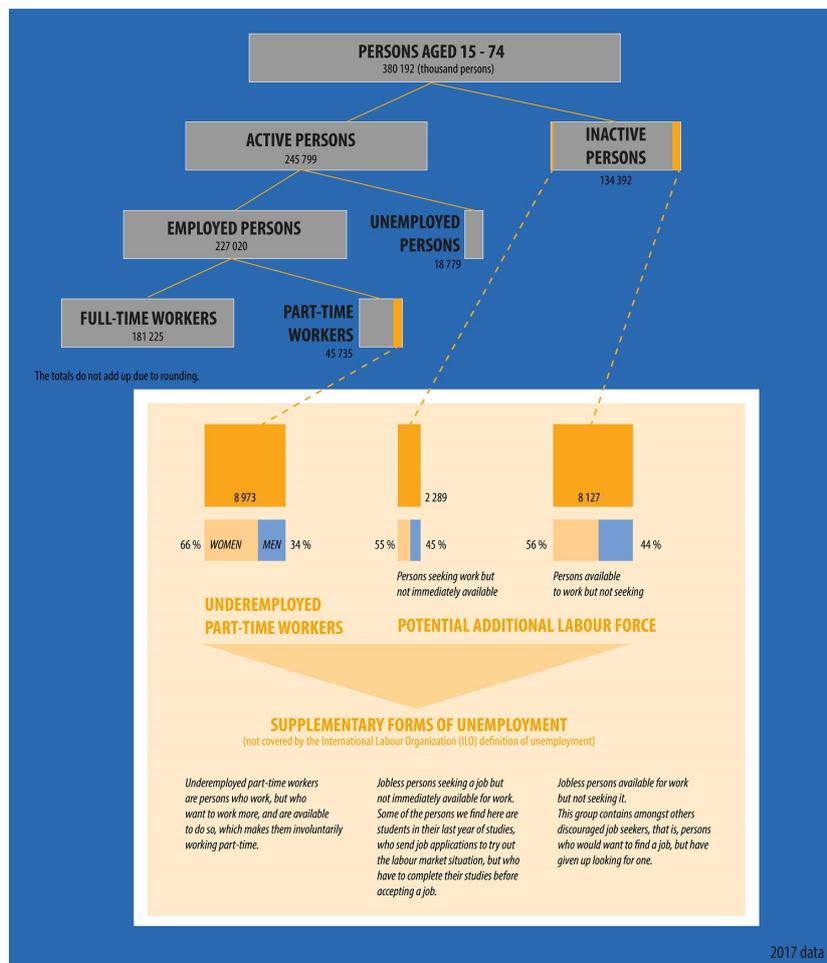


# Underemployment and potential additional labour force statistics

Statistics Explained

Data extracted in May 2018 Planned article update: June 2019

## EU LABOUR MARKET 2017 UNDEREMPLOYMENT AND POTENTIAL ADDITIONAL LABOUR FORCE



[ec.europa.eu/eurostat](http://ec.europa.eu/eurostat)

Supplementary indicators to unemployment, definition and characteristics of the population Persons aged 15-74, EU-28, annual average, 2017, (thousand persons) Source: Eurostat (lfsisupa)

This article reports on three supplementary forms of unemployment in the European Union (EU), some EFTA countries, and some candidate countries. These types of unemployment are not covered by the ILO definition

of unemployment.<sup>1</sup>

## Unemployment and underemployment

### 19 million unemployed and another 19 million persons with some unemployment characteristics

In 2017, there were 8.973 million [underemployed part-time workers](#) in the EU-28. In addition to this, 8.127 million persons were [available to work, but did not look for a job](#), and another 2.289 million persons were [looking for jobs, without being able to start working within a short time period](#). These two last groups are normally jointly referred to as the potential additional labour force.

In total this means that in 2017 in the EU-28, 19.389 million persons had some resemblance to being unemployed, without fulfilling all the ILO criteria for being so. This is almost the same amount of persons who were [unemployed](#) according to the ILO criteria (18.776 million).

### Unemployment changes substantially over time, stable situation for the potential additional labour force

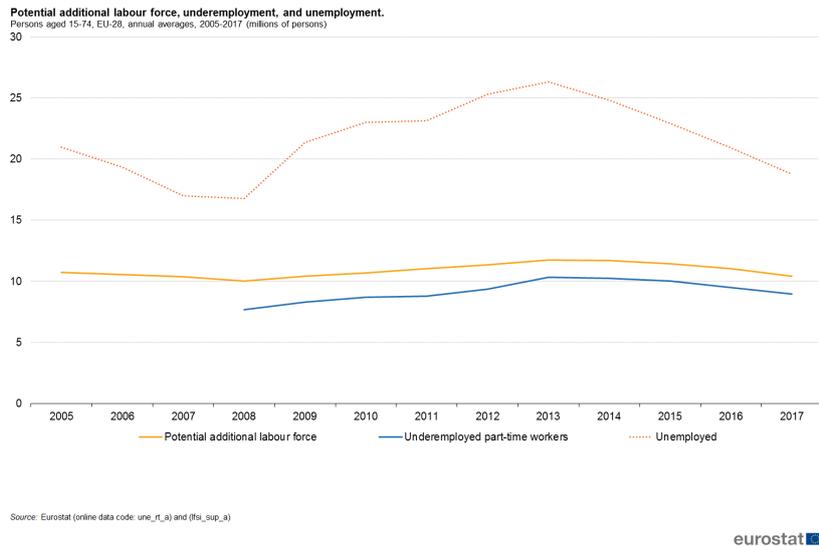
The size of the potential additional labour force was quite stable from 2005 to 2017 at EU level, with a small decrease from 2005 to 2008 (when it was at its smallest at 10 million persons), and then a small and steady increase up to 2013 (the largest recorded size, of 11.724 million persons), followed by a slow but steady drop again from 2013 to 2017, to 10.416 million persons (see figure 1a). This is in clear contrast to the development of the number of unemployed persons, which fluctuated heavily over the same period (16.751 million persons in 2008 and 26.301 million persons in 2013). The development over time for the underemployed part-time workers quite closely mirrors the potential additional labour force, but at about 85 % of its level. In 2008, the size of the population of underemployed part time workers equalled 77 % of the potential additional labour force, and in 2017 the proportion was 86 %.

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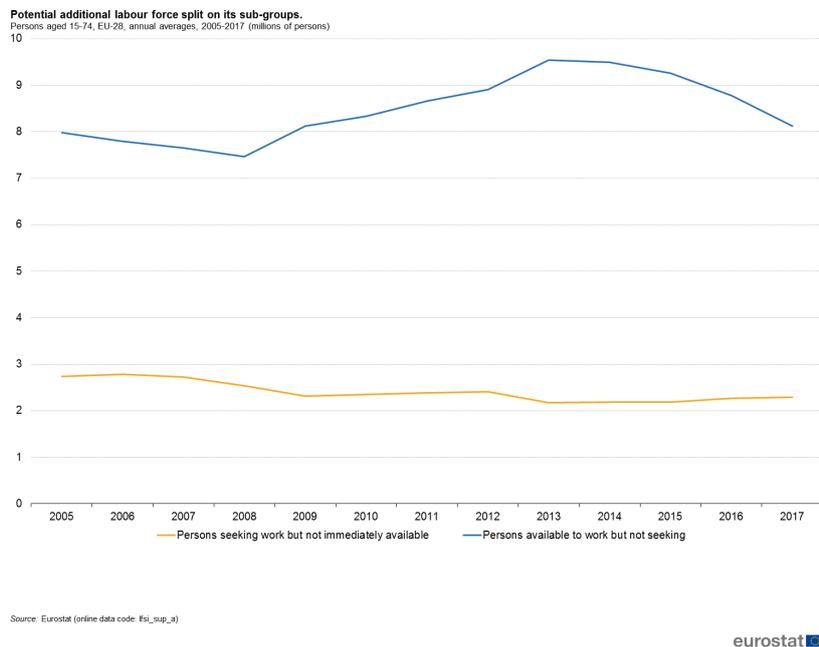
- [Underemployed part-time workers](#). These are persons who work part-time, but who want to work more, and are available to do so, which makes them involuntarily working part-time.
- [Jobless persons seeking a job but not immediately available for work](#). Some of the persons we find here are students in their last year of studies, who send job applications to try out the labour market situation, but who have to complete their studies before accepting a job.
- [Jobless persons available for work but not seeking it](#). This group contains amongst others discouraged job seekers, that is, persons who would want to find a job, but have given up looking for one.

The last two groups jointly are referred to as the potential additional labour force. All three groups jointly are referred to as supplementary indicators to unemployment. These three groups do not meet all criteria of the ILO unemployment definition i.e. being without work, actively seeking work, and being available for work. However, while not being captured through the [unemployment rate](#), these groups still represent a *form of unmet demand for employment*. While underemployed part-time workers are part of the [labour force](#), the two other groups (persons seeking work but not immediately available and persons available to work but not seeking) are part of the [economically inactive population](#). These supplementary indicators complement the unemployment rate to provide a more complete picture of the [labour market](#).



**Figure 1a: Potential additional labour force, underemployment and unemployment Persons aged 15-74, EU-28, annual averages, 2005-2017 (million persons)**Source: Eurostat (unerta) and (lfsisupa))

If we split the potential additional labour force into its two sub groups, we see that their long term trends are different (Figure 1b): Those who seek work, but are not immediately available to start working have dropped in numbers, from 2.8 million in 2005, to 2.3 million in 2017. For the persons available to work but who are not seeking it, the opposite trend can be found: 8 million persons in 2005 and 8.1 million persons in 2017.



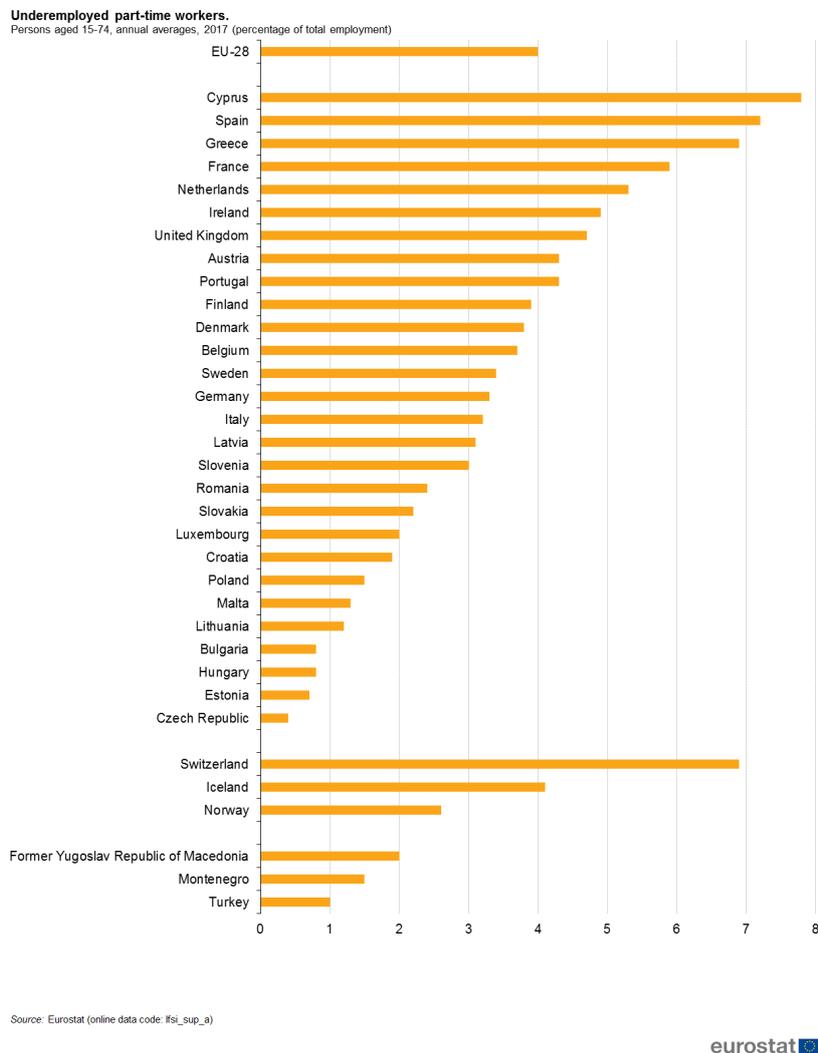
**Figure 1b: Potential additional labour force, split on its subgroups Persons aged 15-74, EU-28, annual averages, 2000-2017 (million persons)**Source: Eurostat (lfsisupa))

## Underemployed part-time workers

Many underemployed part-time workers in Cyprus and Spain, few in the Czech Republic and Estonia

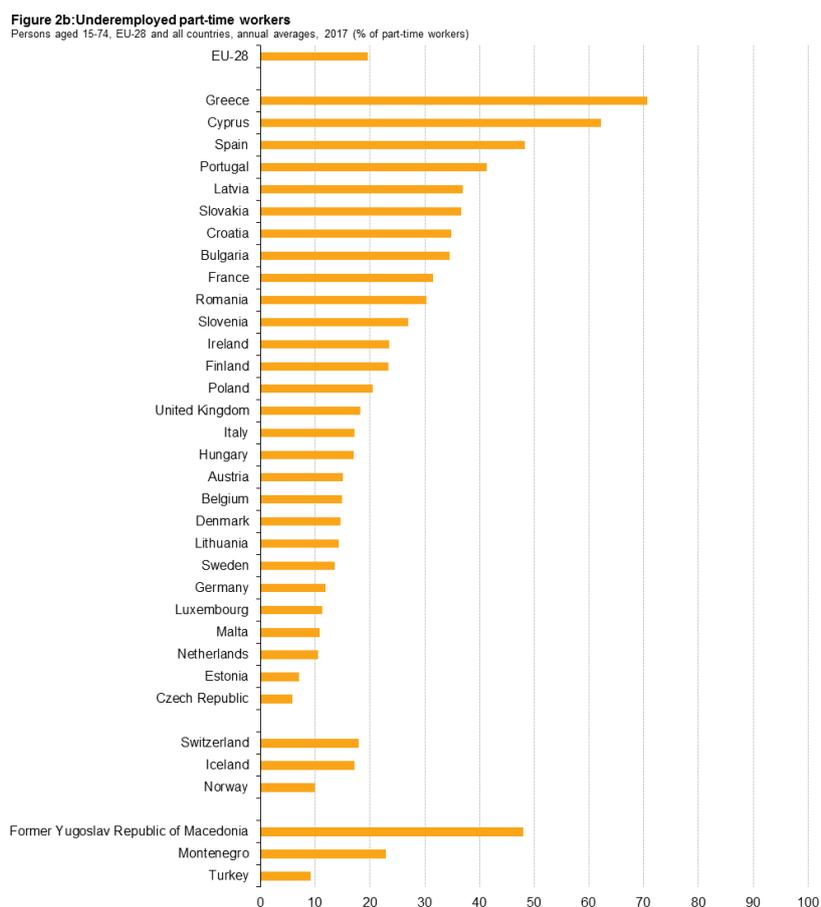
Figure 2a shows which proportion of persons in employment in each country were underemployed part-time

workers in 2017. Cyprus and Spain clearly ranked highest, with almost one out of ten working persons being in such a situation, as opposed to the Czech Republic and Estonia where this situation is almost non-existent. Even though there is no striking pattern, the lowest occurrences of underemployed part-time workers tend to be in the eastern and southern parts of the EU.



**Figure 2a: Underemployed part-time workers Persons aged 15-74, all countries and EU-28, annual average, 2017 (% of total employment)Source: Eurostat (lfsisupa)**

Figure 2b (please note the different scale from Figure 2a) shows how many of the part-time workers in each country are involuntarily working part-time. One can think of this as the risk a part-time worker has of being in a job with too few working hours. Greece, Cyprus and Spain are still at the top while the Czech Republic and Estonia are still near the bottom.



Source: Eurostat (online data code: ifsa\_egpaed)

eurostat

**Figure 2b: Underemployed part-time workers Persons aged 15-74, all countries and EU-28, annual average, 2017 (% of part-time workers) Source: Eurostat (Ifsisupa) and (Ifsaepgaed))**

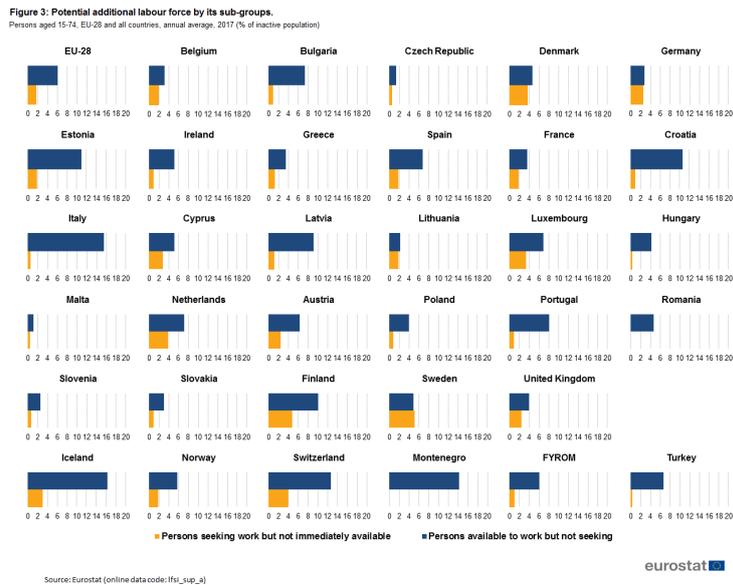
Being at the top of both Figures 2a and 2b (Greece, Cyprus) means that there are many part-time workers and that a majority of them would prefer to work full-time. A large minority (30-49 %) of the part-time workers in Romania, France, Bulgaria, Croatia, Slovakia, Latvia, Portugal, Spain, and the Former Yugoslav Republic of Macedonia would also have preferred to work more. On the other hand, a large majority of the part-time workers in the Czech Republic, Estonia, the Netherlands, Malta, Luxembourg, Germany, Sweden, Lithuania, Norway and Turkey are satisfied with their part-time situation.

## Potential additional labour force

### Those not seeking work outnumber those not available for work

As already shown, the potential additional labour force consists of two subgroups: persons who are available to work but don't seek it, and persons who seek work but are not immediately available to start working.

All but one of the countries, namely Sweden, follow the same main pattern, clearly visible in Figure 3: persons available, but not seeking outnumber those seeking but not immediately available.



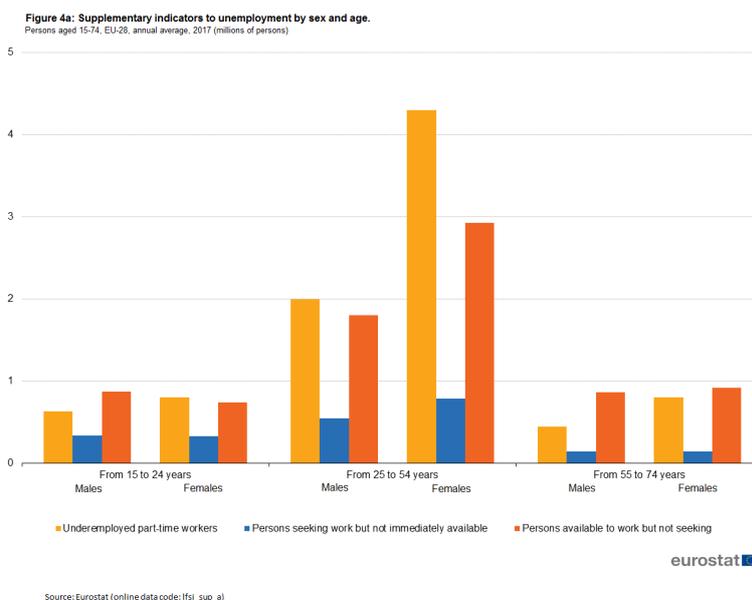
**Figure 3: Potential additional labour force by its subgroups Persons aged 15-74, all countries and EU-28, annual average, 2017 (% of inactive population)Source: Eurostat (lfsisupa)**

Figure 3 presents the size for each of these subgroups for each country in 2017, as a proportion of the inactive population. There are large differences between countries. We see for instance that there are very few in the economically inactive population in Malta and in the Czech Republic who are available to work, whereas the opposite is true for Italy and Croatia.

## Supplementary indicators to unemployment

### Clear majority of women among underemployed part-time workers

No matter the age group, there are more women than men among underemployed part-time workers. More than two thirds of those who are underemployed and between 25 and 54 years of age are women. The differences between men and women are a bit smaller for the youngest and oldest age groups, but nevertheless clearly visible.



**Figure 4a: Supplementary indicators to unemployment by sex and age Persons aged 15-74, EU-28, annual average, 2017 (million persons)Source: Eurostat (lfsisupa)**

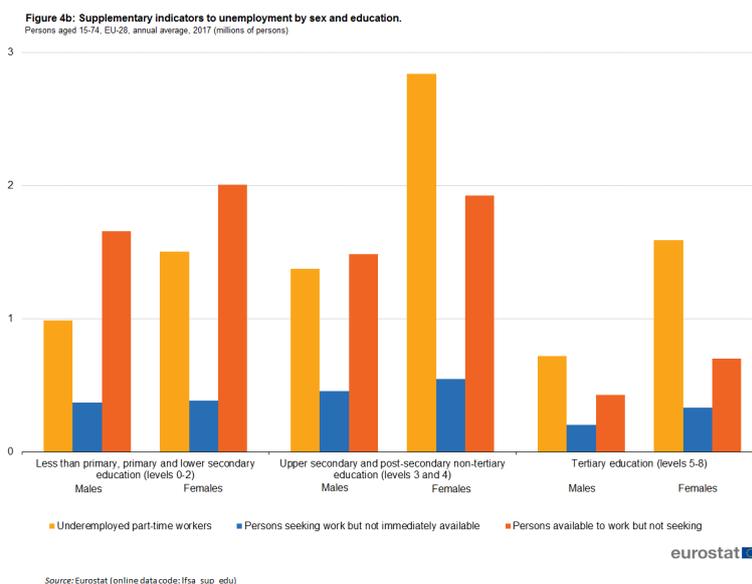
For those who seek work without being able to start immediately if finding it, the situation is a bit more even. In the youngest age group (15-24), there is no difference in the number of men and women. In the middle age group the women outnumber the men, but not by very much. Among the oldest (55-74) there are slightly more men than women.

We see further that among those who would be available to work, but who are not looking for a job, the number of men and women are almost the same for the youngest and the oldest age group, but that women clearly outnumber men for the middle age group.

The clearly largest single group in Figure 4a are the underemployed women aged 25-54 years.

### Very few underemployed among men with higher education

The [educational level](#) is another classical background variable often used to explain labour market outcomes. Figure 4b shows that the number of underemployed part-time workers, both for men and for women, is highest for those with a medium level of education (defined as upper secondary and post-secondary non-tertiary education (ISCED levels 3 and 4)), at 2.8 million for women and 1.4 million for men. For women, the amount of underemployed are practically the same for those with low (1.5 million) and for those with high (1.6 million) education. The smallest group of underemployed consists of men with high education.

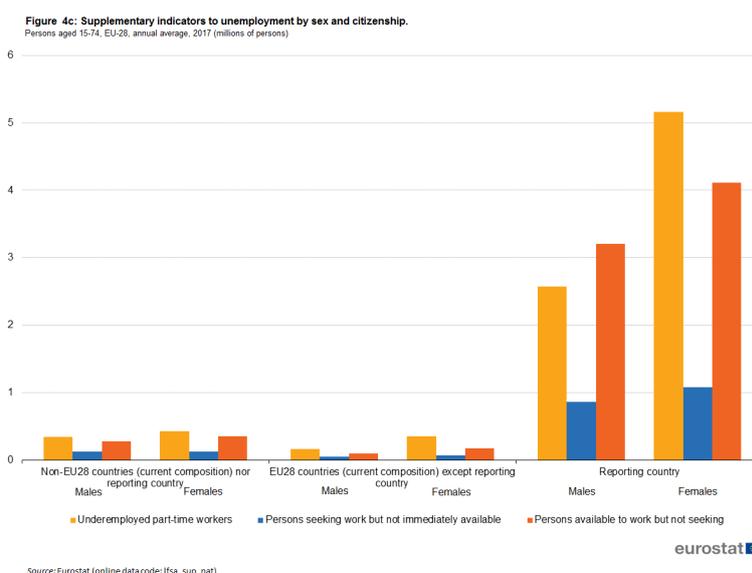


**Figure 4b: Supplementary indicators to unemployment by sex and educational attainment level**  
Persons aged 15-74, EU-28, annual average, 2017 (million persons) Source: Eurostat (ifsa\_supedu)

Among those who seek work but are not available to start, differences between men and women almost disappear for those with low and medium level education, but it is more noticeable among those with high education. For those who are available but not seeking work, we find that there are more women than men, no matter the education level group.

### Supplementary indicators to unemployment by citizenship

In Figure 4c we see again that there are more women than men in all but one of the groups (extra-EU-28 immigrants who are seeking work but not immediately available).

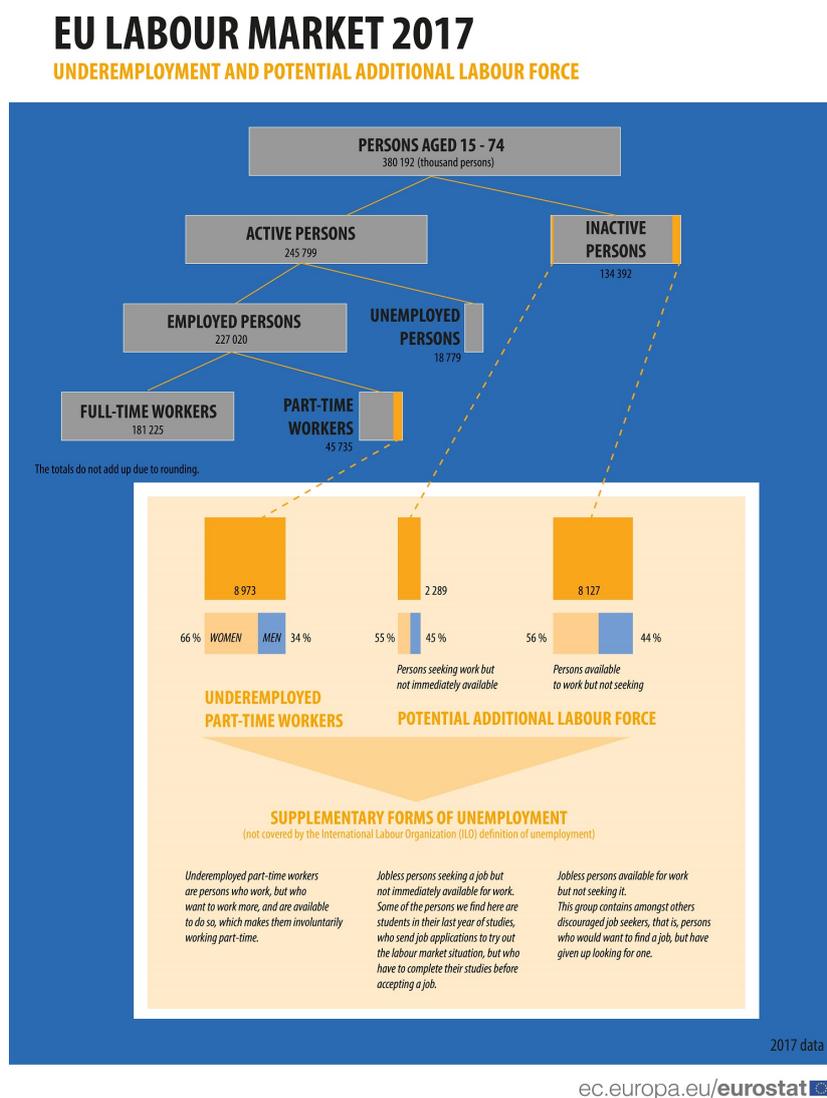


**Figure 4c: Supplementary indicators to unemployment by sex and citizenship**  
Persons aged 15-74, EU-28, annual average, 2017 (million persons) Source: Eurostat (ifsa\_supnat)

It can, therefore, be concluded that women are overall more likely than men to either be underemployed, or belonging to the potential additional labour force, even if we control for age, education, or citizenship.

## Population definition and main characteristics

Figure 5 presents a graphical description of the populations who are included in the supplementary indicators, their absolute and relative sizes, and their relation to the other main groups covered by the labour force survey. The 9 million underemployed part-time workers are a sub-population of the 45.7 million part-time workers. The 10.4 million persons in the potential additional labour force are a sub-population of the 134.4 million inactive persons.



**Figure 5: Supplementary indicators to unemployment, definition and characteristics of the population Persons aged 15-74, EU-28, annual average, 2017 (thousand persons) Source: Eurostat (lfsisupa)**

## Data sources

All figures in this report are based on the [EU Labour force survey \(LFS\)](#) .

Note that in relative terms the three indicators have different interpretations and it is explicitly not advised to add them to obtain a total. In particular, the relative figures for the two indicators [persons seeking work but not immediately available](#) and [persons available but not seeking work](#) are not shares because the numerator is not a subgroup of the denominator (persons in the numerators are not in the labour force, see Figure 3). Instead, the percentages for these two indicators show how much the current labour force could grow if joined

by these people with a certain degree of labour market attachment. For its part, the indicator [underemployed part-time workers](#) as percentage of the labour force is a classical share because the numerator is a subgroup of the denominator.

## Context

These three indicators supplement the unemployment rate, thus providing an enhanced and richer picture than the traditional labour status framework, which classifies people as employed, unemployed or economically inactive, i.e. in only three categories. The indicators create 'halos' around unemployment. This concept is further analysed in a Statistics in Focus publication titled '[New measures of labour market attachment](#)'. That publication also explains the rationale of the indicators and provides additional insight as to how they should be interpreted. The supplementary indicators neither alter nor put in question the unemployment statistics standards used by [Eurostat](#). Eurostat publishes unemployment statistics according to the ILO definition, the same definition as used by statistical offices all around the world. Eurostat continues publishing unemployment statistics using the ILO definition and they remain the benchmark and headline indicators.

## Other articles

- [Employment statistics](#)
- [Job vacancy statistics](#)
- [People outside the labour market](#)
- [Unemployment statistics](#)

## Publications

- [New measures of labour market attachment](#) - Statistics in focus 57/2011

## Database

- [Employment and unemployment \(Labour Force Survey\) \(employ\)](#) , see:

LFS main indicators (lfsi)

Unemployment - LFS adjusted series (une)

Supplementary indicators to unemployment - annual data (lfsisupa)

Supplementary indicators to unemployment - quarterly data (lfsisupq)

LFS series - Detailed annual survey results (lfsa)

Total unemployment - LFS series (lfsaunemp)

Supplementary indicators to unemployment by sex and age (lfsasupage)

Supplementary indicators to unemployment by sex and educational attainment level (lfsasupedu)

Supplementary indicators to unemployment by sex and citizenship (lfsasupnat)

LFS series - Detailed quarterly survey results (lfsq)

Total unemployment - LFS series (lfsqunemp)

Supplementary indicators to unemployment by sex and age (lfsqsupage)

Supplementary indicators to unemployment by sex and educational attainment level (lfsqsupedu)

## Dedicated section

- [Labour Force Survey](#)

## External links

- [European Employment Observatory \(EEO\)](#)

## Notes