

Foreword



After a prolonged crisis that has seriously affected the lives of many citizens, and strained our labour market and welfare institutions, we are finally seeing some, if clearly fragile, economic recovery. Unemployment decreased in 2014 but it is still far too high, and new job creation is still too slow. That is why the new Commission is focusing on restoring job creation and getting more people into work.

The ESDE 2014 Review looks back to the crisis years to extract valuable lessons to face the challenges ahead. It examines the impact of the crisis across Member States to determine which of them and why they have better weathered the storm. We find that the most resilient countries have labour market and welfare institutions that promote social fairness and contribute to recovery and growth. These countries have more open and labour markets, invest more in life-long learning and activation, and protect people throughout their lifetime while helping them realise their full employment potential. This confirms the need to continue with labour market reforms and the modernisation of our social protection systems.

The Review also demonstrates that even if the recovery has seen some reduction in divergence, the gap is still large. Pursuing structural reforms at national level will also help to restore convergence, in particular in the Eurozone.

The Review highlights that stronger investment in skills is vital for competitiveness and sustained growth and jobs. Public and private sector organisations have complementary roles in the provision of training and life-long learning. It shows, for instance, that the most competitive countries in the EU, and in the world, are those where businesses invest most in skills. Investment in human capital is crucial to success.

The Investment initiative launched by President Juncker will make a real difference to face the legacy of the crisis and prepare our future growth. Through the new European Fund for Strategic Investments (EFSI), funding will also be available for projects that can help create more and better jobs.

This publication makes an invaluable contribution to the analysis of our policies, and shows that structural reforms work.

A handwritten signature in black ink, appearing to read 'M. Thyssen', with a large flourish at the end.

Marianne Thyssen
*Commissioner for Employment,
Social Affairs, Skills and Labour Mobility*