

Measuring Employment Deprivation among Households in the EU

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In this paper, following the literature on well-being, we propose an aggregate measure of employment deprivation among households that is increasing in the incidence of household unemployment (how many households are touched by the lack of employment of any of its members), its intensity (how far are households on average from being employment non-deprived), and inequality of employment exclusion across households (how concentrated is unemployment in a few of them). Based on this measurement framework, we analyze employment deprivation across the European Union using Labor Force Surveys during the Great Recession. Our results provide evidence for the relevance of incorporating the household dimension in identifying unemployment profiles with different implications in terms of households well-being and vulnerability.

Keywords: employment deprivation, unemployment measurement, vulnerability, European Union

JEL codes: D30; D63; I31, J64.