

Monthly Labor Market Fact Sheet – March 2012



Prishtina, 13 March 2012 -The unemployment rate hit a new high at 10.1 % in the EU in January 2012, above the symbolic threshold of 10 %, up by 0.1 pp on the previous two months. The number of unemployed continued to trend up in January, reaching 24.3 million, with a sustained increase over the last six months generating on average 200 000 more jobless par month.

Divergence among EU labour markets remains high, as the number of unemployed has fallen over the last three months in six Member States, while it has increased in most countries, sometimes sharply. Since March 2011, the EU unemployment rate has grown by 0.6 pp, accounting for 1.625 million more jobless.

While unemployment has still modestly decreased in a few Member States, since spring 2011, it went up progressively in most Member States. German unemployment has fallen steadily over the past two years, reaching a close to historic low at the end of 2011. Yet, there was a slight upturn in January 2012, for the first time since June 2009.

The number of unemployed rose in most Member States over the three months to January 2012 and all large Member States are now affected. The ongoing deterioration hit men more than women, the gender gap has disappeared as it did in spring 2009: both men and women posted an unemployment rate of 10.1 % in January 2012.

Youth unemployment remains critical, as its rate climbed by 0.2 pp in January 2012 on the month, to a new historic high at 22.4 %. This is 1.3 pps up on January 2011 and 0.4 pp up on October 2011. The unemployment rate for young people remains at least twice as high as for adults in all Member States, except Germany.

Huge contrasts persist between Member States: the youth unemployment rate is higher than 20 % in about two-thirds of countries and close to 50 % in Spain and Greece, while it is less than 10 % in only three countries: Germany, Austria and the Netherlands.

Despite the currently uncertain economic context, EU firms' employment expectations remain broadly optimistic in industry, but depressed in the other sectors. Hiring activity remains positive with on-line labour demand continuing to grow, at a significantly slower pace, while restructuring activity went down in February, with a still slightly negative impact on jobs. ***