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from: The Employment Committee  
to: Permanent Representatives Committee (Part I) / Council EPSCO  
Subject: Employment Performance Monitor  
- *Endorsement*

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Delegations will find attached the Employment Performance Monitor, as transmitted by the Employment Committee, in view of the EPSCO Council on 21 June 2012.

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# The Employment Committee

EMCO/08/03052012/EN

## Europe 2020

### Employment Performance Monitor 2012

#### *Draft*

In line with the EPSCO Council's commitment to put its expertise on employment and labour market policies at the service of the European Council for a successful implementation of the Europe 2020 Strategy, the Employment Committee was mandated<sup>1</sup> to produce an "Employment Performance Monitor" (EPM), which can be used to identify at a glance the main employment challenges for the European Union and for each Member State.

Like the 2011 pilot version<sup>2</sup> of the EPM, the 2012 version is based on the findings of the Europe 2020 Joint Assessment Framework (JAF). The JAF is an indicator-based assessment system prepared jointly by the Employment Committee, the Social Protection Committee (SPC) and the Commission, covering general and specific policy areas under the Employment Guidelines, with the objective to identify key challenges in these areas and support Member States in establishing their priorities. The JAF comprises two main elements:

- Monitoring and assessment of main challenges under the Employment Guidelines through a three-step methodology including a quantitative and qualitative assessment
- Quantitative monitoring of progress towards the EU headline and related national targets.

The "EPM" presented here reflects the results of both JAF components for the employment policies area. The three parts of the Monitor aim at providing a

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<sup>1</sup> See Council Doc. 14478/10

<sup>2</sup> Council Doc. 10666/1/11 REV 1

good overview results both at country level and across all Member States. These results could also be useful for macroeconomic surveillance.

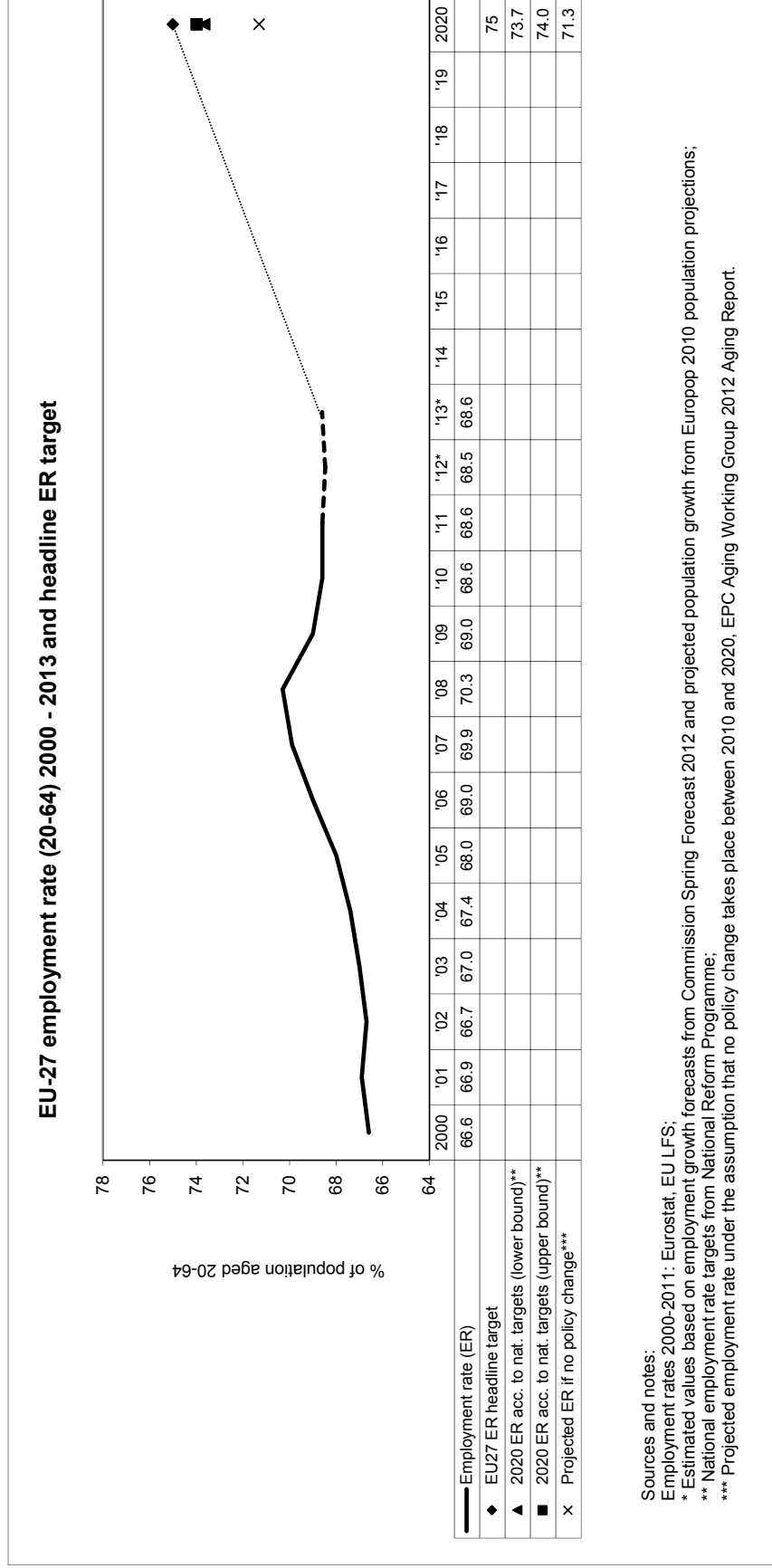
The JAF results, and hence the EPM, respect the role of national parliaments and social partners and differences in national systems, such as the systems for wage formation.

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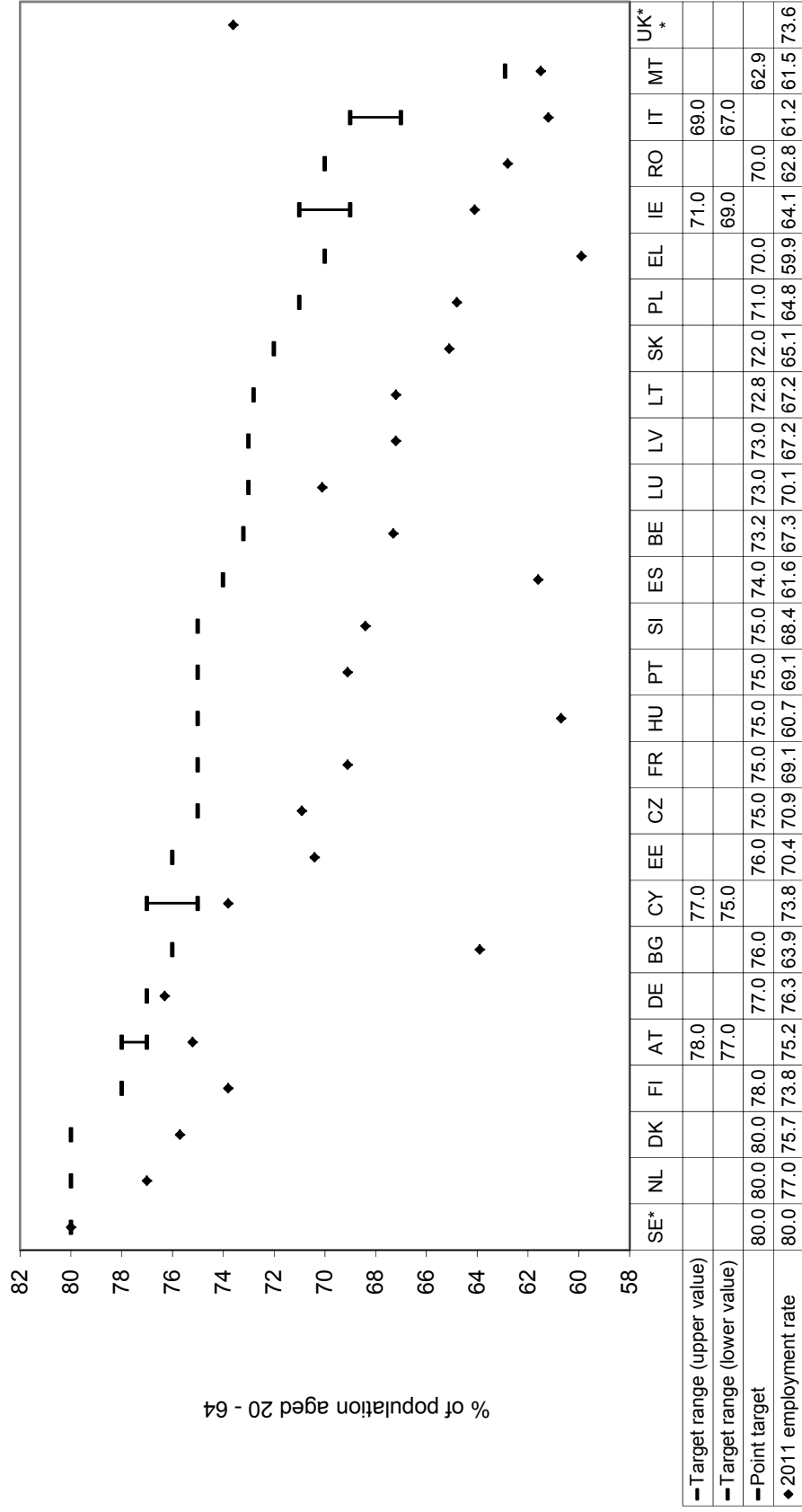
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# **PART I - Overview of National Employment Targets, Challenges and Particularly Good Outcomes**

## Progress towards the EU-27 employment rate headline target



## National employment rate targets set by MS in their 2012 NRPs



Sources: National Reform Programmes 2012, EU Labour Force Survey for 2011 employment rate.

\* Sweden has defined a national employment rate target of "well over 80%".

\*\* The United Kingdom has not set a national employment rate target.

## National employment rate, education and sub-targets

MS	Employment rate (Headline target: 75% for age group 20-64)	Early leavers from education and training (Headline target: less than 10%)	Tertiary educational attainment (Headline target: at least 40%)	National sub-targets (%)
AT	77-78	9.5	38	
BE	73.2	9.5	47	ER of women 69.1; NEET 8.2; ER of older workers 50.0; ER-non EU citizens <16.5
BG	76	11	36	Reducing the level of unemployment among young people (aged 15-29) to 7% in 2020; Achieving a level of Employment among elderly people (aged 55-64) of 53% in 2020
CY	75-77	10	46	
CZ	75	5.5	32	ER of women 65.0; ER of older workers 55.0; unemployment rate (15-24) reduced by 1/3; unemployment rate of low -skilled reduced (ISCED 0-2) by 1/4.
DE	77	less than 10	42	ER older workers 60.0; ER of women 73.0
DK	80	less than 10	at least 40	95% of a youth cohort should complete upper secondary educ. and 50% tertiary educ.
EE	76	9.5	40	Youth unemployment 10.0; long-term unemployment 2.5; productivity per employed person 80.0; share of adults (25-64) with no professional qualification 30.0; participation rate in lifelong learning among adults (25-64) 20.0; labour participation rate (15-64) 75.0
ES	74	15	44	ER of women 68.5
FI	78	8	42	
FR	75	9.5	50	ER of women 70.0
GR	70	9.7	32	
HU	75	10	30.3	
IE	69-71	8	60	
IT	67-69	15-16	26-27	
LT	72.8	less than 9	40	ER of women 69.5; ER of men 76.5; ER of older workers 53.4
LU	73	less than 10	40	
LV	73	13.4	34-36	
MT	62.9	29	33	
NL	80	less than 8	45	
PL	71	4.5	45	
PT	75	10	40	
RO	70	11.3	26.7	
SE	well over 80	less than 10	40-45	
SI	75	5	40	
SK	72	6	40	Long-term unemployment rate of 3% by 2020
UK	n.a.	n.a.	n.a.	
<b>EU average*</b>	<b>73.7-74.0</b>			

Source: National Reform Programmes 2012

\* Weighted average of all EU Member States excluding the UK which has not set a national employment rate target



# National employment rate targets compared to current and projected 2020 empl. rates (all age group 20-64)

Member State	Employment rate (20-64) (%)													Context data						
	actual													2020 national employment rate target (%)	Average annual employment growth during "pre-crisis" period (from 2000 to 2008) (%)	Estimated average annual employment growth - 2020	Projected growth of working age population over total 2010 - 2020 period (%)	EPC AWG emplr rate projections for 2020 ("no policy change scenario")** (%)	Difference between target and projected rate under "no policy change scenario" (percentage points)	
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012							2013
AT	71.4	71.5	71.8	72.0	70.8	71.7	73.2	74.4	75.1	74.7	74.9	75.2	75.3	75.6	77-78	1.2	0.5-0.7	2.3	75.4	-1.6 to -2.6
BE	65.8	65.0	65.0	64.7	65.6	66.5	67.7	68.0	67.1	67.6	67.3	67.0	66.9	66.9	73.2	1.0	1.3	3.5	69.5	-3.7
BG	55.3	54.8	55.8	58.0	60.1	61.9	65.1	68.4	70.7	68.8	65.4	63.9	63.3	63.8	76	2.0	0.6	-11.5	67.8	-8.2
CY	72.3	74.1	75.1	75.4	74.9	74.4	75.8	76.8	76.5	75.7	75.4	73.8	72.1	71.9	75-77	3.3	1.0-1.3	7.3	79.0	-2 to -4
CZ	71.0	71.2	71.6	70.7	70.1	70.7	71.2	72.0	72.4	70.9	70.4	70.9	70.9	71.2	75	0.9	0.1	-4.3	73.1	-1.9
DE	68.8	69.1	68.8	68.4	68.8	69.4	71.1	72.9	74.0	74.2	74.9	76.3	77.2	77.6	77	0.7	-0.3	-3.5	77.2	0.2
DK	78.0	78.3	77.7	77.3	77.6	78.0	79.4	79.0	79.7	77.5	75.8	75.7	75.9	76.2	80	0.4	0.6	0.0	78.2	-1.8
EE	67.4	67.8	69.2	70.0	70.6	72.0	75.8	76.8	77.0	69.9	66.7	70.4	71.0	72.0	76	1.7	0.2	-5.8	70.5	-5.5
EL	61.9	61.5	62.5	63.6	64.0	64.6	65.7	66.0	66.5	65.8	64.0	59.9	57.1	57.0	70	1.5	1.6	-1.6	68.4	-1.6
ES	60.7	62.1	62.7	64.0	65.2	67.2	68.7	69.5	68.3	63.7	62.5	61.6	59.4	58.5	74	3.5	2.1	0.3	67.9	-6.1
FI	71.6	72.6	72.6	72.2	72.2	73.0	73.9	74.8	75.8	73.5	73.0	73.8	73.9	74.1	78	0.8	0.2	-3.4	76.9	-1.1
FR	67.8	68.5	68.7	69.7	69.5	69.4	69.3	69.8	70.4	69.4	69.1	69.1	69.4	69.7	75	1.4	0.8	-0.6	73.1	-1.9
HU	61.2	61.3	61.4	62.4	62.1	62.2	62.6	62.6	61.9	60.5	60.4	60.7	61.4	62.3	75	0.3	1.9	-3.8	64.8	-10.2
IE	70.4	71.1	70.7	70.6	71.5	72.6	73.4	73.8	72.3	67.1	65.0	64.1	64.0	64.6	69-71	3.2	0.8-1.1	-0.4	65.7	-3.3 to -5.3
IT	57.4	58.5	59.4	60.0	61.5	61.6	62.5	62.8	63.0	61.7	61.1	61.2	60.5	60.4	67-69	1.5	1.2-1.5	1.7	63.9	-3.1 to -5.1
LT	65.6	64.2	67.2	68.9	69.0	70.6	71.6	72.9	72.0	67.2	64.4	67.2	67.7	68.2	72.8	1.1	0.4	-4.7	66.1	-6.7
LU	67.4	67.7	68.2	67.2	67.7	69.0	69.1	69.6	68.8	70.4	70.7	70.1	70.4	70.0	73	1.5	1.9	13.7	70.4	-2.6
LV	63.5	65.1	67.0	68.9	69.3	70.3	73.5	75.2	75.8	67.1	65.0	67.2	67.9	68.9	73	2.1	0.2	-6.4	67.8	-5.2
MT	57.2	57.2	57.7	57.8	57.9	57.9	57.6	58.5	59.1	58.8	60.1	61.5	62.2	63.2	62.9	1.7	-0.3	-4.7	65.4	2.5
NL	74.3	75.4	75.8	75.2	74.9	75.1	76.3	77.8	78.9	78.8	76.8	77.0	77.0	76.9	80	1.0	0.3	-0.9	78.8	-1.2
PL	61.0	59.4	57.4	57.1	57.3	58.3	60.1	62.7	65.0	64.9	64.6	64.8	65.0	65.2	71	1.2	0.6	-3.8	67.5	-3.5
PT	73.5	73.9	73.6	72.9	72.6	72.3	72.7	72.6	73.1	71.2	70.5	69.1	66.8	67.0	75	0.6	0.8	-1.1	72.1	-2.9
RO	:	:	63.3	63.7	63.5	63.6	64.8	64.4	64.4	63.5	63.3	62.8	63.2	64.0	70	0.0	0.7	-4.1	64.2	-5.8
SE	77.7	78.7	78.5	77.9	77.4	78.1	78.8	80.1	80.4	78.3	78.7	80.0	79.7	79.5	well over 80	1.2	0.4	3.6	81.4	1.4
SI	68.5	69.4	69.0	68.1	70.4	71.1	71.5	72.4	73.0	71.9	70.3	68.4	67.1	66.2	75	1.4	0.9	-1.3	72.5	-2.5
SK	63.5	63.5	63.6	64.8	63.7	64.5	66.0	67.2	68.8	66.4	64.6	65.1	65.2	65.4	72	2.0	1.1	-0.4	66.1	-5.9
UK	74.0	74.4	74.5	74.7	75.0	75.2	75.2	75.2	75.2	73.9	73.6	73.6	73.7	73.8	n.a.	0.9	n.a.	3.3	75.1	n.a.
EU average	66.6	66.9	66.7	67.0	67.4	68.0	69.0	69.9	70.3	69.0	68.6	68.6	68.5	68.6	75	1.2	0.7*	-0.9	71.3	-2.4 to -2.7
EU 27	66.6	66.9	66.7	67.0	67.4	68.0	69.0	69.9	70.3	69.0	68.6	68.6	68.5	68.6	75	1.2	0.9	-0.9	71.3	-3.7
EAT17	65.5	66.2	66.4	66.8	67.3	67.9	68.9	69.8	70.2	68.8	68.4	68.5	68.1	68.2	73.8-74.2	1.5	0.8	-0.6	71.4	-2.4 to -2.8

Sources: EU Labour Force Survey, National Reform Programmes, DG Employment calculations based on EULFS, Commission Economic Forecast Spring 2012 and Eurostat population projections (EUROPOP 2010 convergence scenario).

EPC Aging Working Group 2012 Aging Report

\* Average excluding the UK which did not state a national employment rate target.

\*\*Note: The EPC AWG employment rate projections are based on a range of assumptions that aim to account for a number of factors influencing future employment, including projected demographic developments, trends in labour market participation of different groups (men/women, young, older) and crisis impact on labour market participation, but not any future structural economic or labour market reforms that may take place during until 2020.

## Summary overview of Key Employment Challenges and particularly good labour market outcomes

MS	Labour market participation	Job creation	Labour market functioning, combating segmentation	Active labour market policies	Social security systems	Work-life balance	Gender equality	Skill supply and productivity, lifelong learning	Education and training systems	Wage setting mechanism and labour cost developments
BE	●		●		●		○			●
BG	●	●	●	●	●		○	●	●	
CZ	●/○			●		●	●	○	●/○	
DK	●/○			○			○	○	●	
DE	○	○			●	●	●	●	○	
EE	●/○			●	●		●/○	●	●	
IE	●	●		●	●			●	○	○
EL	●		●	●	●/○		●	●	●	
ES	●		●	●				●/○	●	●/○
FR	●/○		●	●				●/○	○	
IT	●/○	●	●	●/○		●	●/○	●	●	●/○
CY	●/○		●	○		●	●	●	●/○	●/○
LV	●		○	●	●		○	●/○	●	
LT	●		●	●		●	○	●/○	●	
LU	●	○				○		●	●	●
HU	●/○	●		●		●	○	●	●/○	
MT	●/○	○		○	○	●	●	●/○	●/○	●
NL	●/○		●/○		●		●/○	○	○	
AT	●/○	○		○	●/○	●	●	○	●/○	
PL	●		●			●		●	●/○	
PT	●		●	●		○		●	●/○	●
RO	●	●	●/○	●	●/○	●/○	○	●	●	●
SI	●		●			○	○	●/○	○	
SK	●		●	●	●	●	●	●	●/○	
FI	●/○						○	○		
SE	●/○	○			●		○	○		
UK	●/○	●			●	●	●/○	●/○	●	

●= Key Employment Challenge

○= Particularly good labour market outcomes

**PART II - Common Key Employment Challenges**  
**- Details -**

## Common Key Employment Challenges – Details

Employment policy areas	Key Employment Challenges	EU-27 sum	BE	BG	CZ	DK	DE	EE	IE	EL	ES	FR	IT	CY	LV	LT	LU	HU	MT	NL	AT	PL	PT	RO	SI	SK	FI	SE	UK		
Labour market participation	Low female employment rate	8								•	•	•						•	•		•		•		•						
	Low male employment rate	3							•		•					•															
	Low participation of older workers	10	•			•						•					•				•			•		•					
	High/increasing incidence of youth unemployment and/or NEET	17		•					•	•	•	•	•			•	•	•				•		•	•	•	•	•	•		
Job creation	Low participation of low-skilled persons	9		•	•				•							•		•						•	•	•	•	•	•		
	Low participation of migrants	6	•			•														•					•	•	•	•	•		
	Low total amount of hours worked	1																		•											
	Negative employment growth/insufficient job creation	5		•					•														•						•		
Labour market functioning, combating segmentation	High tax wedge on labour	1																•													
	High incidence of undeclared work	3		•						•																					
	Inflexible working (time) arrangements	1																						•							
	Low labour market mobility across regions and coexistence of high and low employment areas across the country	3											•									•			•						
Active labour market policies	Inadequate employment protection legislation	0																							•						
	Labour market segmentation	8									•	•	•			•				•			•		•						
	Low transition from temporary into permanent contracts	1																							•						
	Barriers to access to activation measures by different age and qualifications groups	2									•													•							
Adequate and employment oriented social security systems	Low level of ALMP expenditure/insufficient provision of well targeted tailored measures/functioning of employment services	10		•	•					•	•	•	•			•		•					•		•						
	High incidence of long-term unemployment	12	•							•	•	•				•							•		•	•	•	•	•	•	
Adequate and employment oriented social security systems	Inadequate level and coverage of unemployment benefits, poverty trap, at risk-of-poverty	6		•						•														•							
	Disincentives for LM participation in the social security system/disability pension, unemployment traps	11	•	•						•											•					•			•	•	•

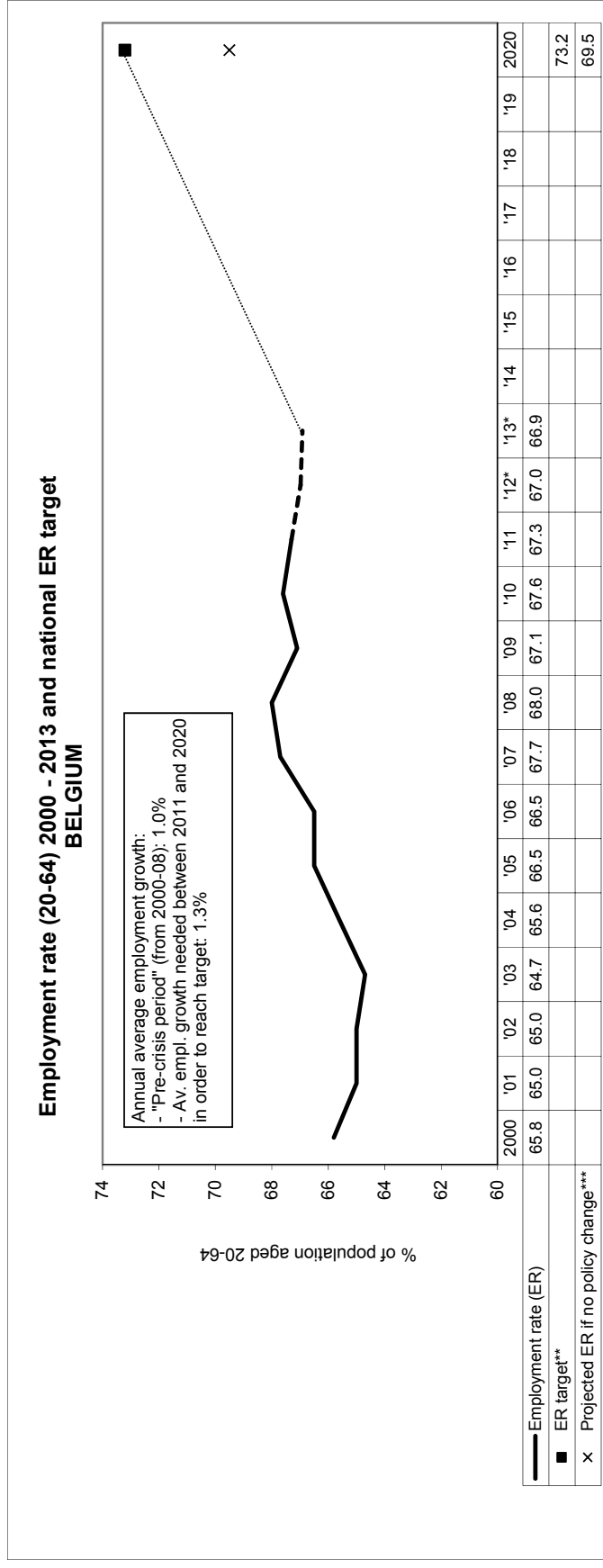
## Common Key Employment Challenges – Details (CONT.)

Employment policy areas	Key Employment Challenges	EU-27 sum	BE	BG	CZ	DK	DE	EE	IE	EL	ES	FR	IT	CY	LV	LT	LU	HU	MT	NL	AT	PL	PT	RO	SI	SK	FI	SE	UK
Work-life balance	Insufficient provision of high quality, affordable child and/or dependant care facilities	12			•		•					•	•	•		•		•	•		•			•					•
	Limited use of flexible working arrangements	2			•														•										
	High incidence of inactivity and part-time work due to family obligations	4					•												•										
Gender equality	Large gender employment gaps	8			•		•		•	•		•		•					•										•
	Large gender pay gap	8			•		•		•	•		•		•					•			•							•
Improving skill supply and productivity: Lifelong learning	Weaknesses with respect to educational attainment of the (adult) population	4									•		•										•						•
	Low participation in lifelong learning/lack of an integrated lifelong learning strategy	12				•				•		•		•	•	•	•	•					•	•	•				
	Skills mismatches/insufficient forecasting skills system	10						•	•		•					•	•	•					•	•					•
	Low share of tertiary graduates in science and technology	2													•					•									
Improving education and training systems	Low tertiary education attainment rate	4											•								•								
	High incidence of early school leaving	6									•		•				•						•						•
	Low participation of low-skilled workers in education and training	1																											
	Low participation of older workers in education and training	1																											
	Low attractiveness of vocational education and training	4				•									•														
Wage setting mechanism and labour cost developments	Insufficient provision of education and training opportunities to meet labour market needs	10								•		•					•						•	•					•
	Insufficient provision of high quality education opportunities	6				•				•					•														•
	Labour cost developments not in line with productivity gains	9	•								•		•				•						•	•					

## **PART III - Country Overviews**

# BELGIUM

## 1. Progress towards the national employment rate target



Sources and notes:  
 Employment rates 2000-2011: Eurostat, EU LFS;  
 \* Estimated values based on employment growth forecasts from Commission Spring Forecast 2012 and projected population growth from Eurostat 2010 population projections;  
 \*\* National employment rate targets from National Reform Programme;  
 \*\*\* Projected employment rate under the assumption that no policy change takes place between 2010 and 2020, EPC Aging Working Group 2012 Aging Report.

## 2. Key indicators on labour market performance

### BELGIUM

Indicator	Unit	2000	2008	2009	2010	2011	2020 national target	2009	2010	2011	2020 EU headline target
								EU-27 total			
Overall employment rate	% of population aged 20 - 64	65.8	68.0	67.1	67.6	67.3	73.2	69.0	68.6	68.6	75%
Overall employment growth	% change from previous year	2.1	1.5	-0.6	1.5	0.5		-1.7	-0.5	0.4	
Employment rate of women	% of female population aged 20 - 64	56.0	61.3	61.0	61.6	61.5		62.3	62.1	62.3	
Employment rate of men	% of male population aged 20 - 64	75.5	74.7	73.2	73.5	73.0		75.8	75.1	75.0	
Employment rate of older workers	% of population aged 55 - 64	26.3	34.5	35.3	37.3	38.7		46.0	46.3	47.4	
Employment rate of young	% of population aged 20 - 29	68.3	64.5	61.8	61.0	60.5		62.8	61.6	61.2	
Employment rate of low skilled persons	% of population with at most lower secondary education aged 20 - 64	51.2	49.1	47.7	48.4	47.3		54.4	53.4	53.0	
Employment rate of non-EU nationals	% of population with non-EU citizenship aged 20 - 64	:	42.1	40.9	40.4	39.6		59.0	58.5	58.1	
Part-time employment	% of total employment	18.9	22.6	23.4	24.0	25.1		18.8	19.2	19.5	
Fixed term contracts	% of total employees	9.1	8.3	8.2	8.1	9.0		13.6	14.0	14.1	
Overall unemployment rate	% of labour force	6.9	7.0	7.9	8.3	7.2		9.0	9.7	9.7	
Long-term unemployment	% of labour force	3.7	3.3	3.5	4.1	3.5 b		3.0	3.9	4.1	
Youth unemployment rate	% of youth labour force (15-24)	16.7	18.0	21.9	22.4	18.7		20.1	21.1	21.4	
Youth NEET rate	% of population aged 15-24	17.7	10.1	11.1	10.9	:		12.4	12.8	:	
Early leavers from education and training	% of pop. 18-24 with at most lower sec. educ. and not in further education or training	13.8	12.0	11.1	11.9	:	9.5	14.4	14.1	:	less than 10%
Tertiary educational attainment	% of population 30-34 having successfully completed tertiary education	35.2 b	42.9	42.0	44.4	:	47	32.3	33.6	:	at least 40%
Labour productivity per person employed	EU-27 = 100 (based on PPS per employed person)	137.3	126.8	127.6	127.5	:		100	100	:	
Labour productivity per hour worked	EU-27 = 100 (based on PPS per hour worked)	151.7 e	135.2 e	135.8 e	:	:		100	100	:	
Nominal unit labour cost growth	% change from previous year	0.4	4.4	3.8	0.0	2.5		1.3	0.6	0.9 f	
Real unit labour cost growth	% change from previous year	-1.5	2.2	2.6	-1.7	0.6		2.9	-1.6	-0.6 f	

Source: Eurostat database (labour market statistics, national accounts), National Reform Programmes

Notes: b - break in series, p - provisional, e - estimated, f - forecast, u - unreliable

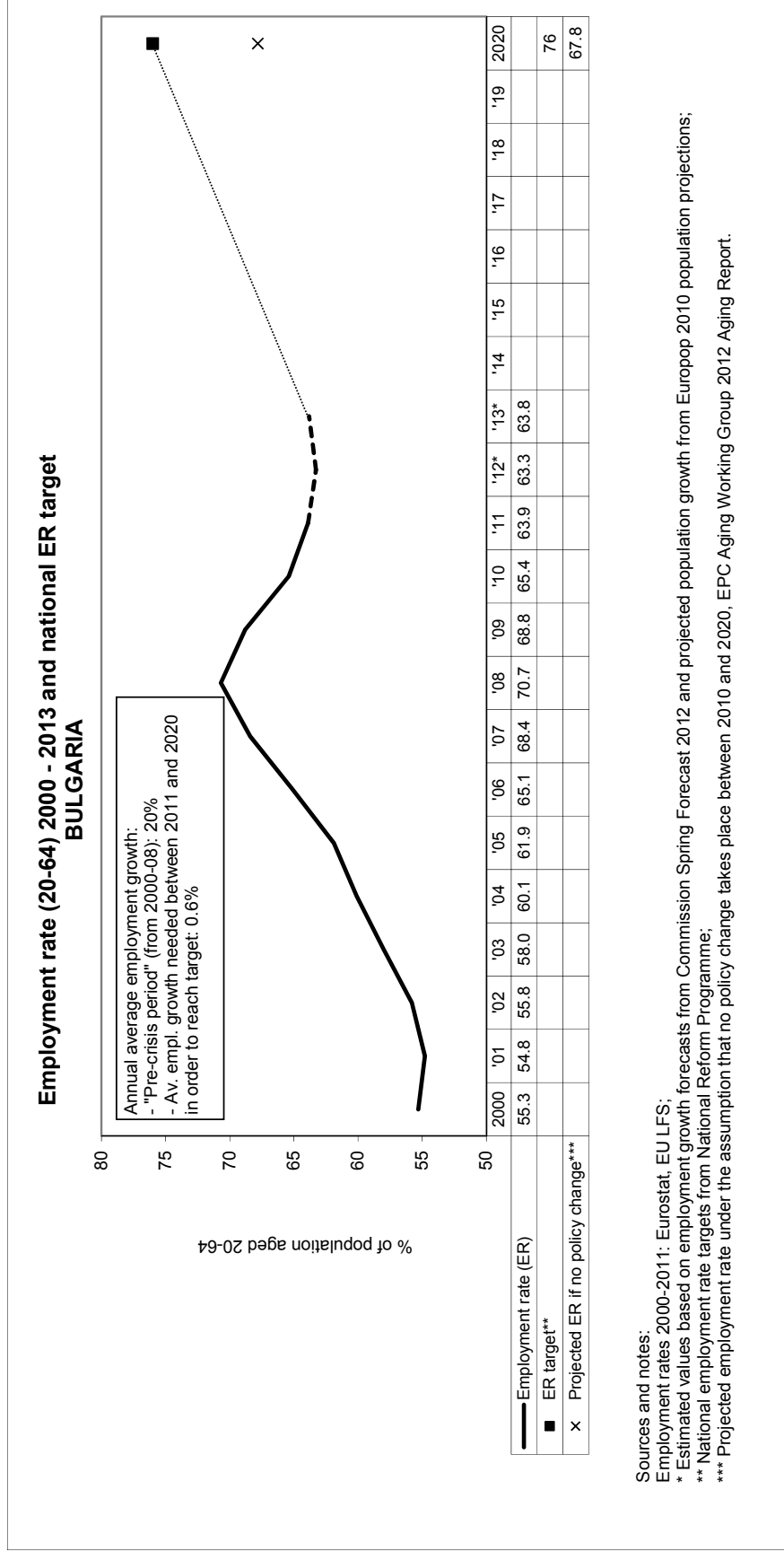


### 3. Key employment challenges Belgium

Employment policy area	Key employment challenges	Particularly good labour market outcomes
<b>1. Increase labour market participation</b>	<ul style="list-style-type: none"> <li>- Low participation of older workers</li> <li>- Low participation of migrants</li> </ul>	
<b>2. Enhancing labour market functioning; combating segmentation</b>		
<b>3. Active labour market policies</b>	<ul style="list-style-type: none"> <li>- High LTU rate despite significant investment in ALMP suggests efficiency of activation measures is low</li> </ul>	
<b>4. Adequate and employment oriented social security systems</b>	<ul style="list-style-type: none"> <li>- High tax wedge, especially on lower wage earners</li> </ul>	
<b>5. Work-life balance</b>		
<b>6. Job creation</b>		
<b>7. Gender equality</b>		<ul style="list-style-type: none"> <li>- Low gender pay gap</li> </ul>
<b>8. Improving skill supply and productivity; Lifelong learning</b>		
<b>9. Improving education and training systems</b>		
<b>10. Wage setting mechanisms and labour cost developments</b>	<ul style="list-style-type: none"> <li>- Keeping labour cost developments in line with productivity</li> </ul>	

# BULGARIA

## 1. Progress towards the national employment rate target



## 2. Key indicators on labour market performance

### BULGARIA

Indicator	Unit	2000	2008	2009	2010	2011	2020 national target	EU-27 total			2020 EU headline target
								2009	2010	2011	
<b>Overall employment rate</b>	% of population aged 20 - 64	55.3	70.7	68.8	65.4	63.9	76	69.0	68.6	68.6	75%
<b>Overall employment growth</b>	% change from previous year	:	3.3	-3.2	-6.2	-3.4		-1.7	-0.5	0.4	
<b>Employment rate of women</b>	% of female population aged 20 - 64	50.7	65.4	64.0	61.7	61.2		62.3	62.1	62.3	
<b>Employment rate of men</b>	% of male population aged 20 - 64	60.2	76.1	73.8	69.1	66.6		75.8	75.1	75.0	
<b>Employment rate of older workers</b>	% of population aged 55 - 64	20.8	46.0	46.1	43.5	43.9		46.0	46.3	47.4	
<b>Employment rate of young persons</b>	% of population aged 20 - 29	46.2	61.9	57.8	53.0	49.4		62.8	61.6	61.2	
<b>Employment rate of low skilled persons</b>	% of population with at most lower secondary education aged 20 - 64	37.5	46.5	45.0	40.0	37.3		54.4	53.4	53.0	
<b>Employment rate of non-EU nationals</b>	% of population with non-EU citizenship aged 20 - 64	:	:	:	:	:		59.0	58.5	58.1	
<b>Part-time employment</b>	% of total employment	:	2.3	2.3	2.4	2.4		18.8	19.2	19.5	
<b>Fixed term contracts</b>	% of total employees	:	5.0	4.7	4.5	4.1		13.6	14.0	14.1	
<b>Overall unemployment rate</b>	% of labour force	16.4	5.6	6.8	10.2	11.2		9.0	9.7	9.7	
<b>Long-term unemployment</b>	% of labour force	9.4	2.9	3.0	4.8	6.3		3.0	3.9	4.1	
<b>Youth unemployment rate</b>	% of youth labour force (15-24)	33.7	12.7	16.2	23.2	26.6		20.1	21.1	21.4	
<b>Youth NEET rate</b>	% of population aged 15-24	:	17.4	19.5	21.8	:		12.4	12.8	:	
<b>Early leavers from education and training</b>	% of pop. 18-24 with at most lower sec. educ. and not in further education or training	:	14.8	14.7	13.9	:	11	14.4	14.1	:	less than 10%
<b>Tertiary educational attainment</b>	% of population 30-34 having successfully completed tertiary education	19.5	27.1	27.9	27.7	:	36	32.3	33.6	:	at least 40%
<b>Labour productivity per person employed</b>	EU-27 = 100 (based on PPS per employed person)	31.3	39.6	40.1	41.3	:		100	100	:	
<b>Labour productivity per hour worked</b>	EU-27 = 100 (based on PPS per hour worked)	32.5	39.9	39.8	41.4	:		100	100	:	
<b>Nominal unit labour cost growth</b>	% change from previous year	1.5	12.5	12.7	5.6	1.1		1.3	0.6	0.9 f	
<b>Real unit labour cost growth</b>	% change from previous year	-4.8	3.7	8.1	2.7	-3.7 p		2.9	-1.6	-0.6 f	

Source: Eurostat database (labour market statistics, national accounts), National Reform Programmes

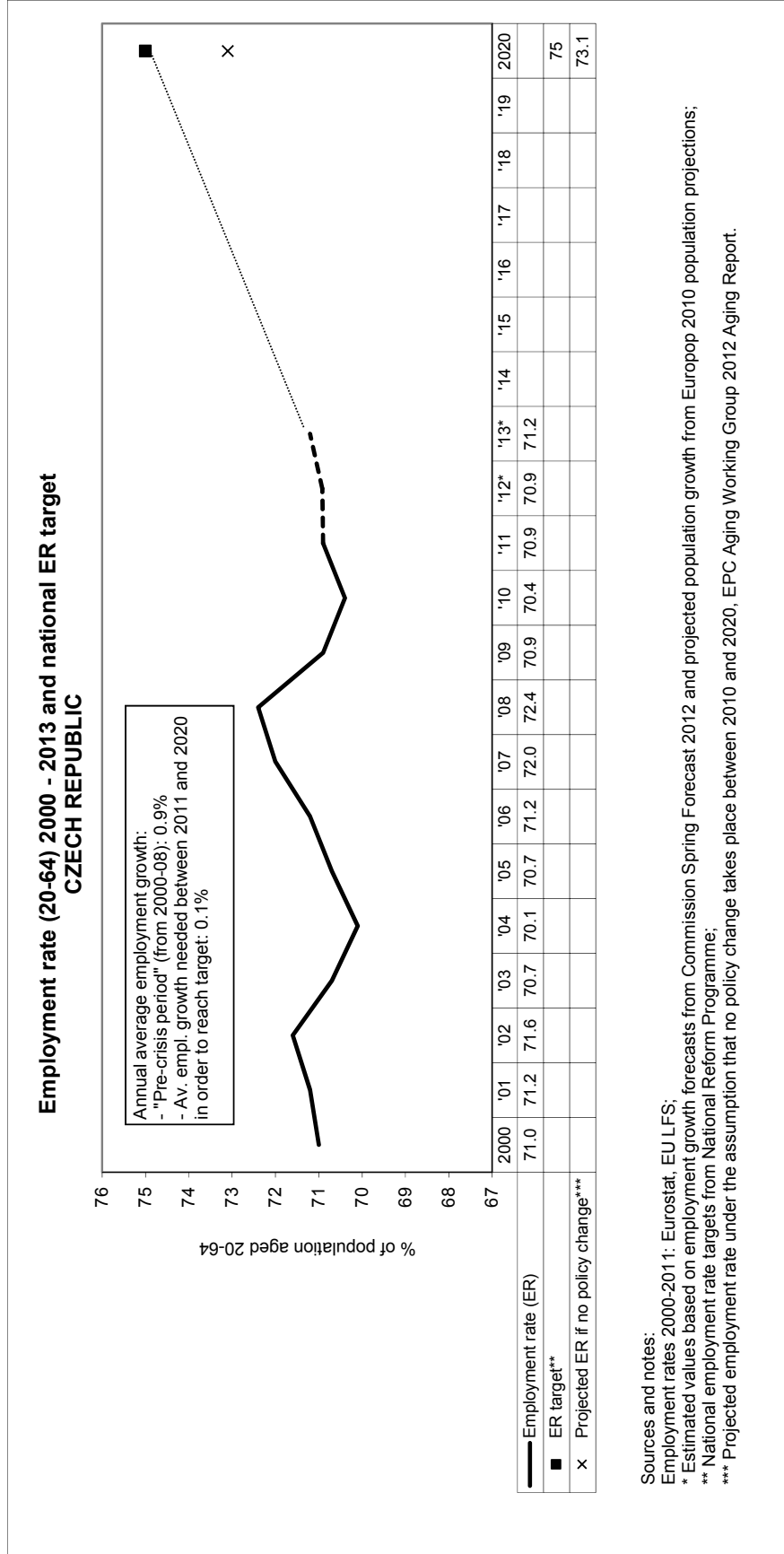
Notes: b - break in series, p - provisional, e - estimated, f - forecast, u - unreliable

### 3. Key employment challenges Bulgaria

Employment policy area	Key employment challenges	Particularly good labour market outcomes
<b>1. Increase labour market participation</b>	<ul style="list-style-type: none"> <li>- Consistently low youth activity and employment rates below EU-average; the highest rate of youth NEET in the EU; low employment rate of low-skilled workers</li> </ul>	
<b>2. Enhancing labour market functioning; combating segmentation</b>	<ul style="list-style-type: none"> <li>- High incidence of undeclared work, although this is reducing given the policy response</li> </ul>	
<b>3. Active labour market policies</b>	<ul style="list-style-type: none"> <li>- Need to enhance the quality of activation services provided particularly to youth and low skilled unemployed</li> </ul>	
<b>4. Adequate and employment oriented social security systems</b>	<ul style="list-style-type: none"> <li>- High at-risk-of poverty rate of unemployed combined with unemployment traps</li> </ul>	
<b>5. Work-life balance</b>		
<b>6. Job creation</b>	<ul style="list-style-type: none"> <li>- Sharp downfalls in employment growth from a prominent pre-crisis position</li> </ul>	
<b>7. Gender equality</b>		<ul style="list-style-type: none"> <li>- Low gender employment and pay gaps</li> </ul>
<b>8. Improving skill supply and productivity; Lifelong learning</b>	<ul style="list-style-type: none"> <li>- Very low life-long learning participation of adults</li> </ul>	
<b>9. Improving education and training systems</b>	<ul style="list-style-type: none"> <li>- Weak links between the education and training system and labour market needs; low quality education service</li> </ul>	
<b>10. Wage setting mechanisms and labour cost developments</b>		

# CZECH REPUBLIC

## 1. Progress towards the national employment rate target



## 2. Key indicators on labour market performance

### CZECH REPUBLIC

Indicator	Unit	2000	2008	2009	2010	2011	2020 national target	2009	2010	2011	2020 EU headline target
								EU-27 total			
Overall employment rate	% of population aged 20 - 64	71.0	72.4	70.9	70.4	70.9	75	69.0	68.6	68.6	75%
Overall employment growth	% change from previous year	-0.7	1.6	-1.4	-1.0	0.4		-1.7	-0.5	0.4	
Employment rate of women	% of female population aged 20 - 64	61.9	62.5	61.4	60.9	61.7		62.3	62.1	62.3	
Employment rate of men	% of male population aged 20 - 64	80.2	82.0	80.2	79.6	79.9		75.8	75.1	75.0	
Employment rate of older workers	% of population aged 55 - 64	36.3	47.6	46.8	46.5	47.6		46.0	46.3	47.4	
Employment rate of young persons	% of population aged 20 - 29	66.0	63.1	60.1	58.4	58.3		62.8	61.6	61.2	
Employment rate of low skilled persons	% of population with at most lower secondary education aged 20 - 64	45.8	44.8	42.5	41.6	40.4		54.4	53.4	53.0	
Employment rate of non-EU nationals	% of population with non-EU citizenship aged 20 - 64	:	75.5	71.9	74.7	73.3		59.0	58.5	58.1	
Part-time employment	% of total employment	5.3	4.9	5.5	5.9	5.5		18.8	19.2	19.5	
Fixed term contracts	% of total employees	8.1	8.0	8.5	8.9	8.5		13.6	14.0	14.1	
Overall unemployment rate	% of labour force	8.7	4.4	6.7	7.3	6.7		9.0	9.7	9.7	
Long-term unemployment	% of labour force	4.2	2.2	2.0	3.0	2.7		3.0	3.9	4.1	
Youth unemployment rate	% of youth labour force (15-24)	17.8	9.9	16.6	18.3	18.0		20.1	21.1	21.4	
Youth NEET rate	% of population aged 15-24	:	6.7	8.5	8.8	:		12.4	12.8	:	
Early leavers from education and training	% of pop. 18-24 with at most lower sec. educ. and not in further education or training	:	5.6	5.4	4.9	:	5.5	14.4	14.1	:	less than 10%
Tertiary educational attainment	% of population 30-34 having successfully completed tertiary education	13.7	15.4	17.5	20.4	:	32	32.3	33.6	:	at least 40%
Labour productivity per person employed	EU-27 = 100 (based on PPS per employed person)	65.6	74.0 b	75.0	73.4	:		100	100	:	
Labour productivity per hour worked	EU-27 = 100 (based on PPS per hour worked)	58.7	68.7 b	69.9	67.8	:		100	100	:	
Nominal unit labour cost growth	% change from previous year	2.7	3.4	2.4	-0.7	0.2		1.3	0.6	0.9 f	
Real unit labour cost growth	% change from previous year	1.3	1.5	0.5	1.0	0.9		2.9	-1.6	-0.6 f	

Source: Eurostat database (labour market statistics, national accounts), National Reform Programmes

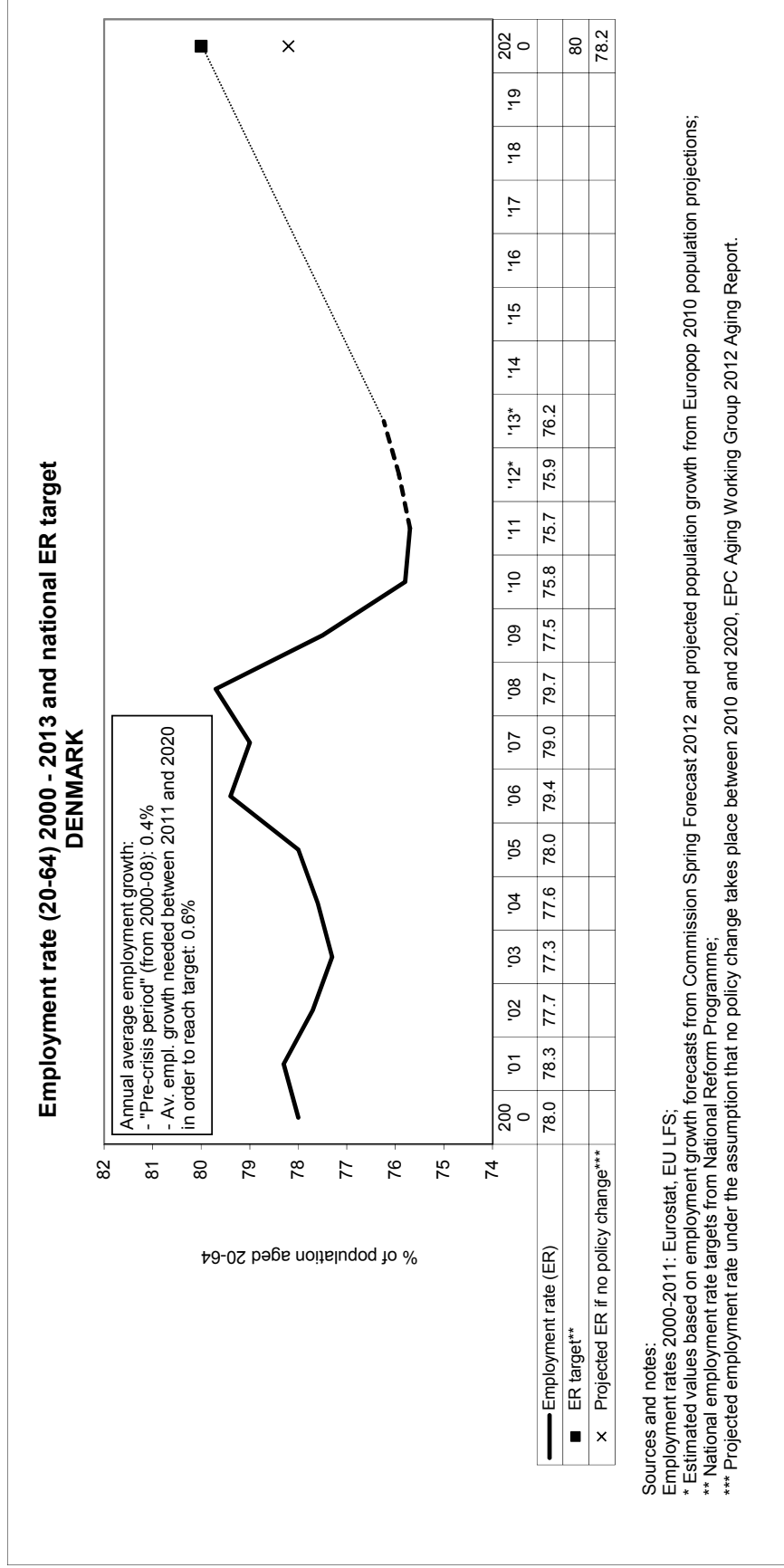
Notes: b - break in series, p - provisional, e - estimated, f - forecast, u - unreliable

### 3. Key employment challenges Czech Republic

Employment policy area	Key employment challenges	Particularly good labour market outcomes
<b>1. Increase labour market participation</b>	<ul style="list-style-type: none"> <li>- Low LM participation of the low-skilled</li> </ul>	<ul style="list-style-type: none"> <li>- NEET rate below EU-average</li> <li>- High employment rate of non-EU nationals</li> </ul>
<b>2. Enhancing labour market functioning; combating segmentation</b>		
<b>3. Active labour market policies</b>	<ul style="list-style-type: none"> <li>- Low expenditure on ALMP measures (both expenditure per person wanting to work and as % of GDP is low)</li> <li>- Low share of participants in regular activation measures</li> </ul>	
<b>4. Adequate and employment oriented social security systems</b>		
<b>5. Work-life balance</b>	<ul style="list-style-type: none"> <li>- Limited use of flexible working arrangements and part-time work</li> <li>- Negative LM impact of parenthood (strong employment impact of motherhood) due to <i>inter alia</i> insufficient provision of affordable childcare facilities.</li> </ul>	
<b>6. Job creation</b>		
<b>7. Gender equality</b>	<ul style="list-style-type: none"> <li>- High gender employment and pay gap</li> </ul>	
<b>8. Improving skill supply and productivity; Lifelong learning</b>	<ul style="list-style-type: none"> <li>-</li> </ul>	<ul style="list-style-type: none"> <li>- High share of well-educated adult population</li> </ul>
<b>9. Improving education and training systems</b>	<ul style="list-style-type: none"> <li>- Public spending on education below EU average</li> <li>- Low tertiary education attainment rates (but with strong increases over recent years)</li> <li>- Low quality of tertiary education, according to international comparisons</li> </ul>	<ul style="list-style-type: none"> <li>- Low incidence of early school leaving</li> </ul>
<b>10. Wage setting mechanisms and labour cost developments</b>		

# DENMARK

## 1. Progress towards the national employment rate target





## 2. Key indicators on labour market performance

### DENMARK

Indicator	Unit	2000	2008	2009	2010	2011	2020 national target	EU-27 total			2020 EU headline target
								2009	2010	2011	
Overall employment rate	% of population aged 20 - 64	78.0	79.7	77.5	75.8	75.7	80	69.0	68.6	68.6	75%
Overall employment growth	% change from previous year	0.5	1.8	-2.9	-2.3	-0.1		-1.7	-0.5	0.4	
Employment rate of women	% of female population aged 20 - 64	72.9	75.5	74.5	73.0	72.4		62.3	62.1	62.3	
Employment rate of men	% of male population aged 20 - 64	82.9	83.9	80.5	78.6	79.0		75.8	75.1	75.0	
Employment rate of older workers	% of population aged 55 - 64	55.7	58.4	58.2	58.4	59.5		46.0	46.3	47.4	
Employment rate of young persons	% of population aged 20 - 29	77.2	78.8	74.5	70.3	69.7		62.8	61.6	61.2	
Employment rate of low skilled persons	% of population with at most lower secondary education aged 20 - 64	64.1	68.6	65.7	62.6	62.0		54.4	53.4	53.0	
Employment rate of non-EU nationals	% of population with non-EU citizenship aged 20 - 64	:	59.3	61.0	56.2	55.4		59.0	58.5	58.1	
Part-time employment	% of total employment	21.3	24.4	25.9	26.3	25.9		18.8	19.2	19.5	
Fixed term contracts	% of total employees	9.7	8.5	8.7	8.4	8.8		13.6	14.0	14.1	
Overall unemployment rate	% of labour force	4.3	3.4	6.0	7.5	7.6		9.0	9.7	9.7	
Long-term unemployment	% of labour force	0.9	0.5	0.6	1.5	1.8		3.0	3.9	4.1	
Youth unemployment rate	% of youth labour force (15-24)	6.2	8.0	11.8	14.0	14.2		20.1	21.1	21.4	
Youth NEET rate	% of population aged 15-24	4.7	4.1	5.2	5.9	:		12.4	12.8	:	
Early leavers from education and training	% of pop. 18-24 with at most lower sec. educ. and not in further education or training	11.7	11.3 p	10.6 p	10.7 p	:	less than 10%	14.4	14.1	:	less than 10%
Tertiary educational attainment	% of population 30-34 having successfully completed tertiary education	32.1	45.4 p	48.1 p	47.0 p	:	at least 40%	32.3	33.6	:	at least 40%
Labour productivity per person employed	EU-27 = 100 (based on PPS per employed person)	111.1	105.8	106.3	111.6	:		100	100	:	
Labour productivity per hour worked	EU-27 = 100 (based on PPS per hour worked)	121.6	114.2	113.7	120.3	:		100	100	:	
Nominal unit labour cost growth	% change from previous year	0.5	6.1	5.7	-1.0	0.3		1.3	0.6	0.9 f	
Real unit labour cost growth	% change from previous year	-2.4	1.8	4.6	-4.7	-0.5		2.9	-1.6	-0.6 f	

Source: Eurostat database (labour market statistics, national accounts), National Reform Programmes

Notes: b - break in series, p - provisional, e - estimated, f - forecast, u - unreliable

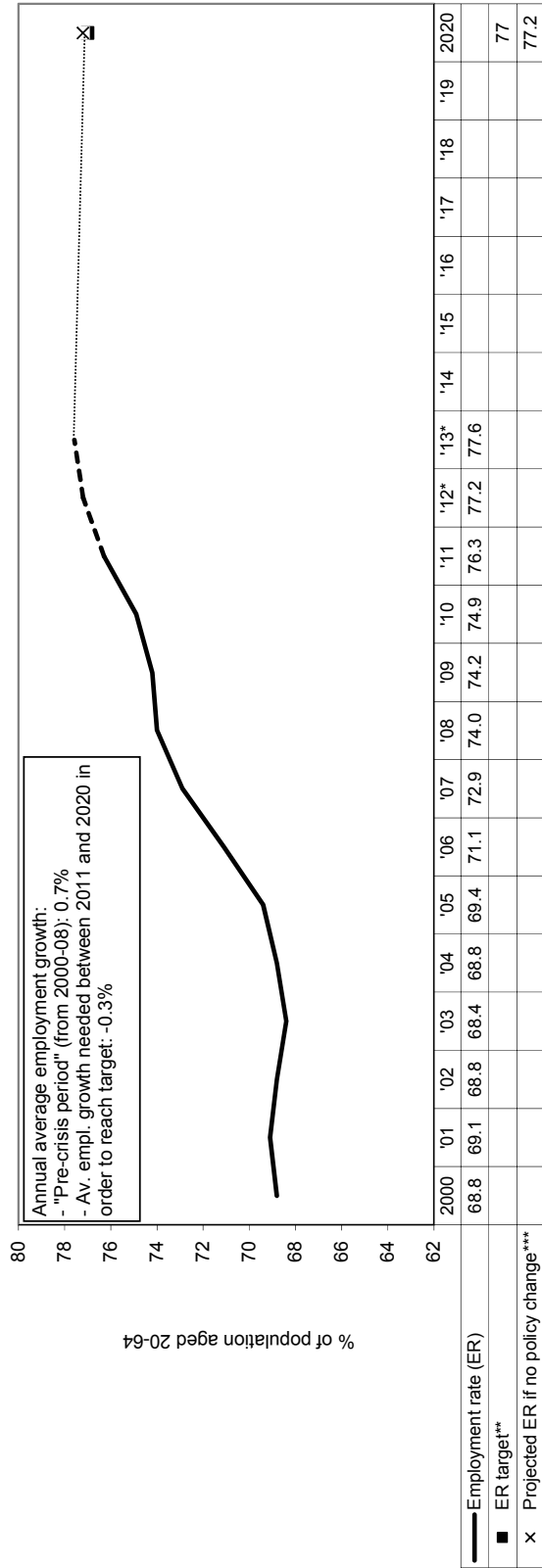
### 3. Key employment challenges Denmark

Employment policy area	Key employment challenges	Particularly good labour market outcomes
1. Increase labour market participation	- Relatively low participation of immigrants and descendants of immigrants, disabled and elderly, especially in the age group of 60-64.	- Total employment rate strongly above the EU-average. - Share of youth in NEET strongly below average
2. Enhancing labour market functioning; combating segmentation		
3. Active labour market policies		- Long term unemployment well below EU-average
4. Adequate and employment oriented social security systems		
5. Work-life balance		
6. Job creation		
7. Gender equality		- Second highest employment rate for women among EU-27
8. Improving skill supply and productivity; Lifelong learning		- Share of population in lifelong learning strongly above average
9. Improving education and training systems	- Relatively low youth education attainment level and high share of drop-outs from youth and vocational institutions.	
10. Wage setting mechanisms and labour cost developments		

# GERMANY

## 1. Progress towards the national employment rate target

**Employment rate (20-64) 2000 - 2013 and national ER target**  
GERMANY



Sources and notes:

Employment rates 2000-2011: Eurostat, EU LFS, break in series 2005 and 2008;

\* Estimated values based on employment growth forecasts from Commission Spring Forecast 2012 and projected population growth from EuroPop 2010 population projections;

\*\* National employment rate targets from National Reform Programme;

\*\*\* Projected employment rate under the assumption that no policy change takes place between 2010 and 2020, EPC Aging Working Group 2012 Aging Report.

## 2. Key indicators on labour market performance

### GERMANY

Indicator	Unit	2000	2008	2009	2010	2011	2020 national target	2009	2010	2011	2020 EU headline target
								EU-27 total			
<b>Overall employment rate</b>	% of population aged 20 - 64	68.8	74.0	74.2	74.9	76.3	77	69.0	68.6	68.6	75%
<b>Overall employment growth</b>	% change from previous year	0.5	1.5	-0.2	0.7	2.6		-1.7	-0.5	0.4	
<b>Employment rate of women</b>	% of female population aged 20 - 64	60.9	67.8	68.7	69.6	71.1		62.3	62.1	62.3	
<b>Employment rate of men</b>	% of male population aged 20 - 64	76.5	80.1	79.6	80.1	81.4		75.8	75.1	75.0	
<b>Employment rate of older workers</b>	% of population aged 55 - 64	37.6	53.7	56.1	57.7	59.9		46.0	46.3	47.4	
<b>Employment rate of young</b>	% of population aged 20 - 29	70.6	69.5	68.8	69.5	71.3		62.8	61.6	61.2	
<b>Employment rate of low skilled persons</b>	% of population with at most lower secondary education aged 20 - 64	52.7	55.9	55.7	56.0	57.3		54.4	53.4	53.0	
<b>Employment rate of non-EU nationals</b>	% of population with non-EU citizenship aged 20 - 64	:	54.3	54.7	55.6	57.8		59.0	58.5	58.1	
<b>Part-time employment</b>	% of total employment	19.4	25.9	26.1	26.2	26.6		18.8	19.2	19.5	
<b>Fixed term contracts</b>	% of total employees	12.7	14.7	14.5	14.7	14.7		13.6	14.0	14.1	
<b>Overall unemployment rate</b>	% of labour force	8.0	7.5	7.8	7.1	5.9		9.0	9.7	9.7	
<b>Long-term unemployment</b>	% of labour force	4.1	4.0	3.5	3.4	2.8		3.0	3.9	4.1	
<b>Youth unemployment rate</b>	% of youth labour force (15-24)	8.7	10.6	11.2	9.9	8.6		20.1	21.1	21.4	
<b>Youth NEET rate</b>	% of population aged 15-24	7.7	8.4	8.8	8.3	:		12.4	12.8	:	
<b>Early leavers from education and training</b>	% of pop. 18-24 with at most lower sec. educ. and not in further education or training	14.6	11.8	11.1	11.9	:	less than 10%	14.4	14.1	:	less than 10%
<b>Tertiary educational attainment</b>	% of population 30-34 having successfully completed tertiary education	25.7	27.7	29.4	29.8	:	42	32.3	33.6	:	at least 40%
<b>Labour productivity per person employed</b>	EU-27 = 100 (based on PPS per employed person)	107.1	107.9	104.9	105.4	:		100	100	:	
<b>Labour productivity per hour worked</b>	EU-27 = 100 (based on PPS per hour worked)	124.2	126.6	124.7	123.9	:		100	100	:	
<b>Nominal unit labour cost growth</b>	% change from previous year	0.5	2.3	5.5	-1.1	1.4		1.3	0.6	0.9 f	
<b>Real unit labour cost growth</b>	% change from previous year	1.2	1.5	4.2	-1.7	0.6		2.9	-1.6	-0.6 f	

Source: Eurostat database (labour market statistics, national accounts), National Reform Programmes

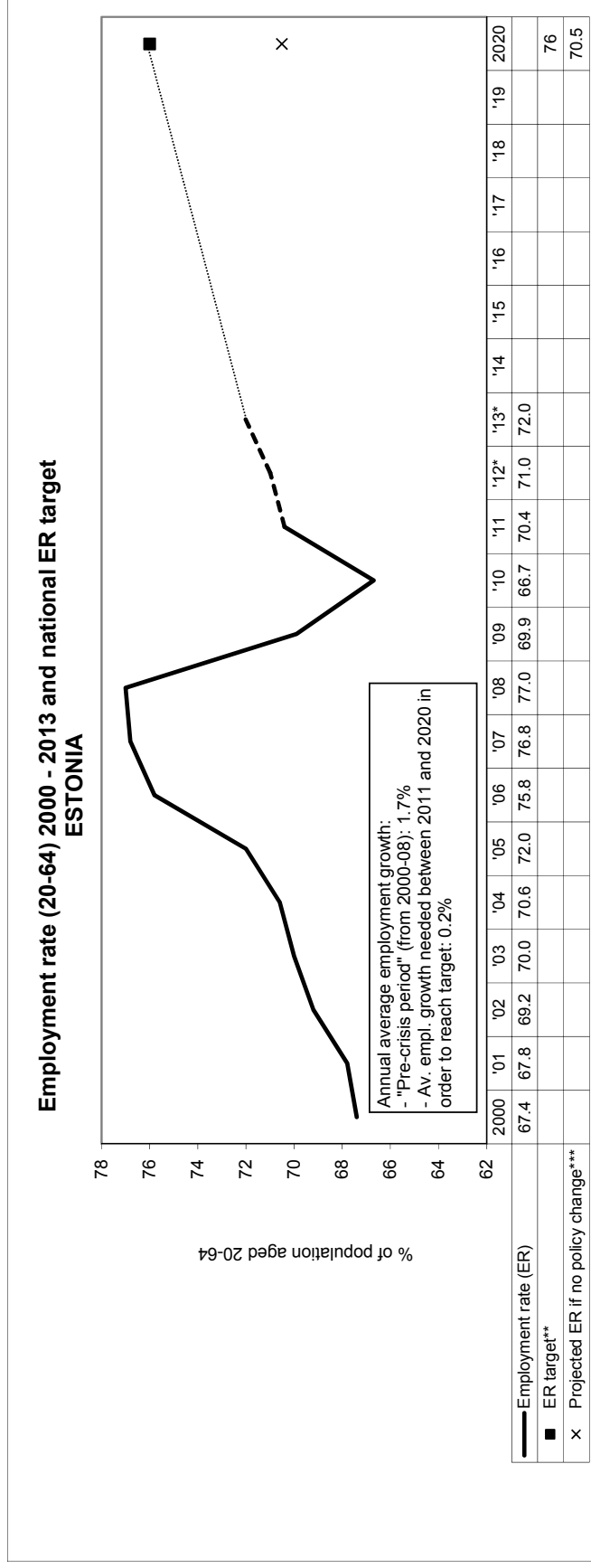
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### 3. Key employment challenges Germany

Employment policy area	Key employment challenges	Particularly good labour market outcomes
<b>1. Increase labour market participation</b>		- Employment rates are well above average for all groups (apart from non-EU nationals).
<b>2. Enhancing labour market functioning; combating segmentation</b>		
<b>3. Active labour market policies</b>		
<b>4. Adequate and employment oriented social security systems</b>	<ul style="list-style-type: none"> <li>- High at-risk of poverty rate of the unemployed (as a consequence of the high share of long-term unemployed)</li> <li>- Tax wedge on labour above the EU average due to relatively high social security contributions.</li> </ul>	
<b>5. Work-life balance</b>	<ul style="list-style-type: none"> <li>- Relatively high incidence of inactivity and part-time work due to family responsibilities and the lack of flexible and full-time child care facilities.</li> </ul>	
<b>6. Job creation</b>		- Positive employment growth above EU average
<b>7. Gender equality</b>	<ul style="list-style-type: none"> <li>- The female employment rate in full-time equivalents is relatively low and the gender pay gap is quite large compared to the EU average; the (negative) employment impact of parenthood is also well above EU-average.</li> </ul>	
<b>8. Improving skill supply and productivity; Lifelong learning</b>	<ul style="list-style-type: none"> <li>- Adults with medium or higher education well above EU-average but participation of adults in lifelong learning below EU-average.</li> </ul>	
<b>9. Improving education and training systems</b>		- The share of youth neither in employment, nor education or training (NEET) is well below EU-average.
<b>10. Wage setting mechanisms and labour cost developments</b>		

# ESTONIA

## 1. Progress towards the national employment rate target



Sources and notes:

Employment rates 2000-2011: Eurostat, EU LFS;

\* Estimated values based on employment growth forecasts from Commission Spring Forecast 2012 and projected population growth from EuroPop 2010 population projections;

\*\* National employment rate targets from National Reform Programme;

\*\*\* Projected employment rate under the assumption that no policy change takes place between 2010 and 2020. EPC Aging Working Group 2012 Aging Report.

## 2. Key indicators on labour market performance

### ESTONIA

Indicator	Unit	2000	2008	2009	2010	2011	2020 national target	EU-27 total			2020 EU headline target
								2009	2010	2011	
<b>Overall employment rate</b>	% of population aged 20 - 64	67.4	77.0	69.9	66.7	70.4	76	69.0	68.6	68.6	75%
<b>Overall employment growth</b>	% change from previous year	-1.4	0.2	-9.2	-4.2	6.7		-1.7	-0.5	0.4	
<b>Employment rate of women</b>	% of female population aged 20 - 64	62.9	72.8	68.8	65.7	67.6		62.3	62.1	62.3	
<b>Employment rate of men</b>	% of male population aged 20 - 64	72.4	81.7	71.0	67.7	73.5		75.8	75.1	75.0	
<b>Employment rate of older workers</b>	% of population aged 55 - 64	46.3	62.4	60.4	53.8	57.2		46.0	46.3	47.4	
<b>Employment rate of young persons</b>	% of population aged 20 - 29	61.4	69.8	59.5	56.5	61.9		62.8	61.6	61.2	
<b>Employment rate of low skilled persons</b>	% of population with at most lower secondary education aged 20 - 64	41.9	58.8	46.9	44.1	48.3		54.4	53.4	53.0	
<b>Employment rate of non-EU nationals</b>	% of population with non-EU citizenship aged 20 - 64	:	75.0	64.4	57.7	63.8		59.0	58.5	58.1	
<b>Part-time employment</b>	% of total employment	8.1	7.2	10.5	11.0	10.6		18.8	19.2	19.5	
<b>Fixed term contracts</b>	% of total employees	3.0	2.4	2.5	3.7	4.5		13.6	14.0	14.1	
<b>Overall unemployment rate</b>	% of labour force	13.6	5.5	13.8	16.9	12.5		9.0	9.7	9.7	
<b>Long-term unemployment</b>	% of labour force	6.3	1.7	3.8	7.7	7.1		3.0	3.9	4.1	
<b>Youth unemployment rate</b>	% of youth labour force (15-24)	24.4	12.0	27.5	32.9	22.3		20.1	21.1	21.4	
<b>Youth NEET rate</b>	% of population aged 15-24	14.5	8.8	14.9	14.5	:		12.4	12.8	:	
<b>Early leavers from education and training</b>	% of pop. 18-24 with at most lower sec. educ. and not in further education or training	15.1	14.0	13.9	11.6	:	9.5	14.4	14.1	:	less than 10%
<b>Tertiary educational attainment</b>	% of population 30-34 having successfully completed tertiary education	30.8 b	34.1	35.9	40.0	:	40	32.3	33.6	:	at least 40%
<b>Labour productivity per person employed</b>	EU-27 = 100 (based on PPS per employed person)	47.2	66.0	65.8	69.3	:		100	100	:	
<b>Labour productivity per hour worked</b>	EU-27 = 100 (based on PPS per hour worked)	40.5	56.0	59.0	61.0	:		100	100	:	
<b>Nominal unit labour cost growth</b>	% change from previous year	2.9	14.1	1.4	-5.6	0.8		1.3	0.6	0.9 f	
<b>Real unit labour cost growth</b>	% change from previous year	-1.8	8.3	2.4	-6.6	-2.8		2.9	-1.6	-0.6 f	

Source: Eurostat database (labour market statistics, national accounts), National Reform Programmes

Notes: b - break in series, p - provisional, e - estimated, f - forecast, u - unreliable

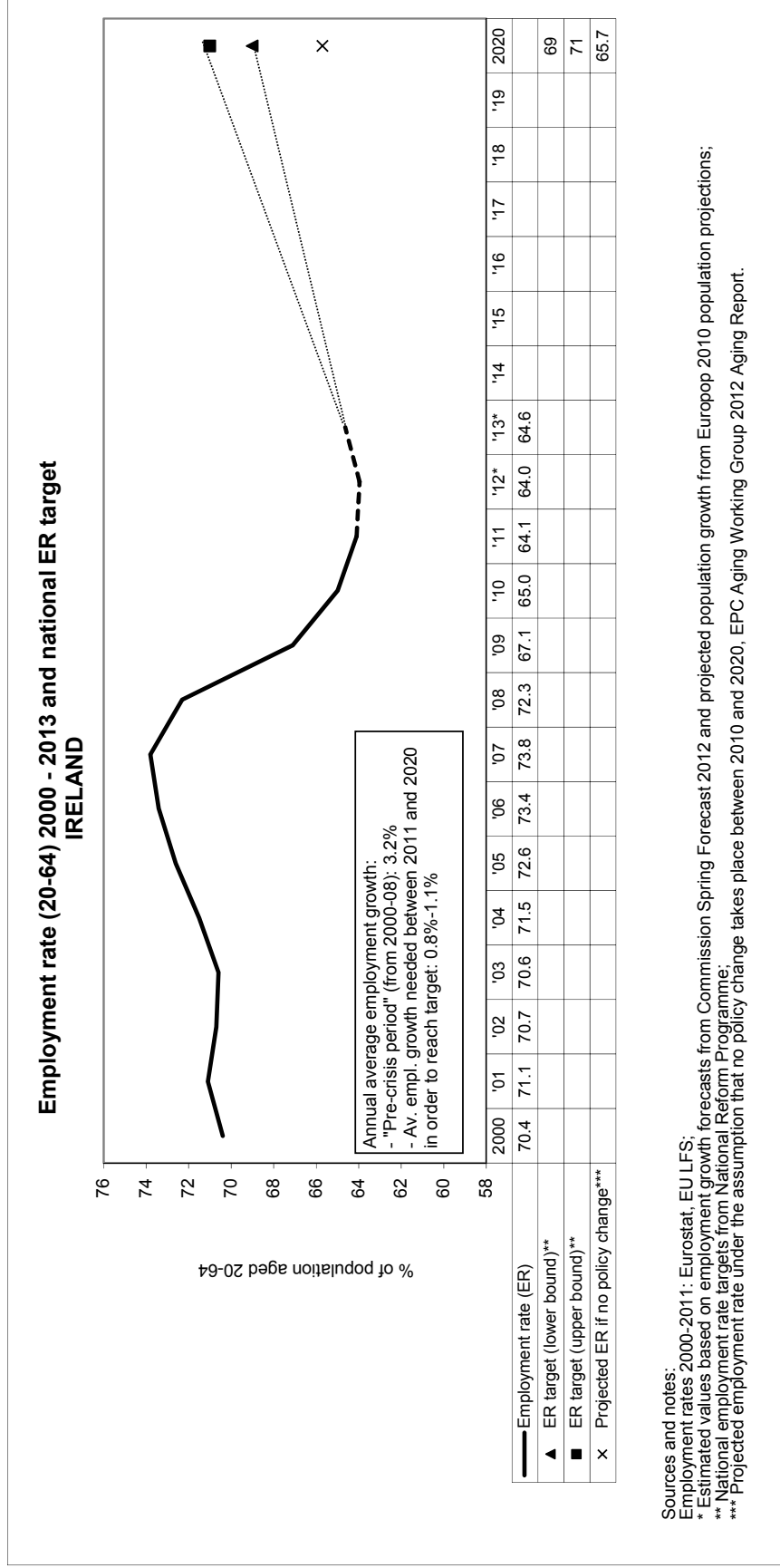
### 3. Key employment challenges Estonia

Employment policy area	Key employment challenges	Particularly good labour market outcomes
1. Increase labour market participation	- Employment rates of low-skilled well below average	- Employment outcome of older workers well above average
2. Enhancing labour market functioning; combating segmentation		
3. Active labour market policies	- Long-term unemployment strongly above average indicating structural unemployment	
4. Adequate and employment oriented social security systems	- Contain the rising trend in the take up of disability benefits and in the incapacity to work benefits.	
5. Work-life balance		
6. Job creation		
7. Gender equality	- High gender pay gap.	- Gender employment gap well below average, high female employment rate.
8. Improving skill supply and productivity; Lifelong learning	- - Mismatch of the skills of the unemployed and the needs of the labour market.	
9. Improving education and training systems	- The education outcome is not sufficiently responsive to labour market needs. - Participation of low-skilled persons in education and training remains low.	
10. Wage setting mechanisms and labour cost developments		



# IRELAND

## 1. Progress towards the national employment rate target



## 2. Key indicators on labour market performance

### IRELAND

Indicator	Unit	2000	2008	2009	2010	2011	2020 national target	EU-27 total			2020 EU headline target
								2009	2010	2011	
<b>Overall employment rate</b>	% of population aged 20 - 64	70.4	72.3	67.1	65.0	64.1	69-71	69.0	68.6	68.6	75%
<b>Overall employment growth</b>	% change from previous year	4.6	-0.7	-8.2	-4.2	-2.1		-1.7	-0.5	0.4	
<b>Employment rate of women</b>	% of female population aged 20 - 64	57.9	64.1	61.9	60.5	59.7		62.3	62.1	62.3	
<b>Employment rate of men</b>	% of male population aged 20 - 64	82.8	80.4	72.4	69.5	68.6		75.8	75.1	75.0	
<b>Employment rate of older workers</b>	% of population aged 55 - 64	45.3	53.7	51.3	50.2	50.0		46.0	46.3	47.4	
<b>Employment rate of young</b>	% of population aged 20 - 29	76.7	73.9	65.2	61.1	58.7		62.8	61.6	61.2	
<b>Employment rate of low skilled persons</b>	% of population with at most lower secondary education aged 20 - 64	56.4	56.5	50.0	46.7	44.8		54.4	53.4	53.0	
<b>Employment rate of non-EU nationals</b>	% of population with non-EU citizenship aged 20 - 64	:	66.5	59.8	56.9	58.1		59.0	58.5	58.1	
<b>Part-time employment</b>	% of total employment	16.4	18.6	21.3	22.5	23.5		18.8	19.2	19.5	
<b>Fixed term contracts</b>	% of total employees	5.9	8.5	8.6	9.4	9.9		13.6	14.0	14.1	
<b>Overall unemployment rate</b>	% of labour force	4.2	6.3	11.9	13.7	14.4		9.0	9.7	9.7	
<b>Long-term unemployment</b>	% of labour force	1.6	1.7	3.5	6.7	8.6		3.0	3.9	4.1	
<b>Youth unemployment rate</b>	% of youth labour force (15-24)	6.7	13.3	24.4	27.8	29.4		20.1	21.1	21.4	
<b>Youth NEET rate</b>	% of population aged 15-24	:	14.8	18.5	18.9	:		12.4	12.8	:	
<b>Early leavers from education and training</b>	% of pop. 18-24 with at most lower sec. educ. and not in further education or training	:	11.3	11.3	10.5	:	8	14.4	14.1	:	less than 10%
<b>Tertiary educational attainment</b>	% of population 30-34 having successfully completed tertiary education	27.5	46.1	49.0	49.9	:	60	32.3	33.6	:	at least 40%
<b>Labour productivity per person employed</b>	EU-27 = 100 (based on PPS per employed person)	129.3	128.6	132.1	137.0	:		100	100	:	
<b>Labour productivity per hour worked</b>	EU-27 = 100 (based on PPS per hour worked)	114.1	116.4	120.1	125.7	:		100	100	:	
<b>Nominal unit labour cost growth</b>	% change from previous year	3.2	7.5	-2.4	-6.9	-2.9 f		1.3	0.6	0.9 f	
<b>Real unit labour cost growth</b>	% change from previous year	-2.7	10.1	1.7	-4.6	-2.1 f		2.9	-1.6	-0.6 f	

Source: Eurostat database (labour market statistics, national accounts), National Reform Programmes

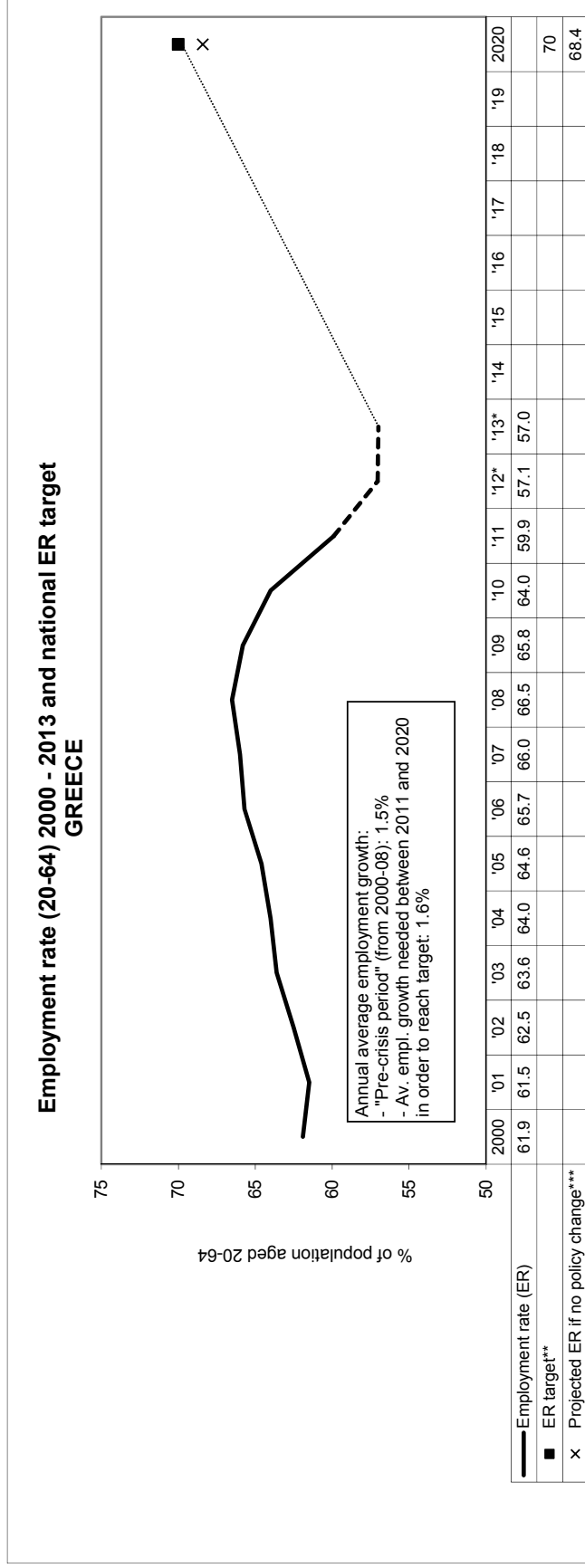
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### 3. Key employment challenges Ireland

Employment policy area	Key employment challenges	Particularly good labour market outcomes
<b>1. Increase labour market participation</b>	<ul style="list-style-type: none"> <li>- Low male and low-skilled employment rates</li> <li>- Risk of structural unemployment due to high unemployment among males, low-skilled and youths (NEET rate strongly above average).</li> </ul>	
<b>2. Enhancing labour market functioning; combating segmentation</b>		
<b>3. Active labour market policies</b>	<ul style="list-style-type: none"> <li>- Very high level of Long Term Unemployment (8.6% in 2011) requiring greater targeting and intensification of ALMPs.</li> </ul>	
<b>4. Adequate and employment oriented social security systems</b>	<ul style="list-style-type: none"> <li>- Unemployment traps for certain family compositions could create disincentives to leave unemployment</li> </ul>	
<b>5. Work-life balance</b>		
<b>6. Job creation</b>	<ul style="list-style-type: none"> <li>- Strongly negative employment growth, in particular between 2008 and 2010.</li> </ul>	
<b>7. Gender equality</b>		
<b>8. Improving skill supply and productivity; Lifelong learning</b>	<ul style="list-style-type: none"> <li>- Potential skills mismatch in the labour force due to high levels of job losses among certain sectors such as construction.</li> </ul>	
<b>9. Improving education and training systems</b>		<ul style="list-style-type: none"> <li>- Substantial reduction in the incidence of early school leaving</li> <li>- High rate of tertiary education attainment.</li> </ul>
<b>10. Wage setting mechanisms and labour cost developments</b>		<ul style="list-style-type: none"> <li>- Nominal and Real Unit Labour Costs continued to decline, by -12.1% and -5.1% respectively in the 3 year period to 2011</li> </ul>

# GREECE

## 1. Progress towards the national employment rate target



Sources and notes:

Employment rates 2000-2011: Eurostat, EU LFS;

\* Estimated values based on employment growth forecasts from Commission Spring Forecast 2012 and projected population growth from Europop 2010 population projections;

\*\* National employment rate targets from National Reform Programme;

\*\*\* Projected employment rate under the assumption that no policy change takes place between 2010 and 2020, EPC Aging Working Group 2012 Aging Report.

## 2. Key indicators on labour market performance

### GREECE

Indicator	Unit	2000	2008	2009	2010	2011	2020 national target	EU-27 total			2020 EU headline target
								2009	2010	2011	
<b>Overall employment rate</b>	% of population aged 20 - 64	61.9	66.5	65.8	64.0	59.9	70	69.0	68.6	68.6	75%
<b>Overall employment growth</b>	% change from previous year	1.4	1.1	-1.1	-2.7	-6.8		-1.7	-0.5	0.4	
<b>Employment rate of women</b>	% of female population aged 20 - 64	45.5	52.5	52.7	51.7	48.6		62.3	62.1	62.3	
<b>Employment rate of men</b>	% of male population aged 20 - 64	78.8	80.4	78.8	76.2	71.1		75.8	75.1	75.0	
<b>Employment rate of older workers</b>	% of population aged 55 - 64	39.0	42.8	42.2	42.3	39.4		46.0	46.3	47.4	
<b>Employment rate of young persons</b>	% of population aged 20 - 29	57.6	58.7	57.9	54.0	46.9		62.8	61.6	61.2	
<b>Employment rate of low skilled persons</b>	% of population with at most lower secondary education aged 20 - 64	57.0	60.4	59.8	57.9	53.6		54.4	53.4	53.0	
<b>Employment rate of non-EU nationals</b>	% of population with non-EU citizenship aged 20 - 64	:	74.7	72.4	69.1	62.8		59.0	58.5	58.1	
<b>Part-time employment</b>	% of total employment	4.5	5.6	6.0	6.4	6.8		18.8	19.2	19.5	
<b>Fixed term contracts</b>	% of total employees	13.5	11.5	12.1	12.4	11.6		13.6	14.0	14.1	
<b>Overall unemployment rate</b>	% of labour force	11.2	7.7	9.5	12.6	17.7		9.0	9.7	9.7	
<b>Long-term unemployment</b>	% of labour force	6.2	3.6	3.9	5.7	8.8		3.0	3.9	4.1	
<b>Youth unemployment rate</b>	% of youth labour force (15-24)	29.1	22.0	25.7	32.8	44.4		20.1	21.1	21.4	
<b>Youth NEET rate</b>	% of population aged 15-24	16.9	11.7	12.6	14.9	:		12.4	12.8	:	
<b>Early leavers from education and training</b>	% of pop. 18-24 with at most lower sec. educ. and not in further education or training	18.2	14.8	14.5	13.7	:	9.7	14.4	14.1	:	less than 10%
<b>Tertiary educational attainment</b>	% of population 30-34 having successfully completed tertiary education	25.4	25.6	26.5	28.4	:	32	32.3	33.6	:	at least 40%
<b>Labour productivity per person employed</b>	EU-27 = 100 (based on PPS per employed person)	94.1 p	97.9 p	98.4 p	94.8 p	:		100	100	:	
<b>Labour productivity per hour worked</b>	EU-27 = 100 (based on PPS per hour worked)	75.7 p	79.7 p	81.1 p	77.8 p	:		100	100	:	
<b>Nominal unit labour cost growth</b>	% change from previous year	:	7.1 p	7.2 p	-1.7 p	-3.0 p		1.3	0.6	0.9 f	
<b>Real unit labour cost growth</b>	% change from previous year	:	2.2 p	4.3 p	-3.4 p	-4.5 p		2.9	-1.6	-0.6 f	

Source: Eurostat database (labour market statistics, national accounts), National Reform Programmes

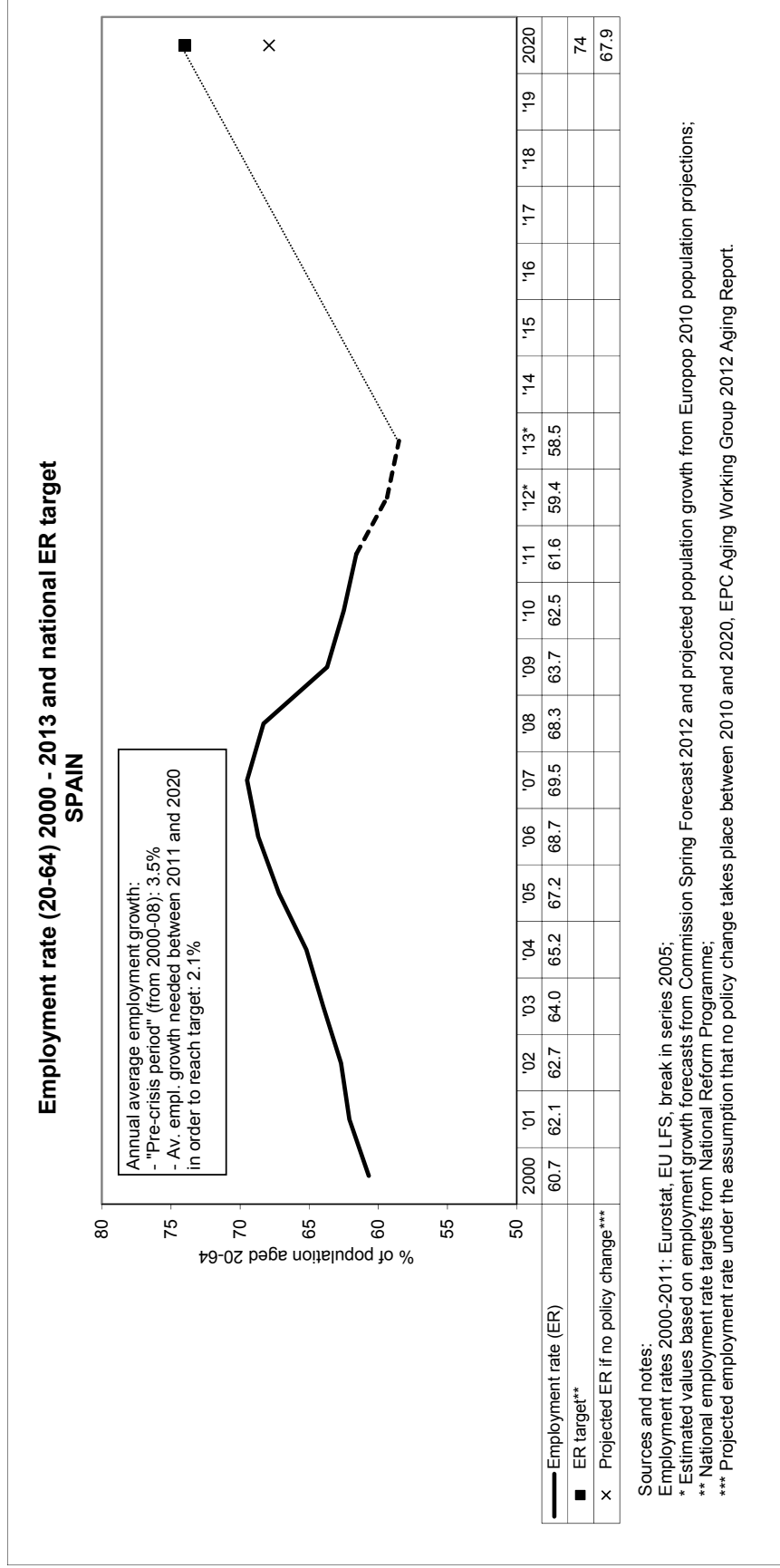
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### 3. Key employment challenges Greece

Employment policy area	Key employment challenges	Particularly good labour market outcomes
<b>1. Increase labour market participation</b>	<ul style="list-style-type: none"> <li>- Low employment rates of women and young people</li> <li>- Very high incidence of youth unemployment</li> </ul>	
<b>2. Enhancing labour market functioning; combating segmentation</b>	<ul style="list-style-type: none"> <li>- Very high incidence of undeclared work</li> </ul>	
<b>3. Active labour market policies</b>	<ul style="list-style-type: none"> <li>- High incidence of long-term unemployment.</li> <li>- Low expenditure in active labour market policies (based on 2009 data)</li> </ul>	
<b>4. Adequate and employment oriented social security systems</b>	<ul style="list-style-type: none"> <li>- Very high in-work poverty risk</li> </ul>	<ul style="list-style-type: none"> <li>- Low unemployment trap</li> </ul>
<b>5. Work-life balance</b>		
<b>6. Job creation</b>		
<b>7. Gender equality</b>	<ul style="list-style-type: none"> <li>- Large gender inequalities in employment and pay, significantly above the EU average</li> </ul>	
<b>8. Improving skill supply and productivity; Lifelong learning</b>	<ul style="list-style-type: none"> <li>- Very low participation in lifelong learning</li> </ul>	
<b>9. Improving education and training systems</b>	<ul style="list-style-type: none"> <li>- Weak educational outcomes and weak link to the labour market</li> <li>- Very low attractiveness and relevance of Vocational Education and Training</li> </ul>	
<b>10. Wage setting mechanisms and labour cost developments</b>		

# SPAIN

## 1. Progress towards the national employment rate target



## 2. Key indicators on labour market performance

### SPAIN

Indicator	Unit	2000	2008	2009	2010	2011	2020 national target	2009	2010	2011	2020 EU headline target
								EU-27 total			
Overall employment rate	% of population aged 20 - 64	60.7	68.3	63.7	62.5	61.6	74	69.0	68.6	68.6	75%
Overall employment growth	% change from previous year	5.6	-0.5	-6.8	-2.3	-1.9		-1.7	-0.5	0.4	
Employment rate of women	% of female population aged 20 - 64	44.5	58.3	56.3	55.8	55.5		62.3	62.1	62.3	
Employment rate of men	% of male population aged 20 - 64	76.9	78.1	71.0	69.1	67.6		75.8	75.1	75.0	
Employment rate of older workers	% of population aged 55 - 64	37.0	45.6	44.1	43.6	44.5		46.0	46.3	47.4	
Employment rate of young persons	% of population aged 20 - 29	58.6	65.8	57.3	54.3	51.2		62.8	61.6	61.2	
Employment rate of low skilled persons	% of population with at most lower secondary education aged 20 - 64	54.8	59.4	53.7	52.3	51.4		54.4	53.4	53.0	
Employment rate of non-EU nationals	% of population with non-EU citizenship aged 20 - 64	:	69.6	59.3	59.1	56.2		59.0	58.5	58.1	
Part-time employment	% of total employment	7.9	12.0	12.8	13.3	13.8		18.8	19.2	19.5	
Fixed term contracts	% of total employees	32.2	29.3	25.4	24.9	25.3		13.6	14.0	14.1	
Overall unemployment rate	% of labour force	11.7	11.3	18.0	20.1	21.7		9.0	9.7	9.7	
Long-term unemployment	% of labour force	4.9	2.0	4.3	7.3	9.0		3.0	3.9	4.1	
Youth unemployment rate	% of youth labour force (15-24)	22.9	24.6	37.8	41.6	46.4		20.1	21.1	21.4	
Youth NEET rate	% of population aged 15-24	12.1	14.4	18.3	18.0	:		12.4	12.8	:	
Early leavers from education and training	% of pop. 18-24 with at most lower sec. educ. and not in further education or training	29.1	31.9	31.2	28.4	:	15	14.4	14.1	:	less than 10%
Tertiary educational attainment	% of population 30-34 having successfully completed tertiary education	25.4	39.8	39.4	40.6	:	44	32.3	33.6	:	at least 40%
Labour productivity per person employed	EU-27 = 100 (based on PPS per employed person)	104.2	104.3	109.8	109.0	:		100	100	:	
Labour productivity per hour worked	EU-27 = 100 (based on PPS per hour worked)	102.7	104.7	108.1	107.8	:		100	100	:	
Nominal unit labour cost growth	% change from previous year	2.8	4.8	1.3	-2.6	-1.9		1.3	0.6	0.9 f	
Real unit labour cost growth	% change from previous year	-0.5	2.4	1.2	-3.0	-3.2		2.9	-1.6	-0.6 f	

Source: Eurostat database (labour market statistics, national accounts), National Reform Programmes

Notes: b - break in series, p - provisional, e - estimated, f - forecast, u - unreliable

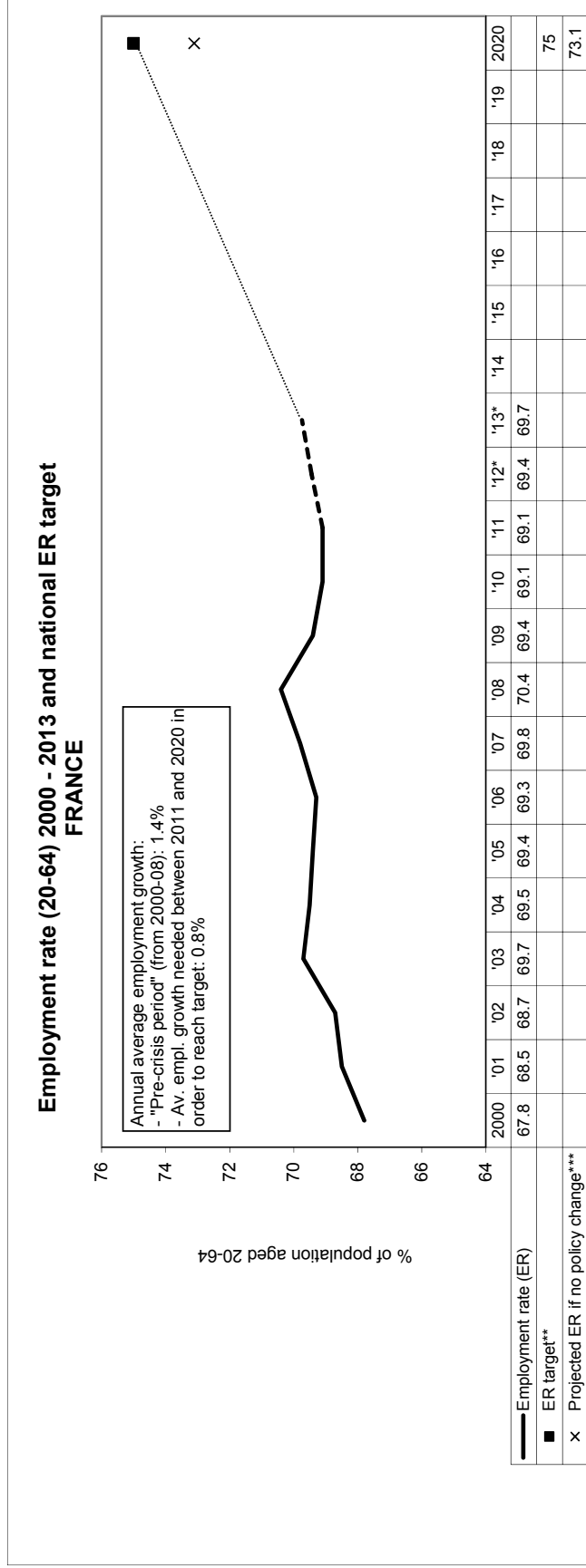


### 3. Key employment challenges Spain

Employment policy area	Key employment challenges	Particularly good labour market outcomes
<b>1. Increase labour market participation</b>	<ul style="list-style-type: none"> <li>- Low participation of men and women, high incidence of youth unemployment. Increasing long-term unemployment.</li> </ul>	
<b>2. Enhancing labour market functioning; combating segmentation</b>	<ul style="list-style-type: none"> <li>- Strongly segmented labour market. (The labour market reform of 10 February 2012 has partly tackled the source of high segmentation in the labour market, and should potentially reduce dismissal costs.)</li> </ul>	
<b>3. Active labour market policies</b>	<ul style="list-style-type: none"> <li>- Activation of unemployed (specifically, youth and women).</li> </ul>	
<b>4. Adequate and employment oriented social security systems</b>		
<b>5. Work-life balance</b>		
<b>6. Job creation</b>		
<b>7. Gender equality</b>		
<b>8. Improving skill supply and productivity; Lifelong learning</b>	<ul style="list-style-type: none"> <li>- Overall share of medium and highly skilled adults below average.</li> <li>- Mismatch between the skills active population has to offer and those required by employers.</li> </ul>	<ul style="list-style-type: none"> <li>- Share of tertiary graduates well above average</li> </ul>
<b>9. Improving education and training systems</b>	<ul style="list-style-type: none"> <li>- Although decreasing, high sustained rate of early school leaving</li> </ul>	
<b>10. Wage setting mechanisms and labour cost developments</b>	<ul style="list-style-type: none"> <li>- Keeping labour cost developments in line with productivity. (Recent measures adopted by the government appear to be in the right direction to allow for reducing wage rigidities)</li> </ul>	<ul style="list-style-type: none"> <li>- Moderating wage growth has resulted in lower unit labour costs, contributing to a further easing of inflationary pressures</li> </ul>

# FRANCE

## 1. Progress towards the national employment rate target



Sources and notes:  
 Employment rates 2000-2011: Eurostat, EU LFS;  
 \* Estimated values based on employment growth forecasts from Commission Spring Forecast 2012 and projected population growth from Eurostat 2010 population projections;  
 \*\* National employment rate targets from National Reform Programme;  
 \*\*\* Projected employment rate under the assumption that no policy change takes place between 2010 and 2020, EPC Aging Working Group 2012 Aging Report.

## 2. Key indicators on labour market performance

### FRANCE

Indicator	Unit	2000	2008	2009	2010	2011	2020 national target	EU-27 total			2020 EU headline target
								2009	2010	2011	
<b>Overall employment rate</b>	% of population aged 20 - 64	67.8	70.4	69.4	69.1	69.1	75	69.0	68.6	68.6	75%
<b>Overall employment growth</b>	% change from previous year	2.6	1.3	-0.9	0.2	0.3		-1.7	-0.5	0.4	
<b>Employment rate of women</b>	% of female population aged 20 - 64	60.3	65.5	64.9	64.7	64.6		62.3	62.1	62.3	
<b>Employment rate of men</b>	% of male population aged 20 - 64	75.6	75.5	74.1	73.7	73.8		75.8	75.1	75.0	
<b>Employment rate of older workers</b>	% of population aged 55 - 64	29.9	38.2	38.9	39.7	41.4		46.0	46.3	47.4	
<b>Employment rate of young persons</b>	% of population aged 20 - 29	63.2	65.1	63.6	62.8	62.2		62.8	61.6	61.2	
<b>Employment rate of low skilled persons</b>	% of population with at most lower secondary education aged 20 - 64	55.3	56.8	55.3	54.6	54.9		54.4	53.4	53.0	
<b>Employment rate of non-EU nationals</b>	% of population with non-EU citizenship aged 20 - 64	:	51.9	47.9	47.8	47.0		59.0	58.5	58.1	
<b>Part-time employment</b>	% of total employment	16.7	17.0	17.4	17.8	17.9		18.8	19.2	19.5	
<b>Fixed term contracts</b>	% of total employees	15.2	14.9	14.3	15.0	15.3		13.6	14.0	14.1	
<b>Overall unemployment rate</b>	% of labour force	9.0	7.8	9.5	9.8	9.7		9.0	9.7	9.7	
<b>Long-term unemployment</b>	% of labour force	3.5	2.9	3.4	3.9	4.0		3.0	3.9	4.1	
<b>Youth unemployment rate</b>	% of youth labour force (15-24)	19.6	19.3	23.9	23.6	22.9		20.1	21.1	21.4	
<b>Youth NEET rate</b>	% of population aged 15-24	10.2	10.2 p	12.5 p	12.5 p	:		12.4	12.8	:	
<b>Early leavers from education and training</b>	% of pop. 18-24 with at most lower sec. educ. and not in further education or training	13.3	11.5 p	12.2 p	12.6 p	:	9.5	14.4	14.1	:	less than 10%
<b>Tertiary educational attainment</b>	% of population 30-34 having successfully completed tertiary education	27.4	41.2 p	43.2 p	43.5 p	:	50	32.3	33.6	:	at least 40%
<b>Labour productivity per person employed</b>	EU-27 = 100 (based on PPS per employed person)	120.3	116.1	117.2	116.0	:		100	100	:	
<b>Labour productivity per hour worked</b>	EU-27 = 100 (based on PPS per hour worked)	137.8	132.4	133.4	133.5	:		100	100	:	
<b>Nominal unit labour cost growth</b>	% change from previous year	1.4	3.2	3.7	0.7	1.7 f		1.3	0.6	0.9 f	
<b>Real unit labour cost growth</b>	% change from previous year	-0.2	0.7	3.0	-0.4	0.3 f		2.9	-1.6	-0.6 f	

Source: Eurostat database (labour market statistics, national accounts), National Reform Programmes

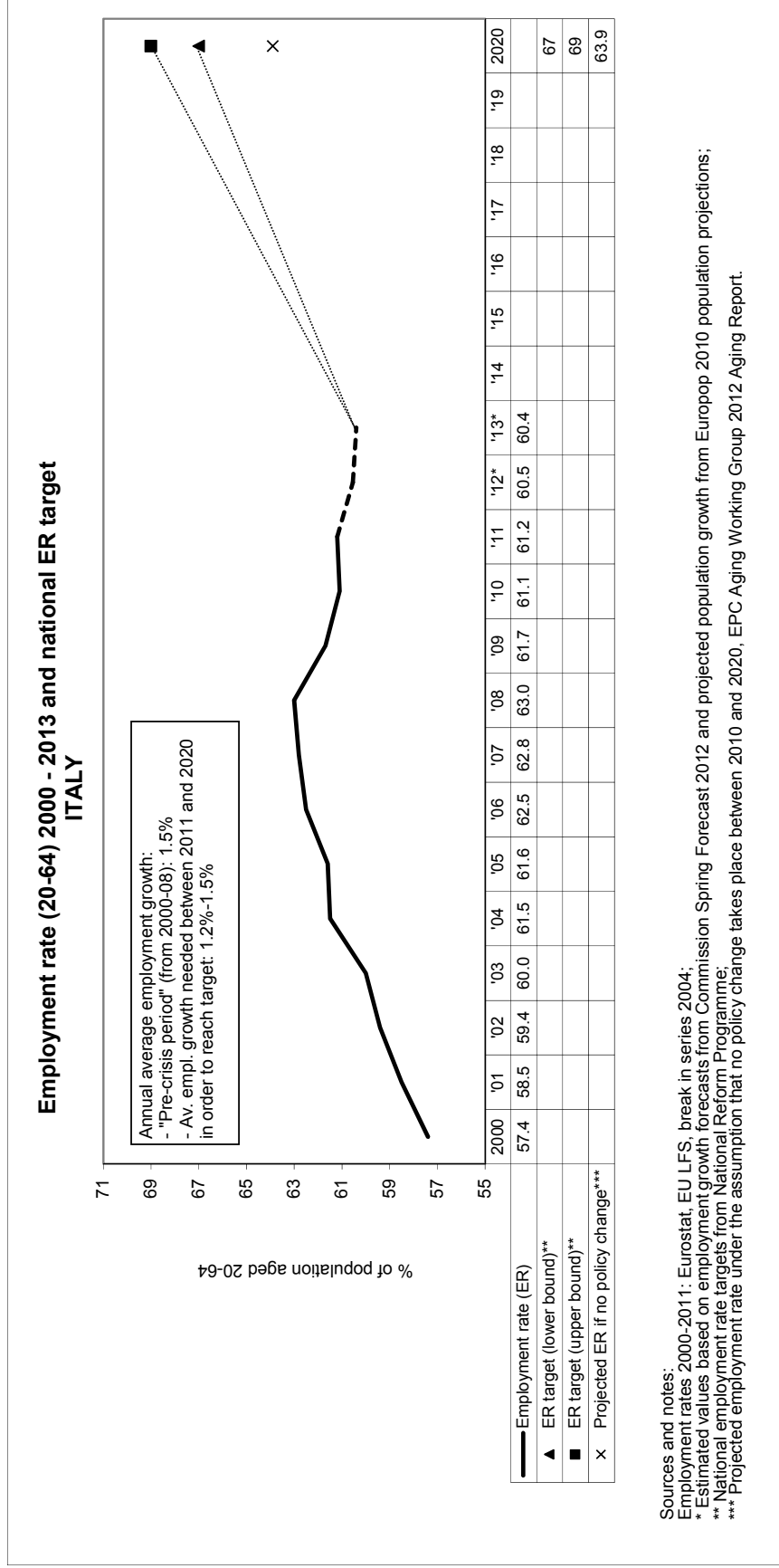
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### 3. Key employment challenges France

Employment policy area	Key employment challenges	Particularly good labour market outcomes
<b>1. Increase labour market participation</b>	<ul style="list-style-type: none"> <li>- Low employment rates of older workers.</li> <li>- High unemployment rates of young people</li> </ul>	<ul style="list-style-type: none"> <li>- Participation level of older workers has been rising, with no decrease over the downturn</li> </ul>
<b>2. Enhancing labour market functioning; combating segmentation</b>	<ul style="list-style-type: none"> <li>- Labour market segmentation between temporary and permanent labour contracts</li> </ul>	
<b>3. Active labour market policies</b>	<ul style="list-style-type: none"> <li>- Improve the effectiveness of active labour market measures to combat increased unemployment and increased long-term unemployment</li> </ul>	
<b>4. Adequate and employment oriented social security systems</b>		
<b>5. Work-life balance</b>		
<b>6. Job creation</b>		
<b>7. Gender equality</b>		
<b>8. Improving skill supply and productivity; Lifelong learning</b>	<ul style="list-style-type: none"> <li>- Low participation in lifelong learning.</li> </ul>	<ul style="list-style-type: none"> <li>- High labour productivity per person employed</li> </ul>
<b>9. Improving education and training systems</b>		<ul style="list-style-type: none"> <li>- High tertiary education attainment level for 30-34 year cohort</li> </ul>
<b>10. Wage setting mechanisms and labour cost developments</b>		

# ITALY

## 1. Progress towards the national employment rate target



## 2. Key indicators on labour market performance

### ITALY

Indicator	Unit	2000	2008	2009	2010	2011	2020 national target	2009	2010	2011	2020 EU headline target
								EU-27 total			
<b>Overall employment rate</b>	% of population aged 20 - 64	57.4	63.0	61.7	61.1	61.2	67-69	69.0	68.6	68.6	75%
<b>Overall employment growth</b>	% change from previous year	1.9	0.8	-1.6	-0.7	0.4		-1.7	-0.5	0.4	
<b>Employment rate of women</b>	% of female population aged 20 - 64	42.2	50.6	49.7	49.5	49.9		62.3	62.1	62.3	
<b>Employment rate of men</b>	% of male population aged 20 - 64	72.8	75.4	73.8	72.8	72.6		75.8	75.1	75.0	
<b>Employment rate of older workers</b>	% of population aged 55 - 64	27.7	34.4	35.7	36.6	37.9		46.0	46.3	47.4	
<b>Employment rate of young</b>	% of population aged 20 - 29	49.9	53.5	50.0	47.8	46.9		62.8	61.6	61.2	
<b>Employment rate of low skilled persons</b>	% of population with at most lower secondary education aged 20 - 64	49.3	52.4	51.0	50.1	50.3		54.4	53.4	53.0	
<b>Employment rate of non-EU nationals</b>	% of population with non-EU citizenship aged 20 - 64	:	70.6	67.1	65.1	64.8		59.0	58.5	58.1	
<b>Part-time employment</b>	% of total employment	8.4	14.3	14.3	15.0	15.5		18.8	19.2	19.5	
<b>Fixed term contracts</b>	% of total employees	10.1	13.3	12.5	12.8	13.4		13.6	14.0	14.1	
<b>Overall unemployment rate</b>	% of labour force	10.0	6.7	7.8	8.4	8.4		9.0	9.7	9.7	
<b>Long-term unemployment</b>	% of labour force	6.2	3.1	3.5	4.1	4.4		3.0	3.9	4.1	
<b>Youth unemployment rate</b>	% of youth labour force (15-24)	26.2	21.3	25.4	27.8	29.1		20.1	21.1	21.4	
<b>Youth NEET rate</b>	% of population aged 15-24	19.1	16.6	17.7	19.1	:		12.4	12.8	:	
<b>Early leavers from education and training</b>	% of pop. 18-24 with at most lower sec. educ. and not in further education or training	25.1	19.7	19.2	18.8	:	15-16	14.4	14.1	:	less than 10%
<b>Tertiary educational attainment</b>	% of population 30-34 having successfully completed tertiary education	11.6 b	19.2	19.0	19.8	:	26-27	32.3	33.6	:	at least 40%
<b>Labour productivity per person employed</b>	EU-27 = 100 (based on PPS per employed person)	127.4	112.9	112.1	109.4	:		100	100	:	
<b>Labour productivity per hour worked</b>	EU-27 = 100 (based on PPS per hour worked)	116.8	104.5	104.0	102.0	:		100	100	:	
<b>Nominal unit labour cost growth</b>	% change from previous year	0.6	4.5	4.0	-0.5	1.0		1.3	0.6	0.9 f	
<b>Real unit labour cost growth</b>	% change from previous year	-1.3	2.0	1.9	-0.9	-0.3		2.9	-1.6	-0.6 f	

Source: Eurostat database (labour market statistics, national accounts), National Reform Programmes  
Notes: b - break in series, p - provisional, e - estimated, f - forecast, u - unreliable

### 3. Key employment challenges Italy

Employment policy area	Key employment challenges	Particularly good labour market outcomes
<b>1. Increase labour market participation</b>	<ul style="list-style-type: none"> <li>- Low participation of women, young people and older workers (with measures launched in late 2011 to reform apprenticeship systems and to reduce tax wedge, notably in view of hiring women and younger workers)</li> </ul>	<ul style="list-style-type: none"> <li>- Employment rate of non-EU nationals is above the EU average</li> </ul>
<b>2. Enhancing labour market functioning; combating segmentation</b>	<ul style="list-style-type: none"> <li>- Presence of dualisms in the labour market (with measures to tackle rigidities and asymmetries of employment protection legislation foreseen in the labour market reform bill)</li> <li>- Relatively low regional labour mobility</li> <li>- Incidence of undeclared work</li> </ul>	
<b>3. Active labour market policies</b>	<ul style="list-style-type: none"> <li>- Low effectiveness of the Public Employment Service particularly in Southern regions . (Visible effects from combination of active and passive measures to reduce employment impact of crisis)</li> <li>- Completion of unemployment benefit systems (with final approval by national parliament of reforms of unemployment benefit system foreseen in spring)</li> </ul>	<ul style="list-style-type: none"> <li>- Unemployment rate below the EU average</li> </ul>
<b>4. Adequate and employment oriented social security systems</b>	<p>(The latest pension reform adopted in December 2011 aims to more quickly bring the pension system on a sustainable path, while strengthening its fairness and increasing labour market participation)</p>	
<b>5. Work-life balance</b>	<ul style="list-style-type: none"> <li>- Inadequate provision of work-life balance policies, parental leaves and child care services (in May 2012 the Council of Ministers has allocated new funding for child and elderly care)</li> </ul>	
<b>6. Job creation</b>	<ul style="list-style-type: none"> <li>- Too high tax wedge on labour</li> </ul>	
<b>7. Gender equality</b>	<ul style="list-style-type: none"> <li>- Persistent gender employment gaps.</li> <li>- High taxation on labour especially for second earners</li> </ul>	<ul style="list-style-type: none"> <li>- Low gender pay gap</li> </ul>

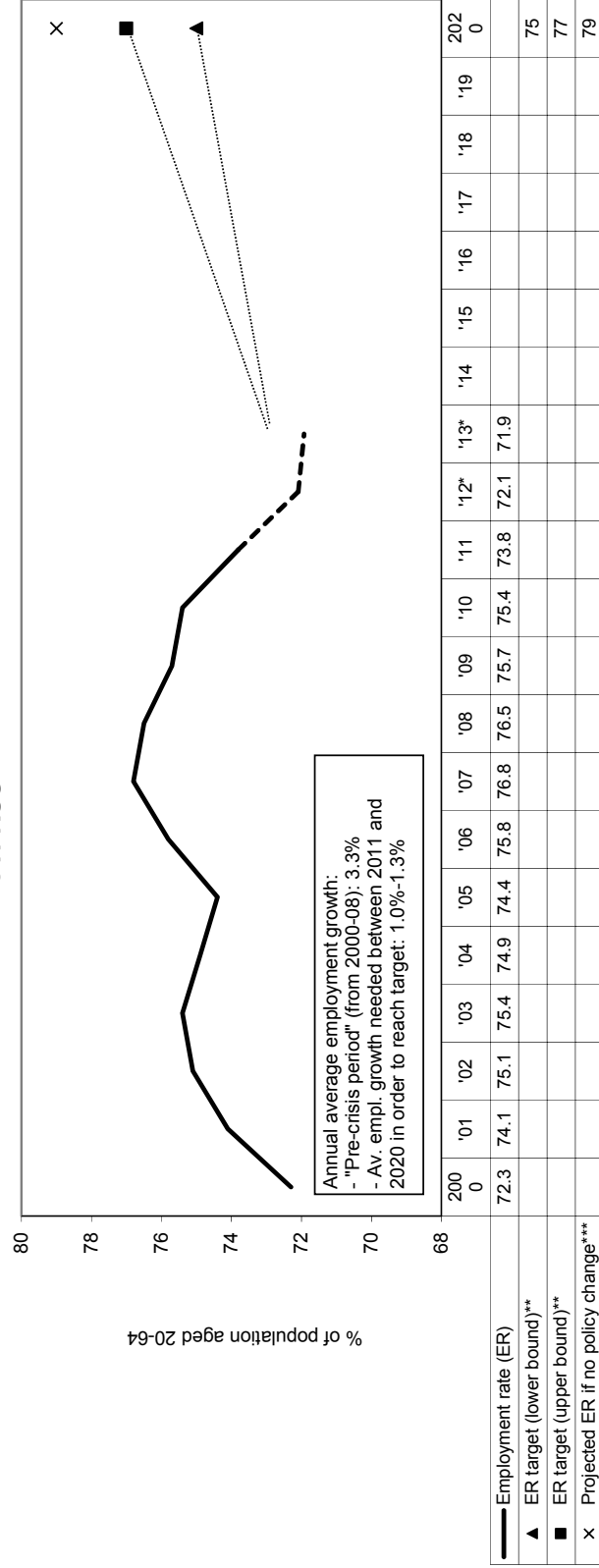
<b>8. Improving skill supply and productivity; Lifelong learning</b>	<ul style="list-style-type: none"> <li>- Below-average share of adults with medium and higher education.</li> </ul>	
<b>9. Improving education and training systems</b>	<ul style="list-style-type: none"> <li>- High incidence of early school leaving</li> <li>- Low tertiary education attainment</li> </ul>	
<b>10. Wage setting mechanisms and labour cost developments</b>	<ul style="list-style-type: none"> <li>- Keeping labour cost developments in line with productivity. (Package adopted in June allowing firm-level bargaining to derogate from labour law including on dismissal procedures and type of contracts to be used in the firm).</li> </ul>	<ul style="list-style-type: none"> <li>- Starting moderation in wage developments</li> </ul>



# CYPRUS

## 1. Progress towards the national employment rate target

Employment rate (20-64) 2000 - 2013 and national ER target  
CYPRUS



Sources and notes:  
 Employment rates 2000-2011: Eurostat, EU LFS;  
 \* Estimated values based on employment growth forecasts from Commission Spring Forecast 2012 and projected population growth from Eurostat 2010 population projections;  
 \*\* National employment rate targets from National Reform Programme;  
 \*\*\* Projected employment rate under the assumption that no policy change takes place between 2010 and 2020, EPC Aging Working Group 2012 Aging Report.

## 2. Key indicators on labour market performance

### CYPRUS

Indicator	Unit	2000	2008	2009	2010	2011	2020 national target	2009	2010	2011	2020 EU headline target
								EU-27 total			
<b>Overall employment rate</b>	% of population aged 20 - 64	72.3	76.5	75.7	75.4	73.8	75-77	69.0	68.6	68.6	75%
<b>Overall employment growth</b>	% change from previous year	:	1.3	-0.4	1.0	-2.5		-1.7	-0.5	0.4	
<b>Employment rate of women</b>	% of female population aged 20 - 64	59.0	68.2	68.1	68.5	67.3		62.3	62.1	62.3	
<b>Employment rate of men</b>	% of male population aged 20 - 64	86.4	85.2	83.5	82.5	80.4		75.8	75.1	75.0	
<b>Employment rate of older workers</b>	% of population aged 55 - 64	49.4	54.8	56.0	56.8	55.2		46.0	46.3	47.4	
<b>Employment rate of young</b>	% of population aged 20 - 29	75.6	74.0	72.2	71.1	67.9		62.8	61.6	61.2	
<b>Employment rate of low skilled persons</b>	% of population with at most lower secondary education aged 20 - 64	62.6	64.1	65.2	67.0	65.2		54.4	53.4	53.0	
<b>Employment rate of non-EU nationals</b>	% of population with non-EU citizenship aged 20 - 64	:	74.0	69.3	73.3	74.9		59.0	58.5	58.1	
<b>Part-time employment</b>	% of total employment	8.4	7.8	8.4	9.3	10.0		18.8	19.2	19.5	
<b>Fixed term contracts</b>	% of total employees	10.7	13.9	13.4	13.5	13.6		13.6	14.0	14.1	
<b>Overall unemployment rate</b>	% of labour force	4.8	3.7	5.3	6.2	7.8		9.0	9.7	9.7	
<b>Long-term unemployment</b>	% of labour force	1.2	0.5	0.6	1.3	1.6		3.0	3.9	4.1	
<b>Youth unemployment rate</b>	% of youth labour force (15-24)	9.9	9.0	13.8	16.7	22.4		20.1	21.1	21.4	
<b>Youth NEET rate</b>	% of population aged 15-24	10.1	9.7	10.1	11.7	:		12.4	12.8	:	
<b>Early leavers from education and training</b>	% of pop. 18-24 with at most lower sec. educ. and not in further education or training	18.5	13.7 p	11.7 p	12.6 p	:	10	14.4	14.1	:	less than 10%
<b>Tertiary educational attainment</b>	% of population 30-34 having successfully completed tertiary education	31.1	47.1	44.7	45.1	:	46	32.3	33.6	:	at least 40%
<b>Labour productivity per person employed</b>	EU-27 = 100 (based on PPS per employed person)	84.3	91.0	91.5	90.3	:		100	100	:	
<b>Labour productivity per hour worked</b>	EU-27 = 100 (based on PPS per hour worked)	74.6	82.2	81.6	81.2	:		100	100	:	
<b>Nominal unit labour cost growth</b>	% change from previous year	2.6	1.8	6.7	-1.3	2.0		1.3	0.6	0.9 f	
<b>Real unit labour cost growth</b>	% change from previous year	-0.5	-2.7	6.6	-2.9	0.0		2.9	-1.6	-0.6 f	

Source: Eurostat database (labour market statistics, national accounts), National Reform Programmes

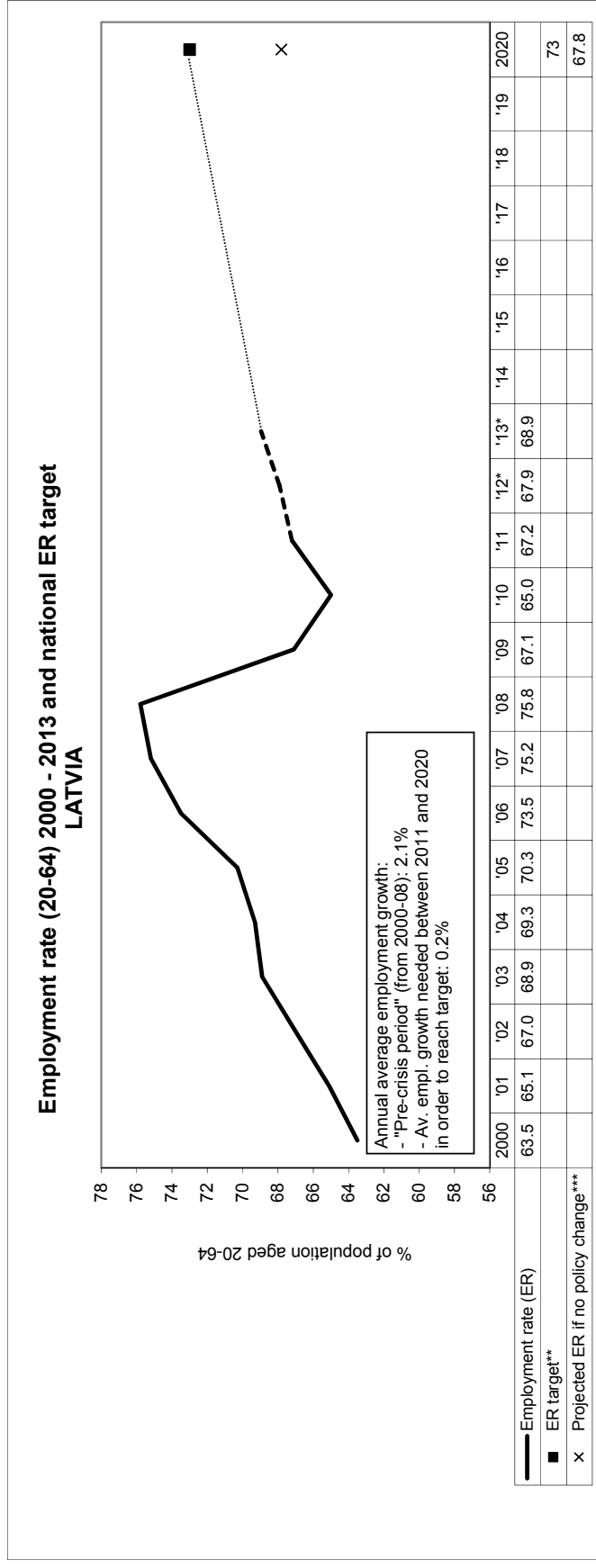
Notes: b - break in series, p - provisional, e - estimated, f - forecast, u - unreliable

### 3. Key employment challenges Cyprus

Employment policy area	Key employment challenges	Particularly good labour market outcomes
<b>1. Increase labour market participation</b>	- Rapid increase (more than doubled) of youth unemployment since 2008	- Above EU average employment rate in the age group 20-64
<b>2. Enhancing labour market functioning; combating segmentation</b>	- High share of female employees working in involuntary fixed-term or part-time contracts	
<b>3. Active labour market policies</b>		- Though on an increasing path over the last two years, long-term unemployment rate remains much lower than EU average
<b>4. Adequate and employment oriented social security systems</b>		
<b>5. Work-life balance</b>	- Insufficient availability of affordable childcare facilities	
<b>6. Job creation</b>		
<b>7. Gender equality</b>	- High gender pay gap; ; large gender employment gap in the age group of 55-64	
<b>8. Improving skill supply and productivity; Lifelong learning</b>	<ul style="list-style-type: none"> <li>- Rather low participation in lifelong learning for a country that has in general good educational levels.</li> <li>- Participation in LLL is especially low for low-skilled, unemployed and older workers</li> </ul>	
<b>9. Improving education and training systems</b>	- Very low attractiveness of the Vocational Education and Training (VET) route	- Very high completion rates of tertiary education in the age group 30-34
<b>10. Wage setting mechanisms and labour cost developments</b>	- Uniform application of the wage indexation mechanism (i.e. the cost of living allowance – COLA) prevents wages from reflecting productivity differences across sectors.	- A decelerating trend of the real ULC since 2007.

# LATVIA

## 1. Progress towards the national employment rate target



Sources and notes:  
 Employment rates 2000-2011: Eurostat, EU LFS;  
 \* Estimated values based on employment growth forecasts from Commission Spring Forecast 2012 and projected population growth from Eurostat 2010 population projections;  
 \*\* National employment rate targets from National Reform Programme;  
 \*\*\* Projected employment rate under the assumption that no policy change takes place between 2010 and 2020, EPC Aging Working Group 2012 Aging Report.

## 2. Key indicators on labour market performance

### LATVIA

Indicator	Unit	2000	2008	2009	2010	2011	2020 national target	2009	2010	2011	2020 EU headline target
								EU-27 total			
<b>Overall employment rate</b>	% of population aged 20 - 64	63.5	75.8	67.1	65.0	67.2	73	69.0	68.6	68.6	75%
<b>Overall employment growth</b>	% change from previous year	-2.8	0.6	-12.6	-4.3	3.1		-1.7	-0.5	0.4	
<b>Employment rate of women</b>	% of female population aged 20 - 64	59.3	72.1	66.8	64.9	65.8		62.3	62.1	62.3	
<b>Employment rate of men</b>	% of male population aged 20 - 64	68.2	79.7	67.4	65.1	68.7		75.8	75.1	75.0	
<b>Employment rate of older workers</b>	% of population aged 55 - 64	36.0	59.4	53.2	48.2	51.1		46.0	46.3	47.4	
<b>Employment rate of young persons</b>	% of population aged 20 - 29	61.7	70.9	57.2	56.9	58.9		62.8	61.6	61.2	
<b>Employment rate of low skilled persons</b>	% of population with at most lower secondary education aged 20 - 64	41.8	57.5	46.6	46.4	48.8		54.4	53.4	53.0	
<b>Employment rate of non-EU nationals</b>	% of population with non-EU citizenship aged 20 - 64	:	72.1	60.1	55.9	60.6		59.0	58.5	58.1	
<b>Part-time employment</b>	% of total employment	11.3	6.3	8.9	9.7	9.2		18.8	19.2	19.5	
<b>Fixed term contracts</b>	% of total employees	6.7	3.3	4.3	6.8	6.5		13.6	14.0	14.1	
<b>Overall unemployment rate</b>	% of labour force	13.7	7.5	17.1	18.7	15.4		9.0	9.7	9.7	
<b>Long-term unemployment</b>	% of labour force	7.9	1.9	4.6	8.4	8.4		3.0	3.9	4.1	
<b>Youth unemployment rate</b>	% of youth labour force (15-24)	21.4	13.1	33.6	34.5	29.1		20.1	21.1	21.4	
<b>Youth NEET rate</b>	% of population aged 15-24	:	11.4	17.4	17.8	:		12.4	12.8	:	
<b>Early leavers from education and training</b>	% of pop. 18-24 with at most lower sec. educ. and not in further education or training	:	15.5	13.9	13.3	:	13.4	14.4	14.1	:	less than 10%
<b>Tertiary educational attainment</b>	% of population 30-34 having successfully completed tertiary education	18.6	27.0	30.1	32.3	:	34-36	32.3	33.6	:	at least 40%
<b>Labour productivity per person employed</b>	EU-27 = 100 (based on PPS per employed person)	40.1	51.6	52.8	54.6	:		100	100	:	
<b>Labour productivity per hour worked</b>	EU-27 = 100 (based on PPS per hour worked)	30.9	42.9	44.5	46.7	:		100	100	:	
<b>Nominal unit labour cost growth</b>	% change from previous year	-2.0	20.7	-7.9	-9.8	2.1		1.3	0.6	0.9 f	
<b>Real unit labour cost growth</b>	% change from previous year	-5.9	6.9	-6.7	-7.7	-3.1		2.9	-1.6	-0.6 f	

Source: Eurostat database (labour market statistics, national accounts), National Reform Programmes

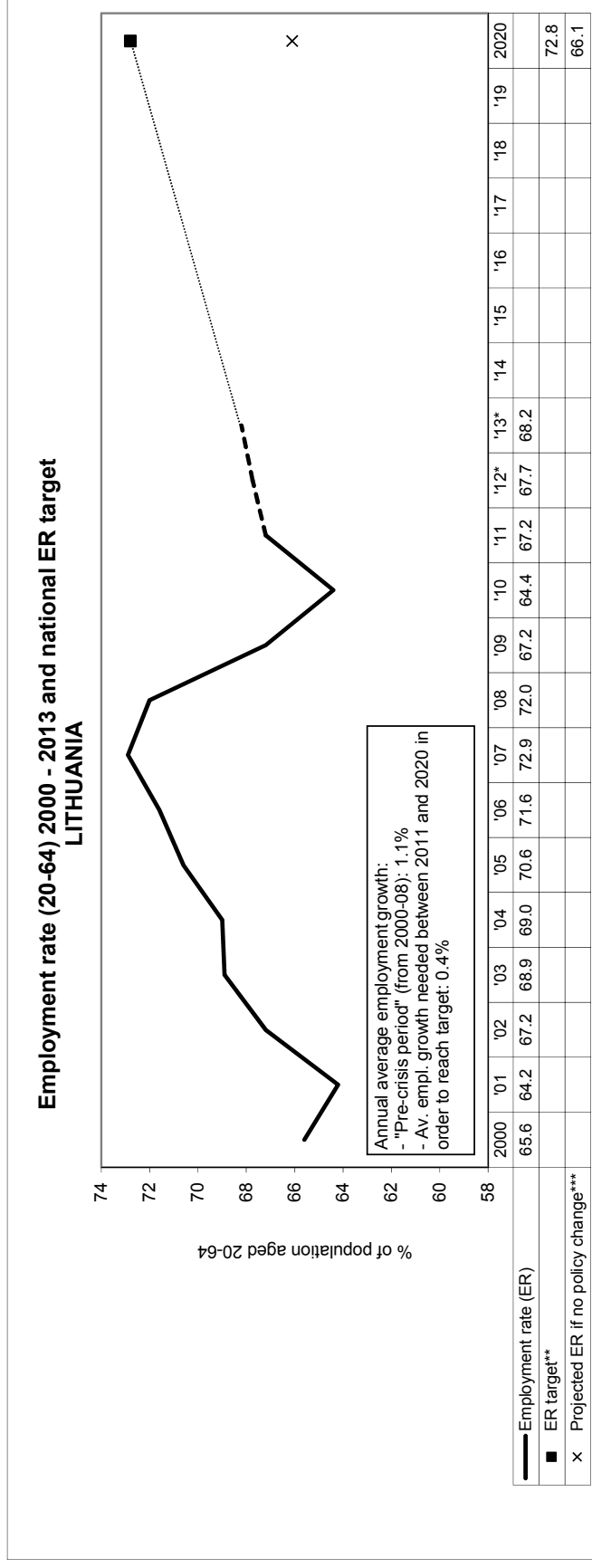
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### 3. Key employment challenges Latvia

Employment policy area	Key employment challenges	Particularly good labour market outcomes
1. Increase labour market participation	- Youth unemployment above EU average	
2. Enhancing labour market functioning; combating segmentation		- Unsegmented labour market
3. Active labour market policies	- Low activation of the unemployed; High long term unemployment	
4. Adequate and employment oriented social security systems	- Low social protection of the unemployed - Relatively high tax wedge on low wage earners	
5. Work-life balance		
6. Job creation		
7. Gender equality		- Small gender employment gap;
8. Improving skill supply and productivity; Lifelong learning	- Low participation in LLL	- High share of adults with medium or high education
9. Improving education and training systems	- Low attractiveness of VET; - Insufficient quality of higher education; - High NEET rate	
10. Wage setting mechanisms and labour cost developments		

# LITHUANIA

## 1. Progress towards the national employment rate target



Sources and notes:  
 Employment rates 2000-2011: Eurostat, EU LFS;  
 \* Estimated values based on employment growth forecasts from Commission Spring Forecast 2012 and projected population growth from Europop 2010 population projections;  
 \*\* National employment rate targets from National Reform Programme;  
 \*\*\* Projected employment rate under the assumption that no policy change takes place between 2010 and 2020, EPC Aging Working Group 2012 Aging Report.

## 2. Key indicators on labour market performance

### LITHUANIA

Indicator	Unit	2000	2008	2009	2010	2011	2020 national target	2009	2010	2011	2020 EU headline target
								EU-27 total			
Overall employment rate	% of population aged 20 - 64	65.6	72.0	67.2	64.4	67.2	72.8	69.0	68.6	68.6	75%
Overall employment growth	% change from previous year	-4.2	-0.9	-6.8	-5.1	2.0		-1.7	-0.5	0.4	
Employment rate of women	% of female population aged 20 - 64	63.9	68.8	67.5	65.1	66.7		62.3	62.1	62.3	
Employment rate of men	% of male population aged 20 - 64	67.4	75.5	66.9	63.6	67.7		75.8	75.1	75.0	
Employment rate of older workers	% of population aged 55 - 64	40.4	53.1	51.6	48.6	50.5		46.0	46.3	47.4	
Employment rate of young	% of population aged 20 - 29	62.0	61.6	55.9	50.7	52.4		62.8	61.6	61.2	
Employment rate of low skilled persons	% of population with at most lower secondary education aged 20 - 64	37.3	42.2	36.7	30.2	32.7		54.4	53.4	53.0	
Employment rate of non-EU nationals	% of population with non-EU citizenship aged 20 - 64	:	79.5 u	56.8 u	58.1 u	58.2 u		59.0	58.5	58.1	
Part-time employment	% of total employment	10.2	6.7	8.3	8.1	8.7		18.8	19.2	19.5	
Fixed term contracts	% of total employees	4.4	2.4	2.2	2.4	2.8		13.6	14.0	14.1	
Overall unemployment rate	% of labour force	16.4	5.8	13.7	17.8	15.4		9.0	9.7	9.7	
Long-term unemployment	% of labour force	8.0	1.2	3.2	7.4	8.0		3.0	3.9	4.1	
Youth unemployment rate	% of youth labour force (15-24)	30.6	13.4	29.2	35.1	32.9		20.1	21.1	21.4	
Youth NEET rate	% of population aged 15-24	17.0	8.9	12.4	13.5	:		12.4	12.8	:	
Early leavers from education and training	% of pop. 18-24 with at most lower sec. educ. and not in further education or training	16.5	7.4	8.7	8.1	:	less than 9%	14.4	14.1	:	less than 10%
Tertiary educational attainment	% of population 30-34 having successfully completed tertiary education	42.6 i	39.9	40.6	43.8	:	40	32.3	33.6	:	at least 40%
Labour productivity per person employed	EU-27 = 100 (based on PPS per employed person)	43.2	62.1	57.5	62.4	:		100	100	:	
Labour productivity per hour worked	EU-27 = 100 (based on PPS per hour worked)	39.9	54.4	50.7	54.8	:		100	100	:	
Nominal unit labour cost growth	% change from previous year	-15.2	10.4	-1.4	-7.3	-0.2		1.3	0.6	0.9 f	
Real unit labour cost growth	% change from previous year	-9.1	0.6	2.4	-9.1	-5.2		2.9	-1.6	-0.6 f	

Source: Eurostat database (labour market statistics, national accounts), National Reform Programmes

Notes: b - break in series, p - provisional, e - estimated, f - forecast, u - unreliable

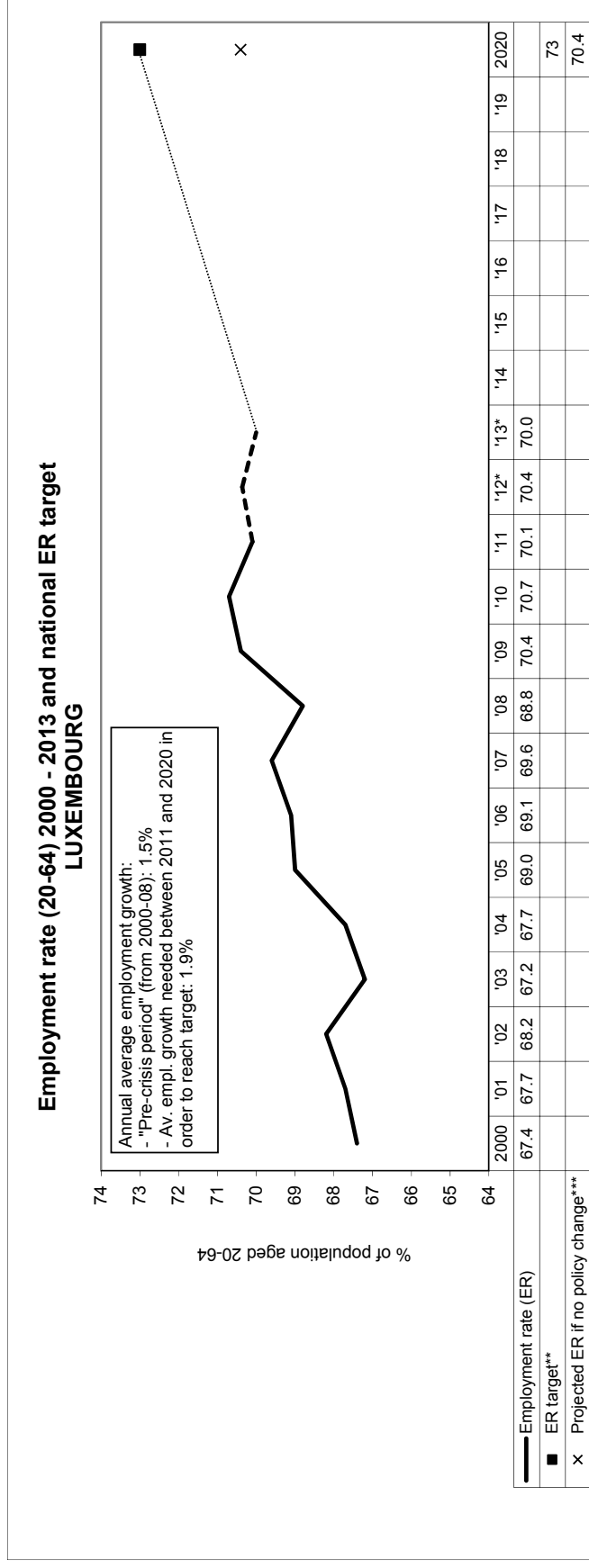


### 3. Key employment challenges Lithuania

Employment policy area	Key employment challenges	Particularly good labour market outcomes
<b>1. Increase labour market participation</b>	- Employment of men, young and low skilled strongly below average	
<b>2. Enhancing labour market functioning; combating segmentation</b>	- Strict EPL	
<b>3. Active labour market policies</b>	- High incidence of long-term, youth and low skilled unemployment and very low ALMP coverage.	
<b>4. Adequate and employment oriented social security systems</b>		
<b>5. Work-life balance</b>	- Insufficient child care provision	
<b>6. Job creation</b>		
<b>7. Gender equality</b>		- Relatively strong labour market participation of women
<b>8. Improving skill supply and productivity; Lifelong learning</b>	- Low and decreasing participation in lifelong learning; skills mismatches	- High share of well educated adult population
<b>9. Improving education and training systems</b>		
<b>10. Wage setting mechanisms and labour cost developments</b>		

# LUXEMBOURG

## 1. Progress towards the national employment rate target



Sources and notes:  
 Employment rates 2000-2011: Eurostat, EU LFS;  
 \* Estimated values based on employment growth forecasts from Commission Spring Forecast 2012 and projected population growth from EuroPop 2010 population projections;  
 \*\* National employment rate targets from National Reform Programme;  
 \*\*\* Projected employment rate under the assumption that no policy change takes place between 2010 and 2020, EPC Aging Working Group 2012 Aging Report.

## 2. Key indicators on labour market performance

### LUXEMBOURG

Indicator	Unit	2000	2008	2009	2010	2011	2020 national target	2009	2010	2011	2020 EU headline target
								EU-27 total			
<b>Overall employment rate</b>	% of population aged 20 - 64	67.4	68.8	70.4	70.7	70.1	73	69.0	68.6	68.6	75%
<b>Overall employment growth</b>	% change from previous year	2.7	-0.2	7.3	1.7	1.8		-1.7	-0.5	0.4	
<b>Employment rate of women</b>	% of female population aged 20 - 64	53.8	60.1	61.5	62.0	61.9		62.3	62.1	62.3	
<b>Employment rate of men</b>	% of male population aged 20 - 64	80.7	77.2	79.0	79.2	78.1		75.8	75.1	75.0	
<b>Employment rate of older workers</b>	% of population aged 55 - 64	26.7	34.1	38.2	39.6	39.3		46.0	46.3	47.4	
<b>Employment rate of young</b>	% of population aged 20 - 29	68.0	59.6	63.2	60.5	59.0		62.8	61.6	61.2	
<b>Employment rate of low skilled persons</b>	% of population with at most lower secondary education aged 20 - 64	58.6	59.8	58.9	58.5	58.6		54.4	53.4	53.0	
<b>Employment rate of non-EU nationals</b>	% of population with non-EU citizenship aged 20 - 64	:	39.9	57.7	58.7	58.8		59.0	58.5	58.1	
<b>Part-time employment</b>	% of total employment	10.4	18.0	18.2	17.9	18.4		18.8	19.2	19.5	
<b>Fixed term contracts</b>	% of total employees	5.3	6.2	7.2	7.1	7.1		13.6	14.0	14.1	
<b>Overall unemployment rate</b>	% of labour force	2.2	4.9	5.1	4.6	4.8		9.0	9.7	9.7	
<b>Long-term unemployment</b>	% of labour force	0.5	1.6	1.2	1.3	1.4		3.0	3.9	4.1	
<b>Youth unemployment rate</b>	% of youth labour force (15-24)	6.6	17.3	16.5	15.8	15.6		20.1	21.1	21.4	
<b>Youth NEET rate</b>	% of population aged 15-24	5.0	6.2	5.8 p	5.1 u	:		12.4	12.8	:	
<b>Early leavers from education and training</b>	% of pop. 18-24 with at most lower sec. educ. and not in further education or training	16.8	13.4	7.7 p	7.1 u	:	less than 10%	14.4	14.1	:	less than 10%
<b>Tertiary educational attainment</b>	% of population 30-34 having successfully completed tertiary education	21.2	39.8	46.6 p	46.1 p	:	40	32.3	33.6	:	at least 40%
<b>Labour productivity per person employed</b>	EU-27 = 100 (based on PPS per employed person)	176.8	178.1	168.1	170.0	:		100	100	:	
<b>Labour productivity per hour worked</b>	EU-27 = 100 (based on PPS per hour worked)	:	189.9	184.2	187.2	:		100	100	:	
<b>Nominal unit labour cost growth</b>	% change from previous year	2.5	6.2	8.6	1.7	3.2		1.3	0.6	0.9 f	
<b>Real unit labour cost growth</b>	% change from previous year	0.5	1.7	8.4	-3.0	-1.4		2.9	-1.6	-0.6 f	

Source: Eurostat database (labour market statistics, national accounts), National Reform Programmes

Notes: b - break in series, p - provisional, e - estimated, f - forecast, u - unreliable

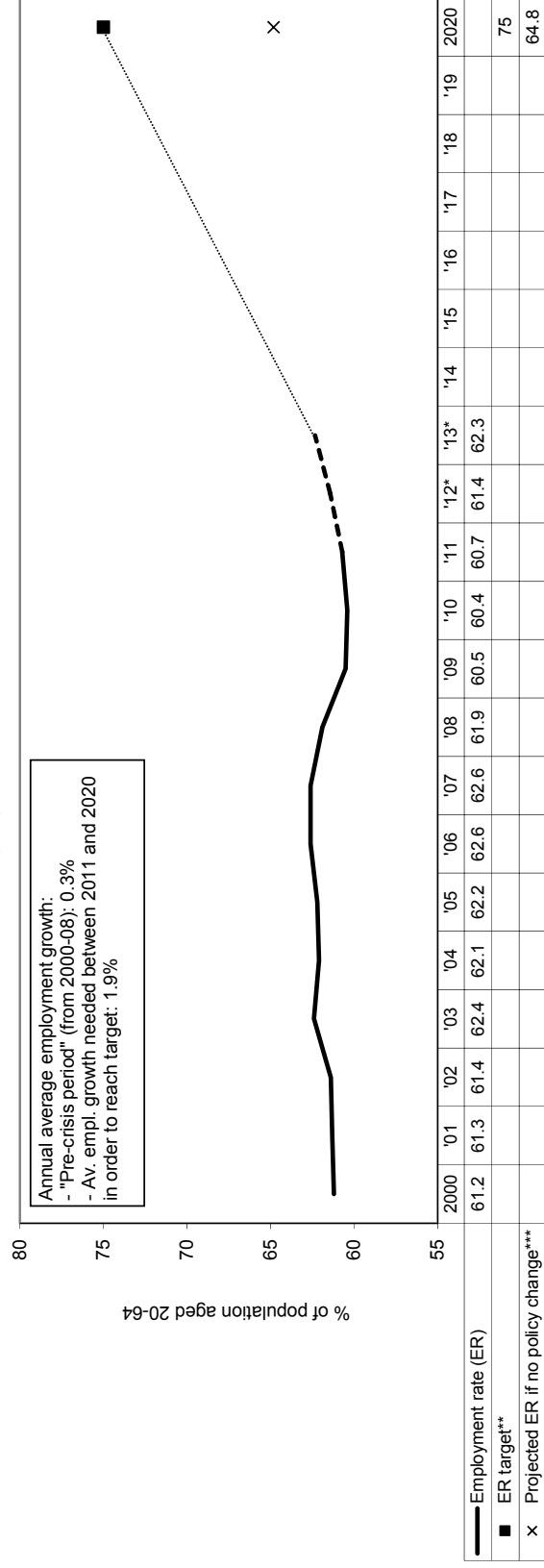
### 3. Key employment challenges Luxembourg

Employment policy area	Key employment challenges	Particularly good labour market outcomes
<b>1. Increase labour market participation</b>	<ul style="list-style-type: none"> <li>- Low employment of older workers</li> <li>Relatively high youth unemployment, in particular compared to a rather low overall unemployment rate in the country</li> </ul>	
<b>2. Enhancing labour market functioning; combating segmentation</b>		
<b>3. Active labour market policies</b>		
<b>4. Adequate and employment oriented social security systems</b>		
<b>5. Work-life balance</b>		<ul style="list-style-type: none"> <li>- Visible increase in child care facilities</li> <li>- Parental leave for men</li> </ul>
<b>6. Job creation</b>		<ul style="list-style-type: none"> <li>- Rather strong overall employment growth, even in most recent years</li> </ul>
<b>7. Gender equality</b>		
<b>8. Improving skill supply and productivity; Lifelong learning</b>	<ul style="list-style-type: none"> <li>- Resident's skills are not matching sufficiently with the needs of labour demand.</li> <li>- Participation in LLL needs to be further increased, in particular for the low skilled (with a coherent strategy still missing)</li> </ul>	
<b>9. Improving education and training systems</b>	<ul style="list-style-type: none"> <li>- Early school leaving remains high, especially concerning children of immigrated population</li> <li>- Upper secondary attainment is below the EU average</li> </ul>	
<b>10. Wage setting mechanisms and labour cost developments</b>	<ul style="list-style-type: none"> <li>- Unit labour cost rising faster than the average of the EU15 since 2000</li> </ul>	

# HUNGARY

## 1. Progress towards the national employment rate target

**Employment rate (20-64) 2000 - 2013 and national ER target**  
HUNGARY



Sources and notes:

Employment rates 2000-2011: Eurostat, EU LFS;

\* Estimated values based on employment growth forecasts from Commission Spring Forecast 2012 and projected population growth from Europop 2010 population projections;

\*\* National employment rate targets from National Reform Programme;

\*\*\* Projected employment rate under the assumption that no policy change takes place between 2010 and 2020, EPC-Aging Working Group 2012 Aging Report.

## 2. Key indicators on labour market performance

### HUNGARY

Indicator	Unit	2000	2008	2009	2010	2011	2020 national target	EU-27 total			2020 EU headline target
								2009	2010	2011	
<b>Overall employment rate</b>	% of population aged 20 - 64	61.2	61.9	60.5	60.4	60.7	75	69.0	68.6	68.6	75%
<b>Overall employment growth</b>	% change from previous year	1.0	-1.2	-2.5	0.0	0.8		-1.7	-0.5	0.4	
<b>Employment rate of women</b>	% of female population aged 20 - 64	53.9	55.1	54.4	55.0	54.9		62.3	62.1	62.3	
<b>Employment rate of men</b>	% of male population aged 20 - 64	68.9	69.0	67.0	66.0	66.8		75.8	75.1	75.0	
<b>Employment rate of older workers</b>	% of population aged 55 - 64	22.2	31.4	32.8	34.4	35.8		46.0	46.3	47.4	
<b>Employment rate of young persons</b>	% of population aged 20 - 29	59.5	55.1	51.5	50.7	50.8		62.8	61.6	61.2	
<b>Employment rate of low skilled persons</b>	% of population with at most lower secondary education aged 20 - 64	36.4	38.0	36.3	36.8	36.5		54.4	53.4	53.0	
<b>Employment rate of non-EU nationals</b>	% of population with non-EU citizenship aged 20 - 64	:	73.2	64.2	50.2	51.3		59.0	58.5	58.1	
<b>Part-time employment</b>	% of total employment	3.5	4.6	5.6	5.8	6.8		18.8	19.2	19.5	
<b>Fixed term contracts</b>	% of total employees	7.1	7.9	8.5	9.7	8.9		13.6	14.0	14.1	
<b>Overall unemployment rate</b>	% of labour force	6.4	7.8	10.0	11.2	10.9		9.0	9.7	9.7	
<b>Long-term unemployment</b>	% of labour force	3.1	3.6	4.2	5.5	5.2		3.0	3.9	4.1	
<b>Youth unemployment rate</b>	% of youth labour force (15-24)	12.4	19.9	26.5	26.6	26.1		20.1	21.1	21.4	
<b>Youth NEET rate</b>	% of population aged 15-24	15.4	11.5	13.4	12.4	:		12.4	12.8	:	
<b>Early leavers from education and training</b>	% of pop. 18-24 with at most lower sec. educ. and not in further education or training	13.9	11.7	11.2	10.5	:	10	14.4	14.1	:	less than 10%
<b>Tertiary educational attainment</b>	% of population 30-34 having successfully completed tertiary education	14.8	22.4	23.9	25.7	:	30.3	32.3	33.6	:	at least 40%
<b>Labour productivity per person employed</b>	EU-27 = 100 (based on PPS per employed person)	57.1	70.9	72.1	71.2	:		100	100	:	
<b>Labour productivity per hour worked</b>	EU-27 = 100 (based on PPS per hour worked)	47.9	59.5	60.2	60.1	:		100	100	:	
<b>Nominal unit labour cost growth</b>	% change from previous year	11.4	4.3	2.9	-3.2	4.4		1.3	0.6	0.9 f	
<b>Real unit labour cost growth</b>	% change from previous year	1.5	-0.9	-0.6	-6.1	0.8		2.9	-1.6	-0.6 f	

Source: Eurostat database (labour market statistics, national accounts), National Reform Programmes

Notes: b - break in series, p - provisional, e - estimated, f - forecast, u - unreliable

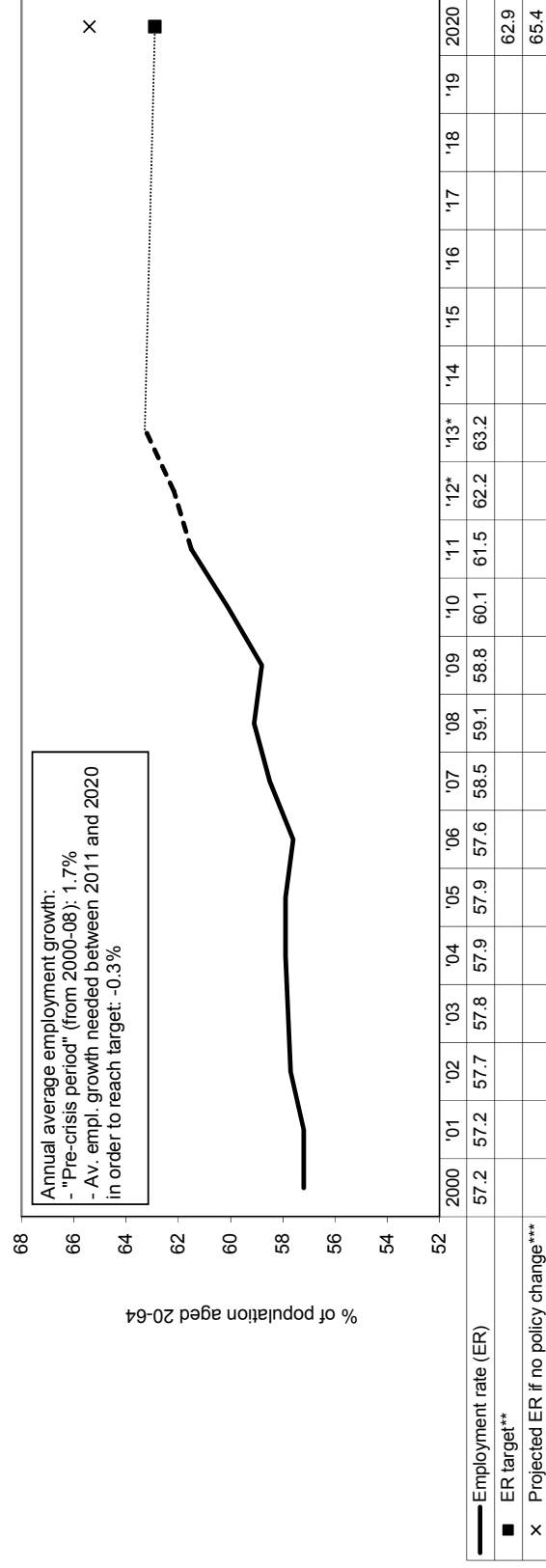
### 3. Key employment challenges Hungary

Employment policy area	Key employment challenges	Particularly good labour market outcomes
<b>1. Increase labour market participation</b>	- Low overall participation across most labour market groups, especially low in case of low skilled, women, and youth.	- Increase of older worker employment is well above EU average in recent years, although the employment rate of older workers is still far below average.
<b>2. Enhancing labour market functioning; combating segmentation</b>		
<b>3. Active labour market policies</b>	- Imbalances in the budgetary structure of ALMPs: limited use of services that lead to the primary labour market while overly excessive use of massive Public Work Scheme	
<b>4. Adequate and employment oriented social security systems</b>		
<b>5. Work-life balance</b>	- Lack of affordable and quality child care services and disincentives for young mothers to return to the labour market.	
<b>6. Job creation</b>	- The recent changes to labour taxation have increased the marginal tax rate for low earners, while the complex system currently in place to ameliorate the impact of the increased tax burden on this income group deteriorates the budgetary balance and keep tax wedge still high.	
<b>7. Gender equality</b>		- Gender employment gap below the EU average
<b>8. Improving skill supply and productivity; Lifelong learning</b>	- Low participation in Life Long Learning	
<b>9. Improving education and training systems</b>	- Insufficient provision of high quality, affordable education and training opportunities to meet labour market needs	- Incidence of early school leaving below EU average
<b>10. Wage setting mechanisms and labour cost developments</b>		

# MALTA

## 1. Progress towards the national employment rate target

**Employment rate (20-64) 2000 - 2013 and national ER target  
MALTA**



Sources and notes:

Employment rates 2000-2011: Eurostat, EU LFS;

\* Estimated values based on employment growth forecasts from Commission Spring Forecast 2012 and projected population growth from Eurostat 2010 population projections;

\*\* National employment rate targets from National Reform Programme;

\*\*\* Projected employment rate under the assumption that no policy change takes place between 2010 and 2020, EPC Aging Working Group 2012 Aging Report.



## 2. Key indicators on labour market performance

### MALTA

Indicator	Unit	2000	2008	2009	2010	2011	2020 national target	2009	2010	2011	2020 EU headline target
								EU-27 total			
<b>Overall employment rate</b>	% of population aged 20 - 64	57.2	59.1	58.8	60.1	61.5	62.9	69.0	68.6	68.6	75%
<b>Overall employment growth</b>	% change from previous year	:	2.4	0.5	2.1	2.7		-1.7	-0.5	0.4	
<b>Employment rate of women</b>	% of female population aged 20 - 64	33.2	39.3	39.8	41.6	43.4		62.3	62.1	62.3	
<b>Employment rate of men</b>	% of male population aged 20 - 64	80.9	78.2	77.1	77.8	78.8		75.8	75.1	75.0	
<b>Employment rate of older workers</b>	% of population aged 55 - 64	28.5	29.2	27.8	30.2	31.7		46.0	46.3	47.4	
<b>Employment rate of young</b>	% of population aged 20 - 29	74.2	76.2	73.4	73.8	74.7		62.8	61.6	61.2	
<b>Employment rate of low skilled persons</b>	% of population with at most lower secondary education aged 20 - 64	51.8	50.2	49.7	51.1	51.2		54.4	53.4	53.0	
<b>Employment rate of non-EU nationals</b>	% of population with non-EU citizenship aged 20 - 64	:	60.3 u	58.6	61.1 u	66.3 u		59.0	58.5	58.1	
<b>Part-time employment</b>	% of total employment	6.8	11.5	11.3	12.5	13.2		18.8	19.2	19.5	
<b>Fixed term contracts</b>	% of total employees	4.1	4.3	4.9	5.7	6.6		13.6	14.0	14.1	
<b>Overall unemployment rate</b>	% of labour force	6.7	6.0	6.9	6.9	6.5		9.0	9.7	9.7	
<b>Long-term unemployment</b>	% of labour force	4.5	2.5	3.0	3.2	3.0		3.0	3.9	4.1	
<b>Youth unemployment rate</b>	% of youth labour force (15-24)	13.7	12.2	14.4	13.1	13.7		20.1	21.1	21.4	
<b>Youth NEET rate</b>	% of population aged 15-24	27.4	9.5	9.8	9.6	:		12.4	12.8	:	
<b>Early leavers from education and training</b>	% of pop. 18-24 with at most lower sec. educ. and not in further education or training	54.2	38.1	36.8	36.9	:	29	14.4	14.1	:	less than 10%
<b>Tertiary educational attainment</b>	% of population 30-34 having successfully completed tertiary education	7.4 u	20.9	21.0	21.5	:	33	32.3	33.6	:	at least 40%
<b>Labour productivity per person employed</b>	EU-27 = 100 (based on PPS per employed person)	98.8	90.8	93.1	91.0	:		100	100	:	
<b>Labour productivity per hour worked</b>	EU-27 = 100 (based on PPS per hour worked)	86.0 e	80.1 e	83.4 e	:	:		100	100	:	
<b>Nominal unit labour cost growth</b>	% change from previous year	:	3.2	5.9	-0.4	0.8		1.3	0.6	0.9 f	
<b>Real unit labour cost growth</b>	% change from previous year	-3.9	0.2	3.3	-3.3	-1.5		2.9	-1.6	-0.6 f	

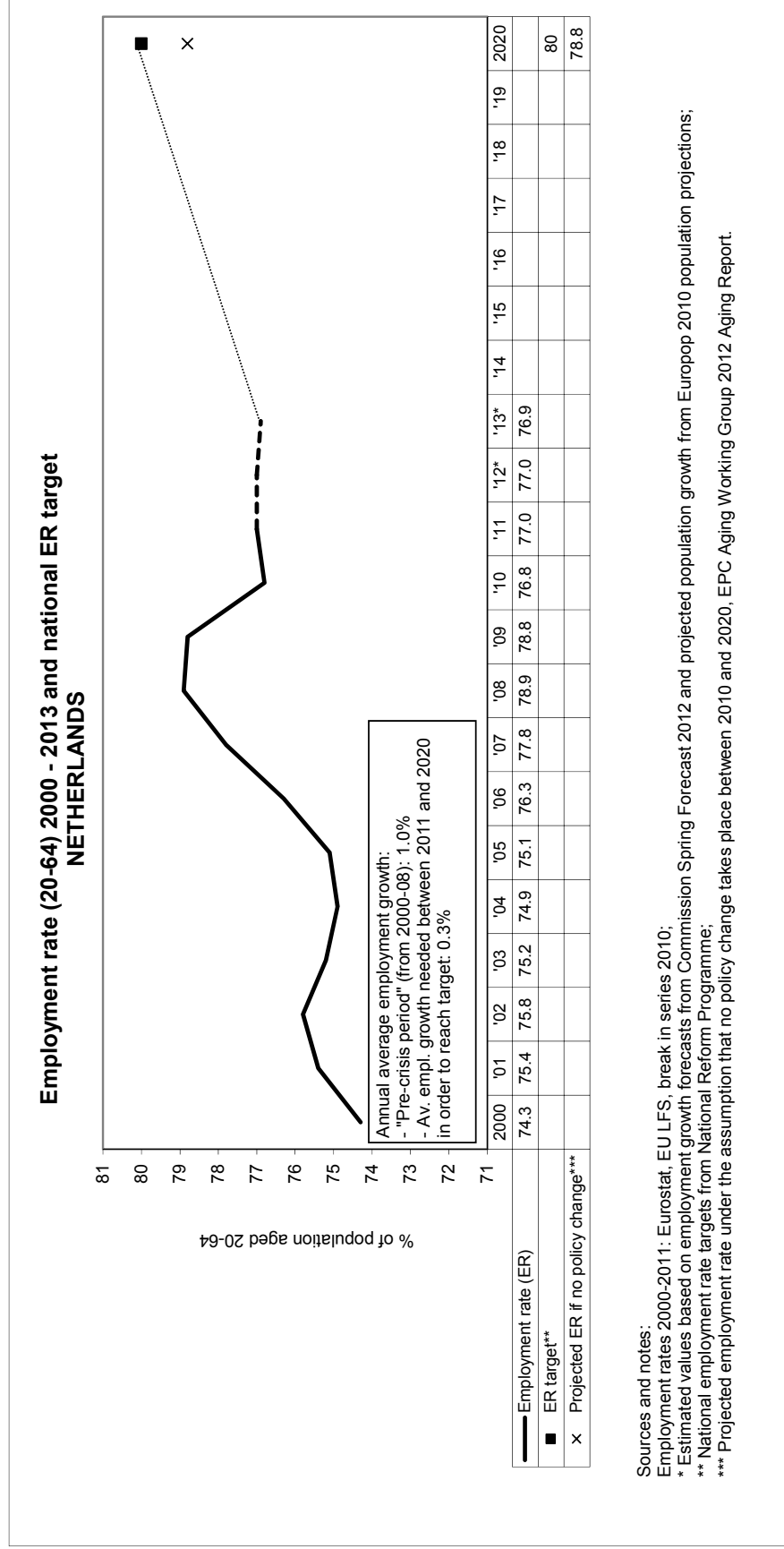
Source: Eurostat database (labour market statistics, national accounts), National Reform Programmes  
Notes: b - break in series, p - provisional, e - estimated, f - forecast, u - unreliable

### 3. Key employment challenges Malta

Employment policy area	Key employment challenges	Particularly good labour market outcomes
<b>1. Increase labour market participation</b>	- Low employment rate mainly for older women	- Strong increase of employment rate of women since 2000
<b>2. Enhancing labour market functioning; combating segmentation</b>		
<b>3. Active labour market policies</b>		- Overall unemployment levels consistently below EU average
<b>4. Adequate and employment oriented social security systems</b>		- Low "at-risk of poverty" amongst the unemployed
<b>5. Work-life balance</b>	- Negative impact of parenthood : limited use of childcare facilities and flexible working arrangements	
<b>6. Job creation</b>		- Overall employment growth in the last few years has been relatively strong compared to the EU average
<b>7. Gender equality</b>	- High gender employment gap particularly for older women	
<b>8. Improving skill supply and productivity; Lifelong learning</b>	- Possible skills mismatches on the labour market	- Improvement in the access and provision of higher education and VET
<b>9. Improving education and training systems</b>	- High early school leavers rate - Low attainment rates of higher education, in particular in the sciences	- Strong decrease of early school leaving since 2000, although rate of decrease has slowed down in recent years
<b>10. Wage setting mechanisms and labour cost developments</b>	- Keeping labour cost developments in line with productivity - Cost of Living Adjustment (COLA) mechanism still has to be adequately analysed	

# NETHERLANDS

## 1. Progress towards the national employment rate target



## 2. Key indicators on labour market performance

### NETHERLANDS

Indicator	Unit	2000	2008	2009	2010	2011	2020 national target	EU-27 total			2020 EU headline target
								2009	2010	2011	
<b>Overall employment rate</b>	% of population aged 20 - 64	74.3	78.9	78.8	76.8 b	77.0	80	69.0	68.6	68.6	75%
<b>Overall employment growth</b>	% change from previous year	2.2	1.5	0.0	-2.6 b	0.0		-1.7	-0.5	0.4	
<b>Employment rate of women</b>	% of female population aged 20 - 64	64.1	72.2	72.7	70.8 b	71.4		62.3	62.1	62.3	
<b>Employment rate of men</b>	% of male population aged 20 - 64	84.3	85.5	84.9	82.8 b	82.6		75.8	75.1	75.0	
<b>Employment rate of older workers</b>	% of population aged 55 - 64	38.2	53.0	55.1	53.7 b	56.1		46.0	46.3	47.4	
<b>Employment rate of young</b>	% of population aged 20 - 29	82.6	83.5	82.4	78.7 b	78.7		62.8	61.6	61.2	
<b>Employment rate of low skilled persons</b>	% of population with at most lower secondary education aged 20 - 64	59.5	64.5	64.2	61.7 b	62.5		54.4	53.4	53.0	
<b>Employment rate of non-EU nationals</b>	% of population with non-EU citizenship aged 20 - 64	:	58.4	56.0	52.8 b	52.2		59.0	58.5	58.1	
<b>Part-time employment</b>	% of total employment	41.5	47.3	48.3	48.9 b	49.1		18.8	19.2	19.5	
<b>Fixed term contracts</b>	% of total employees	13.7	18.2	18.2	18.5 b	18.4		13.6	14.0	14.1	
<b>Overall unemployment rate</b>	% of labour force	3.1	3.1	3.7	4.5	4.4		9.0	9.7	9.7	
<b>Long-term unemployment</b>	% of labour force	0.8	1.1	0.9	1.2 b	1.5		3.0	3.9	4.1	
<b>Youth unemployment rate</b>	% of youth labour force (15-24)	6.1	6.3	7.7	8.7	7.6		20.1	21.1	21.4	
<b>Youth NEET rate</b>	% of population aged 15-24	3.8	3.4	4.1	4.4 b	:		12.4	12.8	:	
<b>Early leavers from education and training</b>	% of pop. 18-24 with at most lower sec. educ. and not in further education or training	15.4	11.4	10.9	10.1 b	:	less than 8%	14.4	14.1	:	less than 10%
<b>Tertiary educational attainment</b>	% of population 30-34 having successfully completed tertiary education	26.5	40.2	40.5	41.4 b	:	45	32.3	33.6	:	at least 40%
<b>Labour productivity per person employed</b>	EU-27 = 100 (based on PPS per employed person)	115.0	115.4	112.4	113.2	:		100	100	:	
<b>Labour productivity per hour worked</b>	EU-27 = 100 (based on PPS per hour worked)	136.6	138.4	133.5	135.8	:		100	100	:	
<b>Nominal unit labour cost growth</b>	% change from previous year	2.9	3.0	5.2	-0.8	0.6		1.3	0.6	0.9 f	
<b>Real unit labour cost growth</b>	% change from previous year	-1.2	0.9	5.6	-2.1	-0.5		2.9	-1.6	-0.6 f	

Source: Eurostat database (labour market statistics, national accounts), National Reform Programmes

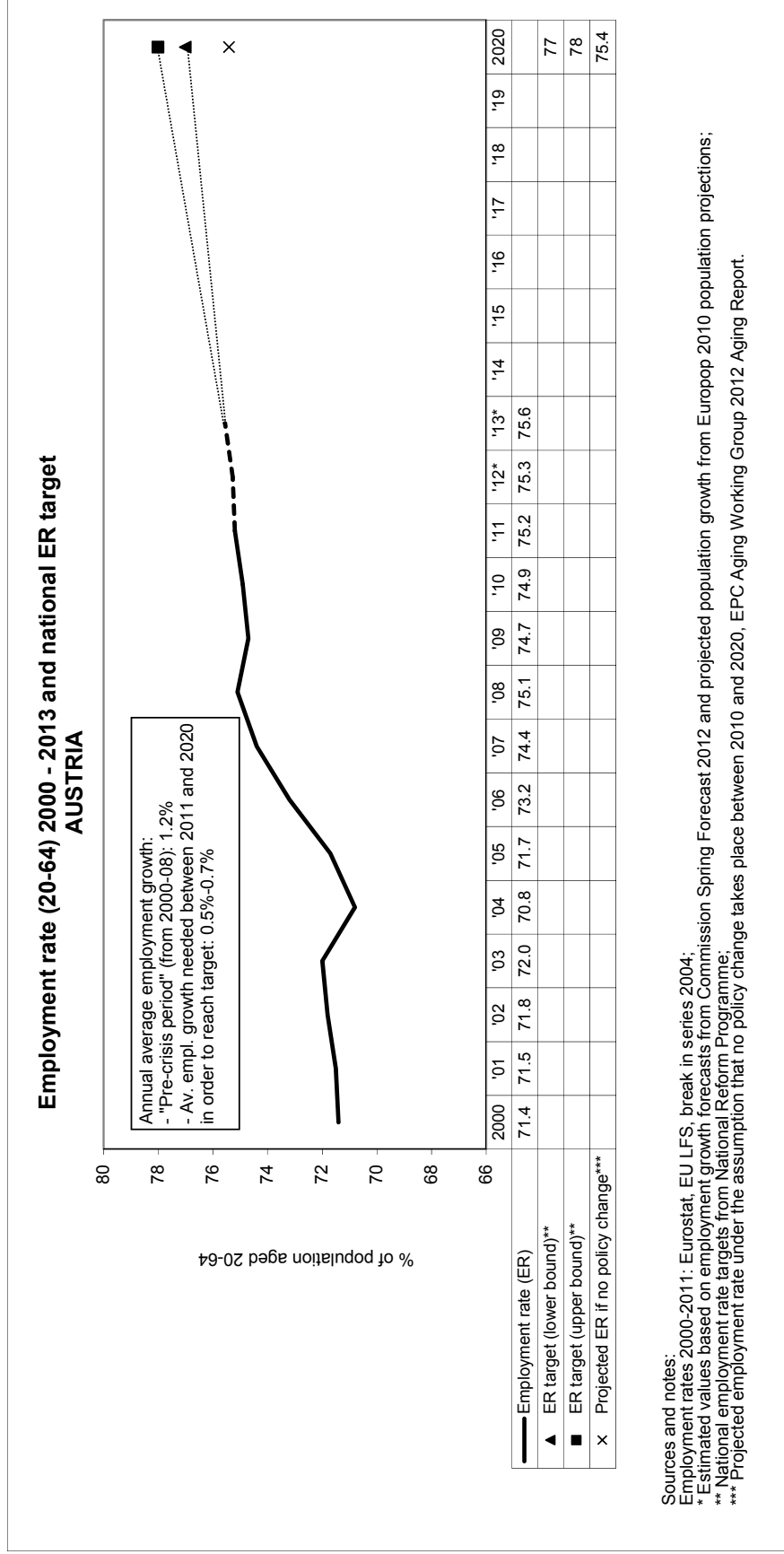
Notes: b - break in series, p - provisional, e - estimated, f - forecast, u - unreliable

### 3. Key employment challenges The Netherlands

Employment policy area	Key employment challenges	Particularly good labour market outcomes
<b>1. Increase labour market participation</b>	<ul style="list-style-type: none"> <li>- Low participation of migrants</li> <li>- Low total amount of hours worked</li> </ul>	<ul style="list-style-type: none"> <li>- Very high employment rates overall and for most labour market sub-groups</li> </ul>
<b>2. Enhancing labour market functioning; combating segmentation</b>	<ul style="list-style-type: none"> <li>- High EPL on regular contracts</li> </ul>	<ul style="list-style-type: none"> <li>- Low youth unemployment rate</li> <li>- Average exit age from labour force is steadily increasing</li> </ul>
<b>3. Active labour market policies</b>		
<b>4. Adequate and employment oriented social security systems</b>	<ul style="list-style-type: none"> <li>- High, but improving, unemployment and low wage trap for second income earners.</li> <li>- Low wage trap for second income earners</li> </ul>	
<b>5. Work-life balance</b>		
<b>6. Job creation</b>		
<b>7. Gender equality</b>	<ul style="list-style-type: none"> <li>- High level of inactivity or under-activity due to part time work, family responsibility and a cultural choice</li> </ul>	<ul style="list-style-type: none"> <li>- Strong labour market participation of both men and women</li> </ul>
<b>8. Improving skill supply and productivity; Lifelong learning</b>		<ul style="list-style-type: none"> <li>- High share of well-educated adult population</li> <li>- High percentage of adult population participating in education and training</li> </ul>
<b>9. Improving education and training systems</b>		<ul style="list-style-type: none"> <li>- Substantial reduction in the incidence of early school leaving</li> <li>- Low rate of young people not in education, employment or training</li> </ul>
<b>10. Wage setting mechanisms and labour cost developments</b>		

# AUSTRIA

## 1. Progress towards the national employment rate target



## 2. Key indicators on labour market performance

### AUSTRIA

Indicator	Unit	2000	2008	2009	2010	2011	2020 national target	2009	2010	2011	2020 EU headline target
								EU-27 total			
Overall employment rate	% of population aged 20 - 64	71.4	75.1	74.7	74.9	75.2	77-78	69.0	68.6	68.6	75%
Overall employment growth	% change from previous year	0.4	1.5	-0.3	0.5	1.2		-1.7	-0.5	0.4	
Employment rate of women	% of female population aged 20 - 64	62.3	68.6	69.4	69.6	69.6		62.3	62.1	62.3	
Employment rate of men	% of male population aged 20 - 64	80.6	81.7	80.1	80.2	80.8		75.8	75.1	75.0	
Employment rate of older workers	% of population aged 55 - 64	28.8	41.0	41.1	42.4	41.5		46.0	46.3	47.4	
Employment rate of young	% of population aged 20 - 29	74.4	75.8	75.3	74.6	75.9		62.8	61.6	61.2	
Employment rate of low skilled persons	% of population with at most lower secondary education aged 20 - 64	52.9	57.3	55.6	56.1	56.4		54.4	53.4	53.0	
Employment rate of non-EU nationals	% of population with non-EU citizenship aged 20 - 64	:	61.3	60.9	62.0	62.8		59.0	58.5	58.1	
Part-time employment	% of total employment	16.3	23.3	24.6	25.2	25.2		18.8	19.2	19.5	
Fixed term contracts	% of total employees	8.0	9.0	9.1	9.3	9.6		13.6	14.0	14.1	
Overall unemployment rate	% of labour force	3.6	3.8	4.8	4.4	4.2		9.0	9.7	9.7	
Long-term unemployment	% of labour force	1.0	0.9	1.0	1.1	1.1		3.0	3.9	4.1	
Youth unemployment rate	% of youth labour force (15-24)	5.3	8.0	10.0	8.8	8.3		20.1	21.1	21.4	
Youth NEET rate	% of population aged 15-24	7.9	7.1	7.8	7.1	:		12.4	12.8	:	
Early leavers from education and training	% of pop. 18-24 with at most lower sec. educ. and not in further education or training	10.2	10.1	8.7	8.3	:	9.5	14.4	14.1	:	less than 10%
Tertiary educational attainment	% of population 30-34 having successfully completed tertiary education	: u	22.2	23.5	23.5	:	38	32.3	33.6	:	at least 40%
Labour productivity per person employed	EU-27 = 100 (based on PPS per employed person)	123.5	116.5	115.6	115.3	:		100	100	:	
Labour productivity per hour worked	EU-27 = 100 (based on PPS per hour worked)	117.0	113.1	113.4	114.8	:		100	100	:	
Nominal unit labour cost growth	% change from previous year	-0.5	3.8	4.9	0.0	1.3		1.3	0.6	0.9 f	
Real unit labour cost growth	% change from previous year	-1.4	2.0	3.8	-1.8	-0.8		2.9	-1.6	-0.6 f	

Source: Eurostat database (labour market statistics, national accounts), National Reform Programmes

Notes: b - break in series, p - provisional, e - estimated, f - forecast, u - unreliable

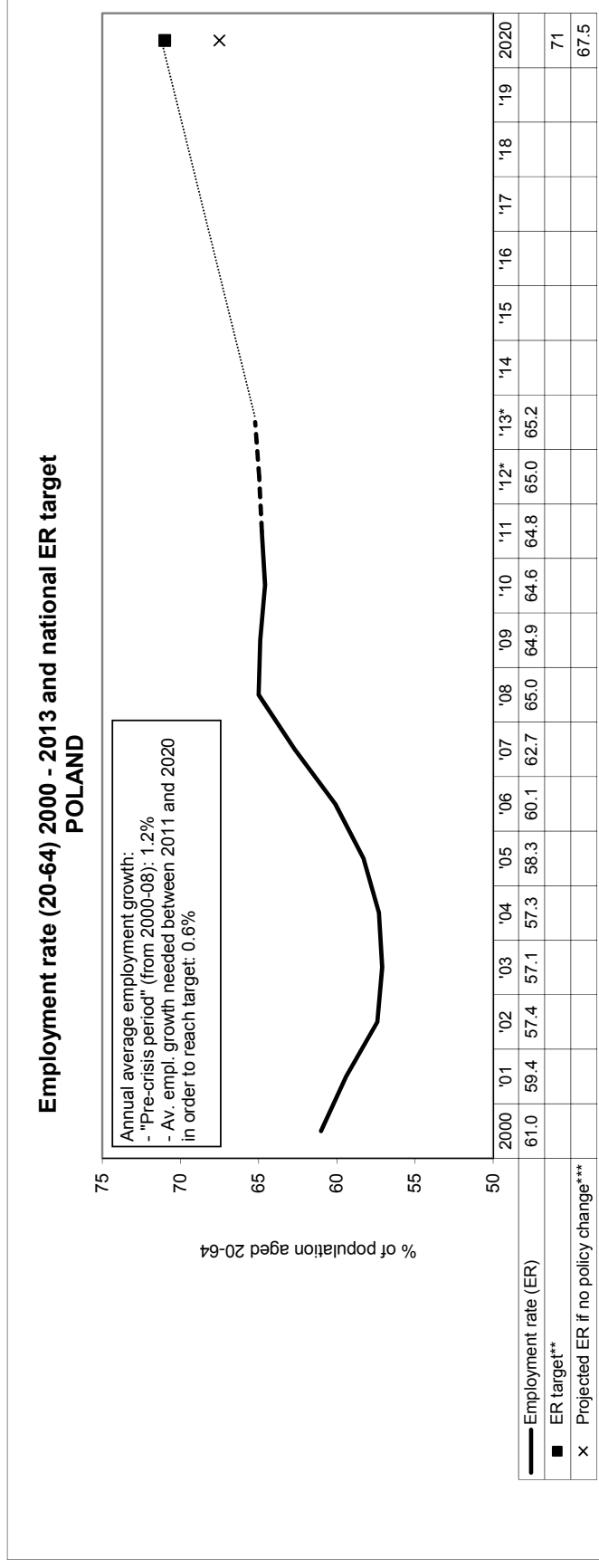
### 3. Key employment challenges Austria

Employment policy area	Key employment challenges	Particularly good labour market outcomes
<b>1. Increase labour market participation</b>	- Relatively low employment rate of older people	- Employment rate well above EU average, especially for young people; NEET rate well below EU average
<b>2. Enhancing labour market functioning; combating segmentation</b>		
<b>3. Active labour market policies</b>		- Long-term unemployment rate well below EU average
<b>4. Adequate and employment oriented social security systems</b>	- Tax wedge on labour above the EU average due to relatively high social security contributions.	- At-risk-of-poverty rate of unemployed and unemployment trap below EU average
<b>5. Work-life balance</b>	- Inactivity / part-time work due to family responsibilities well above EU average, percentage of children cared for by formal arrangements other than by the family (>30 hrs.) well below EU average, employment impact of parenthood above EU average	
<b>6. Job creation</b>		- Employment growth above EU average
<b>7. Gender equality</b>	- Gender pay gap significantly above EU average	
<b>8. Improving skill supply and productivity; Lifelong learning</b>		- Share of adult population with upper secondary or tertiary education as well as percentage of adult population participating in education and training above EU average
<b>9. Improving education and training systems</b>	- Percentage of low achievers especially in reading, but also in mathematics above EU average (no data for science) - Share of adult population having attained high (tertiary) education below EU average	- Early school leaving rate below EU average
<b>10. Wage setting mechanisms and labour cost developments</b>		



# POLAND

## 1. Progress towards the national employment rate target



Sources and notes:  
 Employment rates 2000-2011: Eurostat, EU LFS;  
 \* Estimated values based on employment growth forecasts from Commission Spring Forecast 2012 and projected population growth from Europop 2010 population projections;  
 \*\* National employment rate targets from National Reform Programme;  
 \*\*\* Projected employment rate under the assumption that no policy change takes place between 2010 and 2020, EPC Aging Working Group 2012 Aging Report.

## 2. Key indicators on labour market performance

### POLAND

Indicator	Unit	2000	2008	2009	2010	2011	2020 national target	2009	2010	2011	2020 EU headline target
								EU-27 total			
Overall employment rate	% of population aged 20 - 64	61.0	65.0	64.9	64.6	64.8	71	69.0	68.6	68.6	75%
Overall employment growth	% change from previous year	-3.7	3.7	0.4	0.6	1.1		-1.7	-0.5	0.4	
Employment rate of women	% of female population aged 20 - 64	54.2	57.3	57.6	57.7	57.6		62.3	62.1	62.3	
Employment rate of men	% of male population aged 20 - 64	68.0	73.0	72.6	71.6	72.2		75.8	75.1	75.0	
Employment rate of older workers	% of population aged 55 - 64	28.4	31.6	32.3	34.0	36.9		46.0	46.3	47.4	
Employment rate of young	% of population aged 20 - 29	54.0	62.0	61.5	60.3	59.5		62.8	61.6	61.2	
Employment rate of low skilled persons	% of population with at most lower secondary education aged 20 - 64	41.6	42.3	41.0	39.2	38.7		54.4	53.4	53.0	
Employment rate of non-EU nationals	% of population with non-EU citizenship aged 20 - 64	:	66.0 u	64.3 u	63.2 u	59.7 u		59.0	58.5	58.1	
Part-time employment	% of total employment	10.5	8.5	8.4	8.3	8.0		18.8	19.2	19.5	
Fixed term contracts	% of total employees	5.8	27.0	26.5	27.3	26.9		13.6	14.0	14.1	
Overall unemployment rate	% of labour force	16.1	7.1	8.2	9.6	9.7		9.0	9.7	9.7	
Long-term unemployment	% of labour force	7.4	2.4	2.5	3.0	3.6		3.0	3.9	4.1	
Youth unemployment rate	% of youth labour force (15-24)	35.1	17.3	20.6	23.7	25.8		20.1	21.1	21.4	
Youth NEET rate	% of population aged 15-24	:	9.0	10.1	10.8	:		12.4	12.8	:	
Early leavers from education and training	% of pop. 18-24 with at most lower sec. educ. and not in further education or training	:	5.0	5.3	5.4	:	4.5	14.4	14.1	:	less than 10%
Tertiary educational attainment	% of population 30-34 having successfully completed tertiary education	12.5 b	29.7	32.8	35.3	:	45	32.3	33.6	:	at least 40%
Labour productivity per person employed	EU-27 = 100 (based on PPS per employed person)	55.5	62.3	65.6	66.8	:		100	100	:	
Labour productivity per hour worked	EU-27 = 100 (based on PPS per hour worked)	45.5	50.2	52.4	54.0	:		100	100	:	
Nominal unit labour cost growth	% change from previous year	4.6	7.5	2.2	2.2	1.7 f		1.3	0.6	0.9 f	
Real unit labour cost growth	% change from previous year	-2.5	4.3	-1.4	0.8	-1.4 f		2.9	-1.6	-0.6 f	

Source: Eurostat database (labour market statistics, national accounts), National Reform Programmes

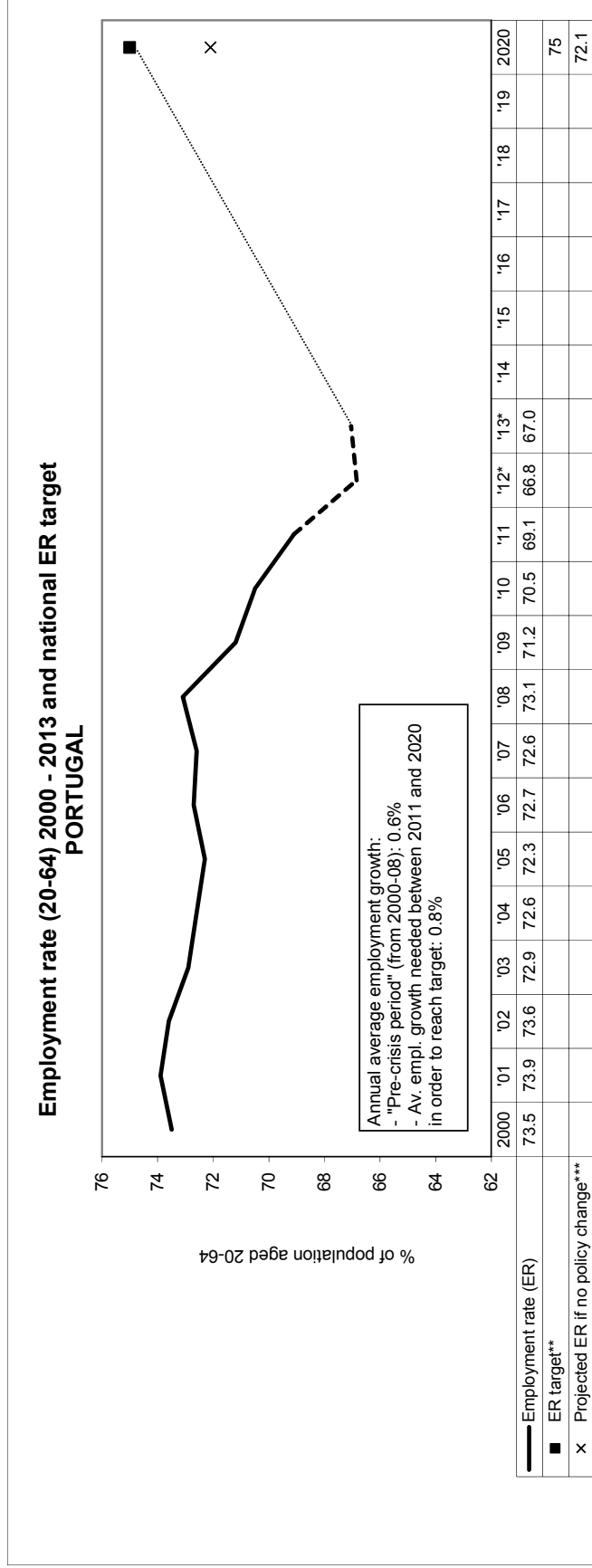
Notes: b - break in series, p - provisional, e - estimated, f - forecast, u - unreliable

### 3. Key employment challenges Poland

Employment policy area	Key employment challenges	Particularly good labour market outcomes
<b>1. Increase labour market participation</b>	<ul style="list-style-type: none"> <li>- Low employment rate of older workers and women (low effective retirement age (low effective retirement age and short working careers)</li> <li>- High youth unemployment</li> <li>- Oversized agricultural sector generating hidden unemployment in rural areas and limited shift into off-farm jobs.</li> </ul>	
<b>2. Enhancing labour market functioning; combating segmentation</b>	<ul style="list-style-type: none"> <li>- Low internal regional mobility of the labour force.</li> <li>- labour market segmentation (abuse of fixed-term contracts and civil law contracts)</li> </ul>	
<b>3. Active labour market policies</b>		
<b>4. Adequate and employment oriented social security systems</b>		
<b>5. Work-life balance</b>	<ul style="list-style-type: none"> <li>- Insufficient provision of care facilities for children and dependants</li> </ul>	
<b>6. Job creation</b>		
<b>7. Gender equality</b>		
<b>8. Improving skill supply and productivity; Lifelong learning</b>	<ul style="list-style-type: none"> <li>- Mismatch between skills and jobs, especially concerning youth.</li> <li>- Insufficient provision of high quality, affordable education and training opportunities to meet labour market needs.</li> </ul>	
<b>9. Improving education and training systems</b>	<ul style="list-style-type: none"> <li>- Very low participation of older workers in education and training.</li> <li>- Weak system of vocational education.</li> </ul>	<ul style="list-style-type: none"> <li>- Very low number of early-leavers from education and training.</li> <li>- High tertiary attainment.</li> </ul>
<b>10. Wage setting mechanisms and labour cost developments</b>		

# PORTUGAL

## 1. Progress towards the national employment rate target



Sources and notes:

Employment rates 2000-2011: Eurostat, EU LFS;

\* Estimated values based on employment growth forecasts from Commission Spring Forecast 2012 and projected population growth from Eurostat 2010 population projections;

\*\* National employment rate targets: from National Reform Programme;

\*\*\* Projected employment rate under the assumption that no policy change takes place between 2010 and 2020, EPC Aging Working Group 2012 Aging Report.

## 2. Key indicators on labour market performance

### PORTUGAL

Indicator	Unit	2000	2008	2009	2010	2011	2020 national target	2009	2010	2011	2020 EU headline target
								EU-27 total			
<b>Overall employment rate</b>	% of population aged 20 - 64	73.5	73.1	71.2	70.5	69.1 b	75	69.0	68.6	68.6	75%
<b>Overall employment growth</b>	% change from previous year	2.3	0.5	-2.8	-1.5	-2.8 b		-1.7	-0.5	0.4	
<b>Employment rate of women</b>	% of female population aged 20 - 64	65.1	67.0	66.1	65.6	64.8 b		62.3	62.1	62.3	
<b>Employment rate of men</b>	% of male population aged 20 - 64	82.3	79.4	76.5	75.4	73.4 b		75.8	75.1	75.0	
<b>Employment rate of older workers</b>	% of population aged 55 - 64	50.7	50.8	49.7	49.2	47.9 b		46.0	46.3	47.4	
<b>Employment rate of young</b>	% of population aged 20 - 29	71.2	68.0	65.7	62.6	61.7 b		62.8	61.6	61.2	
<b>Employment rate of low skilled persons</b>	% of population with at most lower secondary education aged 20 - 64	72.8	71.7	68.8	67.8	65.5 b		54.4	53.4	53.0	
<b>Employment rate of non-EU nationals</b>	% of population with non-EU citizenship aged 20 - 64	:	78.2	71.4	69.4	66.5 b		59.0	58.5	58.1	
<b>Part-time employment</b>	% of total employment	10.9	11.9	11.6	11.6	13.3 b		18.8	19.2	19.5	
<b>Fixed term contracts</b>	% of total employees	19.9	22.8	22.0	23.0	22.2 b		13.6	14.0	14.1	
<b>Overall unemployment rate</b>	% of labour force	4.5 e	8.5 e	10.6 e	12.0 e	12.9		9.0	9.7	9.7	
<b>Long-term unemployment</b>	% of labour force	1.9	4.0	4.7	6.3	6.2 b		3.0	3.9	4.1	
<b>Youth unemployment rate</b>	% of youth labour force (15-24)	10.5 e	20.2 e	24.8 e	27.7 e	30.1		20.1	21.1	21.4	
<b>Youth NEET rate</b>	% of population aged 15-24	9.0	10.3	11.2	11.5	:		12.4	12.8	:	
<b>Early leavers from education and training</b>	% of pop. 18-24 with at most lower sec. educ. and not in further education or training	43.6	35.4	31.2	28.7	:	10	14.4	14.1	:	less than 10%
<b>Tertiary educational attainment</b>	% of population 30-34 having successfully completed tertiary education	11.3	21.6	21.1	23.5	:	40	32.3	33.6	:	at least 40%
<b>Labour productivity per person employed</b>	EU-27 = 100 (based on PPS per employed person)	72.1	73.5	75.9	76.5 p	:		100	100	:	
<b>Labour productivity per hour worked</b>	EU-27 = 100 (based on PPS per hour worked)	62.5	63.6	64.8	65.2 p	:		100	100	:	
<b>Nominal unit labour cost growth</b>	% change from previous year	4.4	3.5	3.1	-1.5 p	-0.8 p		1.3	0.6	0.9 f	
<b>Real unit labour cost growth</b>	% change from previous year	1.2	1.9	2.2	-2.6 p	-1.4 p		2.9	-1.6	-0.6 f	

Source: Eurostat database (labour market statistics, national accounts), National Reform Programmes

Notes: b - break in series, p - provisional, e - estimated, f - forecast, u - unreliable

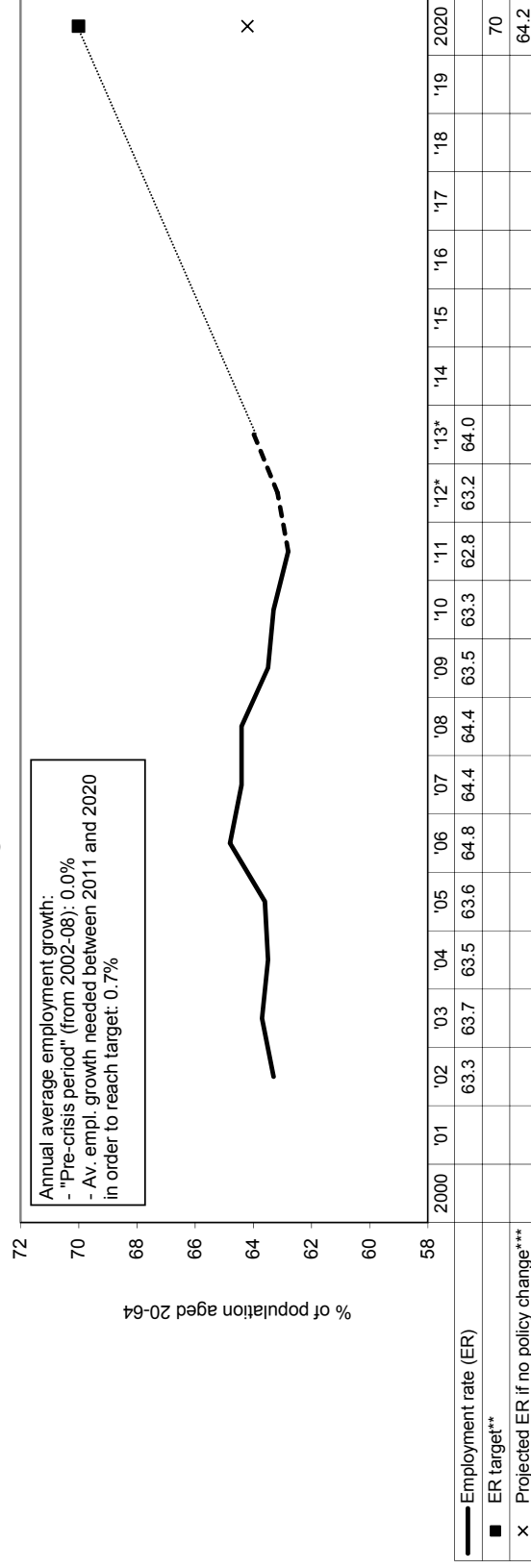
### 3. Key employment challenges Portugal

Employment policy area	Key employment challenges	Particularly good labour market outcomes
<b>1. Increase labour market participation</b>	- Decreasing trend in participation and employment rates and rising unemployment.	
<b>2. Enhancing labour market functioning; combating segmentation</b>	- Segmented labour market (overuse of temporary contracts which coexist with fixed-term contracts enjoying a high level of protection; labour law currently being revised under MoU in order to reduce segmentation)	
<b>3. Active labour market policies</b>	- Need for increased effectiveness of ALMP specifically targeted at youth and long-term unemployed (measures started in early 2012 that are aimed at tackling these problems) -	
<b>4. Adequate and employment oriented social security systems</b>	-	
<b>5. Work-life balance</b>		- Child care provisions and other social infrastructure.
<b>6. Job creation</b>		
<b>7. Gender equality</b>		
<b>8. Improving skill supply and productivity; Lifelong learning</b>	- Mismatch between the skills offered and demanded. - Low skills/education levels of adult population, but with recent improvements. - Relatively low participation in lifelong learning, but with recent improvements	
<b>9. Improving education and training systems</b>	- High rate of early school leaving. - Low tertiary education attainment rate.	- Substantial decrease in early school leaving. - Substantial increase in tertiary education attainment..
<b>10. Wage setting mechanisms and labour cost developments</b>	- The wage setting system needs to improve the response of wages to labour market conditions and foster wage developments in line with the need to restore competitiveness. (with policy measures being taken under MoU expected to improve situation)	

# ROMANIA

## 1. Progress towards the national employment rate target

**Employment rate (20-64) 2000 - 2013 and national ER target  
ROMANIA**



### Sources and notes:

Employment rates 2002-2011: Eurostat, EU LFS; break in series 2002;

\* Estimated values based on employment growth forecasts from Commission Spring Forecast 2012 and projected population growth from Europop 2010 population projections;

\*\* National employment rate targets from National Reform Programme;

\*\*\* Projected employment rate under the assumption that no policy change takes place between 2010 and 2020; EPC Aging Working Group 2012 Aging Report.

## 2. Key indicators on labour market performance

### ROMANIA

Indicator	Unit	2000	2008	2009	2010	2011	2020 national target	EU-27 total			2020 EU headline target
								2009	2010	2011	
<b>Overall employment rate</b>	% of population aged 20 - 64	:	64.4	63.5	63.3	62.8	70	69.0	68.6	68.6	75%
<b>Overall employment growth</b>	% change from previous year	:	0.2	-1.3	0.0	-1.1		-1.7	-0.5	0.4	
<b>Employment rate of women</b>	% of female population aged 20 - 64	:	57.3	56.3	55.9	55.7		62.3	62.1	62.3	
<b>Employment rate of men</b>	% of male population aged 20 - 64	:	71.6	70.7	70.8	69.9		75.8	75.1	75.0	
<b>Employment rate of older workers</b>	% of population aged 55 - 64	:	43.1	42.6	41.1	40.0		46.0	46.3	47.4	
<b>Employment rate of young persons</b>	% of population aged 20 - 29	:	53.8	51.7	51.1	51.3		62.8	61.6	61.2	
<b>Employment rate of low skilled persons</b>	% of population with at most lower secondary education aged 20 - 64	:	53.6	53.7	54.0	50.7		54.4	53.4	53.0	
<b>Employment rate of non-EU nationals</b>	% of population with non-EU citizenship aged 20 - 64	:	62.4	64.9 u	:	:		59.0	58.5	58.1	
<b>Part-time employment</b>	% of total employment	:	9.9	9.8	11.0	10.5		18.8	19.2	19.5	
<b>Fixed term contracts</b>	% of total employees	:	1.3	1.0	1.1	1.5		13.6	14.0	14.1	
<b>Overall unemployment rate</b>	% of labour force	6.8	5.8	6.9	7.3	7.4		9.0	9.7	9.7	
<b>Long-term unemployment</b>	% of labour force	:	2.4	2.2	2.5	3.1		3.0	3.9	4.1	
<b>Youth unemployment rate</b>	% of youth labour force (15-24)	17.2	18.6	20.8	22.1	23.7		20.1	21.1	21.4	
<b>Youth NEET rate</b>	% of population aged 15-24	20.2	11.6	13.9	16.4	:		12.4	12.8	:	
<b>Early leavers from education and training</b>	% of pop. 18-24 with at most lower sec. educ. and not in further education or training	22.9	15.9	16.6	18.4	:	11.3	14.4	14.1	:	less than 10%
<b>Tertiary educational attainment</b>	% of population 30-34 having successfully completed tertiary education	8.9	16.0	16.8	18.1	:	26.7	32.3	33.6	:	at least 40%
<b>Labour productivity per person employed</b>	EU-27 = 100 (based on PPS per employed person)	23.7	49.1	49.2	48.9	:		100	100	:	
<b>Labour productivity per hour worked</b>	EU-27 = 100 (based on PPS per hour worked)	21.8	43.7	42.9	43.0	:		100	100	:	
<b>Nominal unit labour cost growth</b>	% change from previous year	64.9	22.9	2.9	7.9	1.7		1.3	0.6	0.9 f	
<b>Real unit labour cost growth</b>	% change from previous year	15.1	6.6	-1.2	1.8	-5.9 p		2.9	-1.6	-0.6 f	

Source: Eurostat database (labour market statistics, national accounts), National Reform Programmes

Notes: b - break in series, p - provisional, e - estimated, f - forecast, u - unreliable



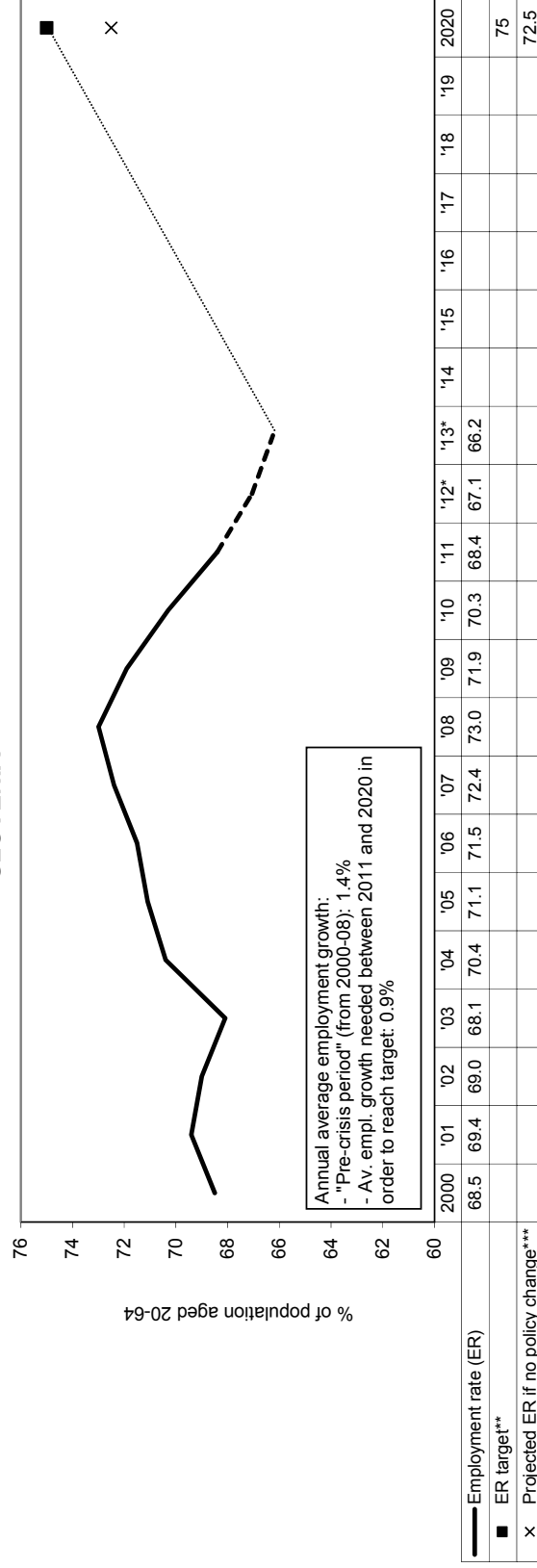
### 3. Key employment challenges Romania

Employment policy area	Key employment challenges	Particularly good labour market outcomes
<b>1. Increase labour market participation</b>	- Low employment rate, in particular for young people, women and older workers	
<b>2. Enhancing labour market functioning; combating segmentation</b>	- High incidence of undeclared work - Low incidence of part-time and fixed-term contracts, as well as of flexible working arrangements	- High transitions by contract (employment security)
<b>3. Active labour market policies</b>	- Poor activation of unemployed and inactive	
<b>4. Adequate and employment oriented social security systems</b>	- High in-work poverty risk	- Low unemployment trap
<b>5. Work-life balance</b>	- Insufficient provision of available and affordable care facilities	- Low involuntary fixed and part-time working arrangements
<b>6. Job creation</b>	- Negative employment growth, in particular during the last three years	
<b>7. Gender equality</b>		- Low gender pay gap
<b>8. Improving skill supply and productivity; Lifelong learning</b>	- Very low adult participation in lifelong learning	
<b>9. Improving education and training systems</b>	- Persistent mismatch between the education and training systems and the labour market needs - High and increasing rate of young people neither in employment, nor in education or training	
<b>10. Wage setting mechanisms and labour cost developments</b>	- Nominal unit labour cost developments significantly out of line with labour productivity growth (particularly until 2009)	

# SLOVENIA

## 1. Progress towards the national employment rate target

Employment rate (20-64) 2000 - 2013 and national ER target  
SLOVENIA



### Sources and notes:

Employment rates 2000-2011: Eurostat, EU LFS;

\* Estimated values based on employment growth forecasts from Commission Spring Forecast 2012 and projected population growth from Europop 2010 population projections;

\*\* National employment rate targets from National Reform Programme;

\*\*\* Projected employment rate under the assumption that no policy change takes place between 2010 and 2020, EPC Aging Working Group 2012 Aging Report.

## 2. Key indicators on labour market performance

### SLOVENIA

Indicator	Unit	2000	2008	2009	2010	2011	2020 national target	2009	2010	2011	2020 EU headline target
								EU-27 total			
<b>Overall employment rate</b>	% of population aged 20 - 64	68.5	73.0	71.9	70.3	68.4	75	69.0	68.6	68.6	75%
<b>Overall employment growth</b>	% change from previous year	2.0	1.1	-1.5	-1.5	-3.1		-1.7	-0.5	0.4	
<b>Employment rate of women</b>	% of female population aged 20 - 64	63.6	68.5	67.9	66.5	64.8		62.3	62.1	62.3	
<b>Employment rate of men</b>	% of male population aged 20 - 64	73.2	77.4	75.6	74.0	71.8		75.8	75.1	75.0	
<b>Employment rate of older workers</b>	% of population aged 55 - 64	22.7	32.8	35.6	35.0	31.2		46.0	46.3	47.4	
<b>Employment rate of young</b>	% of population aged 20 - 29	65.7	69.5	64.7	63.0	60.9		62.8	61.6	61.2	
<b>Employment rate of low skilled persons</b>	% of population with at most lower secondary education aged 20 - 64	52.7	54.8	53.2	50.5	45.8		54.4	53.4	53.0	
<b>Employment rate of non-EU nationals</b>	% of population with non-EU citizenship aged 20 - 64	:	70.7	57.1 u	60.6	67.2		59.0	58.5	58.1	
<b>Part-time employment</b>	% of total employment	6.5	9.0	10.6	11.4	10.4		18.8	19.2	19.5	
<b>Fixed term contracts</b>	% of total employees	13.7	17.4	16.4	17.3	18.2		13.6	14.0	14.1	
<b>Overall unemployment rate</b>	% of labour force	6.7	4.4	5.9	7.3	8.2		9.0	9.7	9.7	
<b>Long-term unemployment</b>	% of labour force	4.1	1.9	1.8	3.2	3.6		3.0	3.9	4.1	
<b>Youth unemployment rate</b>	% of youth labour force (15-24)	16.3	10.4	13.6	14.7	15.7		20.1	21.1	21.4	
<b>Youth NEET rate</b>	% of population aged 15-24	:	6.5	7.5	7.1	:		12.4	12.8	:	
<b>Early leavers from education and training</b>	% of pop. 18-24 with at most lower sec. educ. and not in further education or training	:	5.1 u	5.3 u	5.0 u	:	5	14.4	14.1	:	less than 10%
<b>Tertiary educational attainment</b>	% of population 30-34 having successfully completed tertiary education	18.5 b	30.9	31.6	34.8	:	40	32.3	33.6	:	at least 40%
<b>Labour productivity per person employed</b>	EU-27 = 100 (based on PPS per employed person)	76.1	83.8	80.9	80.4	:		100	100	:	
<b>Labour productivity per hour worked</b>	EU-27 = 100 (based on PPS per hour worked)	75.9	83.7	79.6	79.5	:		100	100	:	
<b>Nominal unit labour cost growth</b>	% change from previous year	7.3	6.2	8.7	0.3	0.4		1.3	0.6	0.9 f	
<b>Real unit labour cost growth</b>	% change from previous year	2.0	2.0	5.6	1.4	-0.4		2.9	-1.6	-0.6 f	

Source: Eurostat database (labour market statistics, national accounts), National Reform Programmes

Notes: b - break in series, p - provisional, e - estimated, f - forecast, u - unreliable

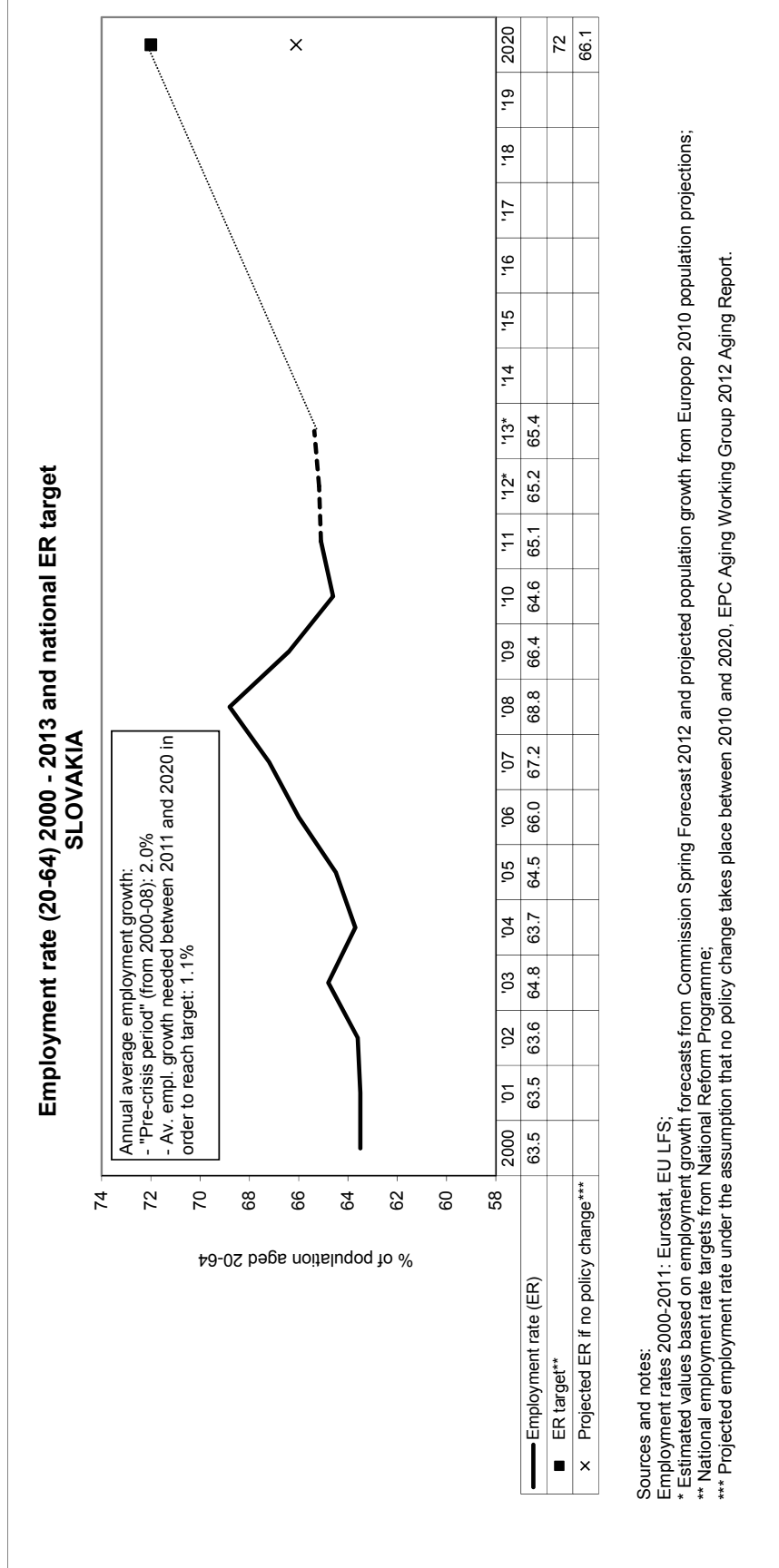
### 3. Key employment challenges Slovenia

Employment policy area	Key employment challenges	Particularly good labour market outcomes
<b>1. Increase labour market participation</b>	<ul style="list-style-type: none"> <li>- One of the lowest employment rates for older workers.</li> <li>- Employment rate for low skilled (20-64) is below the EU average and it further decreased in 2010.</li> <li>- Since 2009 the long term unemployment rate significantly increased</li> </ul>	
<b>2. Enhancing labour market functioning; combating segmentation</b>	<ul style="list-style-type: none"> <li>- Fixed term contracts as a percentage of total employees increased in the recent years and are above the EU average.</li> <li>- Share of temporary contracts for young people increased in 2010 to 69.6% (EU27 42.1%). Slovenia had one of the highest shares of temporary contracts in all contracts for people aged 20 – 25.</li> </ul>	
<b>3. Active labour market policies</b>		
<b>4. Adequate and employment oriented social security systems</b>		
<b>5. Work-life balance</b>		
<b>6. Job creation</b>		
<b>7. Gender equality</b>		<ul style="list-style-type: none"> <li>- Slovenia is performing very well in relation to gender pay gap and is better off than the EU average. Gender employment gap has been decreasing in the recent years and ranks Slovenia well below the EU average.</li> </ul>
<b>8. Improving skill supply and productivity; Lifelong learning</b>	<ul style="list-style-type: none"> <li>- Mismatches between skill supply and labour demand</li> </ul>	<ul style="list-style-type: none"> <li>- In the last decade the share of adult population with upper secondary or tertiary education increased in Slovenia and is well above the EU average share.</li> <li>- Overall performance in life long learning significantly increased in the last years and is performing well above the EU average.</li> </ul>
<b>9. Improving education and</b>		<ul style="list-style-type: none"> <li>- Early school leaving rate is one of</li> </ul>

<b>training systems</b>		the lowest in the EU
<b>10. Wage setting mechanisms and labour cost developments</b>		

# SLOVAKIA

## 1. Progress towards the national employment rate target



## 2. Key indicators on labour market performance

### SLOVAKIA

Indicator	Unit	2000	2008	2009	2010	2011	2020 national target	2009	2010	2011	2020 EU headline target
								EU-27 total			
<b>Overall employment rate</b>	% of population aged 20 - 64	63.5	68.8	66.4	64.6	65.1	72	69.0	68.6	68.6	75%
<b>Overall employment growth</b>	% change from previous year	-1.4	3.2	-2.8	-2.1	1.5		-1.7	-0.5	0.4	
<b>Employment rate of women</b>	% of female population aged 20 - 64	57.2	60.3	58.2	57.4	57.6		62.3	62.1	62.3	
<b>Employment rate of men</b>	% of male population aged 20 - 64	70.0	77.4	74.6	71.9	72.7		75.8	75.1	75.0	
<b>Employment rate of older workers</b>	% of population aged 55 - 64	21.3	39.2	39.5	40.5	41.4		46.0	46.3	47.4	
<b>Employment rate of young</b>	% of population aged 20 - 29	57.7	60.3	55.7	53.0	52.2		62.8	61.6	61.2	
<b>Employment rate of low skilled persons</b>	% of population with at most lower secondary education aged 20 - 64	29.5	31.0	29.0	28.6	29.7		54.4	53.4	53.0	
<b>Employment rate of non-EU nationals</b>	% of population with non-EU citizenship aged 20 - 64	:	:	:	:	:		59.0	58.5	58.1	
<b>Part-time employment</b>	% of total employment	2.1	2.7	3.6	3.9	4.1		18.8	19.2	19.5	
<b>Fixed term contracts</b>	% of total employees	4.8	4.7	4.4	5.8	6.6		13.6	14.0	14.1	
<b>Overall unemployment rate</b>	% of labour force	18.8	9.5	12.0	14.4	13.5		9.0	9.7	9.7	
<b>Long-term unemployment</b>	% of labour force	10.3	6.6	6.5	9.2	9.2		3.0	3.9	4.1	
<b>Youth unemployment rate</b>	% of youth labour force (15-24)	36.9	19.0	27.3	33.6	33.2		20.1	21.1	21.4	
<b>Youth NEET rate</b>	% of population aged 15-24	:	11.1	12.5	14.1	:		12.4	12.8	:	
<b>Early leavers from education and training</b>	% of pop. 18-24 with at most lower sec. educ. and not in further education or training	:	6.0	4.9	4.7	:	6	14.4	14.1	:	less than 10%
<b>Tertiary educational attainment</b>	% of population 30-34 having successfully completed tertiary education	10.6	15.8	17.6	22.1	:	40	32.3	33.6	:	at least 40%
<b>Labour productivity per person employed</b>	EU-27 = 100 (based on PPS per employed person)	58.4	79.7	79.7	81.4	:		100	100	:	
<b>Labour productivity per hour worked</b>	EU-27 = 100 (based on PPS per hour worked)	54.8	74.2	73.6	74.6	:		100	100	:	
<b>Nominal unit labour cost growth</b>	% change from previous year	11.6	4.4	6.9	-1.3	-0.6		1.3	0.6	0.9 f	
<b>Real unit labour cost growth</b>	% change from previous year	2.0	1.5	8.2	-1.8	-2.2		2.9	-1.6	-0.6 f	

Source: Eurostat database (labour market statistics, national accounts), National Reform Programmes

Notes: b - break in series, p - provisional, e - estimated, f - forecast, u - unreliable

### 3. Key employment challenges Slovakia

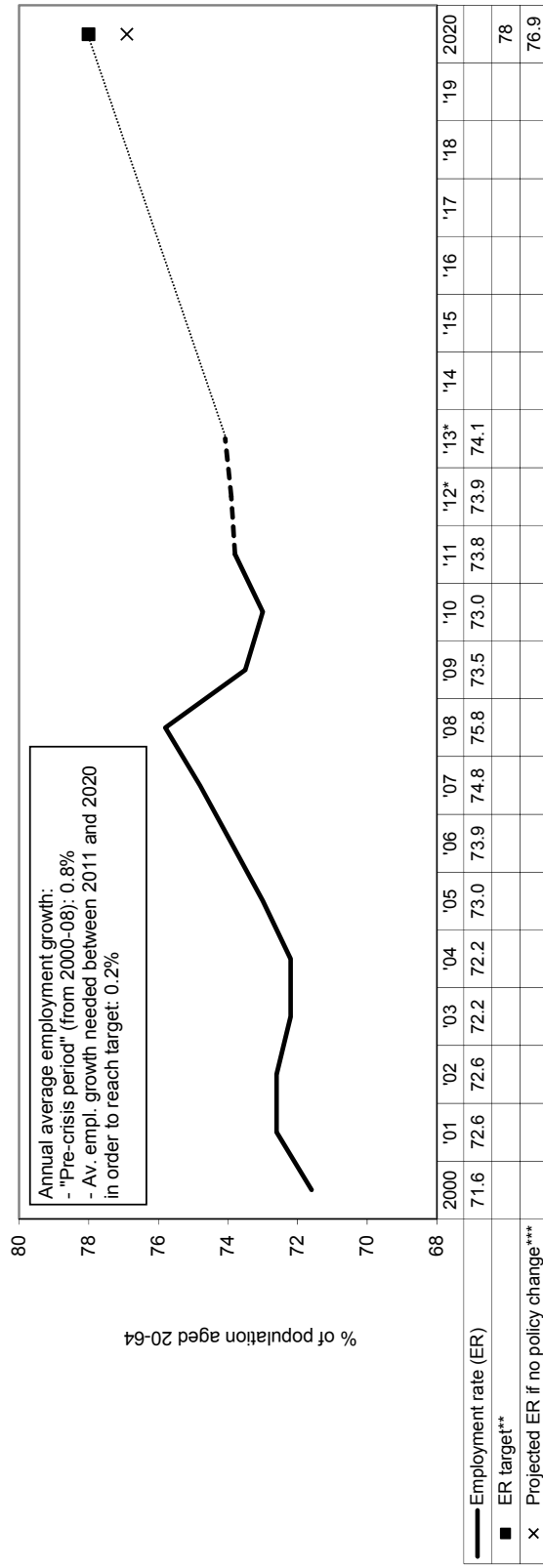
Employment policy area	Key employment challenges	Particularly good labour market outcomes
<b>1. Increase labour market participation</b>	<ul style="list-style-type: none"> <li>- Barriers to labour market access by different age and ethnic groups and qualification levels, long-term and low-skilled workers, youth, females and marginalised groups.</li> </ul>	
<b>2. Enhancing labour market functioning; combating segmentation</b>	<ul style="list-style-type: none"> <li>- Low regional (internal) mobility.</li> </ul>	
<b>3. Active labour market policies</b>	<ul style="list-style-type: none"> <li>- Insufficient provision of well-targeted and effective labour market measures</li> </ul>	
<b>4. Adequate and employment oriented social security systems</b>	<ul style="list-style-type: none"> <li>- Risk of inactivity trap for long-term unemployed beneficiaries when taking up low-paid job.</li> </ul>	
<b>5. Work-life balance</b>	<ul style="list-style-type: none"> <li>- Negative impact of parenthood on female employment;</li> <li>- Low availability of affordable childcare for children below 3 years.</li> </ul>	
<b>6. Job creation</b>		
<b>7. Gender equality</b>	<ul style="list-style-type: none"> <li>- Gender pay gap</li> </ul>	
<b>8. Improving skill supply and productivity; Lifelong learning</b>	<ul style="list-style-type: none"> <li>- Low participation in lifelong learning</li> </ul>	
<b>9. Improving education and training systems</b>	<ul style="list-style-type: none"> <li>- Insufficient provision of quality education (in particularly vocational and tertiary educ.) and adult training opportunities to meet labour market needs (skills mismatch)</li> </ul>	<ul style="list-style-type: none"> <li>- Very small incidence of early school leaving;</li> <li>- High share of secondary educated adult population</li> </ul>
<b>10. Wage setting mechanisms and labour cost developments</b>		



# FINLAND

## 1. Progress towards the national employment rate target

**Employment rate (20-64) 2000 - 2013 and national ER target  
FINLAND**



Sources and notes:  
 Employment rates 2000-2011: Eurostat, EU LFS;  
 \* Estimated values based on employment growth forecasts from Commission Spring Forecast 2012 and projected population growth from Eurostat 2010 population projections;  
 \*\* National employment rate targets from National Reform Programme;  
 \*\*\* Projected employment rate under the assumption that no policy change takes place between 2010 and 2020, EPC Aging Working Group 2012 Aging Report.

## 2. Key indicators on labour market performance

### FINLAND

Indicator	Unit	2000	2008	2009	2010	2011	2020 national target	2009	2010	2011	2020 EU headline target
								EU-27 total			
Overall employment rate	% of population aged 20 - 64	71.6	75.8	73.5	73.0	73.8	78	69.0	68.6	68.6	75%
Overall employment growth	% change from previous year	1.7	1.6	-2.9	-0.4	1.1		-1.7	-0.5	0.4	
Employment rate of women	% of female population aged 20 - 64	68.2	73.1	72.4	71.5	71.9		62.3	62.1	62.3	
Employment rate of men	% of male population aged 20 - 64	74.9	78.4	74.7	74.5	75.6		75.8	75.1	75.0	
Employment rate of older workers	% of population aged 55 - 64	41.6	56.5	55.5	56.2	57.0		46.0	46.3	47.4	
Employment rate of young	% of population aged 20 - 29	68.6	72.4	67.3	67.0	67.8		62.8	61.6	61.2	
Employment rate of low skilled persons	% of population with at most lower secondary education aged 20 - 64	59.1	58.8	55.8	53.9	54.1		54.4	53.4	53.0	
Employment rate of non-EU nationals	% of population with non-EU citizenship aged 20 - 64	:	55.3	55.5	49.4	50.7		59.0	58.5	58.1	
Part-time employment	% of total employment	12.3	13.3	14.0	14.6	14.9		18.8	19.2	19.5	
Fixed term contracts	% of total employees	16.3	15.0	14.6	15.5	15.6		13.6	14.0	14.1	
Overall unemployment rate	% of labour force	9.8	6.4	8.2	8.4	7.8		9.0	9.7	9.7	
Long-term unemployment	% of labour force	2.8	1.2	1.4	2.0	1.7		3.0	3.9	4.1	
Youth unemployment rate	% of youth labour force (15-24)	21.4	16.5	21.5	21.4	20.1		20.1	21.1	21.4	
Youth NEET rate	% of population aged 15-24	9.7 b	7.8	9.9	9.0 i	:		12.4	12.8	:	
Early leavers from education and training	% of pop. 18-24 with at most lower sec. educ. and not in further education or training	9.0 b	9.8	9.9	10.3 i	:	8	14.4	14.1	:	less than 10%
Tertiary educational attainment	% of population 30-34 having successfully completed tertiary education	40.3 b	45.7	45.9	45.7	:	42	32.3	33.6	:	at least 40%
Labour productivity per person employed	EU-27 = 100 (based on PPS per employed person)	115.4	113.3	110.1	111.5	:		100	100	:	
Labour productivity per hour worked	EU-27 = 100 (based on PPS per hour worked)	112.5	112.0	108.3	109.6	:		100	100	:	
Nominal unit labour cost growth	% change from previous year	0.6	6.7	8.7	-1.3	1.0		1.3	0.6	0.9 f	
Real unit labour cost growth	% change from previous year	-1.9	3.7	7.2	-1.8	-2.5		2.9	-1.6	-0.6 f	

Source: Eurostat database (labour market statistics, national accounts), National Reform Programmes

Notes: b - break in series, p - provisional, e - estimated, f - forecast, u - unreliable

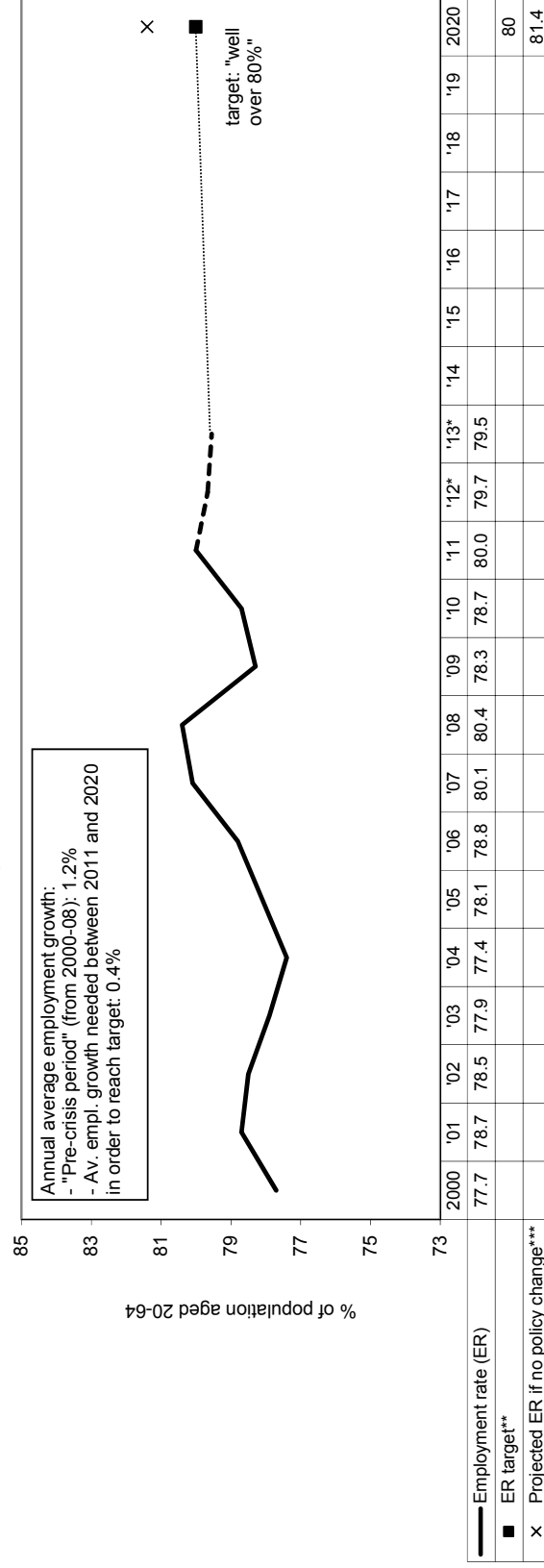
### 3. Key employment challenges Finland

Employment policy area	Key employment challenges	Particularly good labour market outcomes
<b>1. Increase labour market participation</b>	<ul style="list-style-type: none"> <li>- Long-term unemployment is increasing</li> <li>- Youth unemployment is high</li> <li>- Employment rate of non-EU nationals is low</li> <li>- Low employment rate of low-skilled</li> <li>- Labour market participation of age group 60-64 is low</li> <li>- (with ALMP being reinforced to reduce youth unemployment and long-term unemployment)</li> </ul>	<ul style="list-style-type: none"> <li>- Very high participation of women</li> <li>- High participation of older workers (55-59)</li> <li>- Employment rate of 20-29 year olds also above average</li> </ul>
<b>2. Enhancing labour market functioning; combating segmentation</b>		
<b>3. Active labour market policies</b>		
<b>4. Adequate and employment oriented social security systems</b>		
<b>5. Work-life balance</b>		
<b>6. Job creation</b>		
<b>7. Gender equality</b>		<ul style="list-style-type: none"> <li>- Strong labour market participation of both men and women</li> </ul>
<b>8. Improving skill supply and productivity; Lifelong learning</b>		<ul style="list-style-type: none"> <li>- High share of well-educated adult population.</li> <li>- Very high share of lifelong learning.</li> </ul>
<b>9. Improving education and training systems</b>		
<b>10. Wage setting mechanisms and labour cost developments</b>		

# SWEDEN

## 1. Progress towards the national employment rate target

**Employment rate (20-64) 2000 - 2013 and national ER target  
SWEDEN**



Sources and notes:

Employment rates 2000-2011: Eurostat, EU LFS, break in series 2005;

\* Estimated values based on employment growth forecasts from Commission Spring Forecast 2012 and projected population growth from Eurostat 2010 population projections;

\*\* National employment rate targets from National Reform Programme;

\*\*\* Projected employment rate under the assumption that no policy change takes place between 2010 and 2020, EPC Aging Working Group 2012 Aging Report.

## 2. Key indicators on labour market performance

### SWEDEN

Indicator	Unit	2000	2008	2009	2010	2011	2020 national target	2009	2010	2011	2020 EU headline target
								EU-27 total			
Overall employment rate	% of population aged 20 - 64	77.7	80.4	78.3	78.7	80.0	well over 80	69.0	68.6	68.6	75%
Overall employment growth	% change from previous year	2.2	1.2	-2.0	1.0	2.1		-1.7	-0.5	0.4	
Employment rate of women	% of female population aged 20 - 64	75.3	77.2	75.7	75.7	77.2		62.3	62.1	62.3	
Employment rate of men	% of male population aged 20 - 64	80.1	83.5	80.9	81.7	82.8		75.8	75.1	75.0	
Employment rate of older workers	% of population aged 55 - 64	64.9	70.1	70.0	70.5	72.3		46.0	46.3	47.4	
Employment rate of young	% of population aged 20 - 29	66.1	71.9	67.2	66.5	68.4		62.8	61.6	61.2	
Employment rate of low skilled persons	% of population with at most lower secondary education aged 20 - 64	65.4	66.2	63.3	63.0	64.4		54.4	53.4	53.0	
Employment rate of non-EU nationals	% of population with non-EU citizenship aged 20 - 64	:	53.7	49.9	47.6	46.8		59.0	58.5	58.1	
Part-time employment	% of total employment	19.5	26.6	27.0	26.4	26.0		18.8	19.2	19.5	
Fixed term contracts	% of total employees	15.8	16.1	15.3	15.8	16.4		13.6	14.0	14.1	
Overall unemployment rate	% of labour force	5.6	6.2	8.3	8.4	7.5		9.0	9.7	9.7	
Long-term unemployment	% of labour force	1.4	0.8	1.1	1.5	1.4		3.0	3.9	4.1	
Youth unemployment rate	% of youth labour force (15-24)	10.5	20.2	25.0	25.2	22.9		20.1	21.1	21.4	
Youth NEET rate	% of population aged 15-24	6.3	7.8 p	9.6 p	7.8 p	:		12.4	12.8	:	
Early leavers from education and training	% of pop. 18-24 with at most lower sec. educ. and not in further education or training	7.3	12.2 p	10.7 p	9.7 p	:	less than 10%	14.4	14.1	:	less than 10%
Tertiary educational attainment	% of population 30-34 having successfully completed tertiary education	31.8	42.0	43.9	45.8	:	40-45	32.3	33.6	:	at least 40%
Labour productivity per person employed	EU-27 = 100 (based on PPS per employed person)	114.9	114.2	111.8	114.5	:		100	100	:	
Labour productivity per hour worked	EU-27 = 100 (based on PPS per hour worked)	119.3	117.9	114.2	115.5	:		100	100	:	
Nominal unit labour cost growth	% change from previous year	5.2	3.1	4.4	-1.9	-0.9		1.3	0.6	0.9 f	
Real unit labour cost growth	% change from previous year	3.7	-0.1	2.3	-2.9	-1.8		2.9	-1.6	-0.6 f	

Source: Eurostat database (labour market statistics, national accounts), National Reform Programmes

Notes: b - break in series, p - provisional, e - estimated, f - forecast, u - unreliable

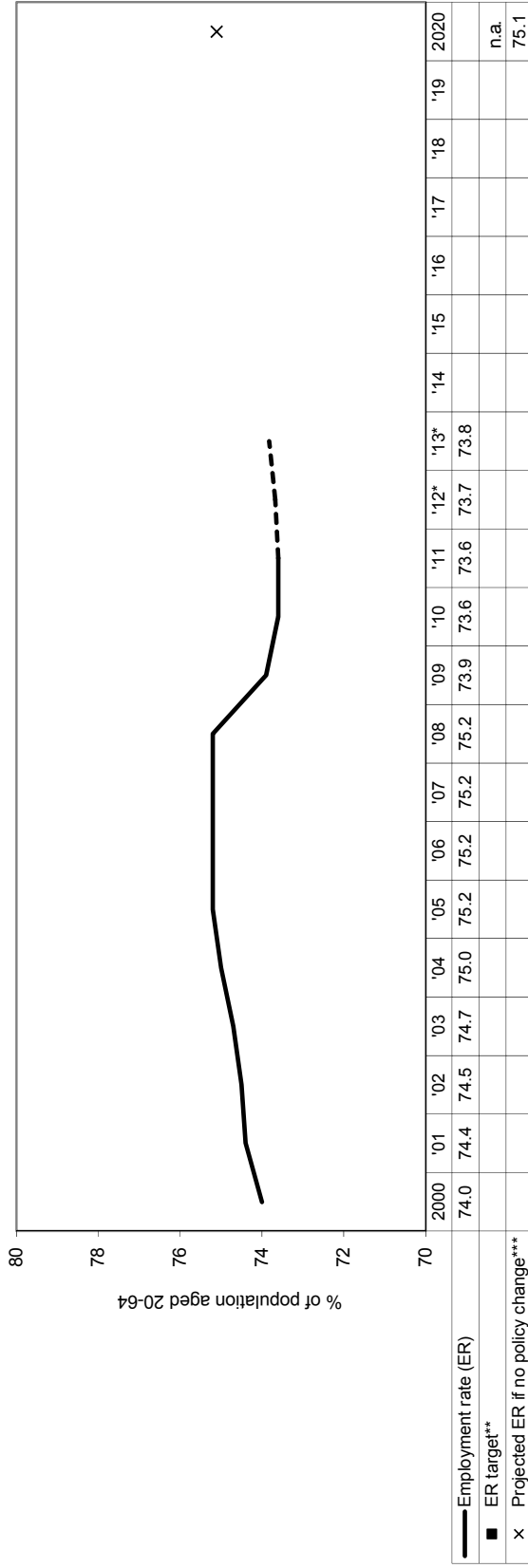
### 3. Key employment challenges Sweden

Employment policy area	Key employment challenges	Particularly good labour market outcomes
<b>1. Increase labour market participation</b>	- Weak foothold on the labour market for the youth (under 25) and non-EU immigrants.	- General employment rate well above EU-average. Successful in creating high employment for old workers (55-64).
<b>2. Enhancing labour market functioning; combating segmentation</b>		
<b>3. Active labour market policies</b>		
<b>4. Adequate and employment oriented social security systems</b>	- Relatively high absence from work due to long term sick leave and disabilities (although newly implemented reforms seem to bring down the numbers substantially).	
<b>5. Work-life balance</b>		
<b>6. Job creation</b>		- Strong employment growth during 2010 and 2011.
<b>7. Gender equality</b>		- High female employment rate and dual earners. Gender employment gap well below average
<b>8. Improving skill supply and productivity; Lifelong learning</b>		- Strong life long learning.
<b>9. Improving education and training systems</b>		
<b>10. Wage setting mechanisms and labour cost developments</b>		

# UNITED KINGDOM

## 1. Progress towards the national employment rate target

Employment rate (20-64) 2000 - 2013 and national ER target  
UNITED KINGDOM



Sources and notes:

Employment rates 2000-2011: Eurostat, EU LFS;

\* Estimated values based on employment growth forecasts from Commission Spring Forecast 2012 and projected population growth from Eurostat 2010 population projections;

\*\* National employment rate targets from National Reform Programme;

\*\*\* Projected employment rate under the assumption that no policy change takes place between 2010 and 2020, EPC Aging Working Group 2012 Aging Report.

## 2. Key indicators on labour market performance

### UNITED KINGDOM

Indicator	Unit	2000	2008	2009	2010	2011	2020 national target	2009	2010	2011	2020 EU headline target
								EU-27 total			
Overall employment rate	% of population aged 20 - 64	74.0	75.2	73.9	73.6	73.6	n.a.	69.0	68.6	68.6	75%
Overall employment growth	% change from previous year	-0.8	0.8	-1.5	0.1	0.5		-1.7	-0.5	0.4	
Employment rate of women	% of female population aged 20 - 64	66.8	68.8	68.2	67.9	67.9		62.3	62.1	62.3	
Employment rate of men	% of male population aged 20 - 64	81.4	81.8	79.6	79.3	79.4		75.8	75.1	75.0	
Employment rate of older workers	% of population aged 55 - 64	50.7	58.0	57.5	57.1	56.7		46.0	46.3	47.4	
Employment rate of young	% of population aged 20 - 29	75.1	73.9	70.9	71.1	70.1		62.8	61.6	61.2	
Employment rate of low skilled persons	% of population with at most lower secondary education aged 20 - 64	64.5	59.1	57.3	55.6	56.0 b		54.4	53.4	53.0	
Employment rate of non-EU nationals	% of population with non-EU citizenship aged 20 - 64	:	65.0	63.0	63.6	62.8		59.0	58.5	58.1	
Part-time employment	% of total employment	25.1	25.3	26.1	26.9	26.8		18.8	19.2	19.5	
Fixed term contracts	% of total employees	7.0	5.4	5.7	6.1	6.2		13.6	14.0	14.1	
Overall unemployment rate	% of labour force	5.4	5.6	7.6	7.8	8.0		9.0	9.7	9.7	
Long-term unemployment	% of labour force	1.4	1.4	1.9	2.5	2.7		3.0	3.9	4.1	
Youth unemployment rate	% of youth labour force (15-24)	12.2	15.0	19.1	19.6	21.1		20.1	21.1	21.4	
Youth NEET rate	% of population aged 15-24	10.9	12.1	13.3	13.7	:		12.4	12.8	:	
Early leavers from education and training	% of pop. 18-24 with at most lower sec. educ. and not in further education or training	18.2	17.0	15.7	14.9	:	n.a.	14.4	14.1	:	less than 10%
Tertiary educational attainment	% of population 30-34 having successfully completed tertiary education	29.0	39.7	41.5	43.0	:	n.a.	32.3	33.6	:	at least 40%
Labour productivity per person employed	EJ-27 = 100 (based on PPS per employed person)	111.3	106.8	105.5	106.6	:		100	100	:	
Labour productivity per hour worked	EJ-27 = 100 (based on PPS per hour worked)	110.9 e	108.0 e	105.4 e	:	:		100	100	:	
Nominal unit labour cost growth	% change from previous year	2.3	3.6	5.7	1.7	1.6		1.3	0.6	0.9 f	
Real unit labour cost growth	% change from previous year	1.7	0.5	4.0	-1.2	-0.7		2.9	-1.6	-0.6 f	

Source: Eurostat database (labour market statistics, national accounts), National Reform Programmes

Notes: b - break in series, p - provisional, e - estimated, f - forecast, u - unreliable



### 3. Key employment challenges United Kingdom

Employment policy area	Key employment challenges	Particularly good labour market outcomes
<b>1. Increase labour market participation</b>	<ul style="list-style-type: none"> <li>- Growing unemployment with youth unemployment hitting record highs and rapidly growing long-term unemployment.</li> </ul>	<ul style="list-style-type: none"> <li>- Employment rates for older workers are one of the highest in Europe. Even for the 65-69 age group the employment rate was almost double of those for the EU, but with more men than women participating in work. The incidence of unemployment of older workers is also lower than at EU level.</li> </ul>
<b>2. Enhancing labour market functioning; combating segmentation</b>		
<b>3. Active labour market policies</b>	-	
<b>4. Adequate and employment oriented social security systems</b>	<ul style="list-style-type: none"> <li>- Weak work incentives in particular for lone parents and second earners.</li> </ul>	
<b>5. Work-life balance</b>	<ul style="list-style-type: none"> <li>- Ongoing challenges to increase parental employment and to improve access to affordable and more flexible childcare.</li> </ul>	
<b>6. Job creation</b>	<ul style="list-style-type: none"> <li>- Insufficient job creation in the private sector to offset reductions in public sector employment.</li> </ul>	
<b>7. Gender equality</b>	<ul style="list-style-type: none"> <li>- Considerable gender gaps in the type of employment, with a larger proportion of women working part-time and on fixed-term contracts.</li> <li>- Gender pay gap remains high.</li> </ul>	<ul style="list-style-type: none"> <li>- Higher than average female employment rate</li> </ul>
<b>8. Improving skill supply and productivity; Lifelong learning</b>	<ul style="list-style-type: none"> <li>- Shortcomings in skill supply at intermediate level hamper the UK's employment and productivity prospects.</li> </ul>	<ul style="list-style-type: none"> <li>- Migrants in the UK perform better than migrants on average in the EU in terms of early school leaving rates.</li> <li>- Tertiary attainment rate of 43 % (2010) is well above the EU average of 33.6 %.</li> </ul>
<b>9. Improving education and training systems</b>	<ul style="list-style-type: none"> <li>- The main focus in vocational education and training (VET) policy is still on basic skills and low level qualifications while the shift in the economy demands more advanced VET qualifications.</li> <li>- High numbers of early school leavers</li> </ul>	
<b>10. Wage setting mechanisms and labour cost developments</b>		