

# Documentation of statistics for Long Term Unemployed Persons 2020



### 1 Introduction

This statistics show the structure and development of long-term unemployment, defined as gross unemployment spells of minimum 52 weeks. The statistics cover all months in the period from January 2009 onwards. The statistics also covers shorter and longer unemployment spells, these different spells was published for the first time in October 2018.

## 2 Statistical presentation

The statistics cover the persons who are long-term unemployed due to administrative data. A long-term unemployed person has been gross unemployed for at least 52 consecutive weeks (1 year). Persons who leave the gross unemployment for a period of 4 weeks, within the 12 months, and who is not in ordinary employment during the period of 4 weeks are also included in the statistics. The statistics also covers unemployment spells by duration from 26 weeks (0,5 year) up to 156 weeks (3 years).

## 2.1 Data description

The statistics cover the persons who are long-term unemployed due to administrative data. The statistics is based on the International Labour Organization (ILO) definition of long-term unemployment. According to this definition a person must be unemployed for at least 52 consecutive weeks (1 year). Persons who leave the gross unemployment for a period of 4 weeks, within the 52 weeks, and who is not in ordinary employment during the period of 4 weeks is also included in the statistics.

The statistics show the number of long-term unemployed persons and the long-term unemployment rate as a proportion of the work force (16-64 years). The figures can be divided into municipal, gender and age-group, while the seasonal adjusted figures can be divided into part of the country, gender and age. In October 2018 there were published some new features in the statistics. The statistics can now be broken down by unemployment funds also covers unemployment spells that are shorter and longer than 52 weeks. The new durations cover unemployment spells of minimum 26 weeks (0,5 years), 39 weeks (0,75 years), 52 weeks (1 years), 78 weeks (1,5 years), 104 weeks (2 years), 130 weeks (2,5 years) and 156 weeks (3 years).

## 2.2 Classification system

Statistics Denmark uses Eurostat's geographical breakdown called NUTS (Nomenclature Units Territorial Statistique). Click <a href="here">here</a> for more information on NUTS. The statistics can also be broken down by unemployment fund, age, sex, duration (of unemployment spell) and benefit (unemployment benefit and cash benefit).

### 2.3 Sector coverage

Not relevant.



## 2.4 Statistical concepts and definitions

**Gross unemployment**: Gross unemployment contains persons who receive unemployment benefits and persons who receive cash benefits and are ready to work.

**Member of an unemployment fund**: Member of a Danish unemployment fund exclusive recipients of early retirement.

**Social assistance etc.**: Consists of the benefits social assistance, education allowance and integration benefits.

**Long-term unemployment**: The statistics include persons who are gross unemployed and meet the ILO definition of long-term unemployment. According to this definition a person should be unemployed for at least 52 consecutive weeks (1 year). Furthermore, persons who temporary leave the gross unemployment statistics are included in the concept of long-term unemployment. A temporary period of absence has a maximum duration of 28 days and the person may not at the same time have more than 10 hours of employment.

**Unemployment spells**: The concept covers all durations of unemployment spells. This statistics covers durations of unemployment spells of minimum 26 weeks (0,5 year), 39 weeks (0,75 year), 52 weeks (1 year), 78 weeks (1,5 years), 104 weeks (2 years), 130 weeks (2,5 years) and 156 weeks (3 years).

#### 2.5 Statistical unit

The statistical unit is persons.

## 2.6 Statistical population

The official long term unemployment covers a population of persons who has been gross unemployed for at least 52 weeks (≈1 year) on the basis of administrative data. The statistics also covers longer and shorter durations of unemployment spells. The population in these figures varies from gross unemployment spells in minimum 26, 39, 52, 78, 104, 130 and 156 weeks.

### 2.7 Reference area

Denmark.

### 2.8 Time coverage

The statistics cover different periods depending on the chosen duration of the unemployment spell.

Below is a table showing the first month that the statistics cover depending on the duration of unemployment spell:

**Duration First month** 26 weeks (0,5 year) July 2008 39 weeks (0,75 year) October 2008 52 weeks (1 year) January 2009 78 weeks (1,5 year) July 2009 104 weeks (2 year) January 2010 130 weeks (2,5 year) July 2010 156 weeks (3 year) January 2011



## 2.9 Base period

Not relevant for this statistic.

### 2.10 Unit of measure

Number of persons, Percentage and share of the workforce, Percentage of unemployed persons and Percentage of insurance active

## 2.11 Reference period

The reference month is the last month in the reference period, which always is February, May, August or November.

## 2.12 Frequency of dissemination

The statistics is published quarterly.

## 2.13 Legal acts and other agreements

The long-term unemployment is based on the Register of Public Benefits and the Register of Employees. The legal basis to collect data in these two registers can be found in the Act on Statistics Denmark § 6 (Lov om Danmarks Statistik § 6).

There are no legal basis in the EU-law.

### 2.14 Cost and burden

The statistics is based on administrative data why there is no direct burden of reporting.

### 2.15 Comment

Other information can be found on the statistics **Subject page** or by contacting Statistics Denmark.

## 3 Statistical processing

The statistics of long-term unemployment is made out of the register of public benefits that covers all persons receiving public benefits in the age below their official pension age. The Register of Employees is also used in the statistics. The employment records cover employed persons in firms registered in Denmark from January 2008 onwards.

Both data regarding public benefits and employment is collected quarterly.



### 3.1 Source data

The statistics of long-term unemployment is made out of the register of public benefits, which covers all persons receiving public benefits in the age of 16-64 years from 2007 onwards. Furthermore the register of employees is used, which covers employed persons in firms registered in Denmark from January 2008 onwards.

The gross unemployment is made of data from the Register FLEUR. The Danish Agency for Labour Market and Recruitment is responsible for the data-collection. The source of the Employment statistics is the eIncome Register of Statistics Denmark combined with data from the Business Register and the Population Register of Statistics Denmark. The eIncome Register of Statistics Denmark is based on income information reported to the Income Register of the Danish Tax Authorities (eIncome).

## 3.2 Frequency of data collection

Data for the registers of persons receiving public benefits and employment records are collected every quarter.

## 3.3 Data collection

The statistics of long-term unemployment is made out of the register of public benefits. Furthermore the register of employees is used.

### 3.4 Data validation

To validate data the level and development of the statistics are compared with the register based unemployment statistics. Furthermore, the statistics is recreated for the last three month on the updated dataset to see if there have been any large revisions.



### 3.5 Data compilation

Calculating unemployment spells

- 1. Persons who has been gross unemployed in a period of time depending on the duration of the unemployment spells (respectively 26, 39, 52, 78, 104, 130 and 156 weeks) are drawn from the database People Receiving Public Benefits.
- If the person has been gross unemployed all days of the unemployment spell, the person is
  included in the statistics.
- 3. If the person is not gross unemployed all days of the unemployment spell it is examined if the period of absence is longer than 28 days. In that case, the person **is not included** in the statistics.
- 4. If the period of absence from the gross unemployment is 28 days or below, information about hours of employment from the database of Employees is used to determine if there has been 10 or below hours of employment in the period of absence from gross unemployment. If there has been 10 or below hours of employment in the period of absence from gross unemployment the person **is included** in the statistics. If there has been more than 10 hours of employment in the period of absence from gross unemployment the person **is not included** in the statistics.

#### Additional information

When the unemployment spells has been calculated additional information is added to the statistics.

- Demography including age, sex and place of residence: The information is drawn from The Population database created by Statistics Denmark. The information is drawn as an ultimo status by quarter.
- Type of benefit (unemployment benefit and Social assistance etc.): The information is drawn from the database People Receiving Public Benefits.
- Unemployment fund: The information on unemployment funds is drawn from the database Unemployment funds by Statistics Denmark. The information is an ultimo status by reference month.

## 3.6 Adjustment

Beyond seasonal adjustment the statistics is not adjusted. Further description about the seasonal adjustment can be found below in the section "Seasonal Adjustment".

### 4 Relevance

Users: Ministries (primary the Ministry of Employment), municipalities, organizations, educational institutions, research institutions, the news media and private persons.

The statistics is quite new and there has not been collected any knowledge about the user experience.

#### 4.1 User Needs

Users: Ministries (primary the Ministry of Employment), municipalities, organizations, educational institutions, research institutions, the news media and private persons.



### 4.2 User Satisfaction

The statistics was published for the first time in 2014. There has not been collected any knowledge about the user experience.

### 4.3 Data completeness rate

Not relevant for this statistics.

## 5 Accuracy and reliability

The statistics measure the number of long-term unemployed persons according to administrative registers and is based on a full sample. The statistics is precise according to the written description of long-term unemployment.

## 5.1 Overall accuracy

The statistics is precise according to the written description of long-term unemployment and is based on a full sample.

## 5.2 Sampling error

Not relevant to these statistics

### 5.3 Non-sampling error

Data on gross unemployment retrieved quarterly from the register Public benefits, has the following uncertainties: the number of recipients of unemployment benefits typically has a lack of 1 per cent when it is published quarterly.

Data on the Employment statistics has the following uncertainties: The uncertainty in the development of the number of employees is estimated to be less than 1 per cent of the total number of full-time employees, where 1 per cent corresponds to approx. 20,000 full-time employees. As regards more detailed statistics in terms of industry and geographical distribution the uncertainty is much greater. Quality studies have so far only been carried out to a very limited extent. Some reports to eIncome lack information on hours paid or the reported information has been found to be invalid. Therefore imputed (estimated) paid hours of work for these reports.

### 5.4 Quality management

Statistics Denmark follows the recommendations on organisation and management of quality given in the Code of Practice for European Statistics (CoP) and the implementation guidelines given in the Quality Assurance Framework of the European Statistical System (QAF). A Working Group on Quality and a central quality assurance function have been established to continuously carry through control of products and processes.



### 5.5 Quality assurance

Statistics Denmark follows the principles in the Code of Practice for European Statistics (CoP) and uses the Quality Assurance Framework of the European Statistical System (QAF) for the implementation of the principles. This involves continuous decentralized and central control of products and processes based on documentation following international standards. The central quality assurance function reports to the Working Group on Quality. Reports include suggestions for improvement that are assessed, decided and subsequently implemented.

## 5.6 Quality assessment

The number of long-term unemployed is made out of two different statistics; the unemployment statistic and the employment statistic. These registers are not mutual coordinated on a person level, which may have some effect on the quality of the statistic. Furthermore the statistics measures persons that are long-term unemployed according to administrative benefits IT-systems. Firstly, this means that the quality of the information gathered in the IT-systems is considered to be high. But secondly, this means that the statistics is affected by labour market reforms concerning the benefits. An example is the Unemployment benefits reform from July 2010 where a shorter benefits period of 2 years was implemented (the old maximum benefits period was 4 years).

For more information on the registered unemployment see the documentation Registered Unemployment.

For more information on the employment statistics see the documentation **Quarterly Employees**.

## 5.7 Data revision - policy

Statistics Denmark revises published figures in accordance with the <u>Revision Policy for Statistics</u> <u>Denmark</u>. The common procedures and principles of the Revision Policy are for some statistics supplemented by a specific revision practice.

## 5.8 Data revision practice

On July the 1st 2017 a new unemployment benefits system was introduced. In relation to this statistics this meant that the months of reference changed periods. Before the periods followed the unemployment benefits months, and now it follows a regular calendar month. This change has been implemented in the whole series from January 2009 to present. The revision has meant a slight change in the levels of the number of long-term unemployed.

## 6 Timeliness and punctuality

The statistic is published quarterly and is published 5 months after the end of the reference period.

### 6.1 Timeliness and time lag - final results

Around 5 months after the reference period.



### 6.2 Punctuality

The statistics on long-term unemployment are published under normal circumstances without delay in relation to the announced date.

## 7 Comparability

The statistic is comparable from one month to another from January 2009 onwards. For international comparison the Labour Force Survey is recommended.

## 7.1 Comparability - geographical

For international comparison the Labour Force Survey (LFS) is recommended. LFS is a survey based statistics. AKU-long-term unemployment is defined as unemployment for 12 consecutive months. In general, the level of AKU-long-term unemployed persons is on a higher level than in the register based long-term unemployment. This is because the LFS includes students and individuals who does not receive any benefits but still can be defined as LFS-unemployed.

## 7.2 Comparability over time

The long-term unemployment is comparable since January 2009.

### 7.3 Coherence - cross domain

The long-term unemployment statistics from Statistics Denmark varies from the way other organizations define long-term unemployment. E.g. the Danish Agency for Labour Market and Recruitment has a definition where a person is long-term unemployed when he/she has been gross unemployed for 80 percent of the last 12 month, and the person must be gross unemployed for the last week of the reference period. Other organizations have related definitions.

### 7.4 Coherence - internal

The register of Public Benefits has a high degree of internal consistency as the benefits included in the registry are controlled for internal overlap. This means that a person cannot be registered with two different benefits at the same time. No studies have been made of the consistency between the register of Public Benefits and the register of Employees. If the information from the two registers is inconsistence, the unemployment data from the register Public Benefits is used over Employment data.

## 8 Accessibility and clarity

All figures are available at StatBank Denmark.

### 8.1 Release calendar

The publication date appears in the release calendar. The date is confirmed in the weeks before.



### 8.3 User access

Statistics are always published at 8:00 a.m. at the day announced in the release calendar. No one outside of Statistics Denmark can access the statistics before they are published.

### 8.2 Release calendar access

The Release Calender can be accessed on our English website: Release Calender.

### 8.4 News release

Not available.

### 8.5 Publications

Not relevant for this statistic.

### 8.6 On-line database

The statistics are published in the StatBank under the subjects in the following tables:

- AULKo4: Long-term unemployed persons by region, unit, age, sex and time
- <u>AULK07</u>: Long term unemployed insured by unemployment insurance fund, unit, sex and time
- <u>AULKo8</u>: Long term unemployed insured by unemployment insurance fund, unit, age and time
- AULKo9: Unemployment spells by duration, unit, type of benefits, sex and time
- <u>AULK10</u>: Unemployment spells by duration, unit, type of benefits, age and time
- LIGEAB10: Long-term unemployed persons by region, sex, age and time
- <u>LIGEAI10</u>: Gender equality indicator of long-term unemployed persons by indicator, age, region and time

### 8.7 Micro-data access

Please contact the person responsible for the statistics. See the section Contact below.

### 8.8 Other

No other access.

### 8.9 Confidentiality - policy

See Statistics Denmark <u>Data Confidentiality Policy</u> for more information about discretion policy.

## 8.10 Confidentiality - data treatment

Because of the level of details in the numbers published in the statbank it is not necessary to make any special effort due to the discretion issue.

## 8.11 Documentation on methodology

No other accessible documentation.

## 8.12 Quality documentation

Results from the quality evaluation of products and selected processes are available in detail for each statistics and in summary reports for the Working Group on Quality.

### 9 Contact

The administrative placement of this statistics is in the division of Labour and Income. The person responsible is Carsten Nielsen, tel.  $+45\ 39\ 17\ 32\ 45$ , mail: can@dst.dk

## 9.1 Contact organisation

**Statistics Denmark** 

## 9.2 Contact organisation unit

Labour and Income, Social Statistics

### 9.3 Contact name

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### 9.4 Contact person function

Responsible for the statistics

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