Methodological explanations:

1. The **data source** is the Household Labour Force Survey that is conducted on a quarterly basis, in accordance with Council Regulation (EC) No 577/98 on the organisation of a labour force sample survey in the Community.

2. Concepts and definitions:

   - The **unemployed, according to international definition (ILO*),** are persons aged 15-74 who simultaneously meet the following 3 conditions: (i) they do not have a job; (ii) they are available to start work in the following two weeks; (iii) they were actively seeking work any time during the last four weeks.

   - The **unemployment rate** is the weight of the unemployed in the active population.

   - The economically **active population** comprises all persons who provide the supply of labour for the production of goods and services during the reference period, including the employed population and the unemployed.

   - The **registered unemployed** are persons recorded by the National Employment Agency, who benefit from the provisions of the legislation on the social protection of the unemployed.

     The two sets of statistical indicators (monthly unemployment, according to international definition and registered unemployment) *are not comparable* because the data sources, the measurement methods, the concepts, the definitions and the coverage are different. However, the analysis of the data of both series provides a complete and accurate picture of the Romanian labour force market.

3. The **estimation method** applied is based on econometric methods that exponentially smooth data series that shows a linear trend. The forecasted values are derived from the data provided by the Household Labour Force Survey, using smoothing coefficients that adjust the level and trend of the series (in unadjusted form). The smoothing coefficients are determined by minimizing the prediction error.

4. **How the data are presented**: The data included in this press release are seasonally adjusted data. The effect of seasonal variations is hence removed. For seasonal adjustment, the DEMETRA software package (the TRAMO/SEATS method) was used, which also estimates the calendar effect (Orthodox Easter, leap year and other national holidays) and identifies and corrects the outliers (occasional transitory or permanent changes in level). The estimation of the non-observed components (the trend-cycle, seasonality and the irregular component) is made by the SEATS programme on the basis of ARIMA models. The seasonally adjusted series were obtained by removing the seasonal component from the original series.

   Because of the reduced number of units observed, the estimators' degree of confidence for the indicators regarding young persons (15-24 years age group) is extremely low, the series obtained having a high degree of volatility. Hence, for "young persons" quarterly data is disseminated (e.g. data for January, February and March are all equal and refers to the first quarter). Data for young persons are released, as provisional, two months after the end of the reference quarter and as final once the LFS estimations for the corresponding quarter are finalized.

5. **The entire data series was estimated based on the resident population figures - consistent with the Population and Housing Census 2011 results.**

   The complete series is available in the TEMPO on-line database.

6. **Data revision policy:** The unemployment rate and the number of unemployed are disseminated on a monthly basis as **provisional data** and are subject to quarterly revisions as new information becomes available, namely:
   - the indicators whose reference period is January, February or March are published as provisional indicators at the end of February, March or April and are revised in May;
   - the indicators whose reference period is April, May or June are published as provisional indicators at the end of May, June or July and are revised in August;
   - the indicators whose reference period is July, August or September are published as provisional indicators at the end of August, September or October and are revised in November;
   - the indicators whose reference period is October, November or December are published as provisional indicators at the end of November, December or January (next year) and are revised in February – next year.

   Each year, once the data for the first month of the year are published, seasonally adjusted and trend series are entirely revised due to re-estimation of the parameters of the ARIMA model.

7. For more information on the number of unemployed and the unemployment rate, provided on a monthly basis and the non-seasonally adjusted and trend series, access the TEMPO database of the National Institute of Statistics (www.insse.ro).

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* International Labour Office