



**COUNCIL OF
THE EUROPEAN UNION**

Brussels, 3 December 2013

16844/13

**SOC 984
EMPL 22
ECOFIN 1072
EDUC 450
JEUN 116**

NOTE

from: The Presidency
to: Permanent Representatives Committee (Part I) / Council (EPSCO)
Subject: Annual Growth Survey 2014 (AGS), draft Joint Employment Report (JER) and Alert Mechanism Report (AMR)
(a) Scoreboard of employment and social indicators - Chapter 3 of the JER
- *Approval of the scoreboard*

Delegations will find attached the Chapter 3 of the Joint Employment Report (scoreboard of employment and social indicators), as finalised by the EMCO and SPC committees, with a view to the EPSCO Council on 9 December 2013.

3. SCOREBOARD OF KEY EMPLOYMENT AND SOCIAL INDICATORS

This scoreboard is a first version to be used in the 2014 European Semester. As part of an on-going process further work will be needed by the Commission together with the Employment Committee and the Social Protection Committee to improve the scoreboard for future editions, potentially including the choice of indicators, and taking account of the views of the European Parliament, the social partners and other stakeholders.

In the Communication on Strengthening the Social Dimension of the Economic and Monetary Union (EMU)¹ the Commission proposed a scoreboard of key employment and social indicators to be used in the draft Joint Employment Report. The scoreboard consists of five headline indicators: the unemployment rate (15-74 age group); the NEET rate in conjunction with the youth unemployment rate (15-24 age group); real gross household disposable income; the at-risk-of-poverty rate (18-64 age group) and income inequalities (S80/S20 ratio). The scoreboard ensures greater visibility and makes it easier to identify of major employment and social trends that may affect the good functioning of the EMU and may warrant a closer follow-up within the European Semester². The October 2013 European Council concluded that the use of an employment and social scoreboard in the Joint Employment Report and of employment and social indicators along the lines proposed by the Commission should be pursued, following appropriate work in the relevant Committees, for decision by the Council in December with the objective of using these new instruments as early as the 2014 European Semester³.

¹ COM(2013) 690.

² As part of the draft Joint Employment Report, based on Article 148 TFEU and feeding into the European Semester process, the scoreboard covers all EU Member States and comparisons are thus made with the EU average. In some cases, statistical deviations from the EA average might also be relevant. As set out in the Commission's Blueprint for a deep and genuine economic and monetary union, coordination and surveillance of employment and social policies should be reinforced within the EMU governance, and convergence in these areas should be promoted.

³ Conclusions of the European Council, 24/25 October 2013.

In the event of an economic shock, there is a risk of employment and social problems developing within the monetary union in the absence of implementation of effective policy responses and thereby resulting in persistent disparities and deterioration in the economic fundamentals of the European Union as a whole. The main channels through which severe employment and social problems spill over on other Member States are internal trade, erosion of human capital resulting in deterioration of long-term international competitiveness conditions.. It is hence in the interest of all Member States to ensure that employment and social challenges are addressed in a timely and effective manner⁴.

The analysis in this section is based on five headline indicators introduced in the above Communication. The reading of the scoreboard should not be mechanical and a more detailed interpretation of it should build on existing tools (the Employment Performance Monitor (EPM), the Social Protection Performance Monitor (SPPM), the Joint Assessment Framework (JAF) and agreed datasets like the European Labour Force Survey and EU Statistics on Income and Living Conditions⁵.

The divergences highlighted by this new scoreboard and the ways to tackle negative trends and disturbing levels of employment and social problems will be further analysed during the 2014 European Semester through an even more detailed application of additional indicators⁶, including in the multilateral surveillance process and during the preparation of country-specific recommendations.

What follows in the subsequent subsections is an overview of recent divergent socio-economic trends within the European Union, identifying the most noteworthy developments in individual countries per each of the five indicators. Finally, tables are provided in Annex with an overview of the situation per indicator in all EU Member States as well as an overview of the key employment challenges as identified in the EPM and the social trends to watch from the SPPM.

⁴ For the detailed overview of spill-over effects of employment and social developments beyond border see: EU Employment and Social Situation. Quarterly Review, September 2013, available at:

<http://ec.europa.eu/social/main.jsp?langId=en&catId=89&newsId=1974&furtherNews=yes>

⁵ COM(2013) 690, page 6.

⁶ See COM(2013) 690, p. 16 for examples of other indicators that show how the EPM, SPPM and JAF would support the interpretation of the main indicators.

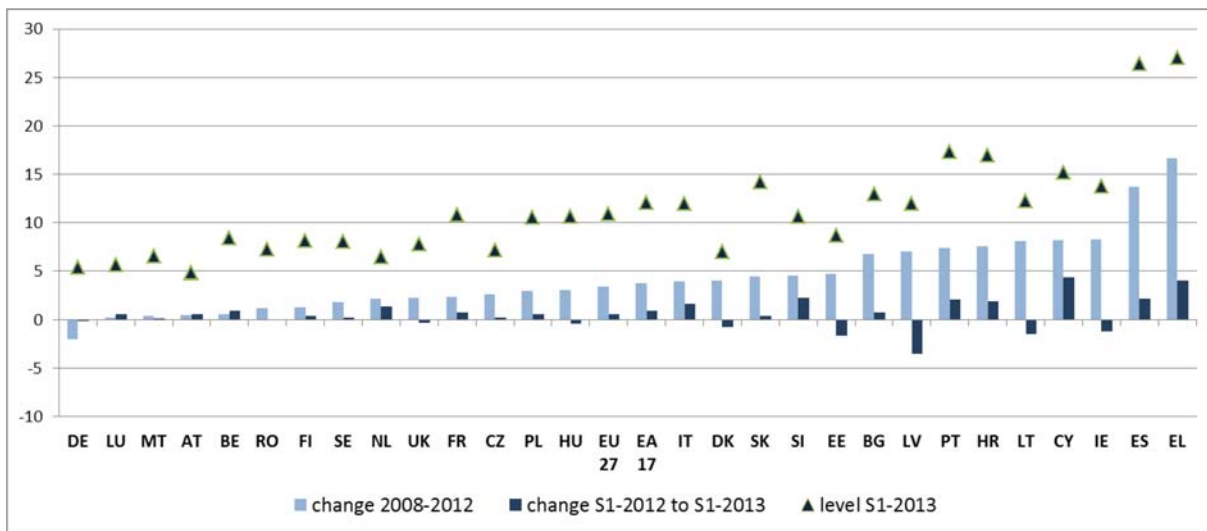
Potentially worrying key employment and social developments and levels leading to divergences across the EU and warranting further analysis and possibly stronger policy response could be detected along three dimensions:

- For each Member State, the change in the indicator in a certain year as compared with earlier periods in time (historical trend);
- For each Member State, the difference from the EU and the euro zone average rates in the same year (providing a snapshot of existing employment and social disparities);
- The change in the indicator between two consecutive years in each Member State relative to the change at the EU and euro zone levels (indicative of the dynamics of socio-economic convergence/divergence).

3.1. Unemployment rate - change and level

During the crisis, the evolution of unemployment rates diverged strongly between countries of the European Union. While 2012 unemployment rates are around the level of 2008 in LU, MT, AT, BE, (or even below in DE), they increased by 7pp or more in LT, CY and IE, and even by more than 15pp in ES and EL (see Figure I). In the mid-2000s, the currency union indirectly contributed to convergence in unemployment rates across its Member States, notably due to the increases in demand associated with the large capital inflows into some countries after the introduction of the euro. However, the financial and economic crisis has unleashed divergence in unemployment rates on a much larger scale, partly due to the slow deleveraging process and the uncertainty around the recovery prospects of some countries which also translated into high borrowing costs within these countries.

Figure I: Unemployment rates – 1st semester 2013 and changes 2008-2012 and 1st semesters 2012-13 by country (age group 15-74)



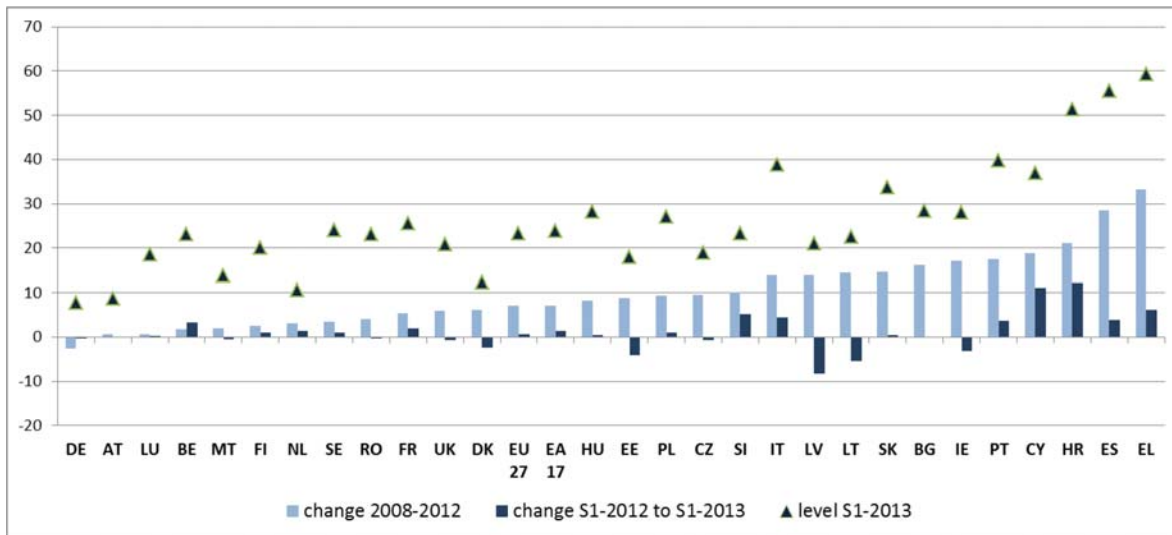
Source: Eurostat (LFS), DG EMPL calculations; sorted by 2008 – 2012 change

As seen from figures in the tables in annex, there are five Member States (HR, CY, EL, PT and ES) where the unemployment situation is most alarming. In these countries the unemployment rate is far above the EU and EA averages. Also the increase in unemployment has been relatively fast, as compared with historical trends and with other Member States (i.e. divergence). Departing from different starting points, IT, the NL and SI are experiencing unemployment rates that are not extreme in terms of their levels but have increased significantly in recent years.

3.2. Youth unemployment rate and NEET rate (young people not in education, employment or training) - change and level During the 2008 -2012 period, youth unemployment rates also diverged strongly within the European Union. While youth unemployment rates hardly increased in AT, LU, BE, MT and FI (and even decreased in DE) since 2008, they increased by more than 15pp in BG, IE, PT, CY, HR and around 30pp in ES and EL (see Figure Iia). This very strong increase in youth unemployment rates has also lead to strong increases in NEETs rates in the most effected countries. The share of young people not in education, employment or training exceeded 20% in BG, IT and EL (see Figure Iib).

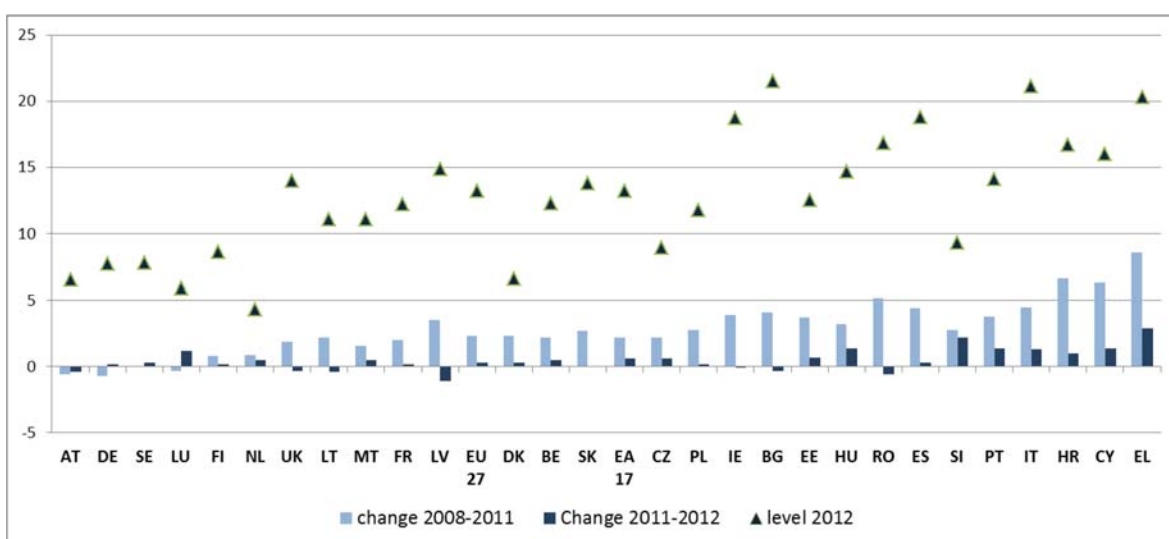
Youth unemployment and inactivity are of particular concern given their scarring effects on the future employability and productivity of the people in question. The present divergence in youth unemployment and NEET rates threatens to fuel an even greater divergence in socio-economic fundamentals across the currency union and the EU over the longer term.

Figure IIa: Youth unemployment rates - 1st semester 2013 and changes 2008-2012 and 1st semesters 2012-13 by country (age group 15-24)



Source: Eurostat, statistics on education and training, DG EMPL calculations; sorted by 2008 – 2012 change

Figure IIb: NEET rates 2012 level and changes 2008 – 2011 and 2011 - 2012 (age group 15-24)



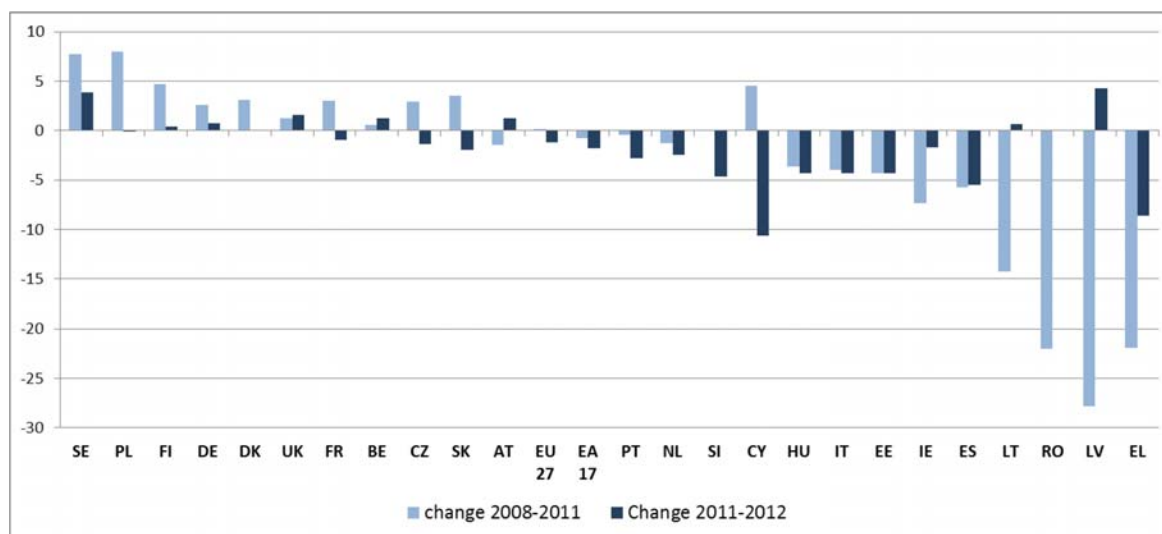
Source: Eurostat, statistics on education and training, DG EMPL calculations; sorted by total 2008 – 2012 change

Reading the figures from the scoreboard (tables in annex), the situation for young people is alarming in several Member States. As for youth unemployment, both levels and trends are worrying in CY, EL, ES, IT, PT and HR. In SI and to a lesser extent BE, it is the trends rather than the levels that give rise to concern while the opposite holds for SK (high youth unemployment rate). As regards the NEET rates both the level and trends are worrisome in EL and IT. In BG, IE and ES it is the level that stands out, while for CY, LU, HU, PT and SI it is the recent trend.

3.3. Real change in gross disposable income of households

During the crisis years, household incomes (as measured by the growth rate of real gross household disposable income) kept increasing, though at a reduced pace in one third of EU countries (see Figure III). By contrast, household incomes stagnated in real terms or declined strongly after 2009 in the countries most impacted by the further deterioration of economic conditions. Household incomes have primarily been affected by the reduction of market incomes and the weakening of the impact of social transfers over time. In addition, fiscal tightening in some Member States has affected employment and changes to the tax and benefits systems and cuts in public sector wages have led to significant reductions in the level of real household incomes. This may have contributed to the widening divergence within the euro area.

Figure III: Real change in gross household disposable income (GHDI): 2012 level and changes 2008 -2011 and 2011 -2012



Source: Eurostat, National accounts, DG EMPL calculations; sorted by total 2008 – 2012 change

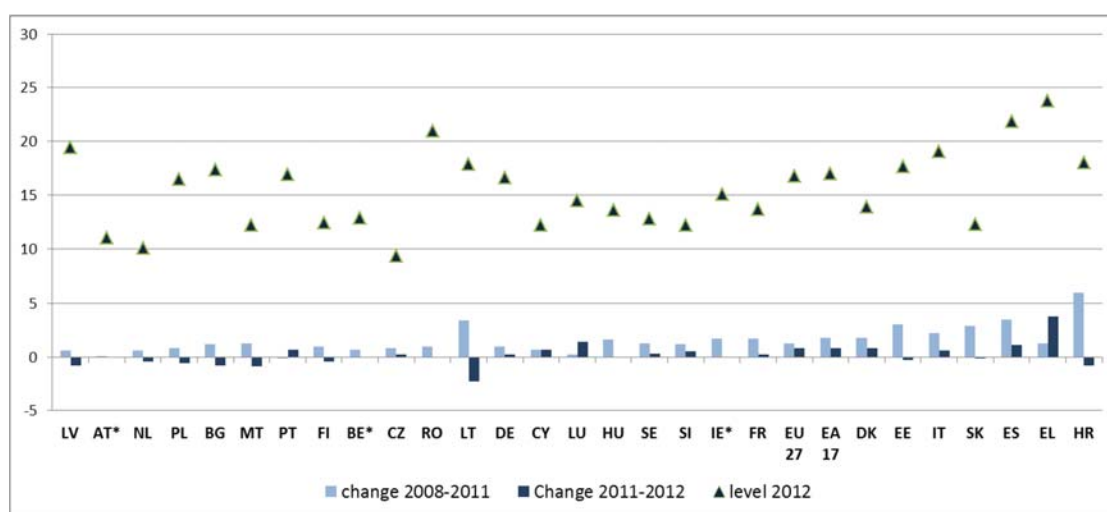
There is both a wide dispersion and growing divergence between Member States in the evolution of gross household disposable income in real terms. Looking at 2012 data no less than 11 Member States experienced significant negative developments in gross household disposable incomes: EL has experienced a year-on-year decrease of nearly 10% and CY one of more than 8%. The declines in IT, HU, NL, PT, RO (data for 2011), SI, and ES, hover between 3% and 5% while DK and SK experienced a drop of around 1-2%. Such year-on-year decreases are particularly noteworthy, given that for several decades, real GHDI used to steadily if mildly rise across Europe due to economic growth or short-term automatic stabilisation in the event of downturns, with any year-on-year decreases thus being rather exceptional.

3.4 At-risk-of-poverty rate of working age population – change and level;

At-risk of poverty rates for the working age population are on the rise in many Member States (see Figure IV). They have increased significantly (by more than 2 pp) since 2008 in DK, EE, IT, SK, ES, EL and HR..

In these countries (except DK and SK), this increase came on top of already high poverty risk levels, often compounded by drops in the level of the poverty threshold over the period. Since 2009, the risk of poverty in working age also increased in other Member States, such as DE, CY, LU, HU, SE and SI, albeit from a much lower levels. In most of these countries, the extended period of negative or close to zero GDP growth, rising long-term unemployment and the weakening over time of the impact of social transfers have given rise to poverty risks.

Figure IV: At-risk-of-poverty rates in working age 2012 level and changes 2008 – 2011 and 2011 - 2012 (age group 18-64)⁷



Source: Eurostat, EU-SILC, DG EMPL calculations; sorted by total 2008 – 2012 change

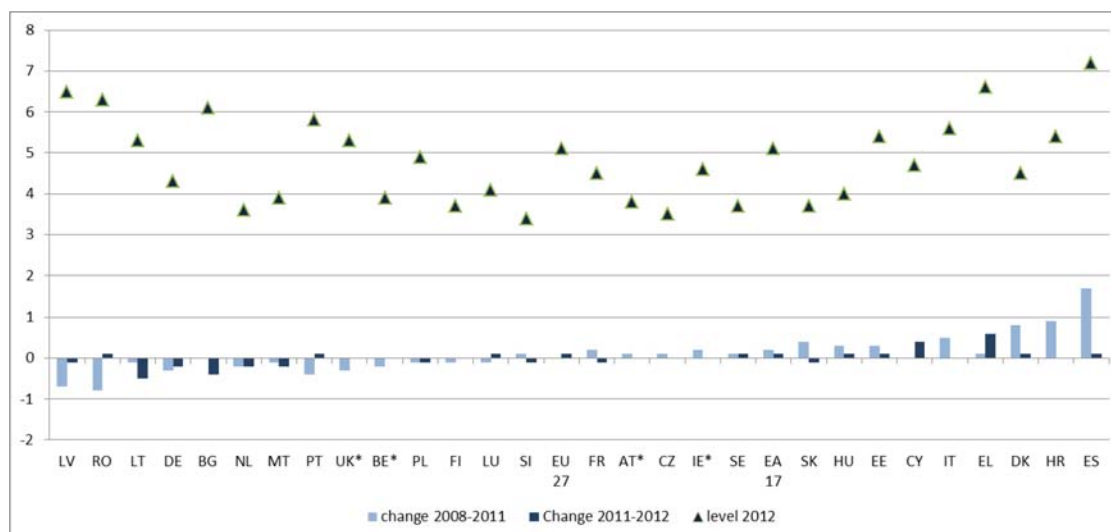
Member States experiencing significant increases of at-risk-of-poverty rates in working age between 2011 and 2012 include EL, ES, and LU. EE, HR, IT, LV, LT and RO have very high shares of working age people at-risk-of-poverty as compared with the EU average, even if they did not increase so strongly in the last year.

⁷ For the at-risk-of poverty rate, the income reference year is the calendar year prior to the survey year (i.e. 2010) except for UK (survey year) and IE (12 months preceding the survey). The same applies to the inequalities (S80/S20 ratio) indicator.

3.5. Inequalities (S80/S20 ratio) – change and level⁸

Income inequality is growing across and within Member States, particularly in the Member States that witnessed the largest increases in unemployment (see Figure V). In many countries, the crisis has intensified the long-term trends of wage polarisation and labour market segmentation, which together with less redistributive tax and benefit systems have fuelled rising inequalities. The significant increases in inequalities can be related to high levels of unemployment (with the largest increases at the bottom of the labour market). In some cases the impact of fiscal consolidation has been also a factor⁹.

Figure V: Inequality (S80/S20 measure) 2012 level and change 2008-2011 and 2011 – 2012



Source: Eurostat, EU-SILC, DG EMPL calculations; sorted by total 2008 – 2012 change

There is a wide dispersion and growing divergence in inequality (S80/S20 ratio) between Member States. Looking at 2012 data, income inequalities increased most in EL and CY and are especially high in BG, EL, ES, LV, RO where the income share of the top 20% of the income distribution is at least 6 times higher than that of the bottom 20%.

⁸ The ratio between the incomes of the 20% of the population with the highest incomes and the incomes of the 20% with lowest incomes.

⁹ See EUROMOD Working Paper 2/13.

Annex 1: Scoreboard of key employment and social indicators with EU and Eurozone averages as reference points*

	Unemployment rate (15-74)				Youth unemployment (15-24)				Real growth in gross household disposable income				At-risk-of-poverty rate (18-64)				Inequalities - S80/S20							
	Youth UR		NEETs		Youth UR		NEETs		Y-Y for MS to Y-Y for EU		Y-Y for MS to Y-Y for EU		Distance from EU average		Y-Y for MS to Y-Y for EU		Distance from EU average		Y-Y change (2011-2012)		Distance from EU average		Y-Y for MS to Y-Y for EU	
	Y-Y change (Semester1/2012-S1/2013)	Distance from EU average	Y-Y for MS to Y-Y for EU	Y-Y change (2011-2012)	Distance from EU average	Y-Y for MS to Y-Y for EU	Y-Y change (2011-2012)	Distance from EU average	Y-Y change (Semester1/2012-S1/2013)	Distance from EU average	Y-Y for MS to Y-Y for EU	Y-Y change (2011-2012)	Distance from EU average	Y-Y for MS to Y-Y for EU	Y-Y change (2011-2012)	Distance from EU average	Y-Y for MS to Y-Y for EU	Y-Y change (2011-2012)	Distance from EU average	Y-Y change (2011-2012)	Distance from EU average	Y-Y for MS to Y-Y for EU	Y-Y for MS to Y-Y for EU	
EU-27	0,6	0,0	0,0	0,3	0,0	0,0	0,3	0,0	0,0	0,0	0,0	0,0	0,0	0,8	0,0	0,0	0,0	0,0	0,1	0,0	0,0	0,0	0,0	
EA-17	0,9	1,2	0,4	0,6	0,0	0,7	0,6	1,4	0,0	0,3	-1,8	-0,5	0,8	0,2	0,0	0,0	0,0	0,0	0,1	0,0	0,0	0,0	0,0	
BE	1,0	-2,5	0,4	3,3	0,0	2,6	0,5	-0,9	0,2	1,3	2,5	0,8	-3,1	0,8	-3,1	0,0	0,0	0,0	0,0	0,0	-1,1	0,0	0,0	
BG	0,8	2,0	0,2	-0,1	5,1	-0,8	-0,3	8,3	0,6	-0,6	:	:	-0,8	0,6	0,6	-1,6	0,0	0,0	-0,4	1,0	0,0	-0,5	-0,5	
CZ	0,3	-3,8	-0,4	-0,6	-4,4	-1,3	0,6	-4,3	0,3	0,3	-1,4	-0,2	0,2	-7,5	-0,6	0,0	0,0	0,0	0,0	-1,6	-1,6	-0,1	-0,1	
DK	-0,8	-4,0	-1,4	-2,3	-10,9	-3,0	0,3	-6,6	0,0	0,0	0,2:	0,3:	0,8	-2,9	0,0	0,0	0,0	0,0	0,1	-0,6	-0,6	0,0	0,0	
DE	-0,2	-5,6	-0,8	-0,3	-15,5	-0,9	0,2	-5,5	-0,1	-0,1	0,8	2,0	0,2	-0,2	-0,6	0,0	0,0	0,0	0,1	-0,2	-0,8	-0,3	-0,3	
EE	-1,7	-2,2	-2,3	-4,0	-5,3	-4,7	0,7	-0,7	0,4	0,4	-4,3	-3,0	-0,3	-0,3	0,9	-1,1	0,1	0,1	0,1	0,3	0,0	0,0	0,0	
IE	-1,2	2,9	-1,8	-3,2	4,9	-3,8	-0,1	-0,5	-0,4	-0,4	-1,7	-0,5	0,5	-0,9	-0,3	-0,1	0,1	0,1	0,1	0,3	0,0	0,0	0,0	
EL	4,1	16,1	3,5	6,1	36,1	5,5	2,9	7,1	2,6	2,6	-8,6	-7,4	3,8	7,0	3,0	0,6	0,6	0,6	0,6	1,5	1,5	0,5	0,5	
ES	2,2	15,5	1,6	3,9	32,2	3,3	0,3	5,6	0,0	0,0	-5,5	-4,2	1,1	5,1	0,3	0,0	0,0	0,0	0,1	2,1	2,1	0,0	0,0	
FR	0,8	-0,1	0,2	2,1	2,4	1,4	0,2	-1,0	-0,1	-0,1	-0,9	0,3	0,2	-3,1	-0,6	0,0	0,0	0,0	0,1	-0,6	-0,6	-0,2	-0,2	
HR	1,9	6,1	1,3	12,2	28,1	11,5	1	3,5	0,7	0,7	:	:	-0,8	1,2	-1,6	0,0	0,0	0,0	0,0	0,3	0,3	-0,1	-0,1	
IT	1,7	1,1	1,1	4,5	15,6	3,8	1,3	7,9	1,0	1,0	-4,3	-3,1	0,6	2,3	-0,2	0,0	0,0	0,0	0,0	0,5	0,5	-0,1	-0,1	
CY	4,3	4,3	3,7	11,2	13,8	10,5	1,4	2,8	1,1	1,1	-10,6	-9,4	0,7	-4,6	-0,1	0,4	0,4	0,4	0,4	-0,4	-0,4	0,3	0,3	
LV	-3,6	1,1	-4,2	-8,2	-2,2	-8,9	-1,1	1,7	-1,4	-1,4	4,3	5,5	-0,8	2,6	-1,6	-0,1	-0,1	-0,1	-0,1	1,4	1,4	-0,2	-0,2	
LT	-1,5	1,4	-2,1	-5,5	-0,6	-6,1	-0,4	-2,1	-0,7	-0,7	0,7	1,9	-2,3	1,1	-3,1	0,6	0,6	0,6	0,1	0,2	0,2	-0,6	-0,6	
LU	0,6	-5,3	0,0	0,2	-4,7	-0,4	1,2	-7,3	0,9	0,9	:	:	1,4	-2,3	0,6	0,1	0,1	0,1	0,1	-1,0	-1,0	0,0	0,0	
HU	-0,4	-0,3	-1,0	0,5	4,9	-0,1	1,4	1,5	1,1	1,1	-4,3	-3,1	0,0	-3,2	-0,8	0,1	0,1	0,1	0,1	-1,1	-1,1	0,0	0,0	
MT	0,1	-4,4	-0,5	-0,5	-9,5	-1,2	0,5	-2,1	0,2	0,2	:	:	-0,9	-4,6	-1,7	-0,2	-0,2	-0,2	-0,2	-1,2	-1,2	-0,3	-0,3	
NL	1,4	-4,5	0,8	1,4	-12,7	0,7	0,5	-8,9	0,2	0,2	-2,5	-1,2	-0,4	-6,7	-1,2	-0,2	-0,2	-0,2	-0,2	-1,5	-1,5	-0,3	-0,3	
AT	0,6	-6,1	0,0	0,0	-14,6	-0,6	-0,4	-6,7	-0,7	-0,7	1,2	2,4	0,3	-5,0	-0,5	0,1	0,1	0,1	0,1	-1,2	-1,2	0,1	0,1	
PL	0,6	-0,4	0,0	1,1	3,8	0,4	0,2	-1,4	-0,1	-0,1	-0,1	1,1	-0,6	-0,3	-1,4	-0,1	-0,1	-0,1	-0,1	-0,2	-0,2	-0,2	-0,2	
PT	2,1	6,4	1,5	3,6	16,6	3,0	1,4	0,9	1,1	1,1	-2,8	-1,6	0,7	0,1	-1,4	0,1	0,1	0,1	0,1	0,7	0,7	0,0	0,0	
RO	0,1	-3,7	-0,5	-0,3	-0,1	-0,9	-0,6	3,6	-0,9	-0,9	-2,7:	-2,6:	0,0	4,2	-0,8	0,1	0,1	0,1	0,1	1,2	1,2	0,0	0,0	
SI	2,3	-0,3	1,7	5,3	0,1	4,6	2,2	-3,9	1,9	1,9	-4,7	-3,5	0,5	-4,6	-0,3	-0,1	-0,1	-0,1	-0,1	-1,7	-1,7	-0,2	-0,2	
SK	0,4	3,3	-0,2	0,4	10,5	-0,3	0	0,6	-0,3	-0,3	-2,0	-0,7	-0,1	-4,5	-0,9	-0,1	-0,1	-0,1	-0,1	-1,4	-1,4	-0,2	-0,2	
FI	0,4	-2,8	-0,2	1,1	-3,3	0,4	0,2	-4,6	-0,1	-0,1	0,4	1,7	-0,4	-4,4	-1,2	0,0	0,0	0,0	0,0	-1,4	-1,4	-0,1	-0,1	
SE	0,3	-2,9	-0,4	1,1	0,8	0,4	0,3	-5,4	0,0	0,0	3,8	5,1	0,3	-4,0	-0,5	0,1	0,1	0,1	0,1	-1,4	-1,4	0,0	0,0	
UK	-0,3	-3,2	-0,9	-0,6	-2,5	-1,3	-0,3	0,8	-0,6	-0,6	1,6	2,8	-0,8	-1,9	-1,6	-0,1	-0,1	-0,1	-0,1	0,3	0,3	-0,1	-0,1	

* For each indicator (except for real growth in GHDI as it is represented as a monetary value) the three columns refer to i) year on year change in absolute terms; ii) the difference from the EU (or Euro Area) average rates in the same year iii) the year on year change for the country relative to the year on year change at the EU or EA levels (indicating whether the country's situation is deteriorating/improving faster than the rest of the EU/EA reflecting the dynamics of socio-economic divergence/convergence). S1 stands for 1st semester and is based on quarterly data. The latest data for DK and RO for real growth in GHDI available for 2010-11. The latest data for BE, IE, AT, and UK for AROP and S80/S20 available for 2010-11.

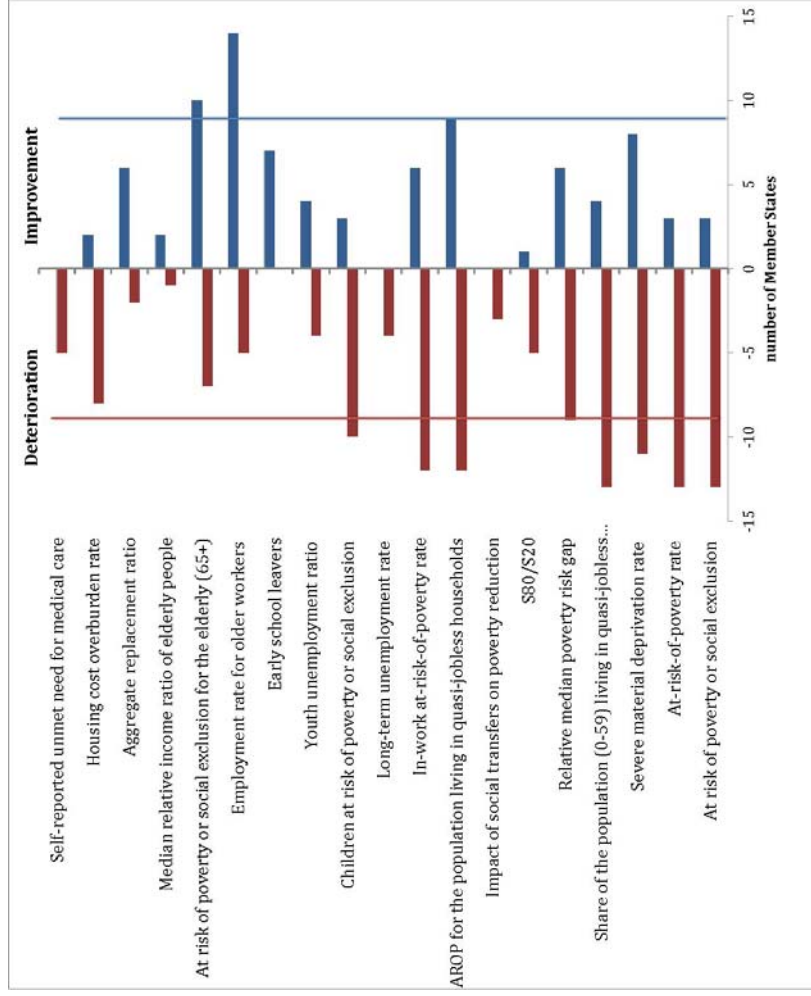
	Unemployment Rate (15-74)						Youth unemployment (15-24)						Real growth in gross household disposable income			At-risk-of-poverty rate (18-64)				Inequalities - S80/S20		
	Youth UR			NEETs			Y-Y change (Semester1 /2012-S1/2013)	Distance from EA average	Y-Y for MS to Y-Y for EA	Y-Y change (2011-2012)	Distance from EA average	Y-Y for MS to Y-Y for EA	Y-Y change (2011-2012)	Distance from EA average	Y-Y for MS to Y-Y for EA	Y-Y change (2011-2012)	Distance from EA average	Y-Y for MS to Y-Y for EA	Y-Y change (2011-2012)	Distance from EA average	Y-Y for MS to Y-Y for EA	
	Y-Y change (Semester1 /2012-S1/2013)	Distance from EA average	Y-Y for MS to Y-Y for EA	Y-Y change (Semester1 /2012-S1/2013)	Distance from EA average	Y-Y for MS to Y-Y for EA																Y-Y change (2011-2012)
EU-27	0,6	-1,2	-0,4	0,6	-0,6	-0,7	0,3	0	-0,3	0,5	-1,2	0,8	-0,2	0,0	0,1	0,0	0,0	0,0	0,0	0,0		
EA-17	0,9	0,0	0,0	1,4	0,0	0,0	0,6	0	0	0,0	-1,8	0,8	0,0	0,0	0,1	0,0	0,0	0,0	0,0	0,0		
BE	1,0	-3,7	0,0	3,3	-0,7	1,9	0,5	-0,9	-0,1	3,0	1,3	0,8	-3,3	-0,2	0,0	-1,1	-0,1	-0,1	-0,1	-0,1		
BG	0,8	0,9	-0,1	-0,1	4,5	-1,5	-0,3	8,3	-0,9	:	:	-0,8	0,4	-1,6	-0,4	1,0	-0,5	-0,5	-0,5	-0,5		
CZ	0,3	-5,0	-0,7	-0,6	-5,0	-2,0	0,6	-4,3	0	0,4	-1,4	0,2	-7,7	-0,6	0,0	-1,6	-0,1	-0,1	-0,1	-0,1		
DK	-0,8	-5,1	-1,7	-2,3	-11,6	-3,7	0,3	-6,6	-0,3	0,5:	0,2:	0,8	-3,1	0,0	0,1	-0,6	0,0	0,0	0,0	0,0		
DE	-0,2	-6,7	-1,1	-0,3	-16,2	-1,7	0,2	-5,5	-0,4	2,6	0,8	0,2	-0,4	-0,6	-0,2	-0,8	-0,3	-0,3	-0,3	-0,3		
EE	-1,7	-3,4	-2,6	-4,0	-5,9	-5,4	0,7	-0,7	0,1	-4,3	-4,3	-0,3	0,7	-1,1	0,1	0,3	0,0	0,0	0,0	0,0		
IE	-1,2	1,7	-2,2	-3,2	4,2	-4,5	-0,1	5,5	-0,7	0,1	-1,7	0,5	-1,1	-0,5	-0,1	-0,4	0,0	0,0	0,0	0,0		
EL	4,1	15,0	3,2	6,1	35,4	4,7	2,9	7,1	2,3	-8,6	-8,6	3,8	6,8	3,0	0,6	1,5	0,5	0,5	0,5	0,5		
ES	2,2	14,4	1,2	3,9	31,6	2,6	0,3	5,6	-0,3	-5,5	-5,5	1,1	4,9	0,3	0,1	2,1	0,0	0,0	0,0	0,0		
FR	0,8	-1,3	-0,2	2,1	1,8	0,7	0,2	-1	-0,4	-0,9	-0,9	0,9	-3,3	-0,6	-0,1	-0,6	-0,2	-0,2	-0,2	-0,2		
HR	1,9	4,9	0,9	12,2	27,5	10,8	1	3,5	0,4	:	:	-0,8	1,0	-1,6	0,0	0,3	-0,1	-0,1	-0,1	-0,1		
IT	1,7	-0,1	0,8	4,5	14,9	3,1	1,3	7,9	0,7	-4,3	-4,3	0,6	2,1	-0,2	0,0	0,5	-0,1	-0,1	-0,1	-0,1		
CY	4,3	3,2	3,4	11,2	13,1	9,8	1,4	2,8	0,8	-10,6	-10,6	0,7	-4,8	-0,1	0,4	-0,4	0,3	0,3	0,3	0,3		
LV	-3,6	-0,1	-4,5	-8,2	-2,8	-9,6	-1,1	1,7	-1,7	4,3	4,3	-0,8	2,4	-1,6	-0,1	1,4	-0,2	-0,2	-0,2	-0,2		
LT	-1,5	0,2	-2,5	-5,5	-1,3	-6,8	-0,4	-2,1	-1	0,7	0,7	-2,3	0,9	-3,1	-0,5	0,2	-0,6	-0,6	-0,6	-0,6		
LU	0,6	-6,5	-0,4	0,2	-5,4	-1,2	1,2	-7,3	0,6	:	:	1,4	-2,5	0,6	0,1	-1,0	0,0	0,0	0,0	0,0		
HU	-0,4	-1,4	-1,4	0,5	4,3	-0,9	1,4	1,5	0,8	-4,3	-4,3	0,0	-3,4	-0,8	0,1	-1,1	0,0	0,0	0,0	0,0		
MT	0,1	-5,6	-0,9	-0,5	-10,1	-1,9	0,5	-2,1	-0,1	:	:	-0,9	-4,8	-1,7	-0,2	-1,2	-0,3	-0,3	-0,3	-0,3		
NL	1,4	-5,6	0,4	1,4	-13,3	0,0	0,5	-8,9	-0,1	-2,5	-2,5	-0,4	-6,9	-1,2	-0,2	-1,5	-0,3	-0,3	-0,3	-0,3		
AT	0,6	-7,3	-0,4	0,0	-15,2	-1,4	-0,4	-6,7	-1	1,2	1,2	0,3	-5,2	-0,7	0,1	-1,2	0,0	0,0	0,0	0,0		
PL	0,6	-1,5	-0,3	1,1	3,2	-0,3	0,2	-1,4	-0,4	-0,1	-0,1	-0,6	-0,5	-1,4	-0,1	-0,2	-0,2	-0,2	-0,2	-0,2		
PT	2,1	5,3	1,2	3,6	16,0	2,3	1,4	0,9	0,8	-2,8	-2,8	0,7	-0,1	-0,1	0,1	0,7	0,0	0,0	0,0	0,0		
RO	0,1	-4,8	-0,9	-0,3	-0,8	-1,6	-0,6	3,6	-1,2	-2,7:	-2,7:	-2,5:	4,0	-0,8	0,1	1,2	0,0	0,0	0,0	0,0		
SI	2,3	-1,5	1,4	5,3	-0,5	3,9	2,2	-3,9	1,6	-4,7	-4,7	0,5	-4,8	-0,3	-0,1	-1,7	-0,2	-0,2	-0,2	-0,2		
SK	0,4	2,1	-0,6	0,4	9,9	-1,0	0	0,6	-0,6	-2,0	-2,0	-0,2	-4,7	-0,9	-0,1	-1,4	-0,2	-0,2	-0,2	-0,2		
FI	0,4	-4,0	-0,5	1,1	-3,9	-0,3	0,2	-4,6	-0,4	0,4	0,4	-0,4	-4,6	-1,2	0,0	-1,4	-0,1	-0,1	-0,1	-0,1		
SE	0,3	-4,0	-0,7	1,1	0,1	-0,3	0,3	-5,4	-0,3	3,8	3,8	0,3	-4,2	-0,5	0,1	-1,4	0,0	0,0	0,0	0,0		

Annex 2: Summary overview of Key Employment Challenges and particularly good labour market outcomes according to the Employment Performance Monitor (C=challenge; G=good labour market outcome) – adopted in June 2013¹⁰.

Country	Labour market participation	Labour market functioning, combatting segmentation	Active labour market policies	Social security	work-life balance	Job creation	Gender equality	skill supply and productivity, lifelong learning	Education and training systems	wage setting mechanisms and labour cost development
BE	C	C	C	C/G				C	C	C
BG	C		C	C	C	C		C	C/G	C
CZ	C/G		C	C	C		C	C	C/G	
DK	C/G		G	C/G	G			G	C	
DE	G		C	C	C	G			C	
EE	C/G		C	C/G	C	G	C/G	C	C	
IE	C		C	C	C	C	G		G	G
EL	C	C	C	C	C	C		C	C	G
ES	C	C	C	C	C		G	C/G	C/G	G
FR	C/G	C	C	C/G	C	C		C/G		
IT	C/G	C	C	C	C	C	C/G	C/G	C/G	C
CY	C/G	C	C	C/G	C		C	C/G	C/G	
LV	C		C	C	C			C	C	G
LT	C	C	C	C	C		G	C	C	
LU	C/G		C	G		G		C	C/G	C
HU	C/G		C		C	C		C/G	C	
MT	C/G	G	C/G		C	G	C	C/G	C	
NL	C/G	C		C/G	C		G			
AT	C/G	G	G		C	C		C	C	
PL	C	C			C		C/G	C	C/G	
PT	C/G	C	C	G	G	C	G		C/G	C/G
RO	C		C	C/G	C		C	C	C	
SI	C	C	C	C	G	C	G	C	G	C
SK	C		C	C/G	C	C	C	C	C/G	
FI	C/G		C				C	G	G	C
SE	C/G		G	C/G	G			G		
UK	C/G				C		C		C/G	
HR	C		C		C		C	C	C/G	

¹⁰ <http://register.consilium.europa.eu/pdf/en/13/st10/st10373-re01.en13.pdf>

Annex 3: Summary overview of the ‘social trends to watch’ and Member States with statistically significant deterioration and improvement as identified by the Social Protection Performance Monitor¹¹ - adopted in Jan 2013.



Note: The social trends to watch for 2010-11, identified by deterioration in more than 1/3 of MS, are highlighted in red in the table to the right.

2010-2011	MS with significant deterioration	MS with significant improvement
At risk of poverty or social exclusion rate	CZ, EE, IE, EL, ES, IT, LV, HU, MT, NL, SI, FI, SE	PL, PT, RO
At-risk-of-poverty rate	BE, BG, CZ, EE, EL, ES, IT, HU, NL, RO, SI, SK, SE	UK, LV, LU
Severe material deprivation rate	DE, IE, EL, IT, CY, LV, LU, HU, MT, NL, FI	BE, BG, ES, LT, PL, PT, RO, SK
Share of the population (0-59) living in quasi-jobless households	BE, BG, DK, EE, IE, EL, ES, LT, LU, NL, SI, FI, SE	UK, RO, PT, PL
Relative median poverty risk gap	EE, IE, EL, IT, CY, LV, LU, HU, AT, RO	CZ, FR, LT, LU, SK, SE
Impact of social transfers on poverty reduction	BG, EE, EL, IT, HU	LT
AROP for the population living in quasi-jobless households	BG, DE, EE, EL, ES, IT, HU, NL, RO, SI, SK, SE	DK, IE, CY, LV, LU, MT, PT, FI, UK
In-work at-risk-of-poverty rate	CZ, DE, EE, FR, IT, HU, NL, PT, RO, SI, SK, UK	BE, EL, ES, LV, LT, LU
Long-term unemployment rate	BG, IE, EL, ES	-
Children at risk of poverty or social exclusion	BG, CZ, ES, IT, LV, NL, RO, SI, FI, SE	UK, PL, DE
Youth unemployment ratio	PT, CY, ES, EL	BE, EE, LV, SE
Early school leavers	-	BG, DK, ES, CY, LU, MT, PT
Employment rate for older workers	SI, RO, PT, CY, EL	MT, NL, PL, SE
At risk of poverty or social exclusion for the elderly (65+)	IE, EL, IT, LT, HU, SI, SE	BG, DK, EE, FR, CY, LV, LU, PT, RO, SK
Median relative income ratio of elderly people	LT	LV, PT
Aggregate replacement ratio	IE, LT	EL, ES, CY, LV, LU, PT
Housing cost overburden rate	BE, BG, EE, IE, EL, PL, PT, SE	DK, RO
Self-reported unmet need for medical care	BE, EE, EL, HU, RO	-

¹¹ <http://ec.europa.eu/social/BlobServlet?docId=9235&langId=en>