided by the Directorate-General of Administration and Public Employment, in 2024, 175,700 workers entered the public administration in Portugal, of which around 74,300, or 42.3%, were new recruits³ and the rest came from mobility and other situations⁴.
- 46.** Looking at the Social Security Statistics, made available by the MTSSS Institute of Information Technology, through the Statistical Bulletin of the Department of Planning and Studies (GEP), in 2024, 1,356 employers were in a lay-off situation, which was an increase of around 22.1% compared to the same period last year. In 2024, the upward trend seen in 2023 continued, a year in which there was a significant increase in the number of entities in this situation.
- 47.** Looking at the statistics from the Directorate-General for Employment and Labour Relations (DGERT), in 2024, there were 497 collective redundancies, affecting around 5,700 workers (59% more than the previous year). Compared to the same period in 2024, there was a 15.3% increase in the number of collective redundancies reported, corresponding to 66 more redundancies.

³ Includes employees of entities that entered the sub-sector through reclassification.

⁴ Includes internal recruitment, mobility, secondment, return from unpaid leave or probationary period, service commission (start or return), and other situations.

3. Corporate Structure and Workers in the Companies

- 48.** According to data provided by the Department of Planning and Studies (GEP) of the MTSSS, in 2023, 291,300 companies responded to the Establishment Plans, an increase of around 6,400 companies compared to the same period last year, thus maintaining the growth trend seen in the previous year.
- 49.** In 2023, according to the Establishment Plans, there were 3,494,900 workers employed by companies, approximately 153,500 more than in the previous year. It should be noted that, in 2023, the number of workers employed by companies was already much higher than in 2019 (around 383 thousand more workers).
- 50.** According to data from the MTSSS Institute of Information Technology, 7,012.3 thousand work contracts were registered in December 2024⁵. Of these, 1,920.4 thousand, or 27.4%, were new contracts⁶. Between 2023 and 2024, the number of contracts registered with the social security services increased by 3.4%, although the number of new contracts fell by 1%.
- 51.** According to the Establishment Plans, in 2023, there were around 425,500 foreigners working in companies on the mainland, of whom around 414,800 (97.5%) were employees and 10,100 were employers, representing 2.4% of the total number of foreigners. Compared to the same period last year, foreign TCOs in 2023 increased by around 28.8% (an additional 92,800 people), while employers rose less significantly (12.5%, which translated into an additional 1,100 employers).
- 52.** In 2023, in Portugal, there were around 39,500 companies in the high and medium-high technology sectors⁷, representing around 2.6% of the total number of companies in the country. Compared to 2022, the number of these companies grew by 13.3%, thus maintaining the trend seen over the last five years. Thus, in 2023, there were around 13.3 thousand more companies in the high and medium-high technology sectors than at the start of the series under analysis.

⁵ Contract for the year = Qualification as a natural person (employee or member of a statutory body) at an employer (head office located in mainland Portugal) for at least one day during the year.

⁶ New Contract = Qualification of a natural person (Employee or Member of a Statutory Body) at an employer (head office located in mainland Portugal) with a start date in the year.

⁷ High and medium-high technology sectors include high and medium-high technology industries and high-technology knowledge-intensive services (divisions 21 to 26 and group 303; divisions 20, 27, 28 and 29 and groups 254, 302, 304, 309 and 325 and divisions 59, 60, 61, 62, 63 and 72 of CAE, Rev3). (See appendix at the end of this subchapter).

- 53.** In Portugal, in 2023, there were 320,600 people employed in companies in the high and medium-high technology sectors, representing 6.8% of the total number of employees in companies. The number of people employed in companies in these sectors increased by 8.7%, corresponding to an increase of 25,800 people compared to the same period last year.
- 54.** According to information provided by the MTSSS Office of Studies and Planning (GEP), in 2022⁸ there were approximately 184,600 workplace accidents in Portugal, including 141 fatal accidents, 6 more deaths and 9,600 more accidents than in the previous year. Considering the evolution of workplace accidents over the last five years, we can see a downward trend in the number of accidents recorded until 2020, which was reversed with an increase in the number of accidents in 2021 and 2022. The number of fatal accidents has increased since the beginning of the series under analysis, with 38 more fatal accidents in 2022 than in 2018.
- 55.** According to Social Security Statistics, information provided by the MTSSS IT Institute, at the end of 2024, in Portugal, approximately 1,080,100 sick leaves were terminated, representing a year-on-year increase of approximately 9.2%. It should be noted that this increase in the number of sick leave cases completed in 2024 reversed the downward trend seen in the previous year.

4. Earnings and Wages

- 56.** According to the Establishment Plans, in mainland Portugal, in October 2023, the average monthly earnings of full-time employees was €1,466.65, representing an increase of 7.2% compared to October of the previous year.
- 57.** The average monthly earnings for men in 2023 were €1,577.32, while for women they totalled €1,332.02. Both increased compared to 2022 and, although women's earnings grew by 0.8 p.p. more than men's, the difference between average wages remained. Thus, in 2023, the average monthly wage for women represented 84.4% of the wage for men, whereas five years ago it was 82.8%.
- 58.** In October 2023, the average monthly base salary for full-time TCOs was €1,219.86 (83.2% of the average monthly salary) and grew by around 6.7% compared to the same period last year. The average monthly base salary for men was €1,294.03 and for women €1,129.64, representing 87.3% of the men's salary.

⁸ Data collected in May 2025. The lack of more recent information only allows an analysis with data up to the end of 2022.

- 59.** In 2023, analysis of the remuneration structure of full-time TCOs in terms of basic monthly salary shows that more than half of workers (59.9%) were concentrated in the salary bracket between €760 and €999.99. These were followed by the € 1,000.00-2,499.9 bracket, which encompassed 33.8% of such workers. The bracket between "€2,500 and €4,999.99" accounted for 5.3% and the bracket of "€5,000 or more" around 1%. As for the bracket below the minimum monthly salary, and taking into account the increase in the minimum monthly salary to €760 in 2023, it continued to cover around 0.5% of workers.
- 60.** Looking at average monthly base salaries by contract type, and based on info from the Establishment Plans, we can see that in October 2023, in mainland Portugal, the average monthly salary for TCOs was €1,306.02 for employees on indefinite contracts; €980.20 for employees on fixed-term contracts (i.e. around 75.1% of the average base salary for employees on indefinite contracts) and €992.66 for employees on open-ended contracts.
- 61.** In 2024, according to data provided by INE for Portugal, the labour cost index increased by 6.6% compared to the previous year, rising in all sectors of activity, particularly in human health and social support activities (up 13.3%).
- 62.** According to data provided by DGAEP, in 2024, in Portugal, the average monthly earnings of full-time employees in public administration was €2,137.4. Compared to the same period last year, average earnings grew by around 8.5%, which corresponded to an increase of €168.2. Over the last five years, the average monthly earnings increased by 19.5%, from €1,788.9 in 2020 to €2,137.4 in 2024, i.e. an increase of €348.5.

5. Vocational Training and active employment measures

- 63.** In 2024, 620,100 people⁹ attended vocational training courses promoted by the IEFP, of which 343,600 attended continuing education courses (55.4%); 58,800 (9.5%) initial training; 29,600 (4.8%) training for inclusion; 172,400 (27.8%) participated in other training measures, including Training Vouchers and Training of Trainers, and around 15,600 (2.5%) in Other Activities of Shared Management Centres.
- 64.** In 2024, approximately 77,300 people benefited from the employment support measures promoted by the IEFP. Of these, 31.3% benefited from socially necessary work measures; 34.4% benefited from

⁹ Persons attending training courses are counted as many times as the number of training courses they attend during the year, meaning that the same person may be counted more than once.

professional integration measures¹⁰; 26.3% benefited from hiring support; 5.5% benefited from other employment promotion support; and around 2.5% benefited from support for job and business creation¹¹.

- 65.** According to data from the Annual VET Report¹², in 2023¹³, in mainland Portugal, 47,600 companies promoted training initiatives for their employees, representing 17.7% of all companies that responded to the Single Report. According to data from the Annual VET Report, in 2023, in mainland Portugal, 47,600 companies provided training for their employees, representing 17.7% of all companies that responded to the Single Report.
- 66.** These training activities in 2023 covered around 1,354,100 workers (41.1% of the total number of workers employed by companies), representing an increase of 3.4 percentage points in the percentage of workers attending training (an additional 168,900 workers) compared with the previous year. Over the last five years, the percentage of workers attending training courses out of the total number of workers employed in companies has fluctuated, with lower figures in 2020 and 2021 (34.6% and 35.7%, respectively) and a peak in 2023 (41.1%).
- 67.** According to data provided by the IEFP¹⁴, job offers received by employment centres decreased in 2024, continuing the downward trend seen in recent years. In fact, the number of offers fell by 14.2%, reaching around 109,200 registrations in 2024.
- 68.** On the other hand, compared to the same period last year, the number of placements made by Employment Centres in 2024 also fell, by 12.7%, which corresponded to a decrease of around 11,700 placements compared to the previous year. Thus, it appears that in 2024, Employment Centres filled approximately 73.5% of job offers.

¹⁰ In 2024, professional integration measures included 'ATIVAR.PT Internships', 'INICIAR Internships', 'Internships + Talent' and 'Active Youth Employment'.

¹¹ This measure is aimed at unemployed people receiving unemployment benefit, social unemployment benefit or social integration income, enabling them to carry out socially useful work for a period of up to 12 months in public or private non-profit organisations. It includes the "Employment-insertion contract" and "Employment-insertion contract +" measures.

¹² The annual VET report, which constitutes Annex C of the Single Report, compiles information on training provided by companies to their employees. The Strategy and Planning Office have published this report since 2010.

¹³ Data collected in May 2025. Latest available data, to date.

¹⁴ Data collected in March 2025.