

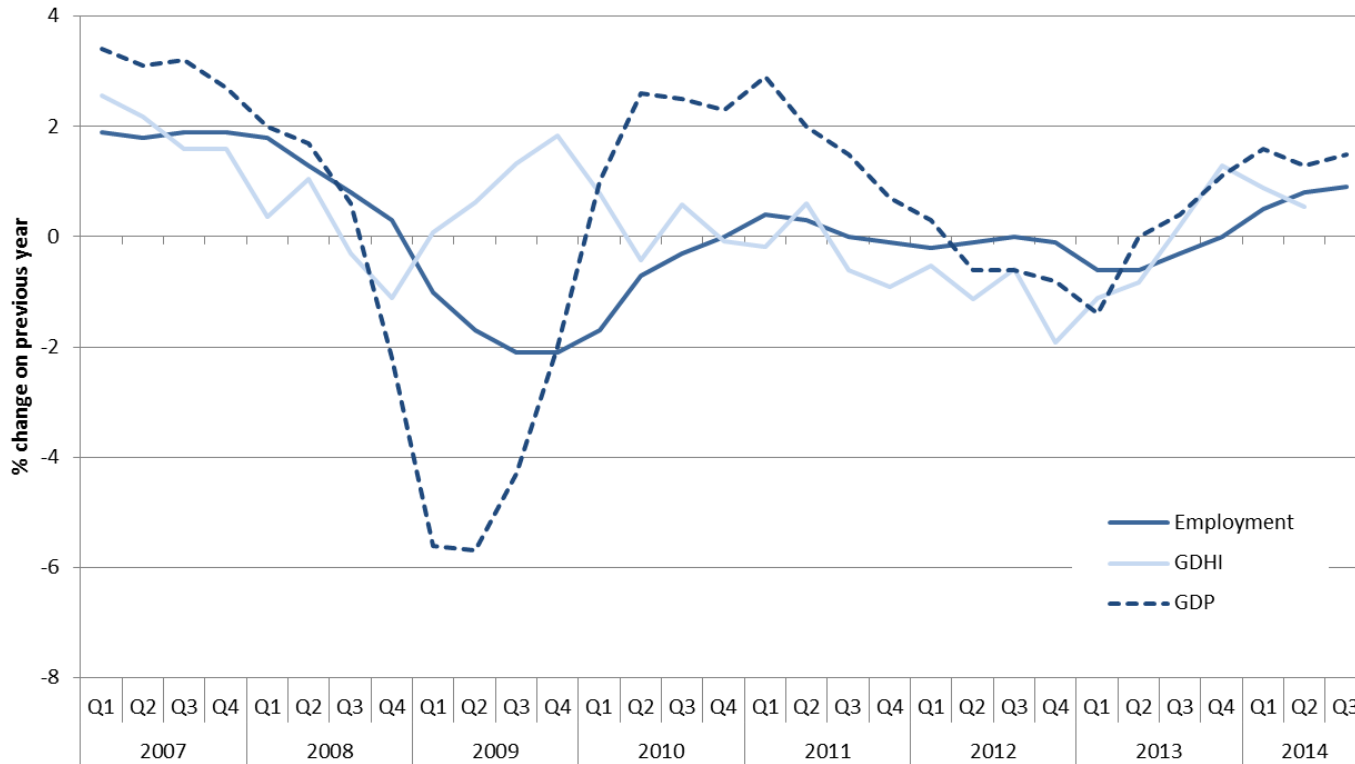


Employment and Social Developments in Europe 2014

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15 January 2015

Fragile recovery

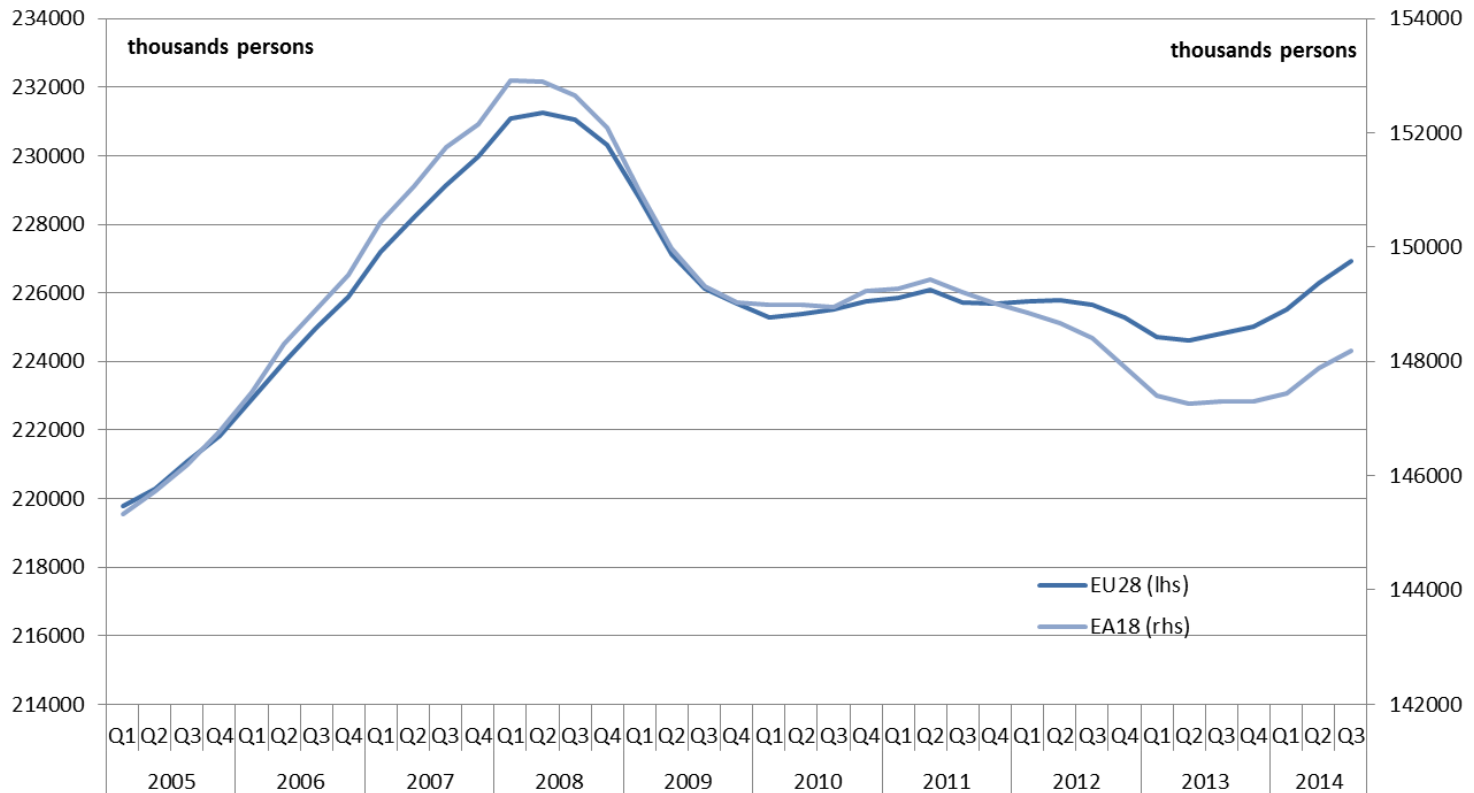
Growth in GDP, employment and household incomes (GDHI)



Source: Eurostat, National Accounts
GDHI: Gross Household Disposable Income

Employment started growing again, but still below pre-crisis level

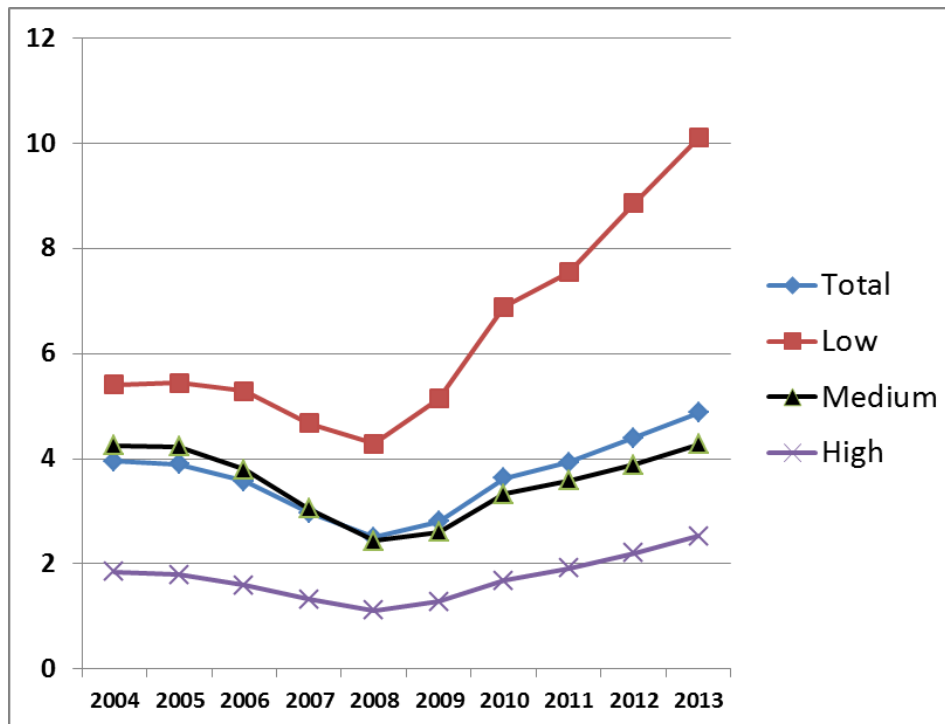
Employment in the EU and Euro area, 2005 to 2014



Source: Eurostat, Labour Force Survey

Long-term unemployment has doubled during the crisis, esp. for the low skilled

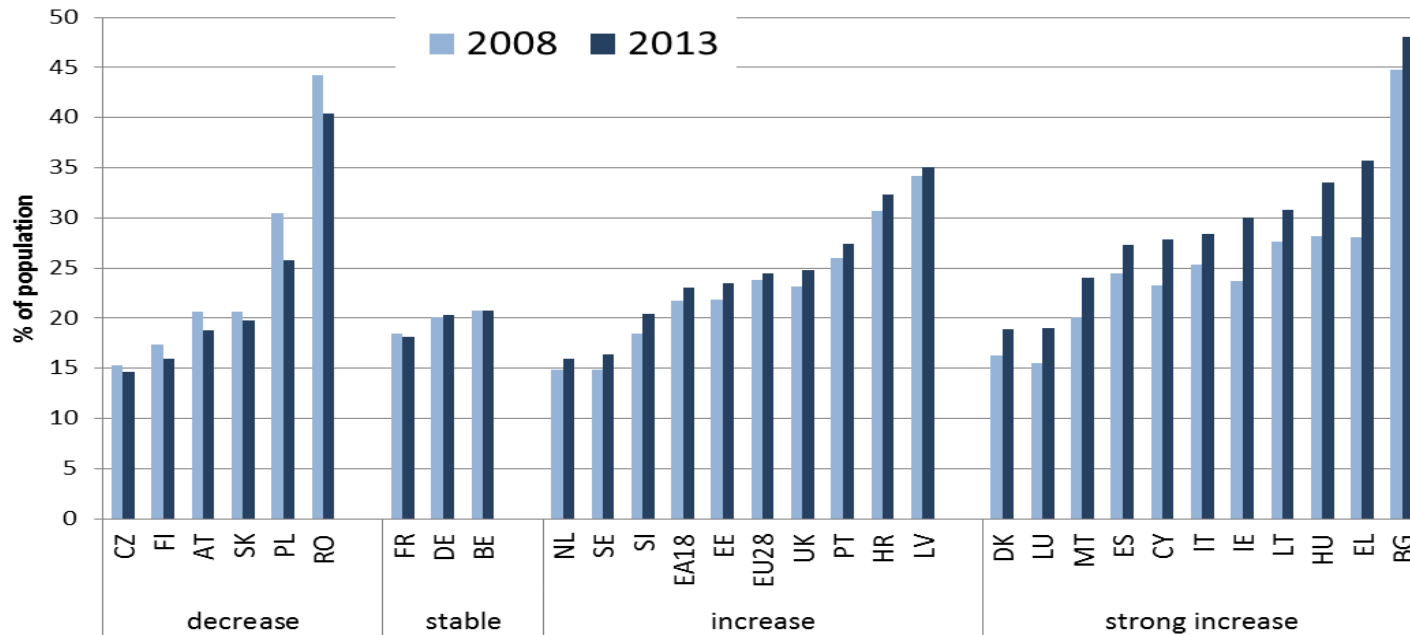
Long-term unemployment rate, total and by skill level, 2004 to 2013



Source: Eurostat, Labour Force Survey

Poverty and exclusion on the rise in two third of countries

At-risk-of poverty and social exclusion



Source: Eurostat, SILC

Job creation: obstacles and possible solutions

Obstacles

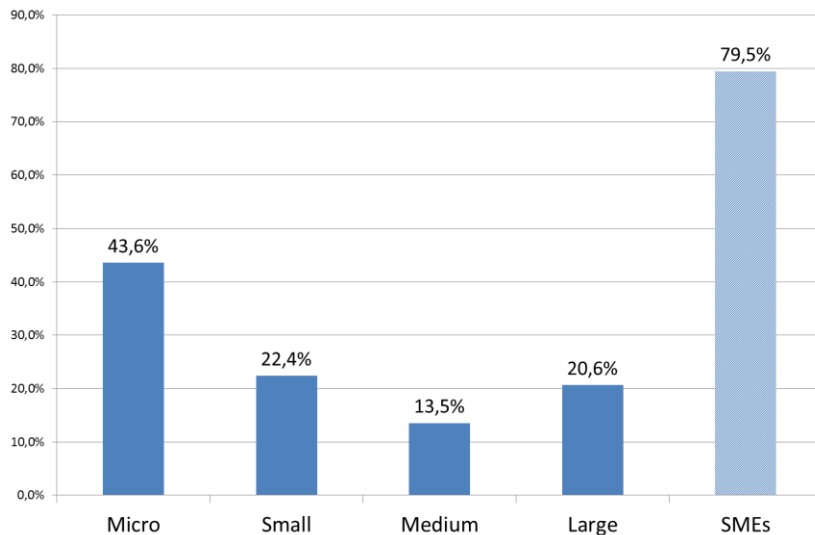
Weak demand, access to finance, lack of start-ups, skills mismatches, more part-time and temporary work, in some cases labour taxation

Possible solutions

reforms and investments, specifically in education, training, activation policies and health, tax shifts away from labour, framework conditions supporting entrepreneurship

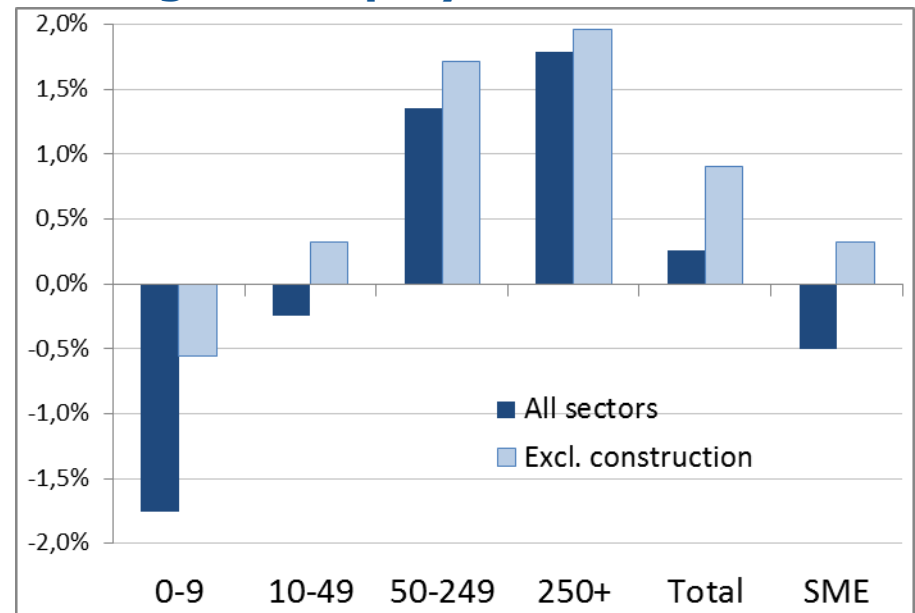
Net job growth mostly in SMEs, but not in the last years

Share of total employment change (2002-2010 average)



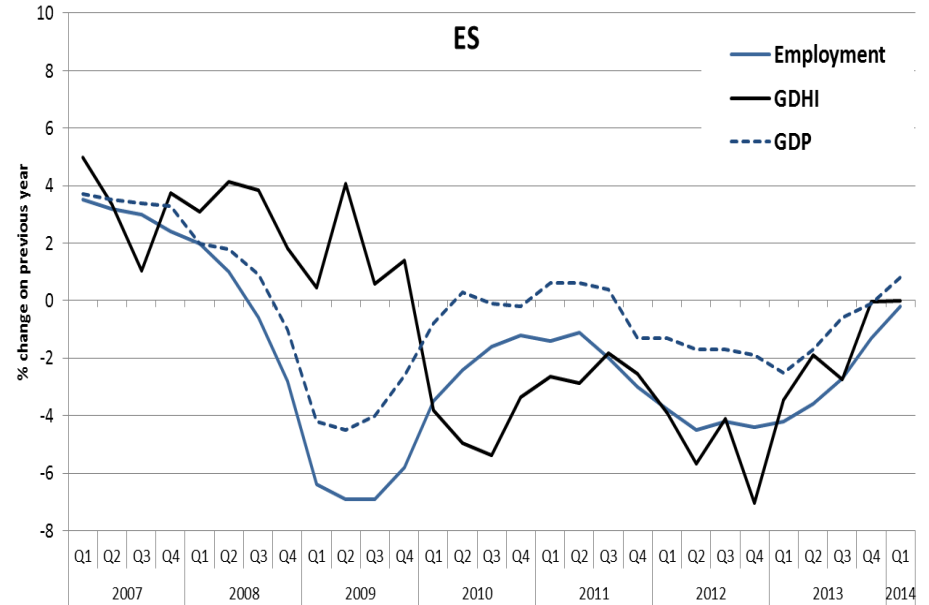
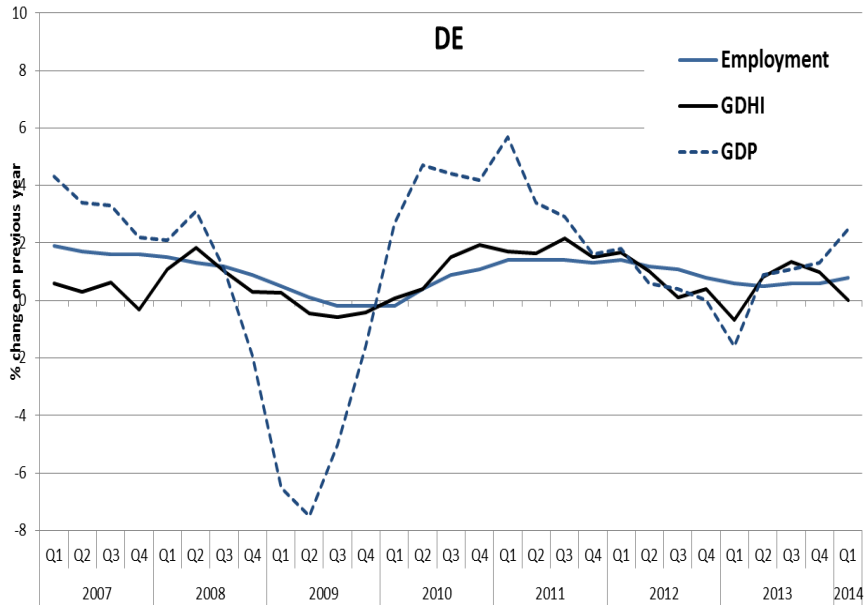
Source: Study "Do SMEs create more and better jobs?"

Change in employment 2010-2013



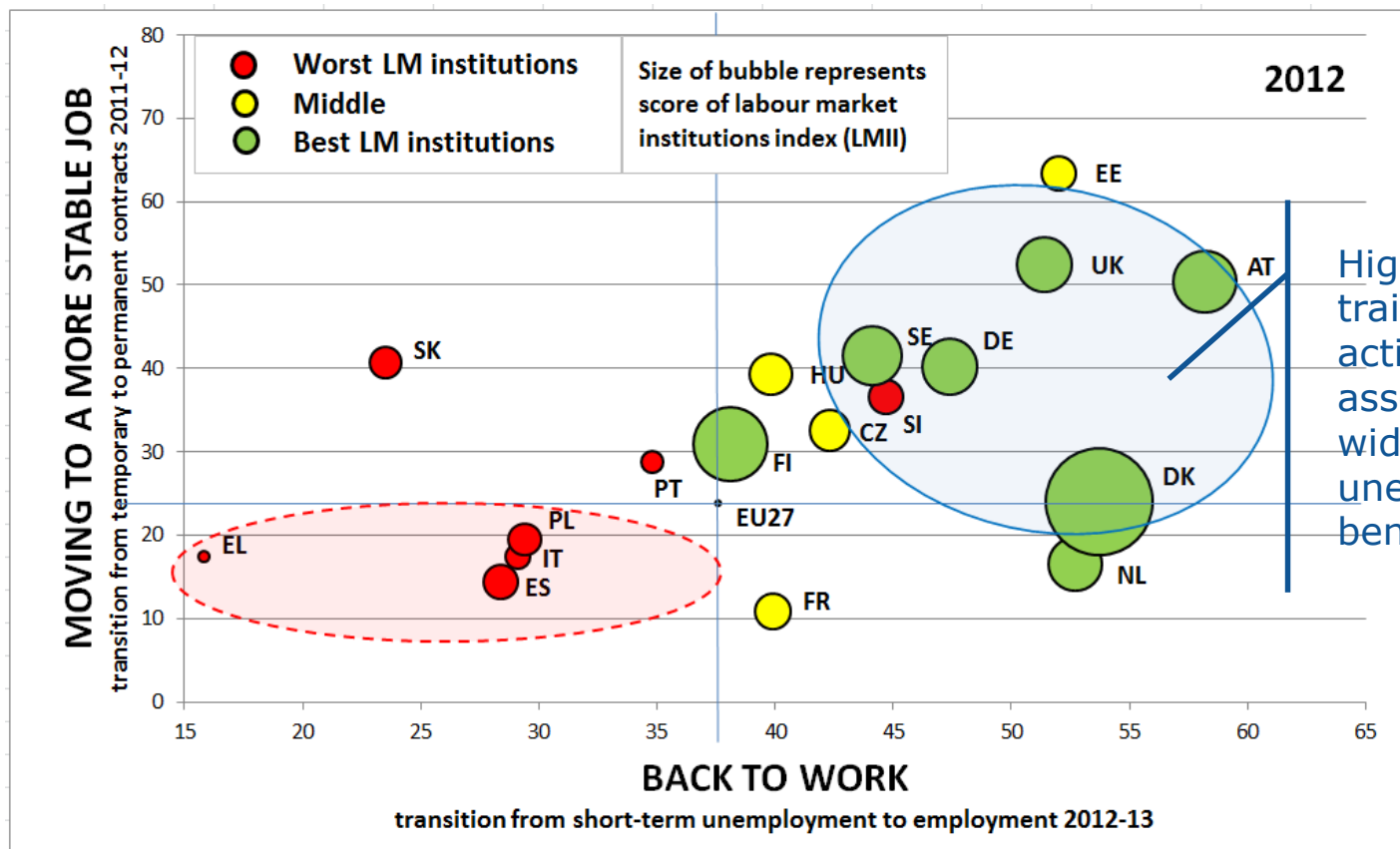
Source: ESDE 2013

Divergence between countries: different levels of resilience to the shock



Source: Eurostat, National Accounts
 GDHI: Gross Household Disposable Income

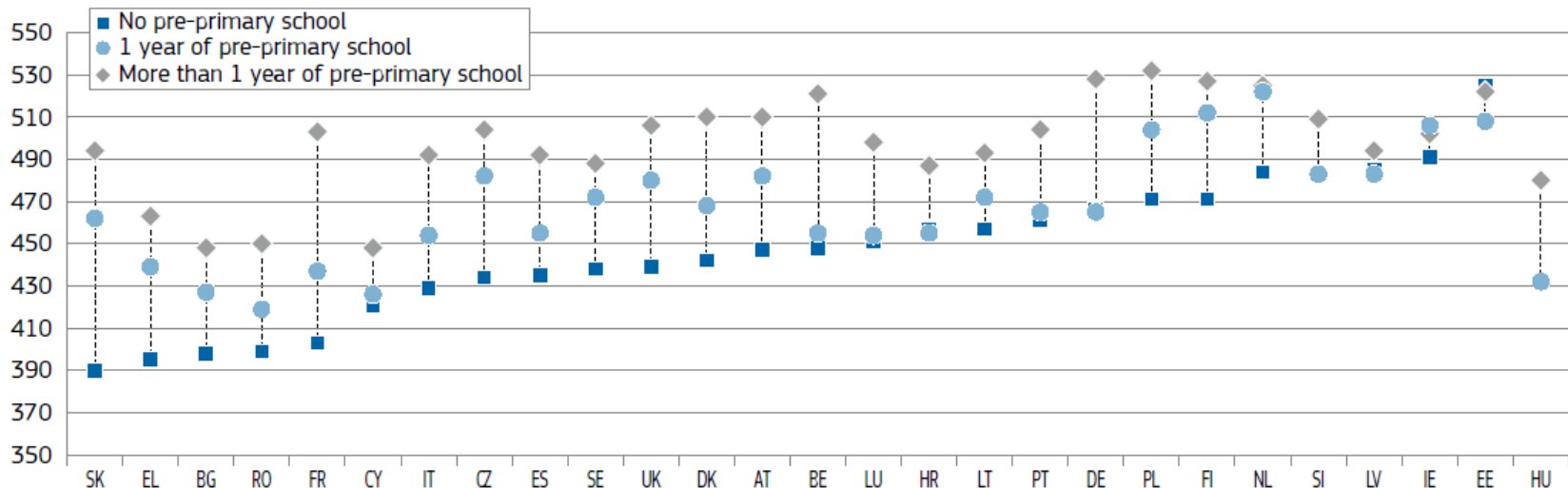
Better training, activation & unemployment benefits associated with better labour market performance



Source: ESDE 2014 – "Labour market institutions Index" EMPL calculations based on Estat/OECD

Early Childhood Education and Care: early intervention improves basic skills

Chart 6: Participation in ECEC improves basic skills of 15 year-olds
Achievement in maths by participation in pre-primary school (PISA score points)

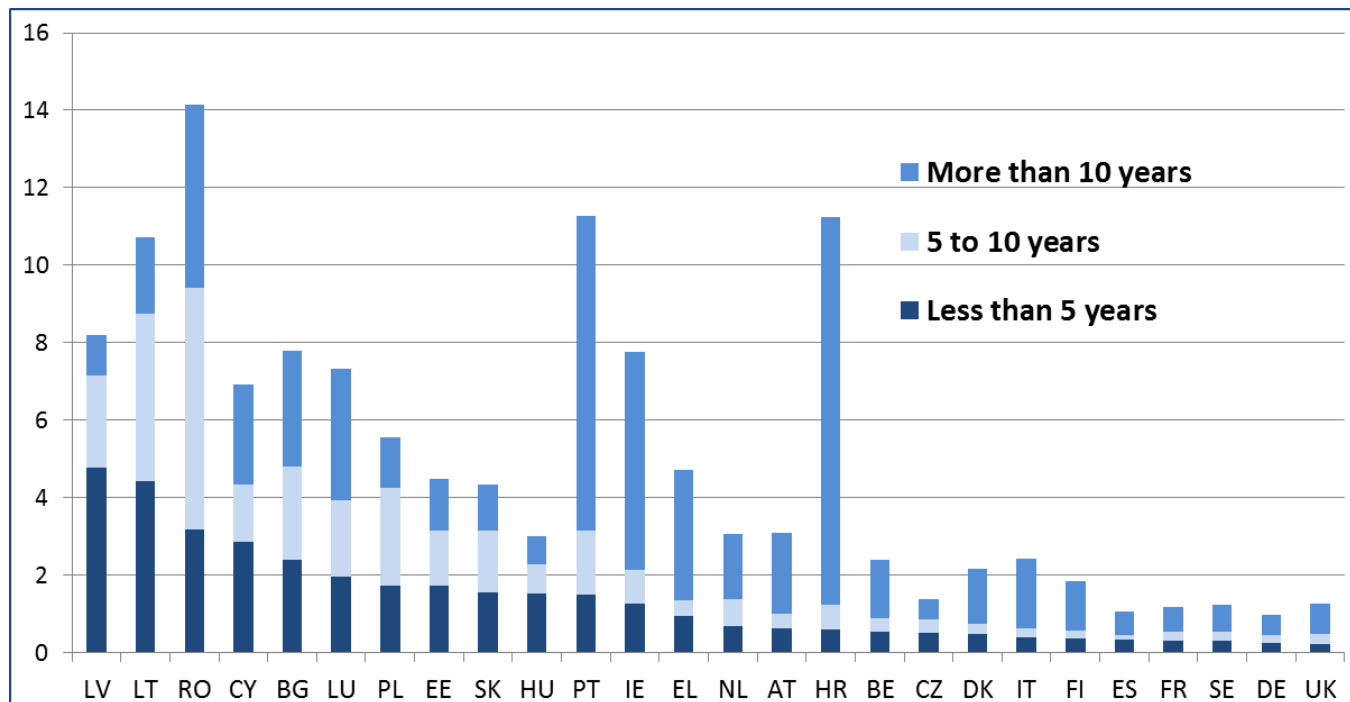


Source: European Commission (2013c).

Note: Data are not corrected for parental/socioeconomic background.

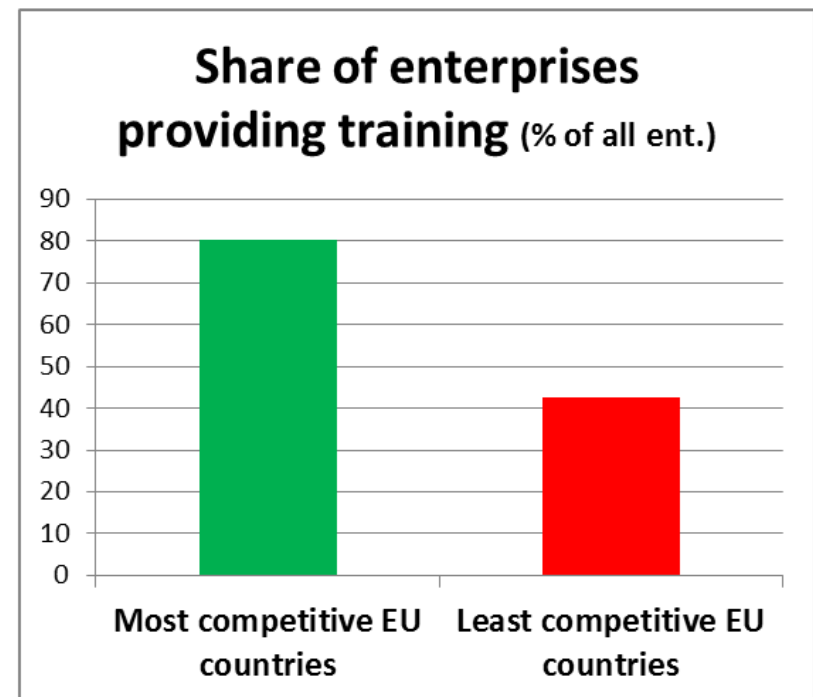
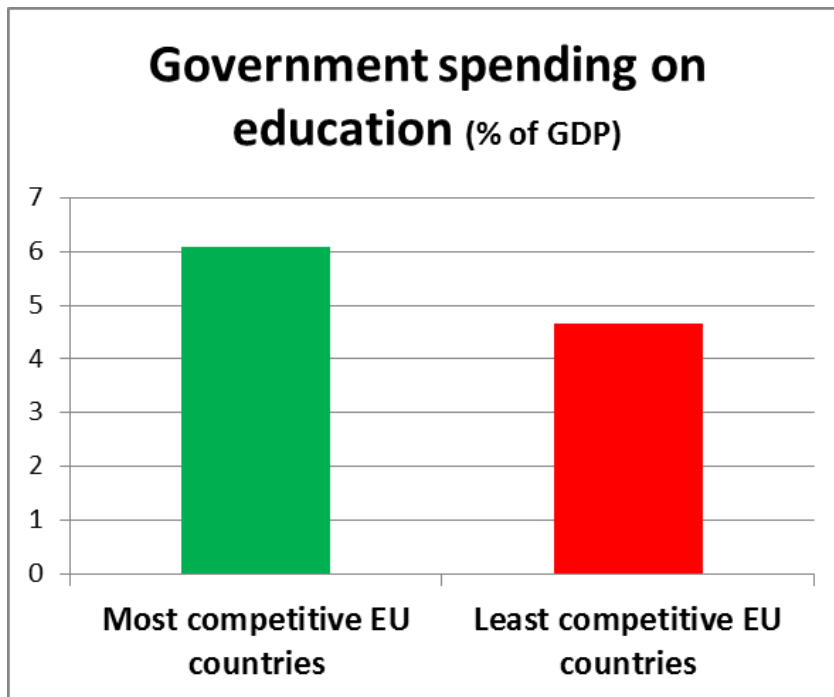
Cross border mobility highest in the Eastern countries, but still below US level

Mobility rate by country— working-age citizens living in another EU country, by years of residence



Source: Eurostat, Labour Force Survey – EMPL calculations; (age group 15-64, 2013, as a percentage of the working-age population of the country of citizenship)

The important role of businesses in life long learning

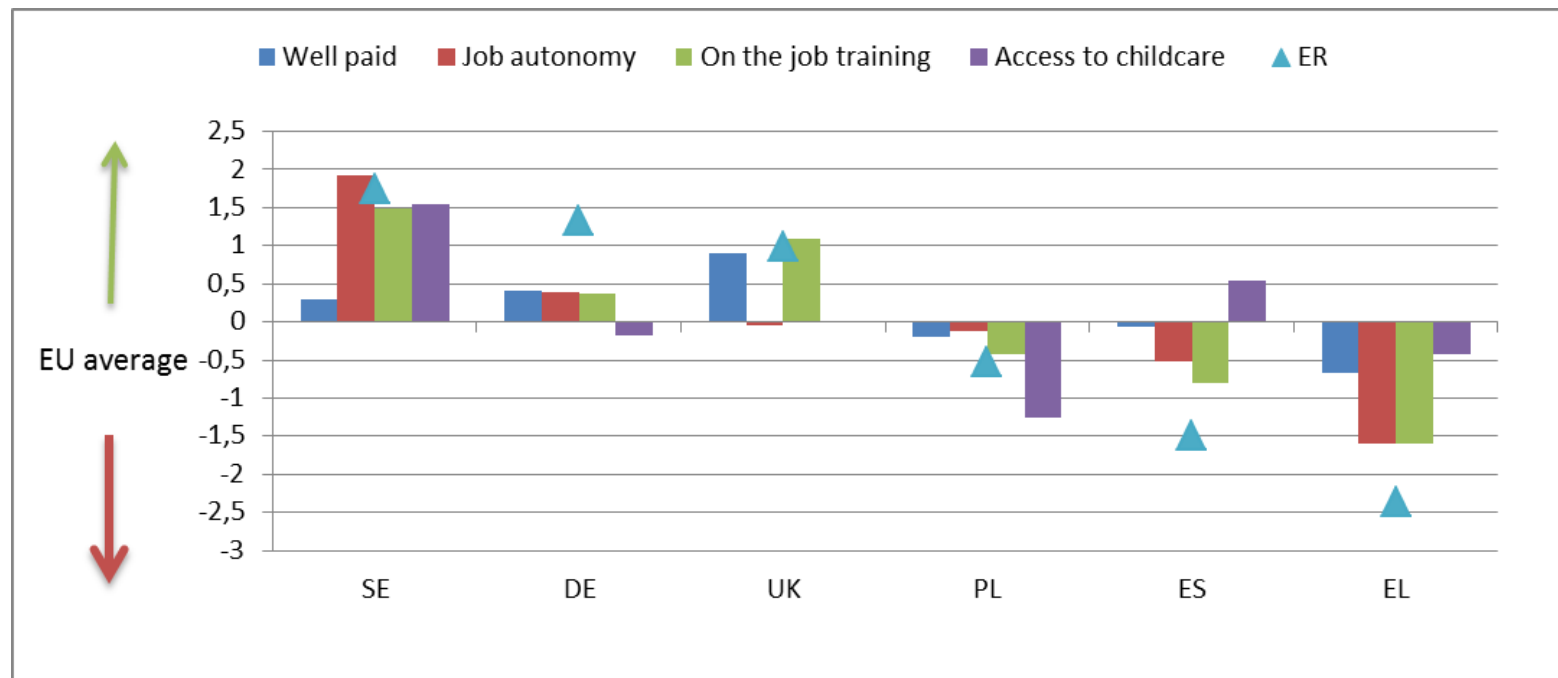


Source: COFOG and CVT, DG EMPL elaborations.

Most competitive countries (SE, DE, DK, LU, NL) Least competitive EU countries (IT, HU, SI, EL, RO, BG) (from IMD World Competitiveness Yearbook 2014)

Higher job quality is associated with better labour market performance

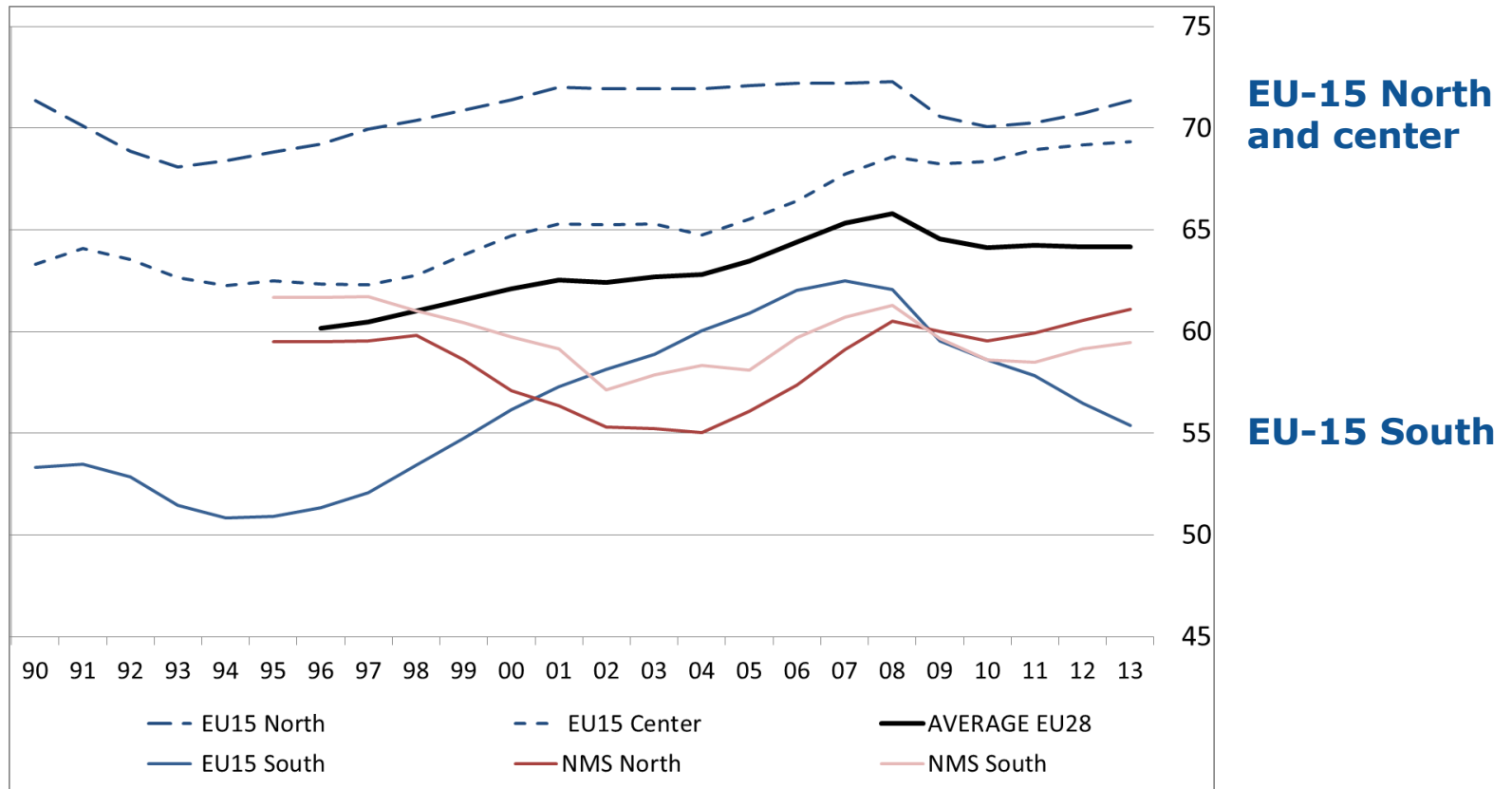
Job quality components and Employment rates (ER)



Source: Eurostat and Eurofound (ESWC) in ESDE 2014 - forthcoming
 Note: standardized deviations from EU average

Unequal crisis and recovery

Employment rates: divergence between North and South of EU15



Source: Eurostat, Labour Force Survey