

Indicator (definition)	Long-term unemployment rate (total, females, males): Long-term (12 months and longer) unemployed persons (females, males) aged 15-74 as a share of the total (females, males) active population of the same age group.
Eurostat Unit	Labour Market
Other Commission DGs	Employment, social affairs and equal opportunities
European Statistical System Working Group (WG)	WG on Labour market
Date	December 2010

1. Overall assessment of accuracy and comparability (Description of quality grades under the following link: http://circa.europa.eu/Public/irc/dsis/structind/library?l=/general_information/quality_profiles/annex_enpdf/EN_1.0_&a=d)

A
 B
 C
 Indicator to be Developed

Data on unemployment are collected from reliable sources applying high standards with regard to the methodology and ensuring high comparability.

2. Objective and relevance of the indicator:

It is important to monitor the trends in long-term unemployment, as it leads to high risks of poverty and especially of social exclusion (precariousness, marginalisation). Employment policy is also a key area for the Lisbon strategy.

On the Communication “Working together for growth and jobs: A new starts for the Lisbon Strategy” (2005) the EU highlighted the necessity of making strong effort to create more and better jobs and help with this in the eradication of unemployment.

The economic crisis the EU had to face as from 2008 made of unemployment a top issue in the EU social agenda. The “Employment Strategy 2009” stated that as unemployment continues to rise, the spotlight has fallen more and more on limiting the effect of the crisis on jobs and addressing the social impact. Although the picture varies across Member States, the crisis is expected to have significant consequences for all of their labour markets; for many this will manifest itself as a substantial increase in unemployment. The top employment challenge for the EU must be to minimise job losses, prevent unemployment from becoming entrenched (i.e. becoming long-term unemployment), favour transitions back into employment and boost job creation, and pave the way for economic renewal and for sustainable recovery and growth.

The new EU strategy EU2020 stresses the importance of keeping the focus growth and jobs.

Restriction of the indicator’s relevance and other characteristics which may lead to restrictions in using it in monitoring and reporting

Persons living in institutional households (halls of residence, medical care establishments, religious institutions, collective workers’ accommodation, hostels etc) and persons carrying out obligatory military service are not included. They represent on average less than 2% of the working age population.

3. Data availability: details

(**t₁**: earliest reference year available; **t₂**: latest reference year available in December 2010)

	Member States	Candidate and Acceding Countries	US and Japan	EEA-EFTA
t ₁	1992: BE, DK, IE, EL, ES, FR, LU, NL, PT, SE, UK 1993: DE, IT 1994: AT 1996: HU, SI 1997: PL, FI 1998: CZ, EE, LV, LT, SK 1999: RO 2000: BG, CY, MT	2002: HR 2003: IS 2006: TR		2000: NO

t ₂	2009: All Member States	2009: IS, HR, TR		2009: NO
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Annual figures are released around late January or early February of year n+1. For IT, EL, RO, UK, TR and HR this is around late March of year n+1.

Break in series for PT in 1998, UK in 1999, RO in 2002, AT and IT in 2004, ES and DE in 2005. SE 2005 data not available.

4. Overall accuracy

High



The indicators stem from the European Union Labour Force Survey (LFS), a households survey based on European legislation. The overall accuracy is considered as high.

The indicators cover persons aged 15-74 living in private households to ensure a comparable coverage for all countries.

The sampling designs in the LFS are defined by each Member State (sampling rates vary between 0.3% and 3.3%). Most of the National Statistical Institutes use multi -staged stratified random sample design, especially those that do not have central population registers available.

As the results are based on a sample of population, they are subject to the usual types of errors associated with sampling techniques and interviews. sampling errors, non-sampling errors, measurement errors, processing errors and non-response are calculated for each country and documented in the Quality Report of the European Union Labour Force Survey. Subject to Eurostat's quality screening, figures on unemployment fulfil the Eurostat requirements concerning reliability.

Restricted

(sources, errors,

methodology, etc.)



5. Comparability across countries

High



Comparability across countries in measuring unemployment is achieved in the European Labour Force Survey (LFS) through various regulations ensuring harmonisation of concepts, definitions and methodologies for all EU Member States, EFTA and candidate countries.

A common Council regulation ((EC) No 577/98), common variable definition (Commission Regulation (EC) No 430/2005), common explanatory notes (The European Union Labour Force Survey. Methods and definitions - 2001) and common regulation (Commission Regulation (EC) No 1897/2000) regarding the definition of unemployment and the twelve principles of questionnaire construction go a long way to ensure comparability of the statistics between the Participating Countries. Data lack comparability due to changes in certain survey characteristics:

- between 1997 and 1998 for PT

- between 2003 and 2004 for AT

- between 2004 and 2005 for DE, ES and SE

TR data source: national Labour Force Survey

JP, US data source: national Labour Force Survey (OECD)

Restricted



6. Comparability over time

High



The indicator is based on annual averages of comparable quarterly data . A transition from a spring survey to a continuous survey providing quarterly data was gradually started in 1998. In 2003 the quarterly continuous LFS was introduced in France, Luxembourg, Hungary, Iceland and Bulgaria. A quarterly continuous survey was introduced in 2004 in Austria, Italy and Cyprus, in 2005 in Germany, in 2007 in Croatia.

The breaks in series due to the transition process towards the continuous survey are documented and explained. In the domain of the harmonised unemployment, breaks in the series resulting from the introduction of the continuous LFS and resulting from changes in definition have been corrected.

Restricted



7. Development perspective for improving the quality of this indicator (including as far as possible an indication of the burden on Member States and respondents.)

Having all countries conducting the continuous quarterly survey from 2005 onwards, the indicators are fully developed.

8. Contribution to the coherence of the set/potential to qualify for an integrated policy analysis

The indicators are extracted from the same survey as the main EU employment and education indicators which guarantee a high degree of coherence.

Relevant European legislation:

General regulations

Regulation (EC) No 1991/2002 of the European Parliament and of the Council of 8 October 2002 amending Council Regulation (EC) No 577/98 on the organisation of a labour force sample survey in the Community (OJ No L 308/1) (time limit to the adoption of the continuous LFS).

Regulation (EC) No 1372/2007 of the European Parliament and of the Council of 23 October 2007 amending Council Regulation (EC) No 577/98 on the organisation of a labour force sample survey in the Community (changes the status of the survey characteristic 'income' from optional to mandatory).

Implementation regulations

Commission Regulation (EC) No 377/2008 of 25 April 2008 implementing Council Regulation (EC) No 577/98 on the organisation of a labour force sample survey in the Community as regards the codification to be used for data transmission from 2009 onwards, the use of a sub-sample for the collection of data on structural variables and the definition of the reference quarters (OJ No L 114/57)

Commission Regulation (EC) No 973/2007 of 20 August 2007 amending certain EC Regulations on specific statistical domains implementing the statistical classification of economic activities NACE Revision 2 (OJ No L 216/10)

Commission Regulation (EC) No 430/2005 of 15 March 2005 implementing Council Regulation (EC) No 577/98 on the organisation of a labour force sample survey in the Community concerning the codification to be used for data transmission from 2006 onwards and the use of a sub-sample for the collection of data on structural variables