EUROSTAT   2020-01-09

Unemployment statistics

Monthly data
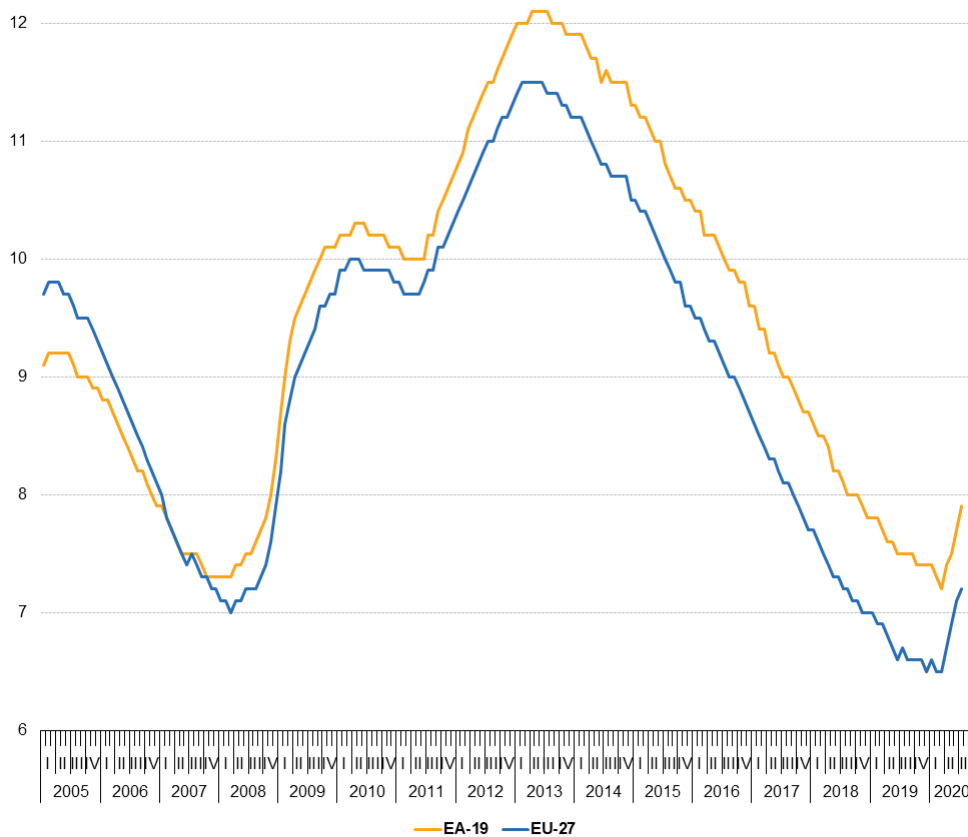
Highlights

Euro area unemployment at 7.9 % in July 2020.

EU-27 unemployment at 7.2 % in July 2020.

Unemployment rates EU-27, EA-19, seasonally adjusted, January 2005 - July 2020

Source: Eurostat (online data code: une_rt_m)

eurostat

Unemployment rates EU-27 and EA-19, seasonally adjusted, January 2005 - July 2020 (%)

Source: Eurostat (une_rt_m)

This article presents the very latest unemployment figures for the European Union (EU), the euro area and individual Member States. Additional information about long-term trends can be found in the article Unemployment statistics and beyond.
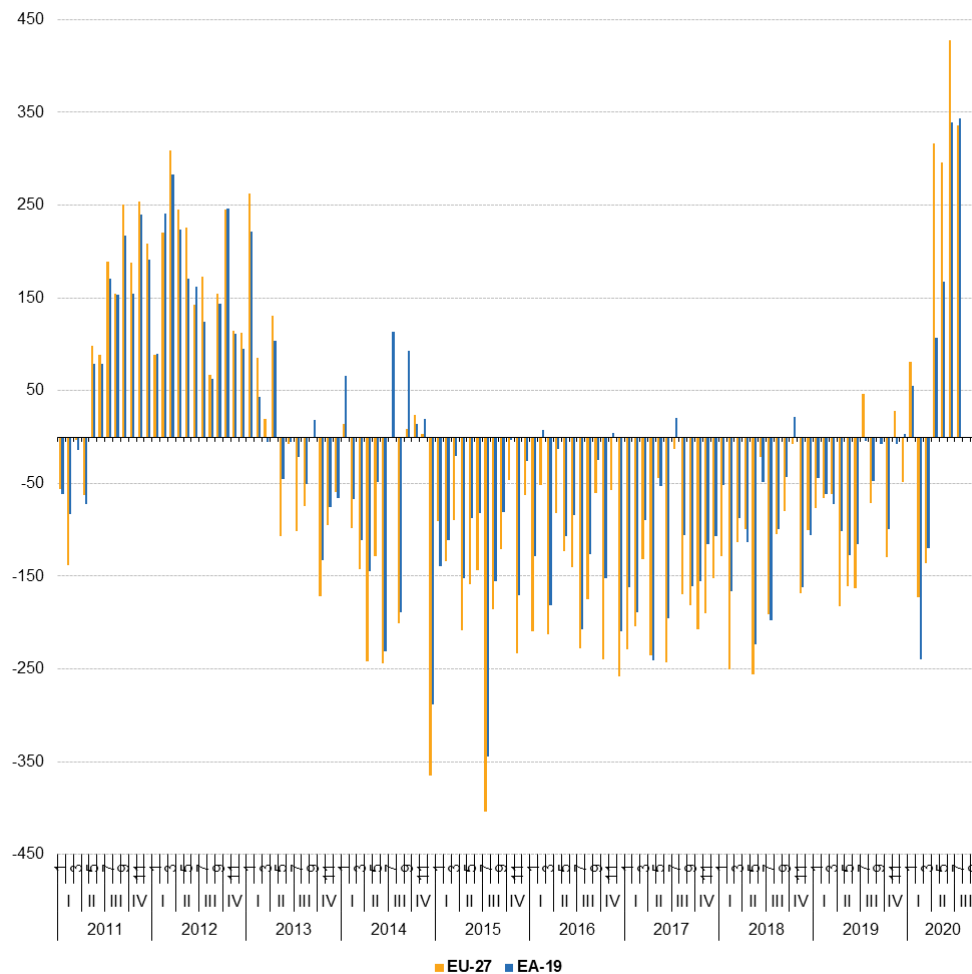
Unemployment in the EU and the euro area

Unemployment in the EU and the euro area

Eurostat estimates that 15.184 million men and women in the EU-27[1], of whom 12.793 million in the euro area (EA-19)[2], were unemployed in July 2020. Compared with June 2020, the number of persons unemployed increased by 336 000 in the EU and by 344 000 in the euro area.

Change in the number of unemployed persons (compared to previous month, in thousands), seasonally adjusted, January 2011 - July 2020
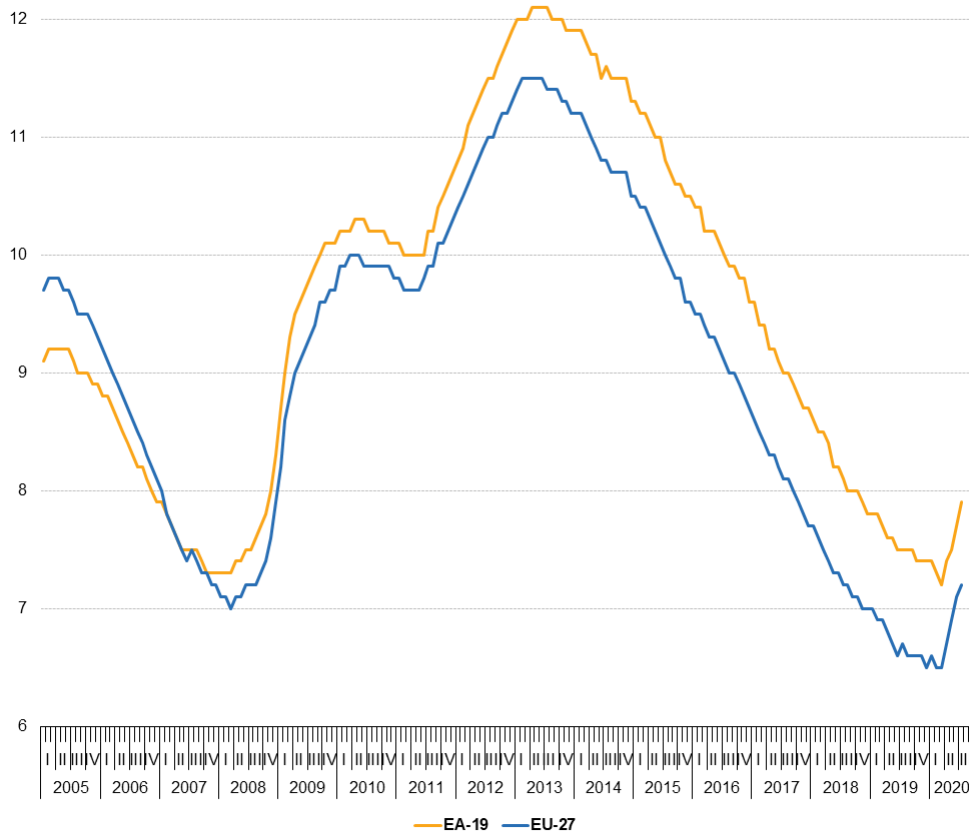

Figure 1: Change in the number of unemployed persons (compared to previous month, in thousands), seasonally adjusted, January 2011 - July 2020

In July 2020, a month marked by some relaxation of COVID-19 containment measures in many Member States, the euro area seasonally-adjusted unemployment rate was 7.9 %, up from 7.7 % in June 2020. The EU unemployment rate was 7.2 % in July 2020, up from 7.1 % in June 2020.

Unemployment rates EU-27, EA-19, seasonally adjusted, January 2005 - July 2020
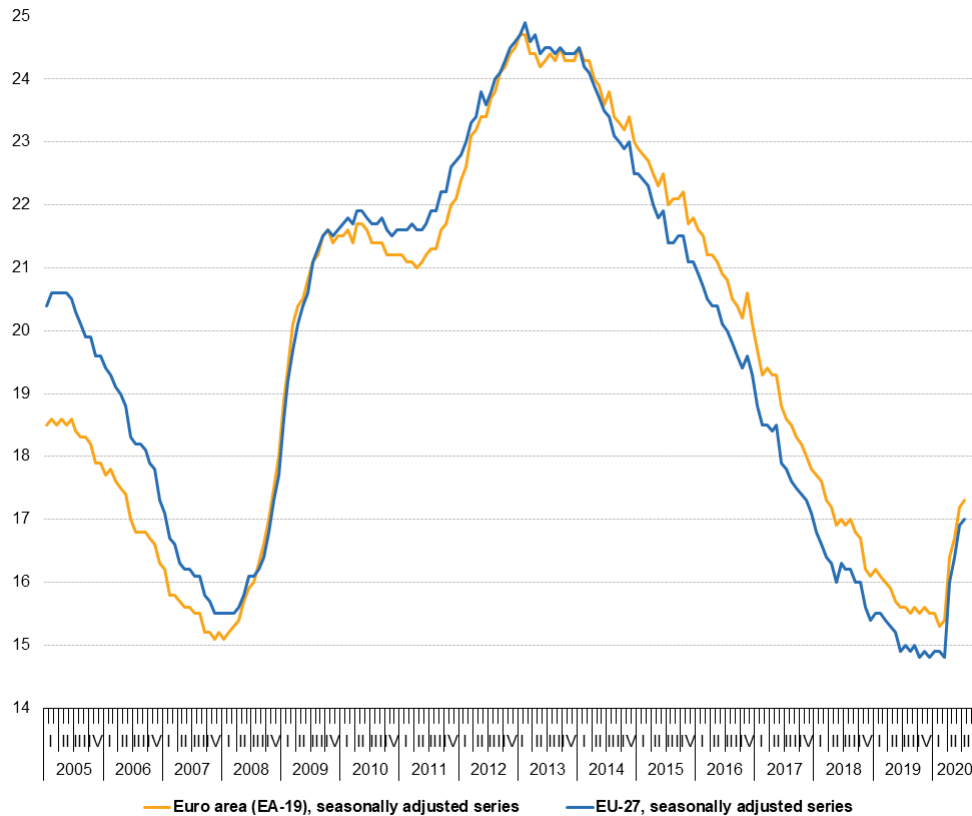

Source: Eurostat (online data code: une_rt_m)

eurostat

Figure 2: Unemployment rates EU-27, EA-19, seasonally adjusted, January 2005 - July 2020(%)

Source: Eurostat (une_rt_m)

Youth unemployment

In July 2020, 2.906 million young persons (under 25) were unemployed in the EU, of whom 2.338 million were in the euro area. In July 2020, the youth unemployment rate was 17.0 % in the EU and 17.3 % in the euro area, up from 16.9 % and 17.2 % respectively in the previous month. Compared with June 2020, youth unemployment increased by 37 000 in the EU and by 29 000 in the euro area.

Youth unemployment rates, EU-27 and EA-19, seasonally adjusted, January 2000 - July 2020

Source: Eurostat (online data code: une_rt_m)

eurostat

Figure 3: Youth unemployment rates, EU-27 and EA-19, seasonally adjusted, January 2005 - July 2020 (%)

Source: Eurostat (une_rt_m)

Unemployment by gender

In July 2020, the unemployment rate for women was 7.5 % in the EU, up from 7.3 % in June 2020. The unemployment rate for men was 7.0 % in July 2020, up from 6.8 % in June 2020. In the euro area, the unemployment rate for women increased from 8.0 % in June 2020 to 8.3 % in July 2020 and from 7.5 % to 7.6 % for men.

Source data for tables and graphs

The detailed tables are available here.

Data sources

These estimates are based on the globally used International Labour Organisation standard definition of unemployment, which counts as unemployed people without a job who have been actively seeking work in the last four weeks and are available to start work within the next two weeks. The COVID-19 outbreak and the measures applied to combat it have triggered a sharp increase in the number of claims for unemployment benefits across the EU. At the same time, a significant part of those those who had registered in unemployment agencies were no longer actively looking for a job or no longer available for work, for instance, if they had to take care of their children. This leads to discrepances in the number of registered unemployed and those measured as unemployed according to the ILO definition. To capture in full the unprecedented labour market situation triggered by the COVID-19 outbreak, the data on unemployment have been complemented by additional indicators, e.g. on employment, labour market slack – annual statistics on unmet needs for employment, when LFS data for the first quarter of 2020 have been published.

An unemployed person is defined by Eurostat, according to the guidelines of the International Labour Organization, as someone aged 15 to 74 without work during the reference week who is available to start work within the next two weeks and who has actively sought employment at some time during the last four weeks. The unemployment rate is the number of people unemployed as a percentage of the labour force.

In addition to the unemployment measures covered here, Eurostat also publishes statistics for persons who fulfil only partially the definition of unemployment. These persons are not included in the official ILO unemployment concept and have a varying degree of attachment to the labour market. The indicators on Labour market slack – annual statistics on unmet needs for employment supplement the unemployment rate to provide a more complete picture of the labour market.

There is currently no specific legal basis for producing and disseminating monthly unemployment data. However, these monthly data are estimates based on results of the European Union Labour force survey (EU LFS), which is a continuous household survey carried out in all Member States in accordance with European legislation and on the basis of harmonised definitions. These results are interpolated/extrapolated to monthly data using national survey data and/or national monthly series on registered unemployment. The quarterly LFS results are always used as a benchmark to ensure

international comparability. As for most Member States the results from the LFS for a full quarter are available 90 days after the end of the reference period, the most recent figures are usually provisional. For many countries monthly unemployment data are calculated by Eurostat, while several countries actually supply those figures directly from the LFS.

The following LFS data are used in the calculations of the monthly unemployment rates published in this article:

- For Czechia, Germany, Italy, the Netherlands, Austria, Romania, Finland and Sweden: monthly LFS data up to and including July 2020.
- For Greece: monthly data up to and including May 2020.
- For Denmark and Portugal: monthly data (3 month moving average) up to and including June, July and August 2020.
- For Estonia and Hungary: monthly data (3 month moving average) up to and including May, June and July 2020.
- For Belgium, Bulgaria, Croatia, Lithuania, Luxembourg, Malta, Poland, Slovenia and Slovakia: quarterly data up and including Q1 2020.
- For Cyprus, Ireland, Spain, France, Latvia: quarterly data up and including Q2 2020.
- For the United Kingdom: monthly data (3 month moving average) up to and including April, May and June 2020.
- For Germany: due to the introduction of the new German system of integrated household surveys, including the LFS, the monthly unemployment rate for July 2020 is an estimation based on the figures recorded in previous periods, taking into account current developments.

Monthly unemployment and employment series are calculated first at the level of four categories for each Member State (males and females 15-24 years, males and females 25-74 years). These series are then seasonally adjusted and all the national and European aggregates are calculated. Monthly unemployment figures are published by Eurostat as rates (as a percentage of the labour force) or levels (in thousands), by gender and for two age groups (persons aged 15-24, and those aged 25-74). The figures are available as unadjusted, seasonally adjusted and trend series. There

are monthly estimates for all EU Member States. Data for the EU aggregate start in 2000 and for the euro area in April 1998; the starting point for individual Member States varies.

Member States may publish other rates such as register-based unemployment rates, or rates based on the national LFS or corresponding surveys. These rates may vary from those published by Eurostat due to a different definition or methodological choices.

Context

The unemployment rate is an important indicator with both social and economic dimensions. Rising unemployment results in a loss of income for individuals, increased pressure with respect to government spending on social benefits and a reduction in tax revenue. From an economic perspective, unemployment may be viewed as unused labour capacity.

The International Labour Organization definition of the unemployment rate is the most widely used labour market indicator because of its international comparability and relatively timely availability. Besides the unemployment rate, indicators such as employment and job vacancies also give useful insights into labour market developments.

The time series on unemployment are used by the European Commission, other public institutions, and the media as an economic indicator; banks may use the data for business cycle analysis. Finally, the general public might also be interested in changes in unemployment.

The unemployment rate is considered to be a lagging indicator. When there is an economic downturn, it usually takes several months before the unemployment rate begins to rise. Once the economy starts to pick up again, employers usually remain cautious about hiring new staff and it may take several months before unemployment rates start to fall.

Male, youth and long-term unemployment appear to be more susceptible to cyclical economic changes than overall unemployment. Indeed, social policymakers often face the challenge of remedying these situations by designing ways to increase employment opportunities for various groups of society, those working in particular economic activities, or those living in specific regions.

The Europe 2020 strategy put forward by the European Commission sets out a vision of Europe's social market economy for the 21ˢᵗ century. As part of the flagship initiatives, 'An agenda for new skills and jobs' and 'Youth on the move', (youth) unemployment rates will be targeted via by a range

of policies, including proposals aimed at education and training institutions, or measures for the creation of a (work) environment conducive to higher activity rates and higher labour productivity. There are also initiatives aimed at improving the entry rate of young people into the labour market.

Notes

1. Jump up↑ In line with Eurostat's guidelines for disseminating data when the EU is enlarged, aggregate data series in this article refer to the official composition of the EU in the most recent month for which data are available; from February 2020 onwards this is the EU with 27 Member States, EU-27.

2. Jump up↑ In line with Eurostat's guidelines for disseminating data when the euro area is enlarged, aggregate data series in this article refer to the official composition of the euro area in the most recent month for which data are available; from the reference month of January 2015 onwards this will be the euro area with 19 Member States, EA-19.