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### **The unemployment and inactivity in UK, France and Spain: The treatment of overlap areas (grey areas).**

After the recent European Commission regulation 1987/2000, which establishes a new definition of unemployment, many authors have devoted their research to study the boundaries between unemployment and inactivity (see Brandolini et al, 2006, Chardon et al. 2003, Garrido et al. 2004, Jones et al., 2006, Marzano, 2006 among others). All these authors have tried to identify, using different databases (BHPS; national LFS, ECHP, etc) and focus generally in only one country, whether this new definition is an accurate characterization of the unemployment situation. In sum, all of them tend to conclude that this new definition is not completely able to capture the real complexities of the labour markets and stress the necessity of further research on this topic.

Thus, the main aim of this research is to compare the outlines of the unemployment population in UK, France and Spain using microdata from the national Labour Force Surveys for 2006 (second quarters). More specifically, we are trying to determine the overlap areas (grey areas) that appear between unemployment and inactivity when we compare the filter ILO definition and the rough responses of the interviewees (see Gonzalez-Demichel and Nauze-Fichet, 2003). This comparative approach of these three countries will enable us to understand better the impact of the unemployment definition in labour markets with different institutions, regulations and performance.

In order to do that, firstly, we analyze the different categories that we obtain from the rough basic responses to the series of questions of LFS about labour market status, intensity of job search, availability for work etc., from all persons who declare that they are seeking work or those that have not been looking for a job (discouraged) but they would like to have a job, with the results from ILO unemployment-inactivity classification criteria.