

EIGHTH EUROPEAN WORKSHOP ON LFS METHODOLOGY

Implementation experiences of the supplementary indicators on unemployment in Germany – Are they really relevant?

Gdańsk, Poland, 23.-24. May 2013



Dr. Martina Rengers, Federal Statistical Office,
Labour Market

Labour Force Concept (ILO)

- employed persons
 - with work
(i.e. person works at least one hour in the one-week reference or has a job)
- unemployed
 - without work and actively seeking and available

Supplementary indicators:

- underemployed persons
 - are in employment, but they have the wish to work more hours and are available for additional work within two weeks (by full-time/part-time work)
- potential additional labour force PAF
 - neither in employment nor unemployed but wanting to work
 - PAF category A: persons seeking work but not immediately available
 - PAF category B: persons available to work but not seeking, although they generally would like to work

Purpose of labour market statistics

Two totally different current labour market situations:

■ ***Lack of jobs:***

- Question: How many jobs must be created?
- Purpose of labour market statistics: determine the size of lack of jobs

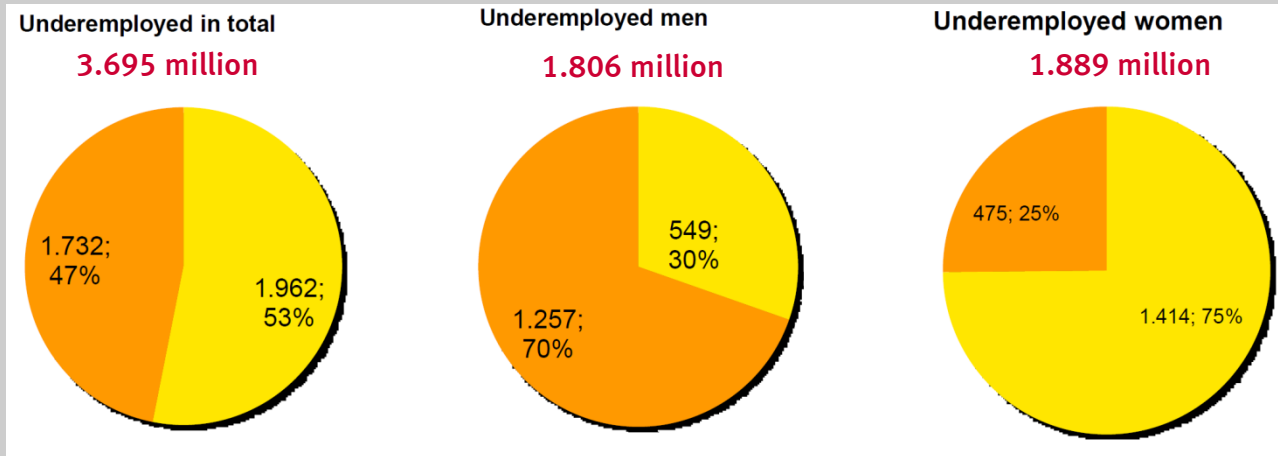
■ ***Lack of manpower:***

- Question: Which manpower (in persons or working hours) can be activated?
- Purpose of labour market statistics: determine the size of lack of manpower

SUPPLEMENTARY INDICATORS

Underemployment

Underemployment 2011



Underemployed expressed as a percentage

15 to 74-years	Germany		
	total	men	women
Underemployed (part- and full-time) as % of <u>all</u> employed	9,3	8,5	10,3
Underemployed in <u>part-time</u> as % of <u>part-time</u> employed	18,7	25,5	16,9
Underemployed in <u>full-time</u> as % of <u>full-time</u> employed	5,9	6,6	4,8
Additional Available at EUROSTAT-Database			
Underemployed in <u>part-time</u> as % of <u>all</u> employed persons	5,0	2,6	7,7

Desired working hours of underemployed or overemployed

15 to 74-years ¹⁾	Germany					
	total		men		women	
	Number in 1,000	Desired change in weekly working hours, per capita	Number in 1,000	Desired change in weekly working hours, per capita	Number in 1,000	Desired change in weekly working hours, per capita
Underemployed	3,695	11.5	1,806	10.8	1,889	12.1
in part-time ²⁾	1,962	15.5	549	19.0	1,414	14.1
in full-time ²⁾	1,732	6.9	1,257	7.2	475	6.2
Overemployed	929	- 11.7	516	- 12.3	412	- 11.0
in part-time ²⁾	81	- 7.8	12	- 9.5	69	- 7.5
in full-time ²⁾	848	- 12.1	504	- 12.3	344	- 11.7

Source: LFS 2011

Conclusions: underemployment

- all kinds of underemployment should be analyzed, that is
 - underemployed part-time workers
 - underemployed full-time workers
- subdivide all groups by gender
 - note: part-time work is (still) traditionally female-dominated
- underemployment should be complemented with
 - the counterpart overemployment (in part-time or full-time)
- under- and overemployment should both be complemented with
 - the desired change in weekly working hours (per capita)
- there is the need of a kind of volume measure (for example in working hours)

SUPPLEMENTARY INDICATORS

Potential additional labour force PAF

Economically inactive persons, LFS 2011

Germany (Numbers in 1,000)	persons aged			
	15-74 (total)	15-24 (young)	25-59 (middle)	60-74 (older)
Economically inactive population	20,892	4,292	5,403	11,197
Potential additional labour force (PAF)	1,168	265	719	184
persons seeking work but not immediately available	578	146	388	44
persons available to work but not seeking	590	119	331	140
Other economically inactive p. <u>with</u> willingness to work	1,163	264	800	99
Other economically inactive p. <u>without</u> willingness to work	18,560	3,763	3,884	10,913
% over economically inactive population				
Potential additional labour force (PAF)	5.6	6.2	13.3	1.6
persons seeking work but not immediately available	2.8	3.4	7.2	0.4
persons available to work but not seeking	2.8	2.8	6.1	1.3
Other economically inactive p. <u>with</u> willingness to work	5.6	6.1	14.8	0.9

Potential additional labour force PAF

- **main reasons for economical inactivity**
 - **younger people (15-24 years)**
 - **both genders: they are in education or training**
 - **middle-aged people (25-59 years)**
 - **women: other personal or family responsibilities, to look after children, people in need of care, disabled people**
 - **men: “illness or inability to work” and “other reasons”**
 - **older people (60-74 years)**
 - **both genders: „official“retirement, discouraged workers**

Conclusions: potential additional labour force PAF

- PAF should be complemented with
 - other economically inactive persons *with* willingness to work
 - the corresponding reasons for inactivity
 - reasons for not seeking employment (SEEKREAS)
 - main reason for not being available to start working within two weeks (AVAIREAS)
- subdivide *all* indicators by
 - gender
 - at least three age-groups
- harmonize the characteristic values of the variables SEEKREAS and AVAIREAS
 - this allows the evaluation of the whole PAF in relation to the reasons for economic inactivity

THANK YOU!



Dr. Martina Rengers

Federal Statistical Office, Wiesbaden

martina.rengers@destatis.de