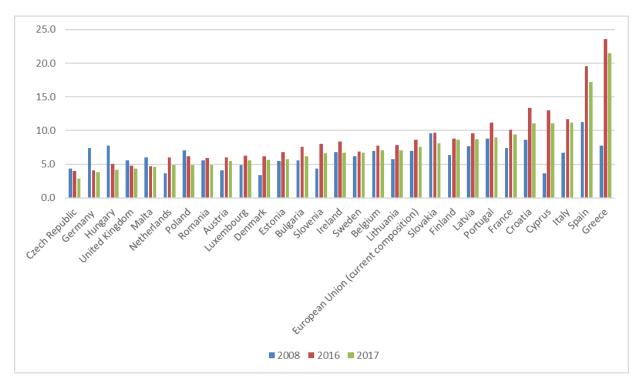


Work

Chart 5.1: Unemployment (% Active Population), EU-28, 2008, 2016 and 2017



Source: Eurostat, [une_rt_a]

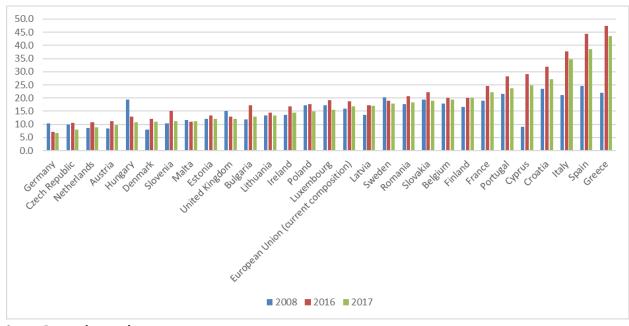


Chart 5.2: Youth Unemployment (% of active population), EU-28, 2008, 2016 and 2017

Source: Eurostat, [une_rt_a] Note: Youth unemployment refers to those under 25 years.



Work

In 2017, the annual unemployment rate (EU-28) was 7.6%, down from 8.6% in 2016, but still slightly higher than the 2008 rate (7%). The unemployed represented some 18.7 million people (EU-28) and there were still some 2 million more people unemployed in 2017 than in 2008, although the number had greatly reduced on the 2013 figure, when unemployment reached its peak.

Chart 5.1 illustrates the very great divergence between countries both in terms of the rate of unemployment and in the degree of change between 2008 and 2017. The countries with the highest rates in 2017 were Greece (21.5%) and Spain (17.2%), followed by Italy, Cyprus and Croatia. Those with the lowest rates were Czechia, Germany, Hungary and United Kingdom (all with rates under 4.5%).

We can also see from Chart 5.1 how in some countries (notably in Greece, but also in Cyprus, Spain, Italy and Croatia, for example), unemployment levels remain very much higher than pre-crisis. In others (Czechia, Germany and Hungary, for example) rates are better now than they were in 2008.

The average youth unemployment rate in 2017 was 16.8% (EU-28), down from 18.7 % in 2016 (as a % of active population). It had been 15.9% in 2008. At the end of 2017 some 3.8 million young people (under 25) were unemployed in the EU-28. The risk of unemployment is particularly high for young people with lower educational levels who have completed only lower secondary.

Chart 5.2 shows, that there is great variation in the rates of youth unemployment across Europe and there were very great variations in the rate of its increase after 2008. The rates (2017) were highest in Greece (43.6 %), Spain (38.6%) and Italy (34.7%) notwithstanding an improvement in all those countries between 2016 and working to build a just see 2017. By contrast, at the other end of the scale, the 2017 rate in Germany was 6.8% and it was less than 10% in three other countries (Czechia, Netherlands and Austria).

Recent statistics suggest that in May 2018, 3.37 million people under 25 were unemployed (EU-28) (15.1%). Compared with May 2017, youth unemployment had decreased by some 519,000 people. The lowest rates were in Malta (4.8%), Germany (6.1%), Estonia (6.8% in April) and the Netherlands (6.9%), while the highest were in Greece (43.2% in March), Spain (33.8%) and Italy (31.9%).

In a report into long-term unemployment amongst young people, Eurofound notes that the young people concerned are difficult to reach and often lack education and work experience, and that they are also more likely to face additional challenges such as care responsibilities, poor health and lower levels of well-being than their peers. Eurofound suggests that they are not in a position to take advantage of the economic improvements but instead will need a holistic, individualised and young-people-centred approach if they are to be re-integrated into the world of work.

Overall, it is clear that, particularly in the southern European countries, the share of young people being left behind by the labour market remains far too great (Schraad-Tischler et al. 2017).

Policy Priorities

- Ensure employment provides reasonable rates of pay and secure conditions.
- Make tax credits refundable to help alleviate in-work poverty.
- Develop appropriate employment activation policies, particularly for long-term unemployed.