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Young people in the EU

The measurement of youth unemployment – an overview of the key concepts

For young people, the transition between education and the labour market is often not a straightforward path moving seamlessly from school or university to their first job, but can be much more diverse. Compared with people in other age groups, this makes the classification of the population aged 15-24 years into employed¹, unemployed¹ or economically inactive¹ harder to analyse. As a result, it is useful to provide users with additional information on how unemployment is measured and how it interacts with education.

Today, **Eurostat, the statistical office of the European Union**, issues two new Statistics Explained articles on “**Youth unemployment**”² and “**Participation of young persons in education and in the labour market**”². The articles explain concepts and definitions used to describe the structure of the youth population in a comprehensive way, in order to facilitate the interpretation and assessment of related statistics for users.

Youth unemployment

In the **EU28**, there were around 57.5 million persons aged 15-24 years in 2012, of whom 18.8 mn were employed, 5.6 mn were unemployed (forming together a labour force of 24.4 mn persons) and 33.0 mn were economically inactive. The high number of inactive young people is mainly explained by the fact that many are still participating in education programmes. The share of young people in education gradually declines with increasing age, which leads to a growing labour market participation³ of young people as they grow older.

EU28 young population aged 15-24*		
57.5 million persons		
Employed 18.8 million	Unempl. 5.6 mn	Economically inactive 33.0 million
Labour force*		Not in the labour force*

* These estimates are based on the EU Labour Force Survey. The data in the chart differ from the sum of components due to rounding.

Eurostat publishes two different indicators of unemployment among young people: the youth unemployment rate and the youth unemployment ratio. While the former expresses the number of unemployed persons aged 15-24 as a share of the labour force of the same age, the latter refers to the share of the unemployed within the total population of the same age.

Youth unemployment rate	=	$\frac{\text{Unemployed 15-24 years}}{\text{Labour force 15-24 years}}$	=	$\frac{5.6 \text{ million}}{24.4 \text{ million}}$	=	23.0%
Youth unemployment ratio	=	$\frac{\text{Unemployed 15-24 years}}{\text{Population 15-24 years}}$	=	$\frac{5.6 \text{ million}}{57.5 \text{ million}}$	=	9.7%

In the **EU28** in 2012, the youth unemployment rate of 23.0% shows that more than 2 out of 10 young people in the labour force were unemployed, while the youth unemployment ratio of 9.7% indicates that 1 out of 10 young people within the total population aged 15-24 years was unemployed. Because not every young person is in the labour force, the youth unemployment rate does not indicate the share of all young people who are unemployed. Youth unemployment rates are frequently misinterpreted in this sense.

Among the Member States, the highest youth unemployment rates as well as ratios were registered in **Greece** (55.3% and 16.1% respectively) and **Spain** (53.2% and 20.6%), and the lowest in **Germany** (8.1% and 4.1%).

Participation in education and the labour market

The difference between youth unemployment rates and ratios is entirely due to the number of young people outside the labour force, which is particularly high for this age group since many of them are still in education. Being in education and being part of the labour force (employed or unemployed) are not mutually exclusive, meaning that there can be an overlap between participation in education⁴ and in the labour market which is possible at any age. However, this situation is far more frequent among young people due to their transition from school or university to working life. In this regard, three typical cases are: an apprentice, but also a student with a small side job, are part of the employed population¹; a non-working student who is currently available for work and actively seeking work is counted as unemployed¹; and a person exclusively in education and neither employed nor unemployed is considered as part of the economically inactive¹ population.

Taking a closer look, the **EU28** population aged 15-24 years can be broken down into the following categories⁵:

- 18.8 million were employed, of which:
 - 6.7 mn were in education⁴, including apprentices and students with small side jobs, and 12.1 mn were not in education.
- 5.6 million were unemployed:
 - of which 1.3 mn were in education and 4.3 mn were not in education.
- 33.0 million were economically inactive:
 - of which 29.0 mn were in education and 4.0 mn were not in education

1. Eurostat follows the definitions of the International Labour Organisation (ILO).

Employed persons are those:

- aged 15 and over (16 and over in Spain, Italy, the United Kingdom; 15-74 in Denmark, Estonia, Hungary, Latvia, Finland and Sweden; 16-74 in Island and Norway),
- who during the reference week performed work, even for just one hour a week, for pay, profit or family gain,
- who were not at work but had a job or business from which they were temporarily absent because of, e.g., illness, holidays, industrial dispute or education and training.

Unemployed persons are those:

- aged 15-74 (in Spain, Italy, the United Kingdom, Island and Norway: 16-74),
- who were without work during the reference week, but are currently available for work,
- who were either actively seeking work in the past four weeks or who had already found a job to start within the next three months.

The **economically active population** (also called labour force) comprises employed and unemployed persons.

Economically inactive persons are those who are neither employed nor unemployed. Inactivity in the labour market can for example be due to education and training, family responsibilities, illness or disability. Participation in education is not relevant for the classification of people as employed or unemployed.

2. See Statistics Explained articles for more details:

http://epp.eurostat.ec.europa.eu/statistics_explained/index.php?title=Youth_unemployment

http://epp.eurostat.ec.europa.eu/statistics_explained/index.php?title=Participation_of_young_people_in_education_and_the_labour_market

3. At the age of 15, only 5% of the young EU28 population are part of the labour force, while it is 80% at the age of 24.
4. Participation in education is measured by having participated in formal education or training activities during the last 4 weeks.
5. An overview of the situation in Member States can be found in the Statistics explained article on "Participation of young persons in education and in the labour market".

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Young people aged 15-24 in the labour market, 2012

	Population, in thousand	Labour force, in thousand		Inactive, in thousand	Unemployment rate, in %	Unemployment ratio, in %
		Employed	Unemployed			
EU28	57 471	18 838	5 589	33 044	23.0	9.7
EU27	56 951	18 750	5 523	32 678	22.8	9.7
Belgium	1 326	335	82	909	19.8	6.2
Bulgaria	815	178	70	567	28.1	8.5
Czech Republic	1 194	301	73	820	19.5	6.1
Denmark	700	385	63	252	14.1	9.1
Germany	8 962	4 178	370	4 415	8.1	4.1
Estonia	168	55	15	98	20.9	8.7
Ireland	553	156	68	329	30.4	12.3
Greece	1 076	141	174	762	55.3	16.1
Spain	4 576	833	945	2 799	53.2	20.6
France*	7 409	2 136	668	4 606	24.6	9.0
Croatia	520	88	66	366	43.0	12.7
Italy	6 041	1 121	611	4 309	35.3	10.1
Cyprus	107	30	12	65	27.8	10.8
Latvia	255	73	29	153	28.4	11.4
Lithuania	411	89	32	291	26.4	7.7
Luxembourg	61	13	3	45	18.0	5.0
Hungary	1 161	216	85	861	28.1	7.3
Malta	57	25	4	28	14.2	7.2
Netherlands	2 023	1 281	134	608	9.5	6.6
Austria	991	541	52	398	8.7	5.2
Poland	4 659	1 150	415	3 094	26.5	8.9
Portugal	1 128	266	161	701	37.7	14.3
Romania	2 703	645	189	1 869	22.7	7.0
Slovenia	223	61	16	147	20.6	7.1
Slovakia	728	146	76	506	34.0	10.4
Finland	641	268	63	310	19.0	9.8
Sweden	1 239	498	154	588	23.7	12.4
United Kingdom	7 743	3 629	963	3 152	21.0	12.4
Iceland	41	27	4	10	13.5	10.2
Norway	655	342	32	281	8.6	4.8
Switzerland	930	574	53	304	8.4	5.7
Former Yugoslav Rep. of Macedonia	304	47	55	202	53.9	18.1
Turkey	11 574	3 647	678	7 248	15.7	5.9

Source: Eurostat, EU Labour Force Survey

* In line with the headline indicator used at EU level, the youth unemployment rate for France includes the French Overseas Departments, while the other data for France correspond to metropolitan France. The EU aggregates are calculated correspondingly.