European Vacancy Monitor

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- European Job Mobility Bulletin
- Monthly Labour Market Factsheet
- Quarterly Labour Market Review

HIGHLIGHTS

Continuing growing demand for staff in Europe

Labour demand continued to grow in the first quarter of 2011, compared to the same quarter in the previous year. This trend is evident when looking at the increase of job vacancies (+19%), job-finders (+24%), the number of PES job vacancies (+12%), the demand for temporary agency work (+6% in 2010) and online job vacancies (+28%).

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Strongest growth in Northern and Western European countries

The Northern and Western European countries (e.g. Germany, Latvia, Lithuania and Finland) were growing in terms of labour demand, while some Eastern and Southern European countries (e.g. Bulgaria, Romania, Spain and Greece) were lagging behind and in some cases facing declining labour demand. The major European country with increasing labour demand was Germany.

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Job offers: public sectors remain in trouble

According to job offers and hiring trends, private sector labour demand increased in the first quarter of 2011 compared to the same quarter in the previous year, affecting the industry and trade sectors in particular. The public sector, however, continued to show a decrease in the demand for staff, most likely due to government austerity measures and this trend is expected to continue in subsequent quarters.

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Highest growth for high skilled professions

In the first quarter of 2011 demand for higher skilled occupations soared. The highest growth was for legislators, senior officials and managers, professionals and clerks, confirming the continuing upward shift in the demand for higher skill levels. However, lower skilled occupations accounted for the largest share of jobs in the labour market, underlining the continuing importance of these groups as a source of jobs.

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Country special: Poland

The current EU-presidency country of Poland has been outperforming the EU average in economic terms for a number of years. However, a slowdown in Poland's economic recovery in 2011 has led to weakening growth in labour demand.

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Social Europe

I. INTRODUCTION

While much is known about unemployment, there is relatively little information on the demand for labour. As part of its Europe 2020 flagship initiative 'An Agenda for New Skills and Jobs', the European Commission has therefore launched the 'Monitoring Labour Market Developments in Europe' project. At the heart of the project lies an analysis of job vacancies, using a wide range of sources with relevant data. The project has set up a monitoring and information system which allows the identification of trends in the European labour market, focusing on changes in the demand for occupational groups and skills. The system allows the identification of future labour and skills shortages and can be used as an early warning tool by policy makers, employers and other key stakeholders.

Results of the analysis are disseminated on a quarterly basis through two different publications: the European Vacancy Monitor (EVM), mainly targeting policy makers and researchers setting the framework for more job mobility, and the European Job Mobility Bulletin (EJMB), which provides systematic information on trends on the European Job Mobility Portal for EURES advisors and job seekers. However, the EVM does not focus on employment development, and for this readers are referred to a dedicated bulletin, the European Commission's Monthly Labour Market Fact Sheet and the Quarterly Labour Market Review.

The ***European Vacancy Monitor (EVM)***, targets a broad audience. It aims to contribute to policy development in labour market, education and training issues. The EVM provides a dynamic picture of developments in the demand for labour (job market, demand for occupations, indications for areas affected by recruitment difficulties and skills shortages), using a wide range of sources to produce valid and relevant data. The key sources of information for the EVM include national statistical offices (NSO), temporary work agencies (TWA), public employment services (PES), on-line recruitment services (ORS) and research institutions. Information is also gathered from international agencies such as Eurostat (the statistical office of the European Communities) and Eurociett (the European Confederation of Private Employment Agencies). A network of contacts is used to collect data from all 30 partner countries, including from the public employment services.

The ***European Job Mobility Bulletin (EJMB)***
The main source of information for the European Job Mobility Bulletin is the European Job Mobility portal (EURES portal) to which national public employment services (PES) transfer job vacancies that are registered at their offices for international mediation every day. The share transferred to the EURES portal of the total number of job vacancies registered at PES varies from country to country, depending on the approach used in making the contribution. Some countries (namely Denmark, the Czech Republic, Ireland, Finland, Slovenia and Sweden) contribute all their registered job vacancies to the portal, while other countries post only selected vacancies. As the daily data feeds to the EURES portal are accumulated and stored in the EURES data base, it is possible to analyse developments on the EURES job market (sectors, occupations and skills in high or low demand, vacancies difficult to fill, etc.) for each country and for the EURES portal as a whole over time.

The European Vacancy Monitor: work in progress - new developments

Comparable data for the whole of Europe is produced from the Labour Force Survey (which includes the EU's 27 countries), the Job Vacancy Statistics (24 countries, estimations included) and the registration data for vacancies and unemployed from PES (22 countries). This issue, EVM No. 4, mainly focuses on the first quarter of 2011 comparing it to the first quarter of 2010, and in some cases the yearly average for 2010 is compared to the yearly average of 2009. Wherever possible, use has been made of more recent data from other sources.

With regard to the demand for occupations, the results from all sources are based on the International Standard Classification of Occupations (ISCO). To allow for international comparison in certain specific cases, data from primary sources were harmonised with ISCO, as for example the registration data of PES. For LFS-data for the first quarter of 2011, only the ISCO'08 classification is available, while only the ISCO'88 classification is available for pre-2011 data. Unlike previous issues of the EVM, comparisons of occupations of job-finders over time – for example the Top 25 job-finders per country - are therefore not possible at every ISCO level.

The European Vacancy Monitor is a work in progress. In the absence of a standard survey for employers in Europe that would allow the sharing of information on hard to fill job vacancies, other proxy indicators have been used, such as the relationship between demand to supply in each country and in each occupational group. Due to the limited availability of compatible information about skills needs, information in this bulletin focuses on occupation, training and education indicators.

II. SHORT TERM TRENDS IN JOB VACANCIES

The following available indicators for labour demand are used:
1. Job vacancies (Job Vacancy Statistics), 2. Job-finders (Labour Force Survey), 3. The inflow of registered job vacancies at public employment services, 4. Online job vacancies for temporary agency workers of Randstad (a large international temporary work agency) and 5. The Monster Employment Index of Monsterboard (a large online recruitment service). The strongest indicators are the demand for labour as presented by the LFS for job-finders and the number of job vacancies by the national Job Vacancy Statistics, because these indicators give information across the widest spread of countries. The LFS is given more weight because it concerns flow figures and is very detailed with regard to further breakdowns for occupations, while the JVS uses stock figures at a given moment. The best indicator would be the total inflow or outflow of job vacancies, but there is no (comparable) data.

A number of indicators show that labour demand continues to increase in the first quarter of 2011, stronger growth in Northern and Western European countries

In general, ***the demand for labour continued to increase in the first quarter of 2011***. This trend is evident when looking at the number of job vacancies (+19%), job-finders (+24%), the number of PES job vacancies (+12%), the demand for temporary agency work (+6%) and online job vacancies (+28%). The growth in labour demand reflects a continuing trend compared to previous quarters. In the third and fourth quarter of 2010 (see previous bulletins), the growth in job vacancies, PES job vacancies and online job vacancies was of similar magnitude. In the first quarter of 2011, however, year-on-year growth in job-finders increased and year-on-year growth in demand for temporary agency work decreased in comparison to the year-on-year growth in the third and final quarter of 2010. The upward trend in the number of job-finders most likely reflects an increase in hiring, corresponding to an increase in employment. The diminished growth in demand for temporary agency work could indicate a diminished growth in overall labour demand in the coming quarters.

The Northern and Western European countries were growing in terms of labour demand, while the Eastern and Southern European countries were lagging behind and in some cases were facing falls in labour demand. Germany can be regarded as a major driver in increasing labour demand in Europe, but in Luxembourg, Latvia, Lithuania, Sweden, Estonia, Finland and the Netherlands, labour demand also grew at a relatively fast pace. Furthermore, the growth in labour demand in these countries was generated by positive economic growth. In Italy, Denmark, Slovakia, Hungary and the UK, growth in labour demand was less strong and in these countries economic growth seems to have been more hesitant. In Bulgaria, Romania, Portugal, Cyprus, Spain and Greece, labour demand was decreasing in the first quarter of 2011 compared to the same quarter in the previous year, largely caused by sluggish economic performance.

Steady economic growth with varying performances between European countries

In the first quarter of 2011 the ***European economy as a whole continued to show steady progress in emerging from the recession, though with varying performances between European countries***. According to Eurostat, the growth in the EU27 GDP was +2.5% compared to the first quarter of 2010, slightly more than the +2.1% year-on-year growth in the fourth quarter of 2010. The main drivers of the overall EU27 economic growth were Sweden (+6.4%), Germany (+4.6%) and Poland (+4.3%). However, the largest increases were in Estonia (+8.5%) and Lithuania (+6.8%). By contrast, GDP in Greece and Portugal declined (by -5.5% and -0.6% respectively).

Employment is lagging behind, but picking up slowly

Although labour demand increased in the first quarter of 2011 compared to the same quarter in the previous year, the number of working people (employment) was picking up more slowly. The employment rate in the EU27 was 0.3 percentage points higher in the first quarter of 2011 than in the first quarter of 2010 and although only a small increase, this is nevertheless the first positive quarterly growth in employment since the fourth quarter of 2008. For more information on employment see the European Commission's 'Monthly Labour Market Fact Sheet' and the 'Quarterly Labour Market Review'.

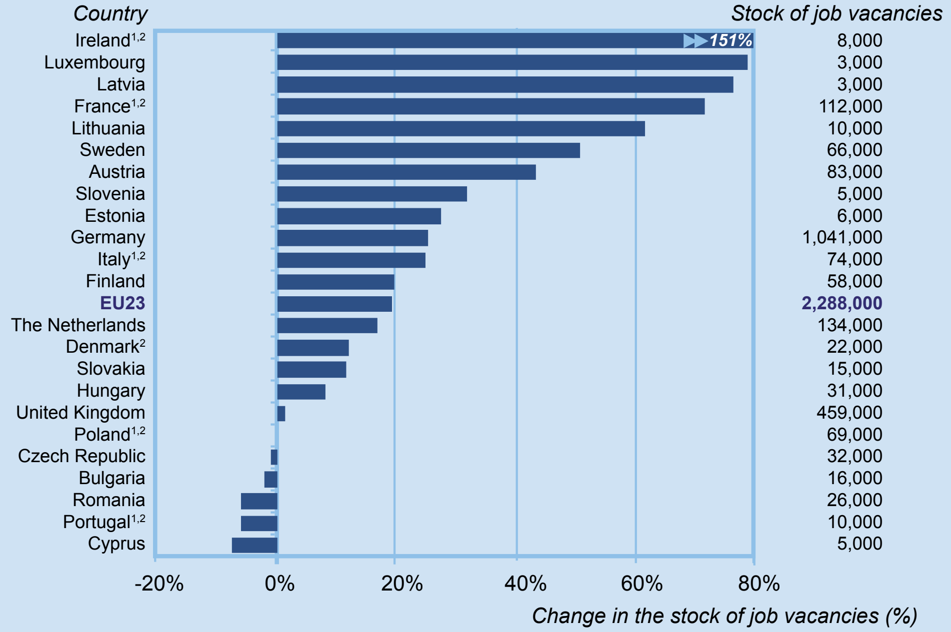
Overall growth in job vacancies, but much variation between countries

The ***stock of job vacancies*** in 23 European countries grew by +19% in the first quarter of 2011 compared to the same quarter in 2010. This year-on-year growth of the stock of job vacancies continues the upward trend set in the third and fourth quarters of 2010. Almost half of the 2.2 million open job vacancies in the first quarter of 2011 were located in Germany, where the stock of job vacancies grew by +25% compared to the first quarter of 2010 (Chart 1). This growth reflects the strong performance of the German economy where GDP grew by +5% and an even stronger increase in investment in new fixed assets (Eurostat reports an increase of gross fixed capital formation of +15.6%), the latter reflecting the willingness of employers to expand their businesses. Growth in job vacancies is more likely to be sustained when combined with a strong increase in GDP and gross fixed capital formation. This combination (i.e. growth in job vacancies, GDP and gross fixed capital formation) is also observed in Luxembourg, Latvia, Lithuania, Sweden, Estonia, Finland and the Netherlands.

In other countries, the growth in job vacancies seems somewhat less likely to be sustained. The growth in the stock of job vacancies in France, for example, seems remarkably high (+72%), but the stock of job vacancies in absolute terms (112,000) is relatively small for a country the size of France. The same holds for Italy (74,000 job vacancies, +25% growth), and this is even more the case for Ireland, where the stock of job vacancies grew with 151%, but from a very small base figure (8,000). The Irish case may also reflect an increase in job vacancies for temporary work placements or temporary employment associated with the conduct of the Irish Census of Population. In France, Italy and Ireland, GDP growth was comparatively small and gross fixed capital formation limited. In Denmark (+12%), Slovakia (+12%), Hungary (+8%) and the UK (+1%), the stock of job vacancies was growing at a slower pace, combined with a smaller growth in GDP and a smaller growth or even a decline in gross fixed capital formation.

Poland and the Czech Republic faced a flat or small declining stock of job vacancies in the first quarter of 2011 compared to the same quarter in the previous year (0% and -1% respectively), but have had a more or less the same sized stock of job vacancies for over a year. However, Poland and the Czech Republic have shown an increase in GDP and gross fixed capital formation, and this could lead to an increase in the stock of job vacancies in consecutive quarters. In Bulgaria (-2%), Romania (-6%), Portugal (-6%) and Cyprus (-8%), the stock of job vacancies in the first quarter of 2011 declined compared to the first quarter of 2010 and growth is not expected to pick up here in the short term, mainly because GDP and gross fixed capital formation have either declined or have barely increased.

Chart 1: Change in the stock of job vacancies by country
Percentages, 2011Q1 compared to 2010Q1, absolute numbers of 2011Q1



Source: EU JVS data based on surveys of employers held by national statistical offices; own calculations (23 countries). Not included are Belgium, Malta (no data available), Greece (data 2011Q1 missing) and Spain (trend break due to new measurement of public sector job vacancies). Agriculture is excluded.
[1] estimate, [2] excluding public sector. See annex A3 for methodological notes.The stock of job vacancies is the number of job vacancies measured at a certain moment in time. A job vacancy is defined as a paid post that is newly created, unoccupied, or about to become vacant.

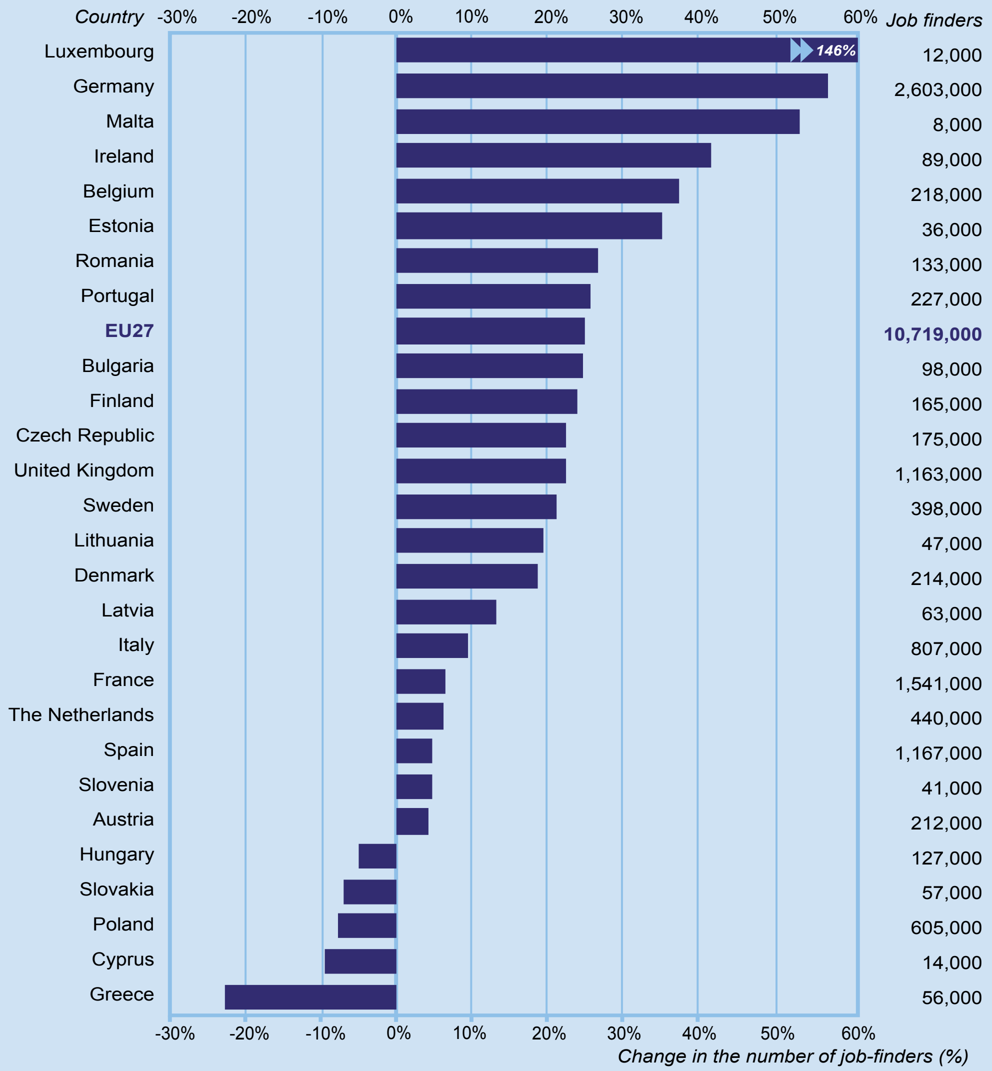
Significant growth in hiring, especially in Germany

The strong growth in the stock of job vacancies in the first quarter of 2011 is a continuation of the growth in 2010. The demand for labour has in general led to an increase in hiring: In the first quarter of 2011, there were almost 11 million ***job-finders*** (Chart 2), which is +24% higher than in the first quarter of 2010. In the third and fourth quarter of 2010, year-on-year growth in the number of job-finders was lower (+8% and +6% respectively). Although in 22 of 27 countries in the EU27 there was a growth in job finders in the first quarter of 2011 compared to the first quarter of 2010, it should be noted that the growth in the EU27 average was accounted for to a significant extent by the strong increase in job-finders in Germany (+56%). In many of the countries where the stock of job vacancies has grown in previous quarters (see previous issues of the European Vacancy Monitor), the number of job-finders has also grown.

However, the figures do not necessarily reflect the creation of new jobs, but rather an increase in the turnover of jobs, only some of which may be new. This is certainly the case in Luxembourg, where the number of job-finders compared to the total employment was very high, indicating much movement on the labour market (labour turnover). To a smaller extent, this was also the case in Germany where the increase in job-finders (+56%) was disproportionately high compared to the increase in the employment rate (+1.3 percentage points).

Chart 2: Change in the number of job-finders

Percentages, 2011Q1 compared to 2010Q1, absolute numbers of 2011Q1



Source: EU LFS data - own calculations (27 countries)
Job-finders were employed at the moment of the survey and had been employed for at most three months.

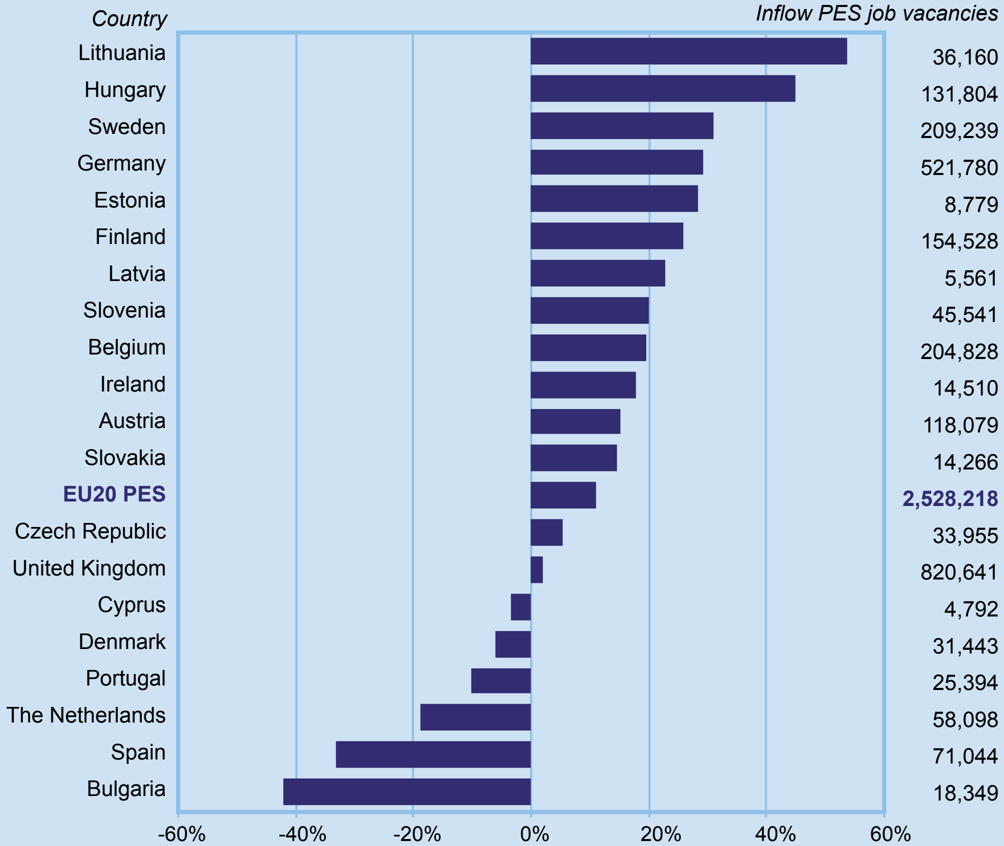
In France, the growth in job vacancies (+72%) seems to have been very high in comparison to the growth in job-finders (+6%), while the increase in job-finders was not nearly as large. In absolute terms, however, the stock of job vacancies increased by almost 50,000 since the first quarter of 2010, while the number of job finders has increased by more than 90,000. In Slovakia, the number of job-finders actually decreased (-7%) while the stock of job vacancies increased (+11.5%). Here, the increase in job vacancies was modest and gradual in the previous five quarters, while the decrease in job-finders was a small fluctuation in a mostly constant number of job-finders. The number of job-finders is therefore expected to increase gradually in 2011. In the UK, the Czech Republic, Bulgaria and Portugal, the number of job-finders was exceptionally low in the first quarter of 2010, which explains the strong growth when compared with the first quarter of 2011.

New job vacancies registered with PES increased by +12%

As not all job vacancies are registered at the PES their share of the total vacancies existing at any point in time will vary across countries. A first estimate of the market share range of the PES on the basis of the available data for the EU20 indicates that approximately one third of all job vacancies are reported to the PES (see definitions in Annex).

The ***number of new job vacancies registered with Public Employment Services (PES) in 20 countries*** increased by +12% in the first quarter of 2011, compared to the first quarter of 2010. This positive development is similar to the year-on-year change in prior quarters. The figure reflects the positive development of the labour market since more jobs were notified to PES indicates that employers were seeking help to fill their job vacancies. This argument holds for some of the strongest growing countries such as Lithuania, Sweden and Germany. For many countries, the growth in the PES inflow of job vacancies was of similar size as the growth in the stock of job vacancies (Chart 3), e.g. Lithuania (+54%), Finland (+26%), Germany (29%), the UK (+2%) and Portugal (-10%). The EU20 average growth of PES job vacancy inflow (+12%), however, was lower than the EU average of the growth of the stock of job vacancies (+19.4%) (Chart 1) and this can be explained to a great extent by the unavailability of data on the PES job vacancy inflow for France.

Chart 3: Change in the inflow of PES job vacancies
Percentages, 2011Q1 compared to 2010Q1, absolute numbers of 2011Q1



Source: PES data - own calculations (20 countries)
Inflow of PES registered job vacancies refers to new job vacancies which were registered in a certain quarter.

In some countries the growth in the PES inflow of job vacancies (Chart 3) differs substantially from the growth in the stock of job vacancies (Chart 1). In Hungary for example, the inflow of job vacancies registered by the PES increased by +45%, while the total stock of job vacancies increased with only +8%. However, the growth of inflow of PES job vacancies in Hungary can largely be accounted for by vacancies for jobs that are subsidised by the Hungarian government. These government-subsidised job vacancies are all registered by PES. The growth in vacancies for jobs without government-support was more moderate in Hungary (+12%).

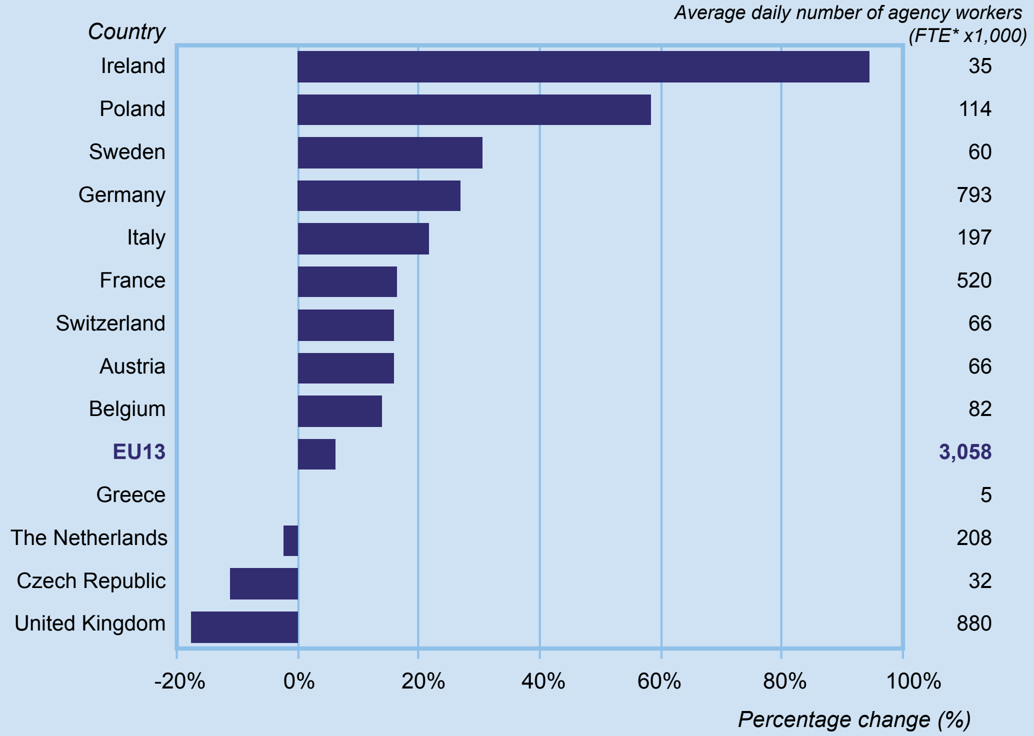
In Denmark, the inflow of job vacancies registered by the PES increased by +29%, while the stock of job vacancies increased by +12%. The inflow of job vacancies in Denmark was still -60% lower than the pre-recession level in the first quarter of 2008, indicating a catching up process of job vacancies registered by PES.
In the Netherlands, the PES inflow of job vacancies actually decreased by -19%, while the growth in the total stock of job vacancies was +17%. This could have been influenced by speculation over the imposition of resource constraints on the Dutch PES that could have made employers reluctant to register job vacancies at the present time.

Temporary agency work recovered to pre-crisis levels in 2010, but growth is declining in 2011

Temporary agency work is an important indicator of developments in the economy and the labour market. If companies perform below expectations, employers will first cut down on temporary agency work. Once the outlook becomes more favourable again they will start hiring temporary agency workers rather than permanent workers, which tends to offer less economic risk for the company.

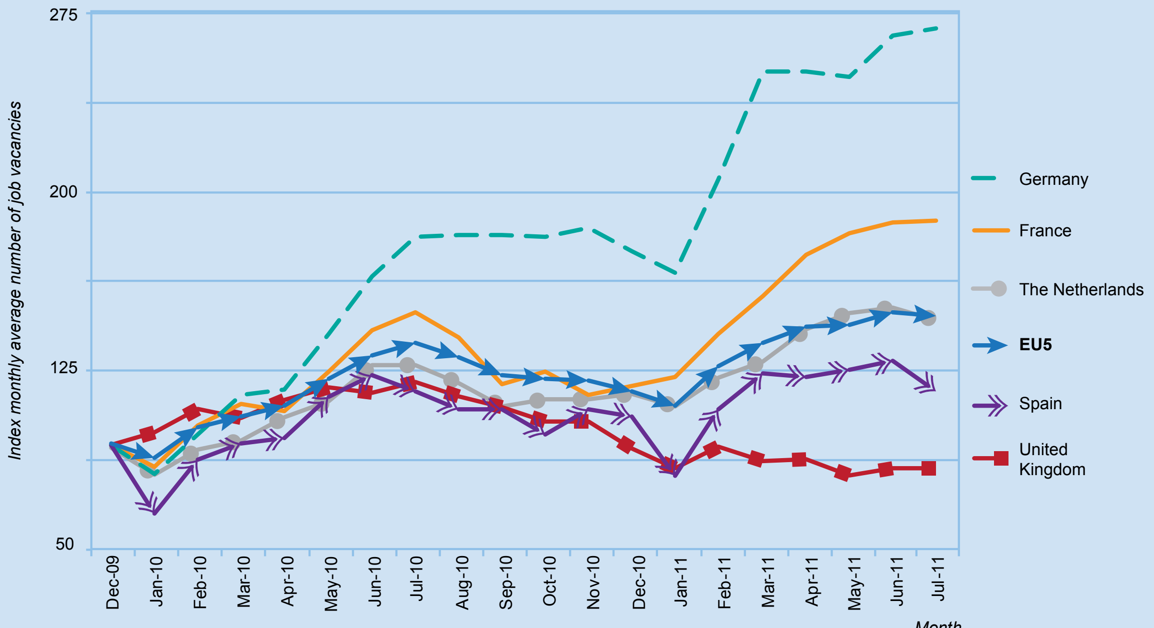
Given the number of temporary agency workers (Chart 4) shows an ***average daily number of agency workers in 2010*** in excess of 3 million, the temporary work agencies clearly account for a significant part of the total job vacancies at any one time. After a fall during the economic crisis in 2008 and 2009, the average daily number of agency workers was increasing again in most of the 13 countries shown in Chart 4. This is up by +6% on average for 13 EU countries compared to 2009. In general, these developments in the demand for temporary staff are confirmed by figures from Randstad

Chart 4: Change in the average daily number of agency workers (Eurociett)
Percentages, 2010 compared to 2009, absolute numbers (FTE*) of 2010



Source: Eurociett. The figures in this chart are the same figures as presented in the previous edition of the European Vacancy Monitor (Issue no. 3, July 2011), except for the figures of five additional countries: Switzerland, Austria, Greece, Czech Republic and the United Kingdom.
The average daily number of agency workers or Full Time Equivalent (FTE) is the total number of hours worked by all agency workers in a country over a period of one year divided by the average number of hours worked over a period of one year by a worker with a full-time job with an open-ended contract.

Chart 5: Development of job vacancies in temporary work agencies (Randstad)
Index, December 2009 - July 2011, December 2009 = 100



Source: Randstad (5 countries)
Numbers are based on the number of open job vacancies published by the subsidiaries of the Randstad Group on the internet. Randstad only publishes job vacancies that cannot be filled directly from the available pool of candidates. The figures are based on daily measurements of the number of open job vacancies.

(Chart 5) though these figures show that the pace of growth declined in the second quarter of 2011 (see also Eurociett report 2011).

Examined by individual country, charts 4 and 5 show that in Germany in particular the number of job vacancies has been increasing significantly since the start of 2011, reflecting the strong growth in the German economy in the first half of 2011. According to Randstad, there is strong demand for temporary agency work in the German IT-sector. Both Eurociett and Randstad figures show a declining demand in the UK in 2010 compared to 2009 and also throughout 2011 so far. According to Eurociett and Randstad, the weaker demand for temporary agency work in the UK can be strongly linked to weaker demand from public sector clients.

Growth in online job vacancies still strong, but also signs of weakening

A similar development is shown by the ***Monster Employment Index***, which is based on daily measurements of the number of job vacancies for a large number of online portals. The Monster Employment Index shows a +28% growth in the number of online job vacancies in April 2011 compared to April 2010 (for Belgium, France, Germany, Italy, the Netherlands, Sweden and the UK). While still high (+21% August), the growth in online demand for labour is – similar to the demand for temporary agency work – declining. Online demand continues to grow in all industries, except for the public sector.

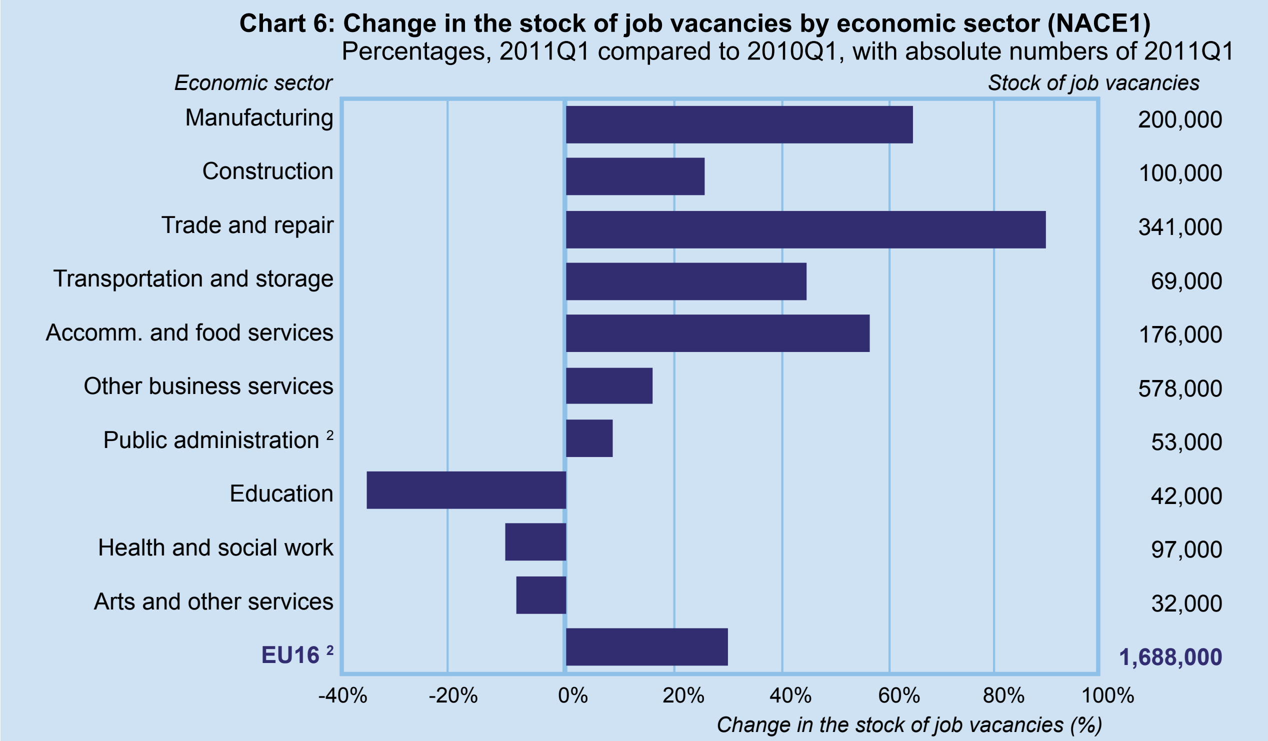
III. ECONOMIC SECTORS

Positive economic growth in industry, trade, transportation and services, declining trend in construction and the public sector

Economic growth in the first quarter of 2011, compared to the first quarter of 2010 was largest in the manufacturing sector. Eurostat reports +7.6% growth in gross value added in manufacturing compared to the same quarter last year. The sector was the fastest growing sector last year and, according to the Economic Sentiment Indicator (ESI), the optimism of firms is highest for the industry sector compared to other sectors (European Commission, 2011). The second fastest growing sector in terms of gross value added was the trade and services sector, with a growth of +2.2% in the first quarter of 2011, compared to the first quarter of 2010. Although gross value added in the construction sector grew in the first quarter of 2011, the sector has witnessed large decreases in this measure for more than two years. Also, according to the ESI, firms in the construction sector were still very pessimistic. Finally, agriculture and fishing, financial services and real-estate, and public administration were growing at a very limited rate in terms of gross value added.

Strong growth in job vacancies in the private sector, decline in the public sector

In line with sectoral developments in economic performance, in the first quarter of 2011 compared to the same quarter in the previous year growth in the stock of job vacancies was highest for trade and repair (+88%), manufacturing (+63%), accommodation and food services (+55%) and transportation and storage (+44%). The stock of job vacancies in the construction sector showed a moderate increase (+25.3%), reflecting the economic upswing in the construction sector in the first quarter of 2011. Public administration was growing at +8% and education (-37%), health and social work (-11%) and arts and other services (-9%) were in decline. The fall in the stock of job vacancies in the public sectors was a direct consequence of the cuts in public expenditure found across the EU as measures are implemented to cut budget deficits. Furthermore, the figures represent just the start of the shake-out of jobs in the public sector, and subsequent quarters are likely to see this trend continue. The growth in the private sectors and the decline in the public sectors are developments that were already visible in previous quarters (see previous bulletins of the EVM).



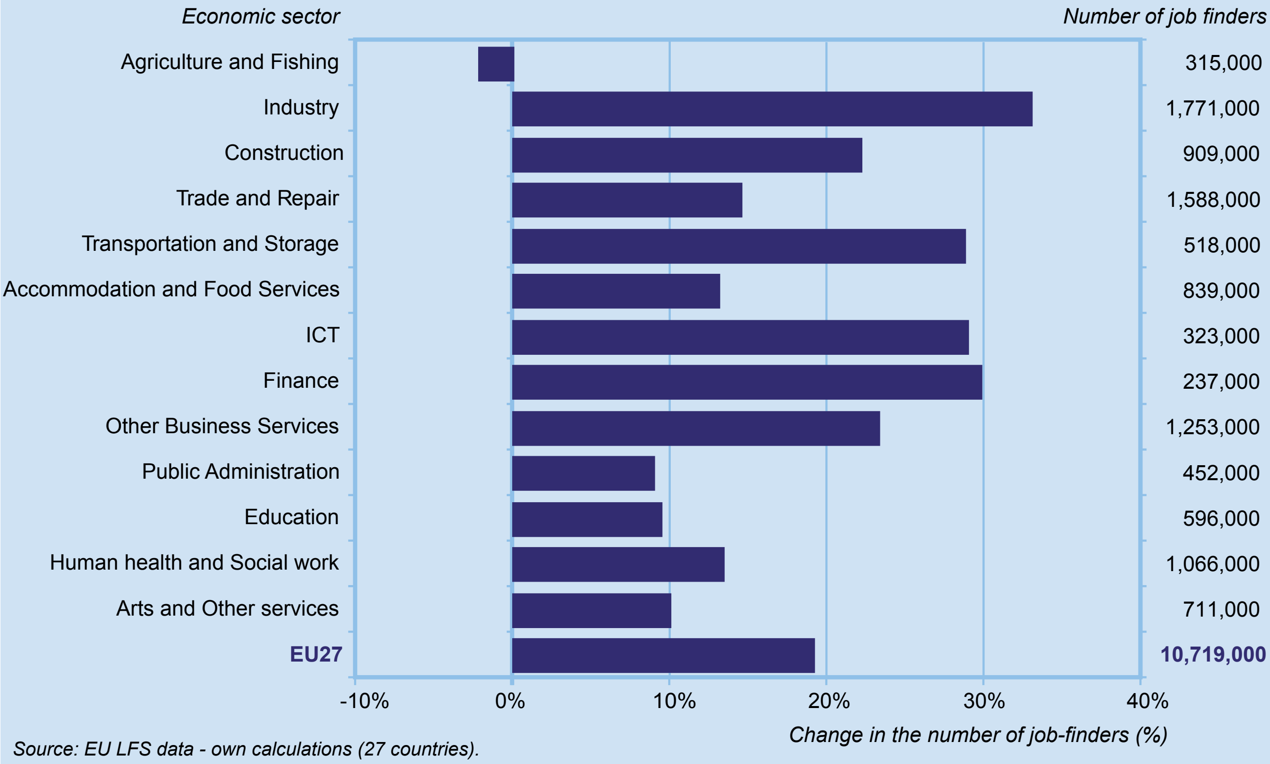
Source: EU JVS data based on surveys of companies held by national statistical offices; own calculations (16 countries).
Countries included: Bulgaria, Czech Republic, Cyprus, Estonia[1], Germany, Hungary, Latvia, Lithuania, Luxembourg, The Netherlands, Portugal[2], Romania, Slovenia, Slovakia, Sweden, United Kingdom. [1] estimate, [2] exclusive Portugal for public administration.
To compare the data for 16 countries, specific sectors had to be taken together and the sectors agriculture, mining, electricity and waterworks had to be excluded from the analysis. There was no data available for these sectors for all 16 countries. See Annex 3 for methodological notes.

Overall growth in job-finders, but less in the public sector

The development in the number of job-finders by economic sector in the first quarter of 2011 shows the same pattern as the development in the stock of job vacancies for some sectors (chart 7). For example, the industry sector marked the highest growth in the first quarter of 2011 compared to the first quarter in 2010 (+32%). Also the transportation and storage sector recorded not only a strong growth in job vacancies, but also in job-finders (+28%). Broadly the figures show a more positive labour market situation with all sectors - except for agriculture and fishing (-2%) - showing an increase in the number of job-finders in the first quarter of 2011 over the same period the previous year. It suggests a more dynamic scenario for job seekers with job opportunities increasing particularly in the sectors of industry, transport and storage, ICT and finance. In comparison to prior quarters (the third an fourth quarter of 2010), the overall picture in terms of year-on-year growth in job-finders per sector is largely the same, except for the stronger overall growth in the first quarter of 2011. This especially holds for the strong growth in industry.

The difficulties in the public sector and the effects of the austerity measures implemented in many countries are reflected in the lower growth of job-finders in public administration, education, human health and social work, and arts and other services, in comparison to private sectors. The growth in job-finders in the public sector was highest in Germany and Italy. Also, any growth in the public sectors is measured relative to the first quarter of 2010, when the number of job-finders was relatively low. In absolute terms, the number of job-finders in the first quarter of 2011 did not differ substantially from the fourth quarter of 2010.

Chart 7: Change in the number of job-finders by economic sector (NACE 1)
Percentages, 2011Q1 compared to 2010Q1, absolute numbers of 2011Q1

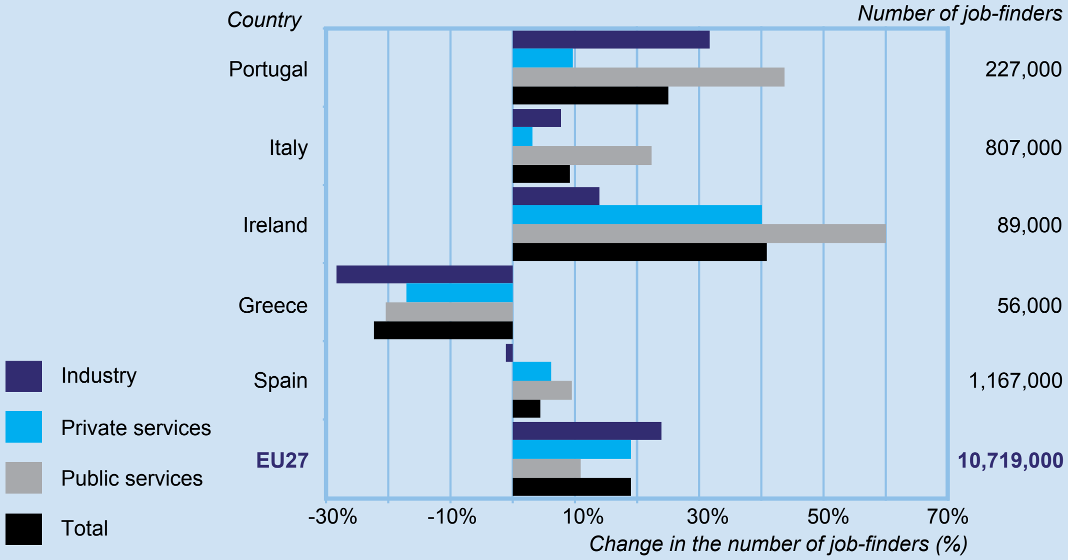


Source: EU LFS data - own calculations (27 countries).
Job-finders are employed at the moment of the survey and have been employed for at most three months. The number of job-finders per economic sector (NACE) is used to present a more dynamic picture of the labour market (LFS). All economic sectors are included. Industry consists of mining, manufacturing, electricity and waterworks. The category 'unknown' is excluded from the chart.

Portugal, Ireland, Italy, Greece and Spain have been affected most by the financial crisis and its aftermath. Ranging between 12% (Portugal) and 20% (Spain), unemployment rates are well above the European average (close to 10%) in these countries, except for Italy (8%). However, of the five, only Greece has seen negative figures in the number of job-finders in all three broad sectors (Chart 8). Overall, permanent public sector jobs would be expected to fall as all of these countries have implemented significant austerity measures – though the main effect is likely to be felt in subsequent quarters. Superficially, Ireland appears to be the best performer of the five countries in the first quarter of 2011, though surprisingly its total was boosted by a high increase of job-finders in public services. However, approximately half of this increase can most likely be attributed to the hiring of temporary Census field staff employed in the first quarter of 2011. Portugal has also seen a significant increase in public service job-finders and in both countries some of this is likely to be due to the creation of temporary jobs within the context of active labour market measures (for example public works programmes). Encouraging is the growth in the number of job finders in the private sector – particularly in Portugal industry and in private services in Ireland. However, this is not replicated in the larger countries of Italy and Spain where all sectors have shown smaller growth.

Chart 8: Change in the number of job-finders by economic sector (NACE1) in Portugal, Italy, Ireland, Greece and Spain

Percentages, 2011Q1 compared to 2010Q1, absolute numbers of 2011Q1 per country



Source: EU LFS data - own calculations (5 countries)
Job-finders were employed at the moment of the survey and had been employed for at most three months.

IV. OCCUPATIONS

Steady growth in lower skilled professions, highest growth for higher level skills

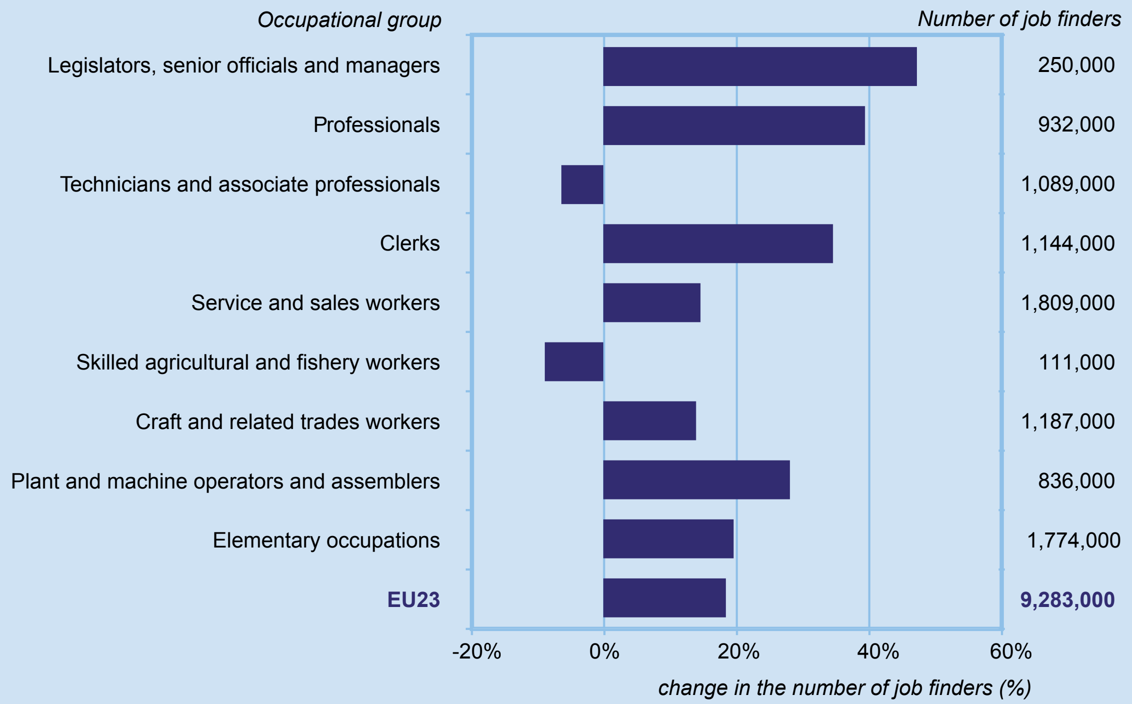
Fuelled by the growth in industry, trade and transport, the demand for lower skilled occupations increased in the first quarter of 2011 compared to the same period in the previous year. Lower skilled occupations took on the largest share of jobs in the European labour market, underlining the continuous importance of these groups. This holds not only for the first quarter of 2011, but also in previous quarters. In the first quarter of 2011, however, demand for higher skilled occupations increased significantly compared to previous quarters (see also EVM no. 3)

In the first quarter of 2011 compared to the first quarter of 2010, the number of job seekers who found work as plant and machine operators and assemblers increased by +28%. Most likely, this is linked to growth in the industry, trade and transport sectors, the sectors that also account for an increase in elementary occupations (+20%) and craft and trade related workers (+14%). The highest growth in job-finder was for legislators, senior officials and managers (+48%), professionals (+40%) and clerks (+35%), confirming the continuing shift in the demand for higher level skills (Chart 9). This growth can be attributed to increased demand across many sectors, much of it from increased demand for managerial staff. However, the growth in the number of job-finders in the ICT, finance and other business services (Chart 7) also increased the number of job-finders within these occupational groups.

However, for two occupational groups growing in the previous quarter, the number of job-finders has declined in the first quarter of 2011 compared to the same quarter in the previous year. Above all, the small decline in the demand for technicians and associate professionals is unexpected and warrants further investigation. It has to be remembered that the largest occupational groups turning over job vacancies (numerically speaking) are those such as service and sales workers, elementary occupations, and craft and related trade workers underlining the continuing importance of these jobs to the labour market. The demand for skilled agricultural and fishery workers was in decline (-9%) in the first quarter of 2011 compared to the same quarter in the previous year.

In terms of job-finders by occupation, the fastest growing groups (Chart 9) are not necessarily the largest groups (Chart 10). The top 25 number of job-finders per occupation (Chart 10) consists mostly of elementary occupations, service and sales workers and clerical support workers. The number one occupation in terms of job-finders in the first quarter of 2011 was shop salespersons (almost 600,000). However, some of

Chart 9: Change in the number of job-finders by occupational group (ISCO 1)
Percentages, 2011Q1 compared to 2010Q1, absolute numbers of 2011Q1



Source: EU LFS data - own calculations (23 countries).
Greece, Hungary, Ireland and the UK were excluded due to the lack of data on ISCO for 2011Q1.
The LFS contains information about the number of job-finders by occupational group per quarter. Job-finders were employed at the moment of the survey and had been employed for at most three months.

this will reflect the higher turnover of staff in this group. Shop salespersons and other occupations such as domestic, hotel and office cleaners and helpers, are not just important as providers of jobs in general, but because of their relative ease of entry, offer good job prospects for new entrants to the labour market – particularly youth.

Largest growth in PES job vacancies by production-related and elementary occupations

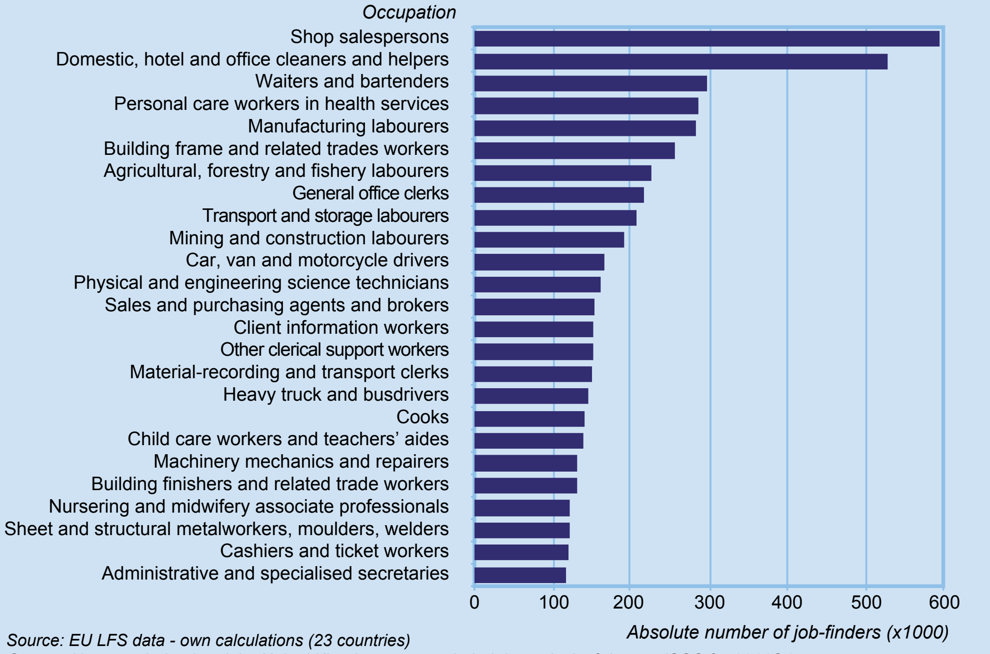
The number of new job vacancies registered by PES in 20 EU countries in the first quarter of 2011 amounted to around 2,5 million and shows an overall positive development (+12% relative to the first quarter of 2010) (Chart 11). The figures are influenced by the trend in a few countries (especially Germany and the UK) which account for a high proportion of the total EU20 PES job vacancies.

As in the fourth quarter of 2010, the fastest growing occupational groups were plant and machine operators and assemblers (+36%), craft and trade related workers (+32%), and elementary occupations (+13%). In absolute numbers, service and sales workers and technicians and associate professionals were also large groups in terms of the inflow of job vacancies registered by PES (492,422 and 385,277 respectively). However, job vacancies in these groups appear to have been growing at a slower pace (+4% for service and sales workers and +11% for technicians and associate professionals).

The significant fall in the inflow of job vacancies for skilled agricultural and fishery workers (-25%) is striking, especially because the inflow of job vacancies in this occupational group increased the most in the fourth quarter of 2010. However, the fall is observed in 12 of the 20 countries comprising Chart 11, indicating that this trend was widespread across the EU. A contributory factor may have been the particularly severe winter in Europe.

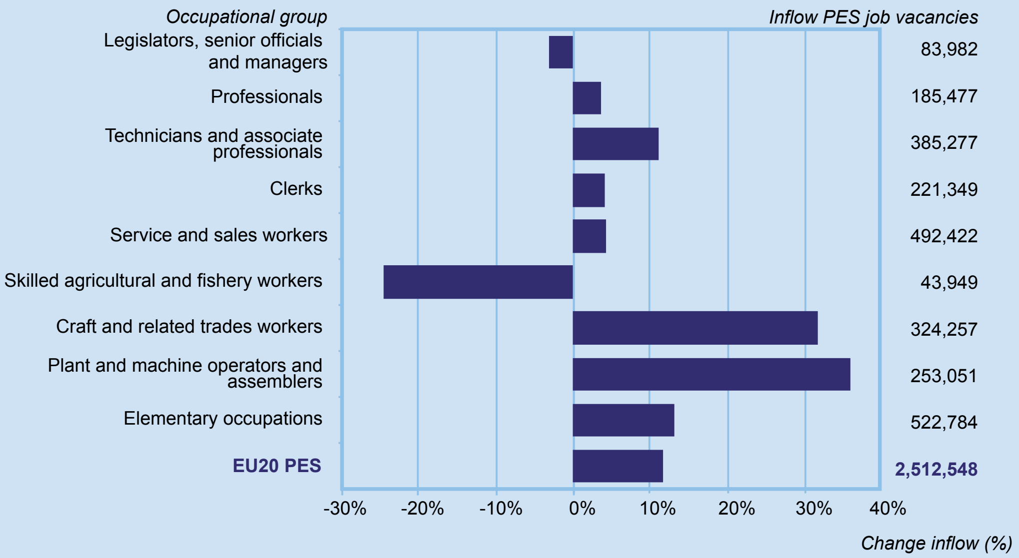
Although the growth in job-finders as legislators, senior officials and managers, and professionals was high (chart 9), this growth is not replicated in the inflow of job vacancies registered by the PES for these occupational groups. While labour demand for these groups seemed to have increased, the low level of job vacancies is most likely due to the low notification ratio with PES for jobs of this type, with employers likely to choose to use other recruitment channels first.

Chart 10: Top 25 number of job-finders by occupation (ISCO 3)
Absolute numbers, 2011Q1



Source: EU LFS data - own calculations (23 countries)
Greece, Hungary, Ireland and the United Kingdom were excluded due to lack of data on ISCO for 2011Q1.
For LFS-data of the first quarter of 2011, only the ISCO'08 classification is available, while only the ISCO'88 classification is available for pre-2011 data. Unlike previous issues of the EVM, comparisons over time on occupations of job-finders are therefore not possible.
Job-finders were employed at the moment of the survey and had been employed for at most three months.

Chart 11: Change in the inflow of PES job vacancies by occupational group (ISCO1)
Percentages, 2011Q1 compared to 2010Q1, absolute numbers of 2011Q1

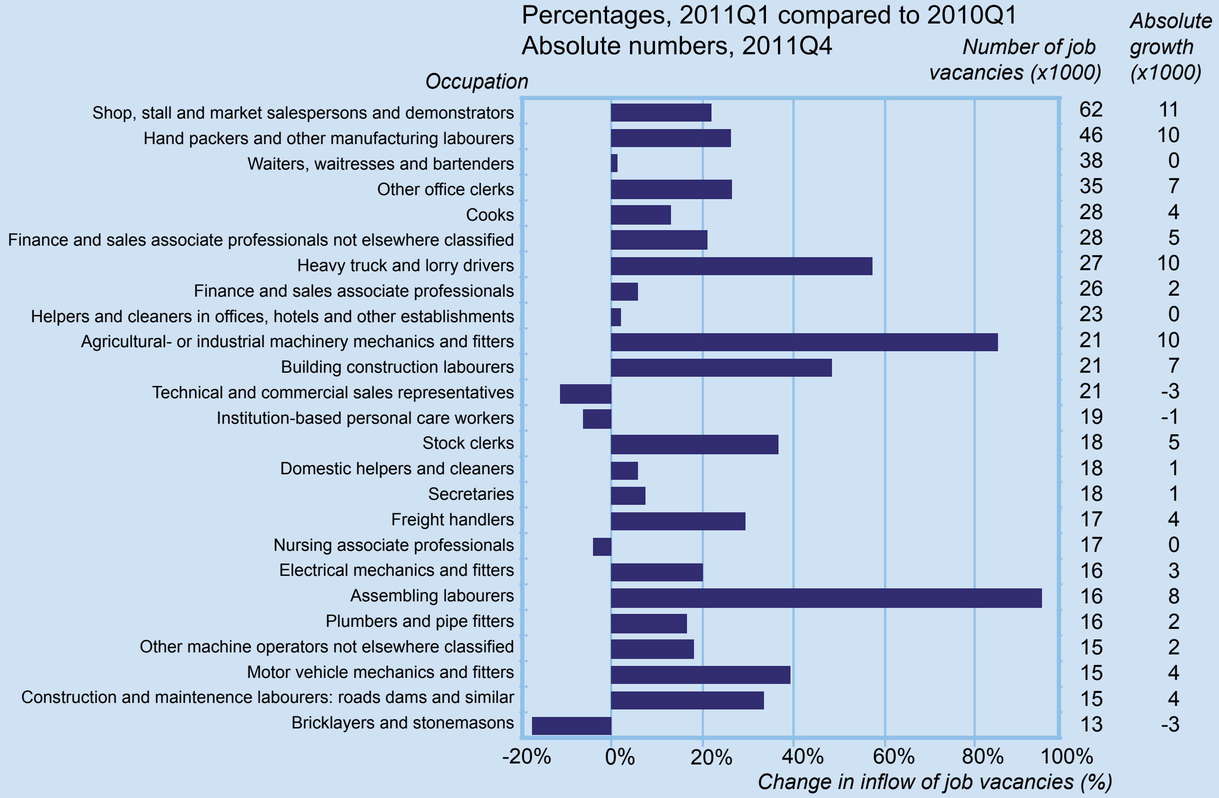


Source: PES - own calculations (20 countries included)
Countries included: Austria, Belgium, Bulgaria, Czech Republic, Cyprus, Germany, Denmark, Estonia, Spain, Finland, Hungary, Ireland, Lithuania, Latvia, the Netherlands, Portugal, Sweden, Slovakia, Slovenia, United Kingdom.
Data on the inflow of job vacancies at public employment services per occupational group is comparable for 20 countries, including Germany with a high share in this total. The category 'unknown' is excluded from this chart. Inflow of PES registered job vacancies refers to new job vacancies which were registered in a certain quarter.

The top 25 inflows (absolute number) of job vacancies by occupation registered by the PES reflects the growth in industry, and the transportation and storage sectors (Chart 12). The largest growth in inflow was for assembling labourers, which grew from around 8,000 new job vacancies in the first quarter of 2010 to approximately 16,000 in the first quarter of 2011 (+96,1%). Also, there was a large increase in new job vacancies for agricultural or industrial machinery mechanics and fitters (+86%) and heavy truck and lorry drivers (+58%). In terms of the actual number of job vacancies flowing into the PES, shop, stall market persons and demonstrators (62,000), hand packers and other manufacturing labourers (46,000) and waiters, waitresses and bartenders (38,000) were the highest.

The dominance of Germany in terms of economic growth and demand for staff among the 14 countries shown is evident in Chart 12, and reflects the strong manufacturing growth in Germany which will have boosted demand for occupations in this sector.

Chart 12: Top 25 inflow of PES vacancies by occupation (ISCO 4)



Source: PES data - own calculations (14 countries)
Countries included: Austria, Belgium, Czech Republic, Germany, Denmark, Spain, Finland, Ireland, Lithuania, the Netherlands, Portugal, Sweden, Slovakia, Slovenia.
Inflow of PES registered job vacancies refers to new job vacancies which were registered in a certain quarter.

V. RELATION OF LABOUR SUPPLY AND DEMAND BY COUNTRY

Job seeker's labour market perspectives improved

The relationship between labour supply and demand has improved in the first quarter of 2011 with respect to the same quarter in the previous year in favour of the job seeker, continuing the trend set in previous quarters. Although still high, there were fewer unemployed per job vacancy and fewer unemployed per job-finder, indicating an increasing number of job openings for jobseekers and a higher chance of finding a job. In general, Northern and Western European labour markets were tighter than Eastern and Southern European labour markets.

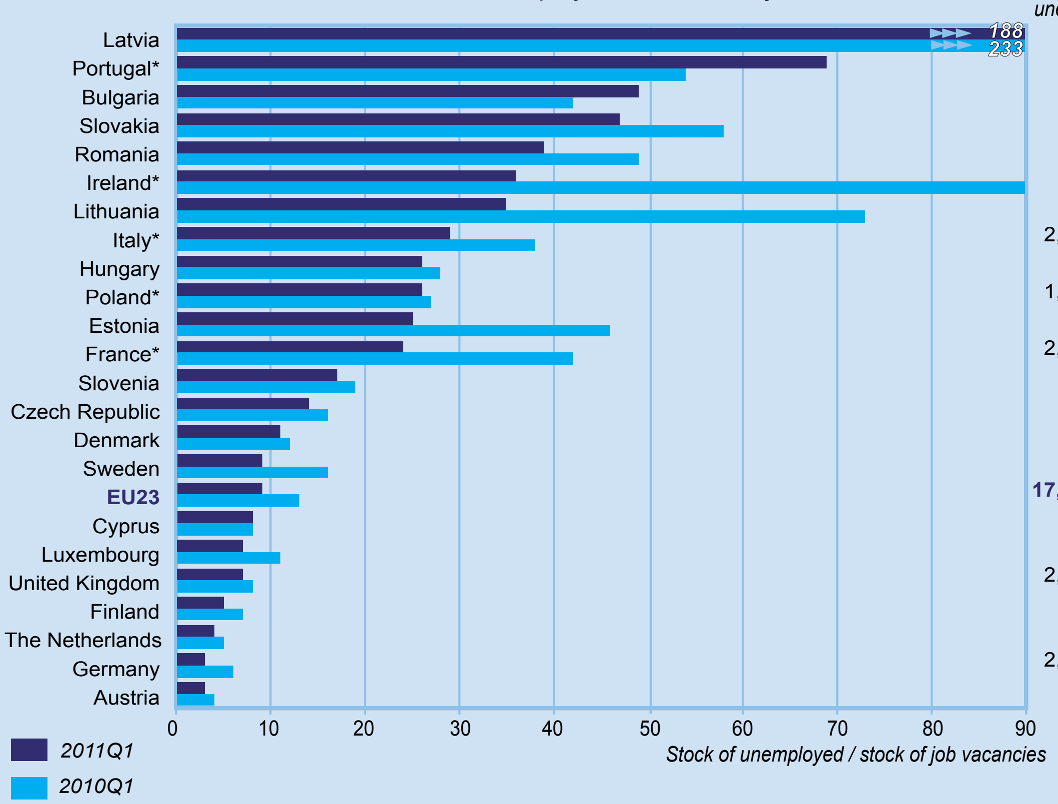
In this section, developments in the relationship between aspects of labour supply (unemployed) and demand (job vacancies, job-finders) are presented. This relationship indicates the tightness of the labour market, which is important from an employer perspective because it can be a guide to the ease with which an employer can meet its recruitment needs. From a job seeker perspective, the relationship indicates the opportunities of finding a job which matches his or her preferences and skills. We not only look at the most obvious indicator: the relation between unemployment (LFS) and the stock of job vacancies (JVS), but also at unemployed (LFS) to job-finders (LFS) because the number of job-finders is a flow figure, rather than a stock figure such as Eurostat's Job Vacancy Statistics (JVS). The ratio of unemployed to the stock of job vacancies tends to be slightly overestimated, because job vacancies in agriculture and the public sector are excluded. High ratios indicate that any recruitment difficulties are not the consequence of labour shortages, but the consequence of mismatches with regard to qualifications or locations.

Still high, but decreasing number of unemployed per job vacancy

For 23 countries (Chart 13), the average number of unemployed per job vacancy has decreased to 8 compared to 10 in the previous quarter and 13 in the first quarter of 2010. In all countries, with the exception of Latvia, Portugal and Bulgaria, the situation has improved in the first quarter of 2011 over the previous year.

Corresponding to the development of job vacancies, the improvement was most pronounced in Ireland (36:1), Lithuania (35:1), Estonia (25:1) and France (24:1). Regional disparities regarding labour market tightness can be observed in this chart: the Northern and Western European labour markets are much tighter than the Eastern and Southern labour markets (though there is still a large excess supply of labour), while the Eastern and Southern labour markets remained more problematic for the job seeker, such as Latvia (188:1), Portugal (69:1), Bulgaria (49:1) and Slovakia (47:1).

Chart 13: Ratio stock of unemployed (LFS) to stock of job vacancies (JVS)
Ratio, 2011Q1 and 2010Q1,
absolute numbers of stock unemployed and stock of job vacancies 2011Q1



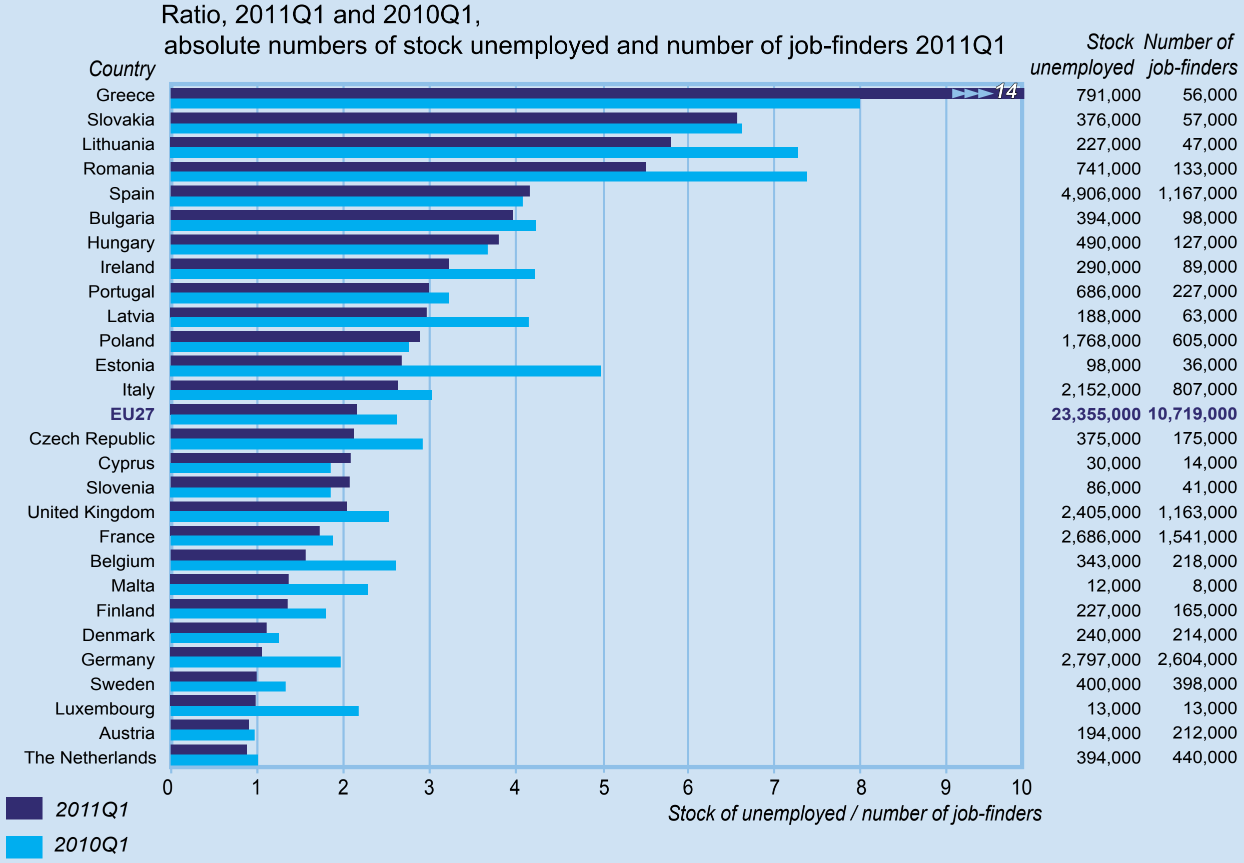
	Stock unemployed	Stock job vacancies
Latvia	188,000	1,000
Portugal*	686,000	10,000
Bulgaria	394,000	8,000
Slovakia	376,000	8,000
Romania	741,000	19,000
Ireland*	290,000	8,000
Lithuania	277,000	8,000
Italy*	2,151,000	74,000
Hungary	490,000	19,000
Poland*	1,768,000	69,000
Estonia	98,000	4,000
France*	2,686,000	112,000
Slovenia	86,000	5,000
Czech Republic	375,000	27,000
Denmark	240,000	22,000
Sweden	400,000	45,000
EU23	**17,307,000**	**1,886,000**
Cyprus	30,000	4,000
Luxembourg	13,000	2,000
United Kingdom	2,405,000	336,000
Finland	227,000	42,000
The Netherlands	394,000	101,000
Germany	2,797,000	890,000
Austria	194,000	72,000

*Source: EU JVS and LFS data (23 countries), * stock of job vacancies is estimated; stock of unemployed: unadjusted, age 15-64. Agriculture and the public sector are excluded from the stock of job vacancies. The ILO definition of unemployment is used.*
The ratio only indicates the tightness of the labour market relative to other countries. See Annex 3 for methodological notes.

Fewer unemployed per job-finder

The relationship between the stock of unemployed to the number of job-finders indicates the extent to which an unemployed person is likely to find a job. Chart 14 shows that on average for the EU27, the number of unemployed per job-finder decreased from 2.6 to 2.2. This indicates that it was theoretically easier for an unemployed person to find a job in the first quarter of 2011 than it was in the first quarter of 2010. The figures show that not only at the EU-level, but in most individual countries, the ratio of unemployed to job finders decreased in the first quarter of 2011 compared to the same quarter in the previous year. Again, regional disparities can be observed, with an increasingly difficult labour market for the job seeker in the Eastern and Southern countries than for the Northern and Western European countries. In some cases, such as Estonia, Belgium, Luxembourg and Germany, the ratio almost halved and suggests a far better labour market situation for job seekers. The exception is Greece where there has been a significant increase in the ratio, making the figure the highest among the EU27.

Chart 14: Ratio stock of unemployed (LFS) to number of job-finders (LFS)
Ratio, 2011Q1 and 2010Q1,
absolute numbers of stock unemployed and number of job-finders 2011Q1



Source: EU LFS data - own calculations (27 countries), stock of unemployed: unadjusted, age 15-64.
The ILO definition of unemployment is used. Job-finders were employed at the moment of the survey and had been employed for at most three months.

PES' excess supply most pronounced for elementary occupations

Looking at PES, on average for the 15 EU countries displayed in Chart 15, there were more than 10 unemployed registered at PES at the end of the first quarter of 2011 for each new job vacancy that was registered by the PES in the whole quarter (10:1). In general terms this indicates a significant excess supply of job seekers for each job vacancy, especially when it comes to elementary occupations (16:1), but also for plant and machine operators and assemblers (10:1), clerks (10:1) and even professionals (10:1). However, a high number of unemployed does not guarantee every job vacancy can be easily filled since this depends on the match of job-seekers and job vacancies in terms of skills, location, terms and conditions on offer, etc.

Chart 15: Stock of unemployed PES / inflow job vacancies PES by occupational group (ISCO1)
Ratio, 2011Q1

Source: PES - own calculations (15 countries)
Countries included: Austria, Belgium, Cyprus, Germany, Estonia, Spain, Hungary, Lithuania, Malta, the Netherlands, Portugal, Sweden, Slovenia, Slovakia, and United Kingdom.
The ratio between the stock number of registered unemployed at PES and the inflow of PES registered job vacancies indicates labour market shortages.The higher the ratio, the less labour market shortage.

Manpower: hard to fill vacancies for skilled trades workers and technicians

According to the Manpower Talent Shortage Survey – a global survey among 40,000 employers, employers in many countries in Europe were having the most difficulty in filling vacancies for skilled trades workers in the first quarter of 2011 (see annex VIII.2). In addition, employers were having some difficulties with filling jobs for technicians. These findings are consistent when comparing to the data in Chart 15, since it shows that craft and related trades workers and technicians and associate professionals have had fewer unemployed per PES job vacancy than most other occupational groups. Also, the growth in the total job vacancies (Chart 6) was highest for the trade and repair sector.

VI. EDUCATION AND SKILLS

Increased demand for high-skilled

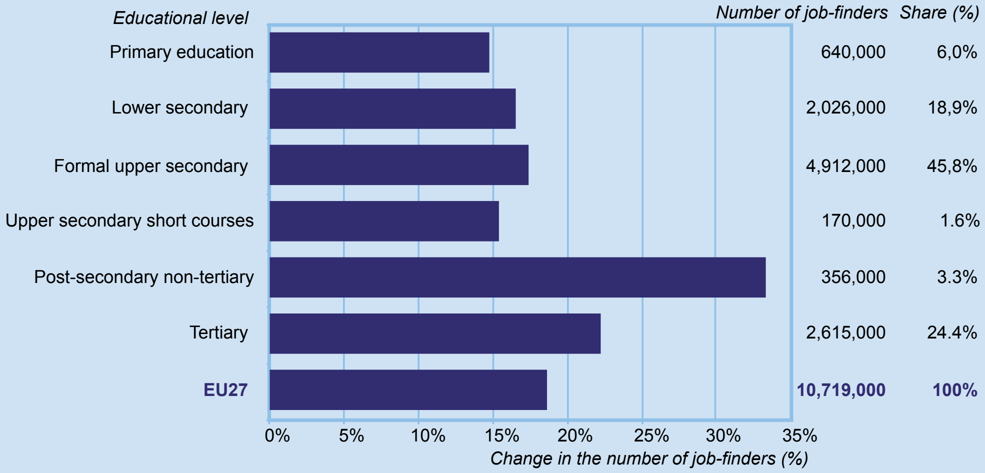
Demand for job seekers with a tertiary education increased significantly in the first quarter of 2011. In the second half of 2010, growth in demand was highest for job seekers with an upper-secondary education (see previous EVM bulletins). Increased labour demand in general is probably linked with increased demand for skilled non-manual labour, because countries with growing labour demand have large shares of job-finders in skilled non-manual labour.

Strongest growth in job-finders with post-secondary and tertiary education

In line with the structure of demand and hiring patterns, skilled job seekers with post-secondary, non tertiary education, benefited most from the growth in labour demand (+33%, Chart 16). However, only 3% of all job-finders have this level of education. Almost half of all job-finders (4,912,000) had a formal upper secondary education, about 2,615,000 job-finders (+ 17%) a tertiary education and about 2,026,000 a lower secondary education (+16%). In the first quarter of 2011, the number of job seekers with a tertiary education increased by +22% compared to the first quarter of 2010. Clearly the demand for high skilled job seekers has increased and is likely to be related to the higher demand for managers, professionals and clerks. Also, there was a strong increase in job-finders in the ICT, finance and other business services sector (see Chart 9), which led to growth in demand for the higher educated.

On average for the 23 EU countries shown (Chart 17), 27% of all job finders in the first quarter of 2011 found a skilled, non-manual job, 36% found a low-skilled non-manual job, 16% a skilled manual job and 21% an elementary job. Therefore, while well over half the job finders were in non manual

Chart 16: Change in the number of job-finders by educational level (ISCED)
Percentages, 2011Q1 compared to 2010Q1, absolute numbers of 2011Q1



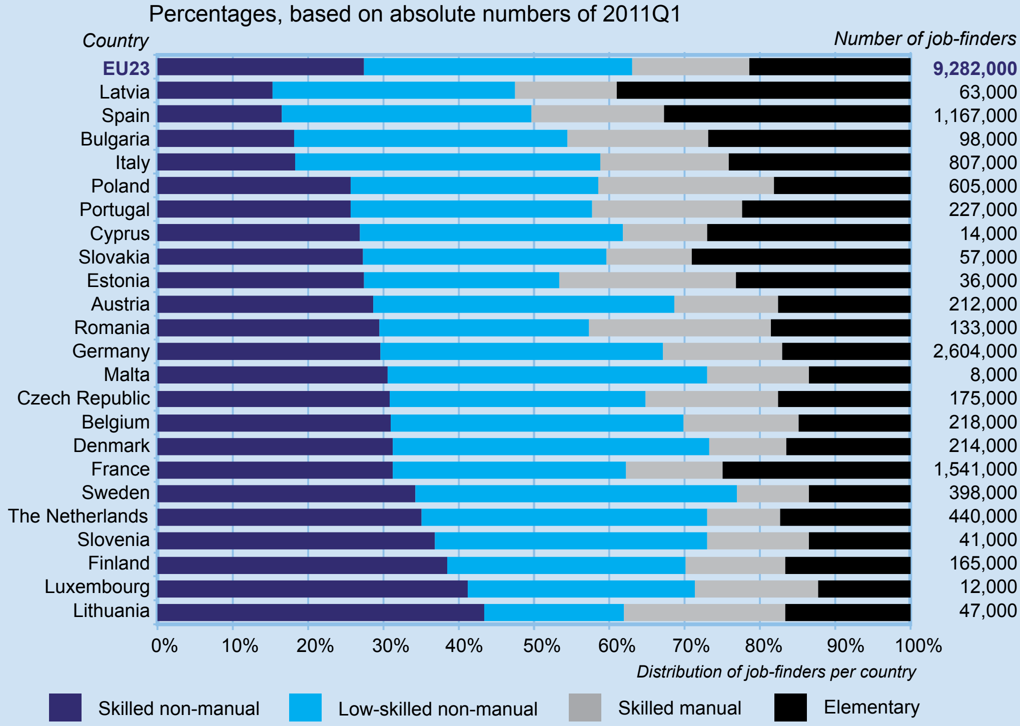
Source: EU LFS data - own calculations (27 countries)
Job-finders were employed at the moment of the survey and had been employed for at most three months.

jobs, elementary (normally low-skilled) jobs are still an important source of work.

In general, the Northern and Western European countries were growing faster in terms of labour demand than the Eastern and Southern European countries. Chart 18 shows that this increased demand is mostly linked to increased demand for skilled non-manual labour. Germany is somewhere between these two groups, and is likely to be accounted for by that country's comparatively large industry sector.

- Top 5 countries with a high share of skilled non-manual labour: Lithuania, Luxembourg, Finland, Slovenia and the Netherlands
- Top 5 countries with a high share of elementary occupations: Latvia, Spain, Slovakia, Cyprus and Bulgaria
- Top 5 countries with a high share of low-skilled non-manual labour:
  Sweden, Malta, Denmark, Italy and Austria
- Top 5 countries with a high share of skilled manual labour: Romania, Estonia, Poland, Lithuania, Portugal

Chart 17: Distribution of the number of job-finders by type of job
Percentages, based on absolute numbers of 2011Q1



Source: EU LFS data - own calculations (23 countries).
Greece, Hungary, Ireland and the UK were excluded due to the lack of data on ISCO for 2011Q1.
The LFS contains information about the number of job-finders by occupational group per quarter. Job-finders were employed at the moment of the survey and had been employed for at most three months.

VII. COUNTRY SPECIAL: POLAND

Long-term upward trend in economic growth and labour demand

Although labour demand in Poland seems to have weakened in the first quarter of 2011, economic growth is still comparatively strong and has been consistently exceeding that of EU27 in the past few years (Chart P1). In fact, since the Republic of Poland was established in 1989, economic growth has generally been well above the EU-average. However, during the period 1998 – 2003, Poland's employment rate declined from 59% to 51%, but since 2003, employment picked up again, eventually returning to 59% in 2010. High levels of economic growth over a longer period of time, combined with at the same time increasing levels of employment suggests that the decline in economic growth and the decline in the growth in labour demand in the first quarter of 2011 can most likely be considered a temporary set back in what is a long term upward trajectory.

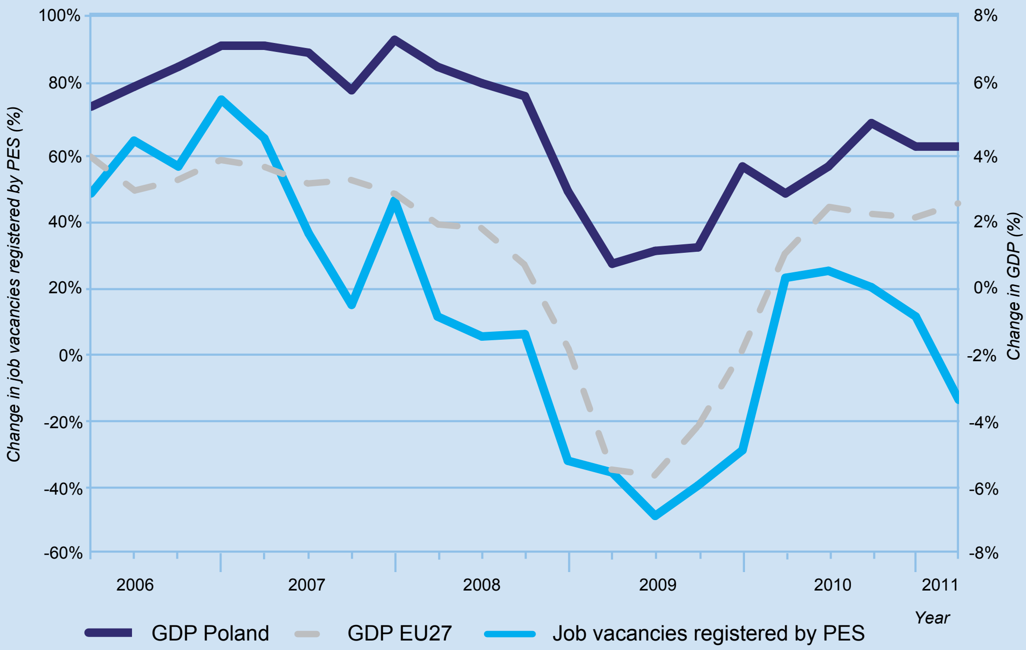
Short term: slowdown in Poland's economic recovery…

Poland continued to recover from recession strongly overall in 2010, economic growth stabilised in the second half of that year and in the first quarter of 2011. During the past few years GDP growth reached its peak in the fourth quarter of 2007, with GDP +7.3% higher than the fourth quarter of 2006 (Chart P1). As consequence of the crisis in 2008, however, economic growth declined at a fast pace, especially after the third quarter, reaching its lowest point in the first quarter of 2009. GDP recovered during the remainder of 2009 and throughout the first half of 2010. In the final quarter of 2010 and in the first quarter of 2011, GDP growth amounted to +4.1%, indicating a levelling out of economic growth.

… leading to less growth in labour demand in the short term

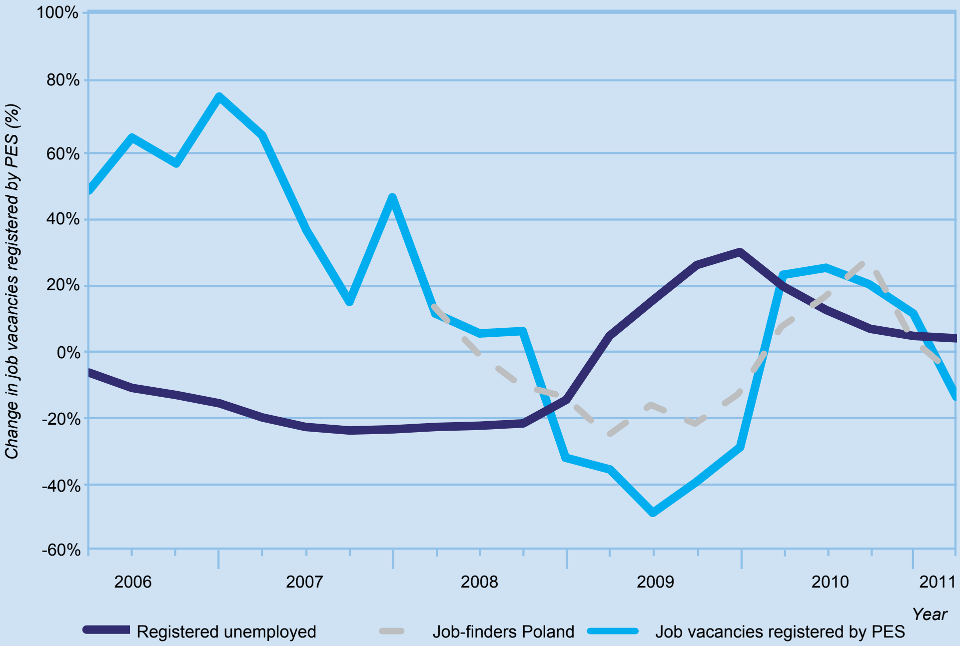
While GDP growth stabilised in the second half of 2010 and the first quarter of 2011, the growth in job vacancies registered by PES had already started to decline in the third quarter of 2010. The demand for labour in Poland - measured in terms of job vacancies registered by PES - until 2010 followed a similar pattern as economic growth (Chart P1). Since the fourth quarter of 2006, growth in job vacancies followed a downward trajectory until the second quarter of 2009, when the number of job vacancies was -49% smaller than in the same quarter of the previous year. When GDP picked up again, the growth in job vacancies increased correspondingly. However, in the second half of 2010 and the first quarter of 2011, growth in the number of PES job vacancies declined again.

Chart P1: Development of job vacancies registered by PES and GDP in Poland
Percentages, compared to the same quarter in the previous year



Source: Central statistical office Poland (job vacancies) and Eurostat (GDP)

Chart P2: Development of job vacancies and unemployed registered by PES and job-finders (LFS) in Poland
Percentages, compared to the same quarter in the previous year



Source: Central statistical office Poland (job vacancies and registered unemployed) and Eurostat (GDP)

Not only was the growth in job vacancies registered by PES declining, but also the growth in the number of job-finders (Chart P2). In the third quarter of 2010, about 849,000 job seekers found a job in Poland. In the first quarter of 2011, this number declined to 605,000, which was -14% less than in the same quarter of the previous year. Correspondingly, the strong decline in the number of registered unemployed at PES since the fourth quarter of 2009 was slowing down: the growth in the number of registered unemployed decreased from +28% in the fourth quarter of 2009 to +3% in the fourth quarter of 2010. Similarly, in the first quarter of 2011, growth in the number of registered unemployed was +3%.

Extremely high share of temporary work

The increase in employment during the period of 2003-2010 was largely accounted for by an increase in temporary employment. In the first quarter of 2010, approximately 26% of all Poland's employees had a temporary contract, compared to 14% for the EU27. Research (Ingham and Ingham, 2011) shows that the reform of the Labour Code in Poland resulted in a significant increase in temporary workers. The reforms reintroduced the possibility of employing workers on temporary contracts without specific time limits. According to the authors, 85% of the growth in the Polish workforce in the period 2003-2007 was composed of temporary jobs. This finding has been confirmed by Eurostat data for job finders since 2007: on average 83% of job finders in Poland found temporary jobs, compared to 55% for the EU27.

Prognosis: stifling of economic growth

In the second and third quarter of 2011, economic growth is expected to stabilise, as confirmed by the figures in the second half of 2010 and the first quarter of 2011. But results of the National Bank of Poland's Quick Monitoring (2011) (a survey of more than 1,100 employers in Poland) show that employers are less optimistic on the general economic climate and enterprises fear that their economic situation may not improve over the coming year. Less enterprises intend to embark on new investment projects in the third quarter of 2011, leading to a slight drop in the employment forecast in this quarter.

Only construction sector continues to grow (+4%)

In Poland, the construction, manufacturing, trade, hotels and restaurants and transport sectors are the main drivers of economic growth in terms of gross value added (Eurostat).This is reflected in the development in the inflow of PES-registered job vacancies in these sectors. This is in line with the picture for the EU as a whole, with the exception of the construction sector which seems to be growing faster in Poland while declining in most other European countries.

In Poland, the construction sector is the only sector that has grown in terms of new job vacancies (+4%). In the public sectors there is -46% less inflow of job vacancies compared to the same half year in the previous year, but also for the agriculture and fishing sectors (-38%), trade, hotels and restaurants and transport (-24%).

Chart P3: Growth in job vacancies per sector (NACE)
Percentages, half year to the same half year in the previous year

Sector (NACE)	First half year 2010	Second half year 2010	First half year 2011
Agriculture; fishing	+6%	+2%	-38%
Manufacturing	+22%	+26%	-8%
Construction	+17%	+40%	+4%
Wholesale and retail trade; hotels and restaurants; transport	+14%	+12%	-24%
Financial intermediation; real estate	+18%	-7%	-7%
Public administration and community services; activities of households	+8%	+0%	-46%
Total	+13%	+13%	-27%

Source: PES (inflow job vacancies), own calculations

Strong growth in demand for service and sales workers (+33%)

Poland's sectoral developments in labour demand were reflected in the demand for occupations. The fastest growing occupational groups were service and sales workers (+33% growth in the first half year of 2011, chart P4), plant and machine operators and assemblers (+5%), managers (+3%) and craft and related trades workers (+1). Demand for service and sales workers has been growing throughout 2010 and in 2011, most likely reflecting the growth in the sectors wholesale and retail trade, hotels and restaurants and transport, in part due to the overlapping occupational structure of these sectors. Similarly, the growth in transport and manufacturing sectors was causing increased demand for plant and machine operators and assemblers, because this occupational group consists for a large proportion of operators and drivers. Growth in management was most likely a reflection of overall labour demand, given the generally non-sector specific nature of management. The increase in demand for craft and trade related workers corresponds to the growth in the construction sector, including the moderate growth in the first six months of 2011. The decline in demand for professionals, technicians and associate professionals and clerical support workers, is likely to be the result of the decline in the financial and real estate sectors and the public administration and community services sectors.

Chart P4: Change in the inflow of job vacancies registered by PES
(half year compared to the same half year in the previous year) (ISCO' 08)

	First half year 2010	Second half year 2010	First half year 2011
Managers	+4%	+9%	+3%
Professionals	+19%	+13%	-24%
Technicians and associate professionals	+13%	-5%	-45%
Clerical support workers	+14%	-3%	-49%
Service and sales workers	+8%	+85%	+33%
Skilled agricultural, forestry and fishery workers	+16%	+32%	-35%
Craft and related trades workers	+14%	+35%	+1%
Plant and machine operators, and assemblers	+30%	+23%	+5%
Elementary occupations	+15%	-38%	-64%

Source: PES (inflow job vacancies), own calculations

Moderate short term effects of Poland's migration on the labour market

Although the precise measurement of migration is problematic, the scale of Polish emigration after EU accession in 2004 is generally regarded as extraordinary (Kaczmarczyk and Okólski, 2008). In 2004, an average of 250,000 Polish citizens was staying abroad for longer than two months, which is 20% more than in 2003. For the most part, the emigrants moved to the UK, Germany and Ireland, and the migrants tended to have an education above the national average, though. Poland's high emigration is not regarded as a brain drain. The domestic supply of higher educated people exceeded the domestic demand for these levels of qualification and as a result, the effects of the emigration on Poland's labour market are considered to be moderate, though there are some expectations of long term effects from this loss of people. The opening of the EU labour market generated new opportunities for Polish workers and according to some commentators, this will help bring about modernisation of the Polish labour market in the long term (Kaczmarczyk and Okólski, 2008).

VIII. OCCUPATIONS PER COUNTRY IN MOST DEMAND

VIII.1. Top 5 PES inflow by country (ISCO4)

AUSTRIA 1. Housekeepers and related workers 2. Waiters, waitresses and bartenders 3. Shop, stall and market salespersons and demonstrators 4. Cooks 5. Freight handlers	BELGIUM 1. Shop, stall and market salespersons and demonstrators 2. Secretaries 3. Domestic helpers and cleaners 4. Assembling labourers 5. Helpers and cleaners in offices, hotels and other establishments
CZECH REPUBLIC 1. Shop, stall and market salespersons and demonstrators 2. Heavy truck and lorry drivers 3. Technical and commercial sales representatives 4. Waiters, waitresses and bartenders 5. Cooks	GERMANY 1. Hand packers and other manufacturing labourers 2. Finance and sales associate professionals 3. Other office clerks 4. Shop, stall and market salespersons and demonstrators 5. Stock clerks
DENMARK 1. Institution-based personal care workers 2. Helpers and cleaners in offices, hotels and other establishments 3. Door-to-door and telephone salespersons 4. Shop, stall and market salespersons and demonstrators 5. Waiters, waitresses and bartenders	SPAIN 1. Building construction labourers 2. Field crop and vegetable growers 3. Construction and maintenance labourers: roads, dams and similar constructions 4. Bricklayers and stonemasons 5. Hand packers and other manufacturing labourers
FINLAND 1. Finance and sales associate professionals 2. Shop, stall and market salespersons and demonstrators 3. Building caretakers, window and related cleaners 4. Market gardeners and crop growers 5. Nursing and midwifery professionals	IRELAND 1. Technical and commercial sales representatives 2. Other office clerks 3. Personal care and related workers not elsewhere classified 4. Door-to-door and telephone salespersons 5. Waiters, waitresses and bartenders
LITHUANIA 1. Forestry labourers 2. Prison guards 3. Construction and maintenance labourers: roads, dams and similar constructions 4. Other machine operators not elsewhere classified 5. Ships' deck crews and related workers	LUXEMBOURG 1. Finance and sales associate professionals 2. Cooks 3. Building construction labourers 4. Protective services workers not elsewhere classified 5. Computing professionals not elsewhere classified

MALTA 1. Door-to-door and telephone salespersons 2. Stall and market sales persons 3. Finance and sales associate professionals not elsewhere classified 4. Customs and border inspectors 5. Waiters, waitresses and bartenders	THE NETHERLANDS 1. Other machine operators not elsewhere classified 2. Helpers and cleaners in offices, hotels and other establishments 3. Shop, stall and market salespersons and demonstrators 4. Waiters, waitresses and bartenders 5. Technical and commercial sales representatives

VIII.2. Manpower top 10 hardest to fill occupations by country

AUSTRIA 1. Technicians 2. Skilled Trades Workers 3. Sales Managers 4. Customer Service Representatives & Customer Support Staff 5. Doctors and Other Non-nursing Health Professionals 6. Machinists/Machine Operators 7. Mechanics 8. IT Staff 9. Restaurant & Hotel Staff 10. Accounting & Finance Staff	BELGIUM 1. Technicians 2. Skilled Trades Workers 3. Labourers 4. Drivers 5. Nurses 6. Secretaries, PAs, Administrative Assistants & Office Support Staff 7. IT Staff 8. Chefs/Cooks 9. Accounting & Finance Staff 10. Managers/Executives (Management/Corporate)
BULGARIA 1. Engineers 2. Managers/Executives (Management/Corporate) 3. Skilled Trades Workers 4. Secretaries, PAs, Administrative Assistants & Office Support Staff 5. Technicians 6. Drivers 7. IT Staff 8. Sales Representatives 9. Accounting & Finance Staff 10. Machinists/Machine Operators	THE CZECH REPUBLIC 1. Skilled Trades Workers 2. Drivers 3. Cleaners & Domestic Staff 4. Designers 5. Doctors and Other Non-nursing Health Professionals 6. IT Managers/Project Managers 7. IT Staff 8. Nurses 9. Teachers 10. Technicians
FRANCE 1. Skilled Trades Workers 2. Drivers 3. Sales Representatives 4. Chefs/Cooks 5. Secretaries, PAs, Administrative Assistants & Office Support Staff 6. Technicians 7. Engineers 8. Machinists/Machine Operators 9. Mechanics rant & Hotel Staff	GERMANY 1. Skilled Trades Workers 2. Engineers 3. Technicians 4. IT Staff 5. Secretaries, PAs, Administrative Assistants & Office Support Staff 6. Sales Representatives 7. Managers/Executives (Management/Corporate) 8. Chefs/Cooks 9. Doctors and Other Non-nursing Health Professionals10 Restau- 10. Sales Managers
GREECE 1. Sales Representatives 2. Technicians 3. Managers/Executives (Management/Corporate) 4. Accounting & Finance Staff	HUNGARY 1. Skilled Trades Workers 2. Supervisors 3. Sales Representatives 4. Mechanics

5. Laborers 6. Secretaries, PAs, Administrative Assistants & Office Support Staff 7. Mechanics 8. Drivers 9. Sales Managers 10. Supervisors	5. Machinists/Machine Operators 6. Drivers 7. Chefs/Cooks 8. Engineers 9. Receptionists 10. Technicians
IRELAND 1. Sales Representatives 2. Engineers 3. Secretaries, PAs, Administrative Assistants & Office Support Staff 4. Nurses 5. Chefs/Cooks 6. Drivers 7. Skilled Trades Workers 8. Managers/Executives (Management/ Corporate) 9. Call Center Operators 10. Quality Controllers	ITALY 1. Skilled Trades Workers 2. Technicians 3. Secretaries, PAs, Administrative Assistants & Office Support Staff 4. Restaurant & Hotel Staff 5. Laborers 6. Sales Managers 7. IT Staff 8. Sales Representatives 9. Accounting & Finance Staff 10. Engineers
THE NETHERLANDS 1. Technicians 2. Managers/Executives (Management/ Corporate) 3. Production Operators 4. Drivers 5. IT Managers/Project Managers 6. IT Staff 7. Accounting & Finance Staff 8. Skilled Trades Workers 9. Chefs/Cooks 10. Mechanics	NORWAY 1. Skilled Trades Workers 2. Engineers 3. Chefs/Cooks 4. Supervisors 5. Drivers 6. Cleaners & Domestic Staff 7. Accounting & Finance Staff 8. Insurance Staff (Qualified Brokers, Clerks, etc.) 9. IT Staff 10. Managers/Executives (Management/Corporate)
POLAND 1. Skilled Trades Workers 2. Managers/Executives (Management/Corporate) 3. Chefs/Cooks 4. Drivers 5. Engineers 6. Machinists/Machine Operators 7. Laborers 8. Project Managers 9. Sales Representatives 10. Secretaries, PAs, Administrative Assistants & Office Support Staff	ROMANIA 1. Skilled Trades Workers 2. Engineers 3. Managers/Executives (Management/ Corporate) 4. Mechanics 5. Accounting & Finance Staff 6. Chefs/Cooks 7. Sales Managers 8. Machinists/Machine Operators 9. Production Operators 10. Laborers
SLOVENIA 1. Skilled Trades Workers 2. Restaurants & Hotel Staff 3. Machinists/Machine Operators 4. Engineers 5. Sales Representatives 6. Drivers 7. Chefs/Cooks 8. Technicians 9. Doctors and Other Non-nursing Health Professionals 10. IT Staff	SPAIN 1. Technicians 2. Engineers 3. Drivers 4. Mechanics 5. Laborers 6. Skilled Trades Workers 7. IT Managers /Project Managers 8. IT Staff 9. Machinists/Machine Operators 10. Doctors and Other Non-nursing Health Professionals

SWEDEN	THE UNITED KINGDOM
1. Skilled Trades Workers	1. Engineers
2. Sales Manager	2. Chefs/Cooks
3. Technicians	3. Managers/Executives (Management/ Corporate)
4. Doctors and Other Non-nursing Health Professionals	4. Sales Representatives
5. Chefs/Cooks	5. Drivers
6. Laborers	6. Technicians
7. Engineers	7. Skilled Trades Workers
8. Sales Representatives	8. Teachers
9. Drivers	9. Accounting & Finance Staff
10. Insurance Staff (Qualified Brokers, Clerks, etc.)	10. IT Staff

Source: Manpower (2011) Talent shortage survey results. Survey of around 40,000 employers in 39 countries held during the first quarter of 2011. The top 10 hardest to fill occupations per country is based on the survey question: "What is the one job you are having the most difficulty filling due to lack of available talent?".

VIII.3. Top 5 in the eures job mobility portal

1) Finance and sales associate professionals
   - Germany 29,800 job vacancies
   - France 3,500 job vacancies
   - Belgium 2,800 job vacancies
2) Shop salespersons and demonstrators
   - Germany 11,300 job vacancies
   - Belgium 5,600 job vacancies
   - Austria 2,600 job vacancies
3) Personal care and related workers
   - The UK 23,600 job vacancies
   - Germany 11,300 job vacancies
   - France 1,800 job vacancies
4) Modern health associate professionals
   - The UK 24,500 job vacancies
   - Germany 9,900 job vacancies
   - Belgium 3,400 job vacancies
5) Electrical and electronic equipment mechanics and fitters
   - Germany 26,600 job vacancies
   - The UK 9,200 job vacancies
   - Belgium 1,600 job vacancies

Based on figures of the EURES Job Mobility Portal on 31 August 2011. For more information, see the European Job Mobility Bulletin

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ANNEX A2 ABBREVIATIONS

Country abbreviations

AT	Austria	IT	Italy
BE	Belgium	LV	Latvia
BG	Bulgaria	LT	Lithuania
CY	Cyprus	LU	Luxembourg
CZ	Czech Republic	MT	Malta
DK	Denmark	NL	Netherlands
EE	Estonia	NO	Norway
ES	Spain	PL	Poland
FI	Finland	PT	Portugal
FR	France	RO	Romania
DE	Germany	SK	Slovakia
GR	Greece	SI	Slovenia
HU	Hungary	SE	Sweden
IE	Ireland	UK	United Kingdom

Other abbreviations

EJMB	European Job Mobility Bulletin
EVM	European Vacancy Monitor
EURES	EURopean Employment Services
ISCED	International Standard Classification of Education (1, 2 = primary, lower secondary, 3, 4, 5= upper, post-secondary, 6 = tertiary education)
ISCO	International Standard Classification of Occupations
NACE	Classification of Economic Activities in the European Community
JVS	Job Vacancy Statistics (EUROSTAT)
LFS	Labour Force Survey (EUROSTAT)
PES	Public Employment Services
Q1	First quarter of the year
TAW	Temporary Agency Work(er)
TWA	Temporary Work Agency

ANNEX A3: DEFINITIONS AND CONCEPTS

Job vacancies

The official definition of a job vacancy is included in Article 2 of Regulation (EC) No 453/2008 and is used by EUROSTAT. A job vacancy shall mean a paid post that is newly created, unoccupied, or about to become vacant: a) for which the employer is taking active steps and is prepared to take further steps to find a suitable candidate from outside the enterprise concerned, and b) which the employer intends to fill either immediately or within a specific period of time. This is a 'stock' number.

Job-finders

Job-finders are people who are employed in a 'reference week' of that quarter and have started their job in a month, or, at most, three months earlier than the month of the 'reference week'. The number of job-finders is calculated quarterly using the EU Labour Force Survey supplied by Eurostat.

Stock, inflows and outflows

A 'stock' number is a statistical term measuring a variable at a certain moment in time. For example, the number of job vacancies available in Germany at 1 January 2011. A 'flow' number is measured in a period of time. For example, the 'inflow' is the number of new vacancies

in the first half year of January. Obviously, this number is always higher than the stock number, because some vacancies are immediately filled and others are withdrawn.

Job vacancy range or market range

The job vacancy range or market range of a recruitment channel (for example the PES) is the number of job vacancies that has been reported in this channel, set off against the total number of job vacancies in the total labour market. This can be stock, inflow or outflow information.

Job vacancy share or market share

The job vacancy share or market share of a recruitment channel (for example a PES) is the number of job vacancies that has been filled by the specific channel, set off against the total number of filled job vacancies in the labour market. By definition, this is outflow information.

Educational field

The classification of educational field is based on the international standard. This standard is the two-digit ISCED-97 classification to which Eurostat adds a third digit level for a more flexible system. The LFS data by educational field are generally presented at the one-digit ISCED-97 aggregate level. Only for science, mathematics and computing, and military and defence, the LFS data are presented at a more detailed level.

Methodological notes on job vacancy statistics (JVS) - Eurostat

Data on the stock of job vacancies are collected by the national statistical offices of almost all EU countries. Most statistical offices collect these data by means of surveys, but France, Cyprus, Lithuania, Luxembourg, Malta, Austria, Slovenia and UK collect these data by means of administrative data. Also, the sampling unit is the enterprise in most countries, but the local unit in seven countries: Denmark, Germany, Spain, the Netherlands, Poland, Portugal and Sweden. In those seven countries, enterprises are not approached at the corporate level, but a sample of local branches is approached to fill in the survey. These differences need to be born in mind when comparing stocks of vacancies between countries.

Another major difference between countries is that in some countries data are not collected for certain sectors or small companies. No data are collected for the agriculture sector in half of the countries: Austria, Cyprus, Denmark, Spain, Finland, France, Greece, Ireland, Italy, Malta, Portugal, UK and since 2010Q2 also Estonia. For the other countries, the number of agriculture vacancies comprises 1% of all vacancies or less in most West European countries, 2% in Germany and between 2 and 3% in new Member States. Agriculture is excluded from the analysis for international comparability and because the impact of agriculture on the total level is small.

For the public sector, data on job vacancies are not collected in six countries: Austria, Denmark, France, Italy, Malta and Poland. In Portugal data for the public sector are collected for education and healthcare, but not for public administration. To represent vacancy developments as fully as possible, Chart 1 presents data all available data inclusive the public sector where possible and exclusive the public sector else. In Spain, vacancy data for the public sector are collected from different sources, and the use of sources has changed per 2010Q1. For this reason, Spain is excluded from the analysis.

For small enterprises, defined as having less than 10 employees, no job vacancy data are collected in France, Italy and Malta. For international comparability the stock of vacancies in small enterprises was estimated for France and Italy. Malta was excluded from the analysis, since estimates cannot reasonably reflect developments in this small country. For France and Italy, the stocks of vacancies are estimated separately for large and small enterprises and then added up. For large enterprises the job vacancy rates published by Eurostat is multiplied with the employment in large enterprises according to the INSEE and Istat websites. For the stock of vacancies in enterprises with less than 10 employees, we additionally assumed that the vacancy rate is the average of the vacancy rate of small enterprises in Spain, Portugal and Sweden. Thus, the estimated stock of vacancies partly reflects a sound estimate for large enterprises and partly an expert approximation for small enterprises. But more importantly, it must not be ruled out that differences with for example Germany originate from different sampling units (corporate versus local) or different sources (administrative versus survey).

For Austria and Poland, the job vacancy rate and the number of employees are published separately by Eurostat, and the stock of vacancies is calculated by multiplying the two.

Finally, data in small sectors are sometimes missing in certain quarters, most notably mining, water and electricity in Germany, real estate in Estonia and real estate and the finance sector in Portugal. These values were partly derived these values from the other sector totals and partly by intrapolating between values of the preceding and subsequent quarter.