



Towards a European Pillar of Social Rights

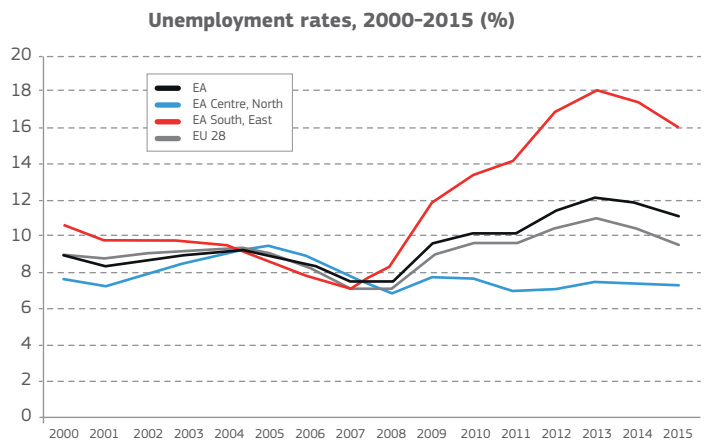
#SocialRights

European Pillar of Social Rights: Key economic, employment and social trends

The European Pillar of Social Rights will set out a number of essential principles to support well-functioning and fair labour markets and welfare systems within the euro area. Some trends are new, others are long-standing but require further action to address them. This factsheet illustrates some of these key trends.

PERSISTENT DIVERGENCES IN UNEMPLOYMENT IN THE EURO AREA

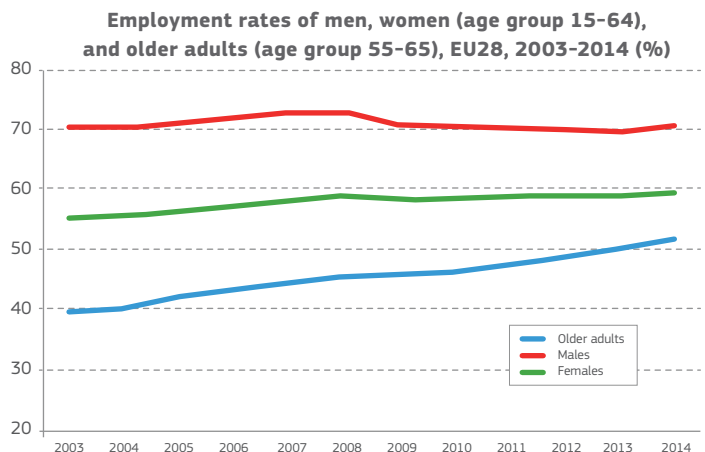
The impact of the crisis on employment in the euro area has been profound and uneven. Convergence has restarted, but not fast enough to make up for lost ground. The unemployment gap between least and most affected countries increased from 8 percentage points during the crisis to 20 percentage points in 2015.



Source: Eurostat. Note: 2015 based on three first quarters

HIGHER PARTICIPATION OF WOMEN AND OLDER WORKERS

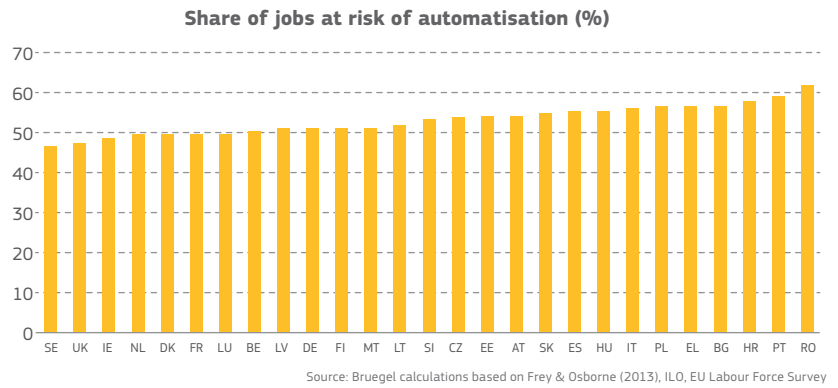
A positive trend of recent years has been the steady and converging growth in labour market participation of women and of older workers, which has at least partially offset the decline in workforce in many countries. Female workforce participation has consistently gone up (from 56.1% in 2005 to 59.6% in 2014).



Source: Eurostat

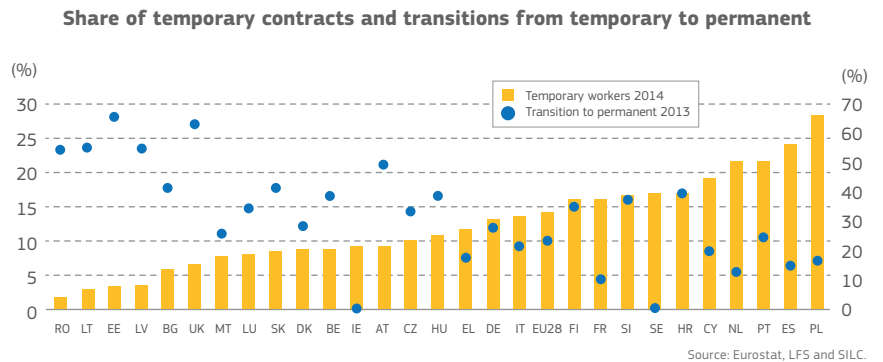
TECHNOLOGICAL CHANGE LEADING TO SHIFTS IN OCCUPATIONS

Technology and digitally powered automation are producing long-term shifts in occupations, with half of EU jobs at risk of automatisisation. The share of jobs involving routine tasks is decreasing, while that of jobs requiring digital and high-level problem skills is increasing. By 2025, less than 15% of job openings would be for the low qualified.



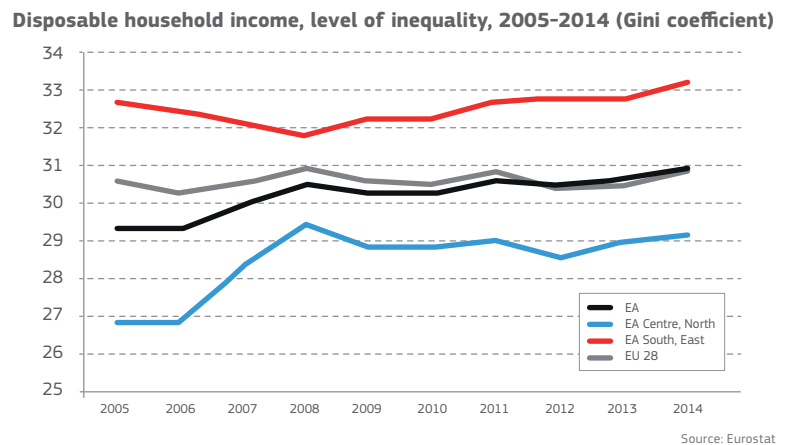
CHANGES IN EMPLOYMENT CONTRACTS

Structural changes in employment have been reflected in the increase in temporary types of employment contracts across Member States. Only 22% of temporary workers manage to access permanent employment. Labour market segmentation decreases, but remains high across the euro area.



PERSISTENT INEQUALITIES

In almost half of the countries, income inequalities among European households increased in twelve EU countries between 2008 and 2012. Unemployment, in particular, has been a key driver of rising inequality during the crisis. Growing polarisation between well paid and low paid jobs is also contributing to this.



DEMOGRAPHIC TRENDS AND ADJUSTMENTS IN SOCIAL PROTECTION

The EU would move from having four working-age people for every person aged over 65 years to about two working-age persons by 2060. Health and pension expenditure increased more than social expenditure towards working age adults since 2000. This raises a big challenge for the adequacy and sustainability of social protection.

