Characteristics of the short-term and long-term unemployed

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Key points

• People in long-term unemployment as a proportion of all unemployed people declined between 1993 and 2003, while the proportion unemployed short-term increased.

• Short-term unemployment was more likely among younger people. Long-term unemployment was more likely among older men.

• People with higher qualifications were likely to experience shorter lengths of unemployment.

• Some 34 per cent of unemployed people with disabilities were long-term unemployed compared with 20 per cent for people with no disabilities.

• For unemployed people with dependent children, lone parents were more likely to be long-term unemployed than heads of family in a married/cohabiting couple with dependent children (30 per cent and 26 per cent respectively).

An analysis using the Labour Force Survey of the relationship between specific personal factors and the length of time spent unemployed.

Introduction

A NUMBER of factors can have an impact on an individual’s employment opportunities: age, qualifications, sex, ableness and family responsibilities are among the main ones. The length of time spent unemployed can be used to assess whether certain groups of unemployed people face greater barriers to employment than others.

Labour Force Survey (LFS) data are used throughout this article and are based on the ILO definition of unemployment, which uses the following criteria:

• the individual is without a job; and

• is available to start work in the two weeks following their LFS interview; and

• either looked for work in the four weeks before interview, or

• is waiting to start a job that has already been obtained.

Short-term unemployment is defined here as less than six months; long-term is greater than 12 months.
Characteristics of the short-term and long-term unemployed

Unemployment rates by duration between 1993 and 2003

As Figure 1 shows, unemployment rates for men and women decreased over the past ten years as the UK came out of recession. In spring 2003, there were 1.4 million unemployed people in the UK, a decrease from 2.9 million in spring 1993 (not seasonally adjusted). The unemployment rate has been consistently lower for women than for men. In spring 2003, the unemployment rate for men was 5.5 per cent compared with 4.1 per cent for women. However, the percentage change was greater for men than it was for women. The number of unemployed men decreased from 1.9 million in spring 1993 to 876,000 in spring 2003. For women it decreased from 949,000 to 549,000.

While the unemployment rate has been decreasing, the composition of the unemployed has also changed. As unemployment decreases it would be...
reasonable to expect the duration of unemployment to decrease. This is because if the unemployment rate is decreasing it may be easier to find a job, and so people are likely to spend less time in unemployment. Figure 2 supports this argument. It shows the proportions of people unemployed by the length of time spent in unemployment. The proportion of people unemployed for less than six months (as a proportion of all in unemployment) has increased from 37 per cent in spring 1993 to 63 per cent in spring 2003, while the proportion of people unemployed for 12 months or more decreased. In absolute terms, long-term unemployment decreased at a faster rate than short-term unemployment. The number of people unemployed long-term decreased from 1.2 million in spring 1993 to 323,000 in spring 2003; over the same period those unemployed short-term decreased from 1.1 million to 891,000.

Composition of the unemployed by age and sex

Table 1 shows unemployment rates by age group and sex, and Figure 3 shows the relative proportions of people in each category by duration of unemployment. For both men and women, younger workers (18 to 24-year-olds) were less likely to be long-term unemployed. The unemployment
Characteristics of the short-term and long-term unemployed

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Rate for older men (aged 50 and over) was lower than the total unemployment rate for men (3.9 per cent and 5.5 per cent respectively). However, long-term unemployment was much more likely among older men. Some 38 per cent of men aged 50 and over were unemployed for 12 months or more compared with 15 per cent for 18 to 24-year-old men.

Highest qualification

Qualifications may be viewed as an indication of the level of skills. As a result, people’s educational attainment may also have an impact on their likelihood of becoming unemployed and the length of unemployment if they do become unemployed. In spring 2003, the unemployment rate for people with no qualifications was more than three times that for those with a degree or equivalent as their highest qualification (9.7 per cent and 2.7 per cent respectively). Furthermore, among the unemployed, people with no qualifications were most likely to be unemployed for one year or more (see Figure 4). People with higher education (other than degrees) as their highest qualification were most likely to be unemployed for less than six months at 72 per cent. People whose highest qualifications were either degree or equivalent, higher education, GCE A level or equivalent or GCSE grades A-C had similar probabilities of being unemployed for one year or more at around 17 to 19 per cent. The proportion was greater for those with other qualifications at 26 per cent.

Disability

Disabled people have a higher unemployment rate than people with no disabilities (see Box 1). In spring 2003 the unemployment rate for people with disabilities was 8.2 per cent compared with 4.5 per cent for people with no disabilities. Men with disabilities had a higher unemployment rate than equivalent women (9.6 per cent compared with 6.4 per cent) (see p438, Labour Market Trends, September 2003). Furthermore, unemployed disabled people were more likely to be long-term unemployed than people with no disabilities (34 per cent and 20 per cent respectively).
Characteristics of the short-term and long-term unemployed

Analysis in brief

Characteristics of the short-term and long-term unemployed

Table 2

<table>
<thead>
<tr>
<th></th>
<th>Men Disabled</th>
<th>Men Not disabled</th>
<th>Women Disabled</th>
<th>Women Not disabled</th>
<th>All Disabled</th>
<th>All Not disabled</th>
</tr>
</thead>
<tbody>
<tr>
<td>Up to six months</td>
<td>48</td>
<td>62</td>
<td>53</td>
<td>72</td>
<td>50</td>
<td>66</td>
</tr>
<tr>
<td>Over six months and up to 12 months</td>
<td>15</td>
<td>14</td>
<td>19</td>
<td>13</td>
<td>17</td>
<td>14</td>
</tr>
<tr>
<td>Over 12 months</td>
<td>37</td>
<td>23</td>
<td>28</td>
<td>14</td>
<td>34</td>
<td>20</td>
</tr>
</tbody>
</table>

Source: Labour Force Survey

Box 1 Definition of long-term disability

The LFS definition of current long-term disability includes all those who report having a work-limiting disability or a current disability covered by the Disability Discrimination Act (DDA). This definition gives the most comprehensive coverage of disability.

Table 3

<table>
<thead>
<tr>
<th></th>
<th>Up to six months</th>
<th>Over six months and up to 12 months</th>
<th>Over 12 months</th>
</tr>
</thead>
<tbody>
<tr>
<td>Head of family unit</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Married/cohabiting couple with no or non-dependent children</td>
<td>63</td>
<td>12</td>
<td>25</td>
</tr>
<tr>
<td>Married/cohabiting couple with dependent children</td>
<td>60</td>
<td>14</td>
<td>26</td>
</tr>
<tr>
<td>Lone parent with non-dependent children</td>
<td>*</td>
<td>*</td>
<td>*</td>
</tr>
<tr>
<td>Lone parent with dependent children</td>
<td>56</td>
<td>14</td>
<td>30</td>
</tr>
<tr>
<td>Wife or partner of head</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Married/cohabiting couple with no or non-dependent children</td>
<td>73</td>
<td>12</td>
<td>15</td>
</tr>
<tr>
<td>Married/cohabiting couple with dependent children</td>
<td>74</td>
<td>15</td>
<td>12</td>
</tr>
</tbody>
</table>

Source: Labour Force Survey

* Sample size too small for a reliable estimate.

As with all unemployed women, unemployed women with disabilities were more likely to be short-term unemployed compared with men (53 per cent and 48 per cent respectively). Possible reasons for the longer length of unemployment of disabled people are discussed in Smith and Twomey (2002), which identifies factors that may affect a disabled person’s willingness to supply their labour.²

The family type of an individual may also have an impact on the likelihood of getting a job once unemployed. For example, people with dependent children may not be as flexible as those without children when it comes to the location of the job or the hours they can work. Also, lone parents may be in a worse position compared with married/cohabiting couples with dependent children, as couples can share childcare responsibilities. Lessof et al. (2001) cited in Evans (2003) state that the barriers most commonly mentioned by lone parents on income support were related to childcare — either not wanting to leave children in childcare or the lack of childcare — but similar proportions also mentioned lack of skills and concerns about being worse off financially. In spring 2003, lone parents with dependent children had an unemployment rate of 10 per cent compared with 4 per cent for lone parents without dependent children. The head of the family unit of married/cohabiting couples with dependent children had an unemployment rate of 3 per cent.

Table 3 shows the relative proportions of people unemployed by family type and by duration of unemployment. Lone parents with
dependent children were more likely to be long-term unemployed compared with the head and the wife/partner of the head of (a family unit of) married/cohabiting couple with dependent children. This would suggest that having children and whether or not a person is married/cohabiting will have an impact on the length of unemployment.

**Conclusion**

There are several factors that influence the length of unemployment. The groups of people experiencing longer lengths of unemployment tend to be older workers, particularly older men, those with low or no qualifications, people with a disability and lone parents with dependent children.

**Notes**

1. This article uses the official measure of unemployment for the UK – the International Labour Organisation definition. The claimant count measures the number of people receiving unemployment-related benefits, that is, Jobseeker’s Allowance. For further information about the claimant count and the difference between the two unemployment measures, see pp59-62, Labour Market Trends, February 2004.

2. This includes the severity of the disability and beliefs about the likelihood of facing discrimination or the availability of suitable jobs. The article contends that the factors affecting demand include whether the requirements of the job could actually be fulfilled by a person with disabilities. Employers may also have wrongly conceived ideas about someone’s ability to do a job. All these factors may contribute to the longer length of unemployment for people with disabilities.

**References**

