

Is unemployment inevitable?

Structural changes and labour market perspectives

Christine Erhel

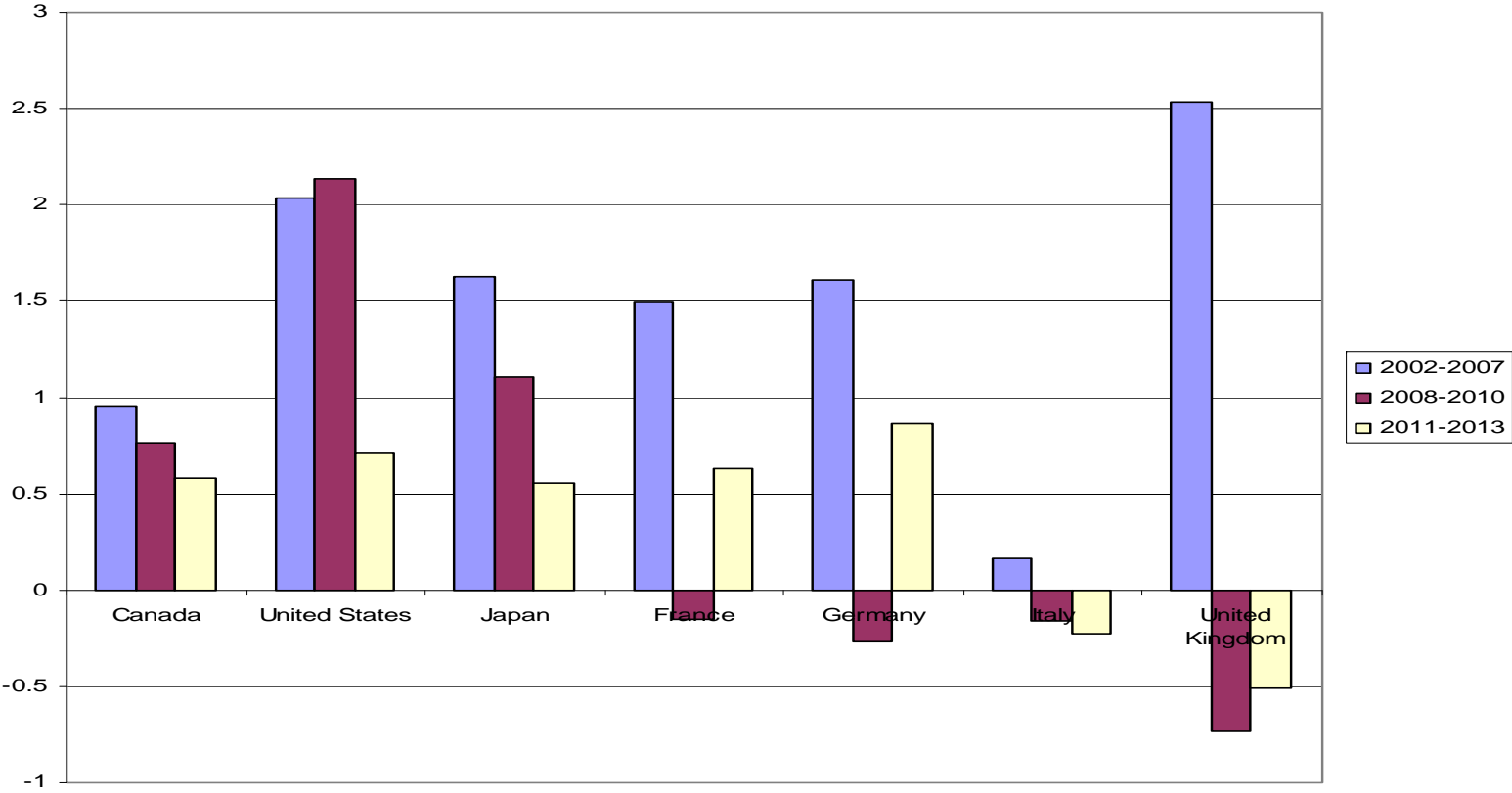
CEE et Université Paris 1/CES

Bruxelles, 26/09/2014

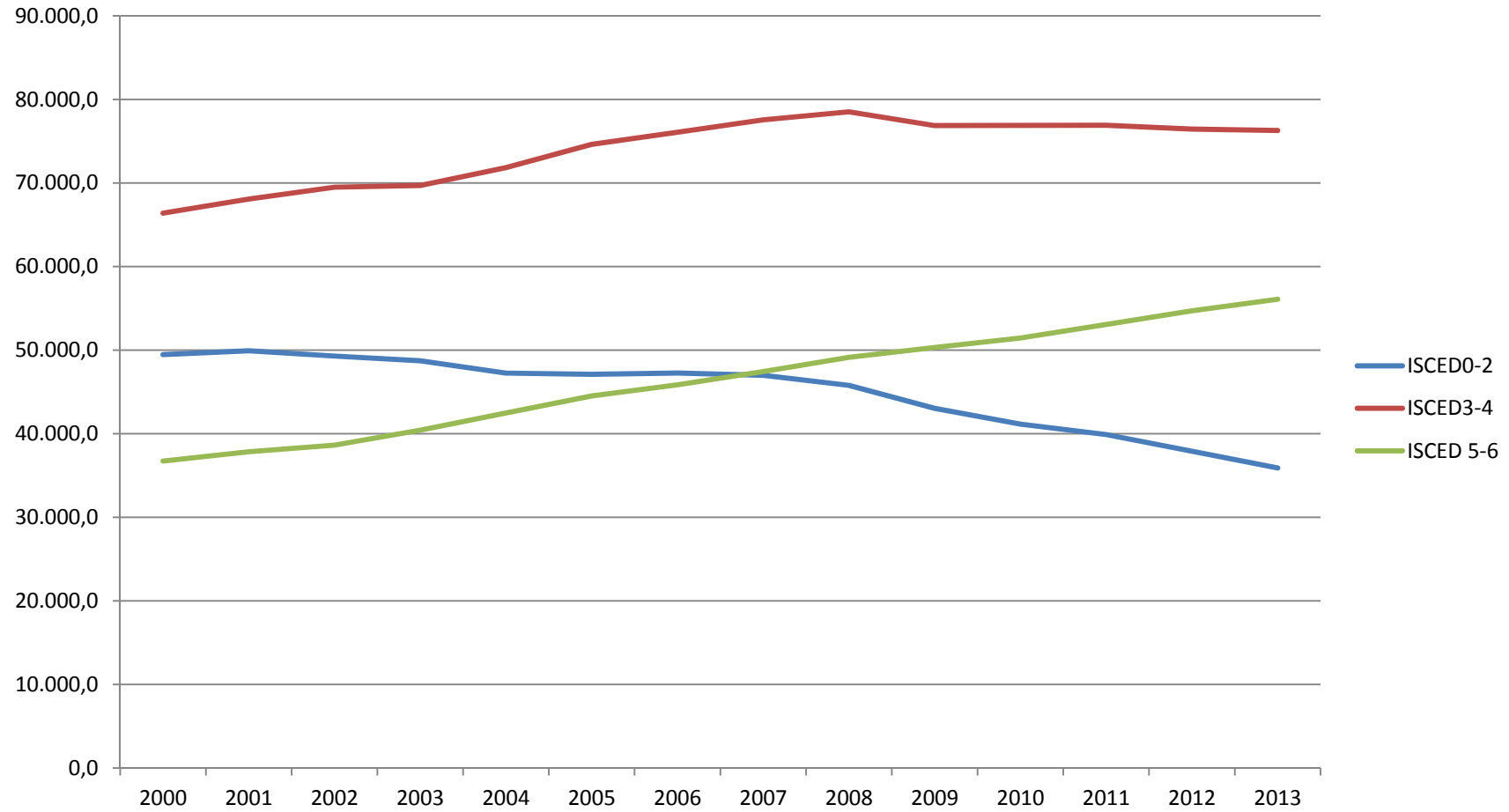
- Short-term perspectives: uncertain and heterogeneous across the EU
- Focus on two medium run challenges resulting from structural changes in European labour markets:
 - Growing inequalities by education levels>>education challenge
 - Job quality heterogeneity>>job quality challenge

Short term perspectives: potential growth hampered by a low labour productivity growth?

Average Labour productivity Growth. G7
(Source: OECD July 2014)

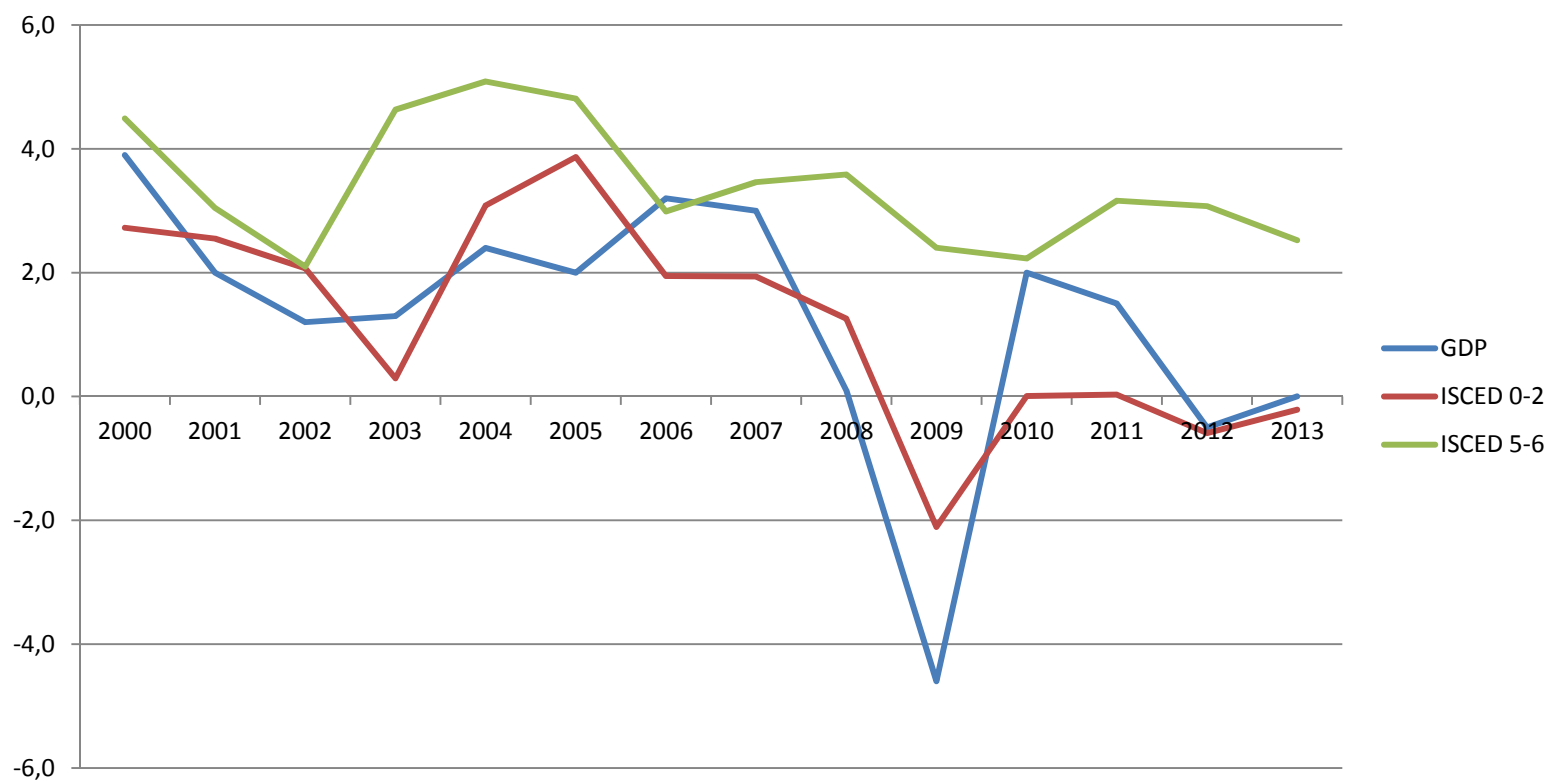


A more educated workforce: trends in employment by education levels (EU 15)



Source: LFS

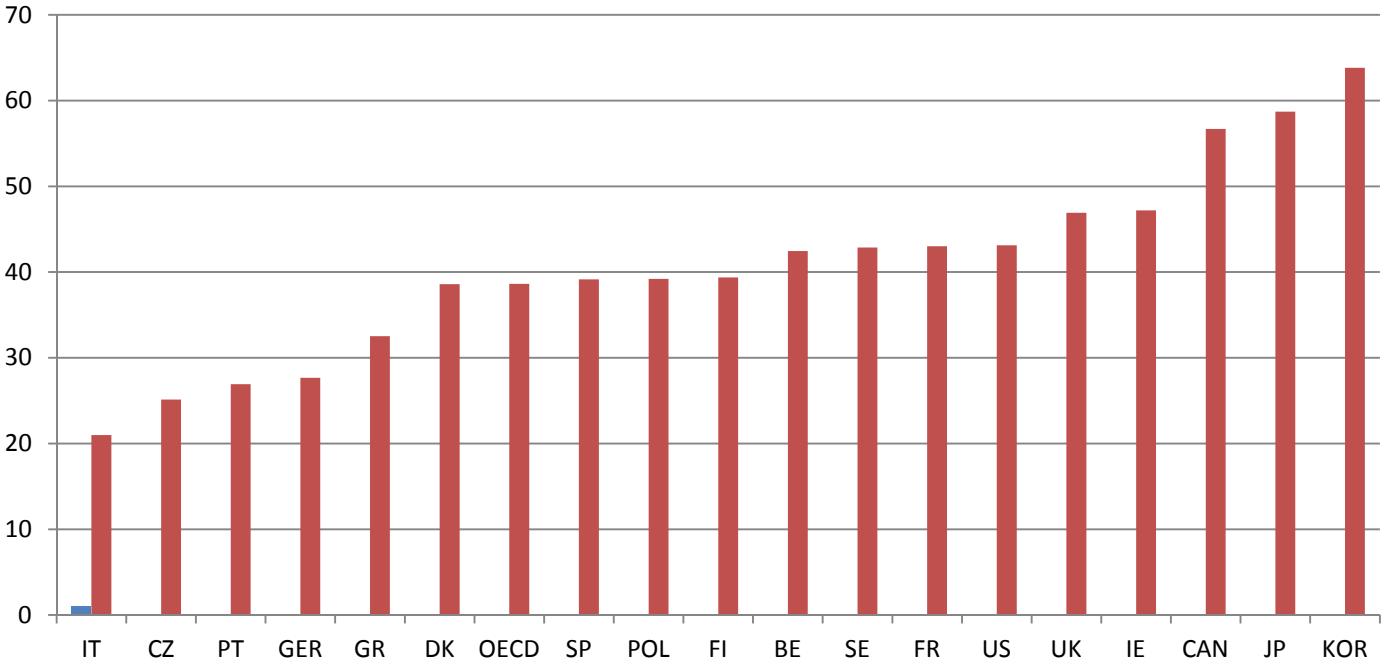
Employment and economic cycle: different sensitivity according to education levels (EU 15)



Source: LFS

Education challenges:

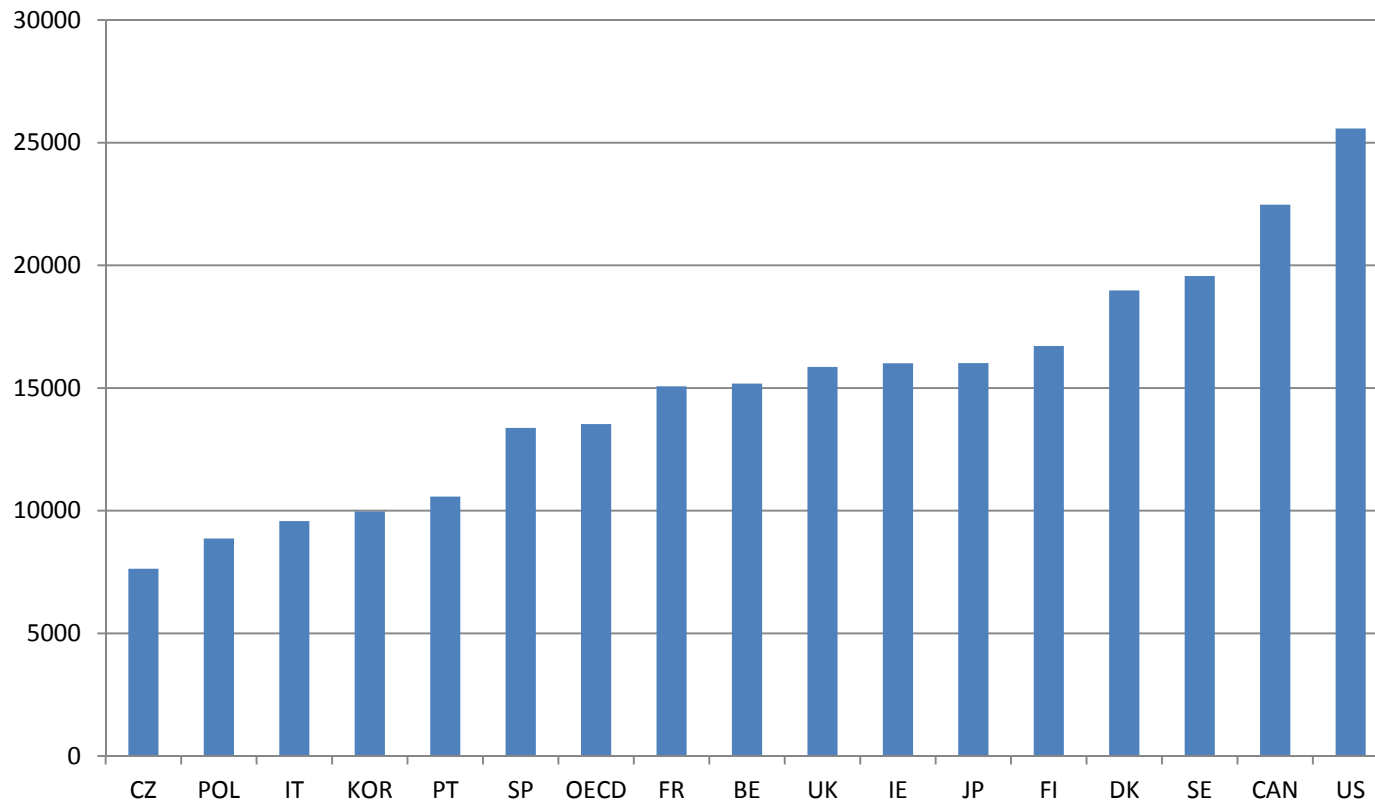
Attained a tertiary education degree, 25-34 year-olds (%)



Source: OECD

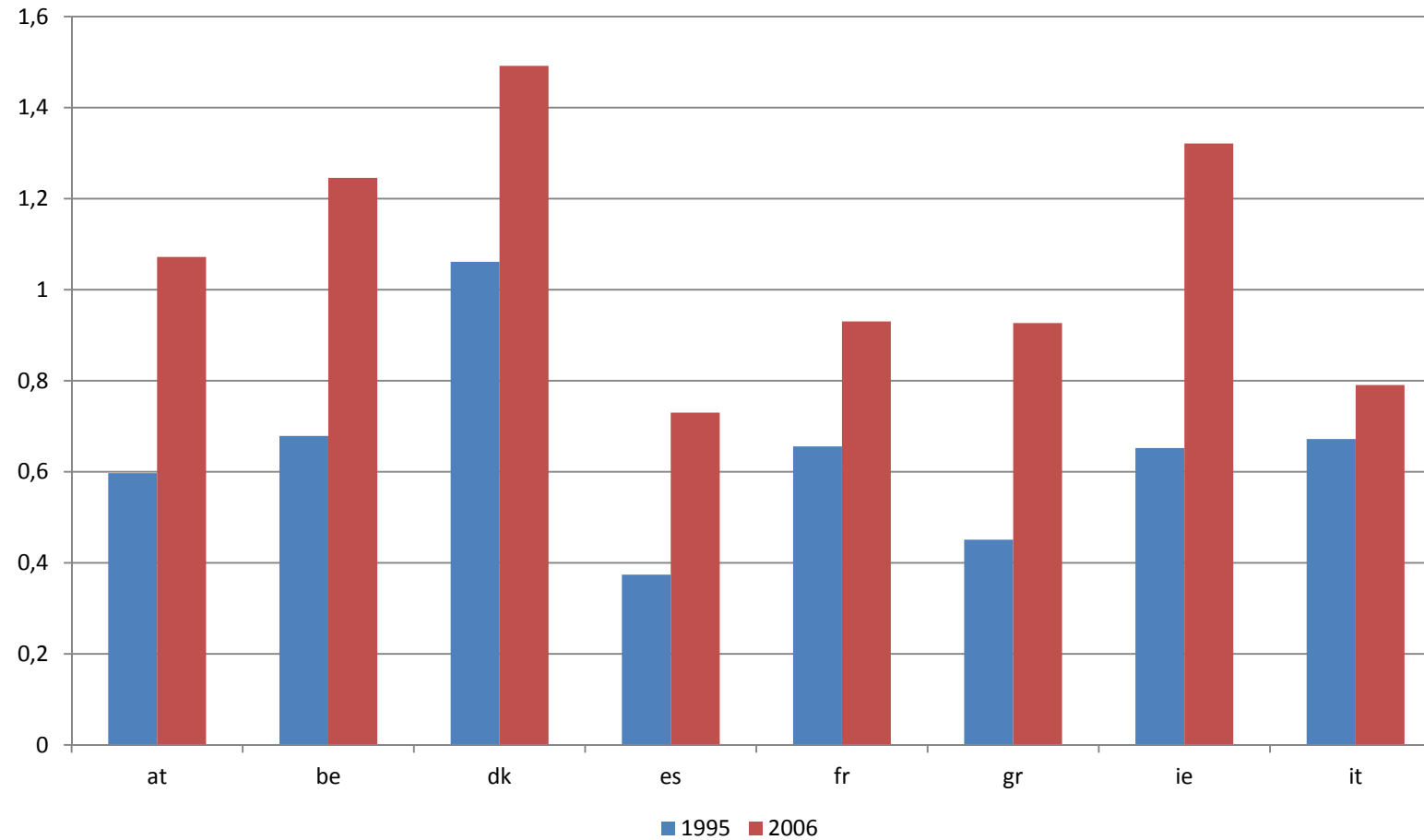
Education challenges:

Expenditure per student, tertiary education including R&D activities
(annual, equivalent USD using PPPs)



Source: OECD

Job quality trends: before the crisis, and upward trend with some polarization

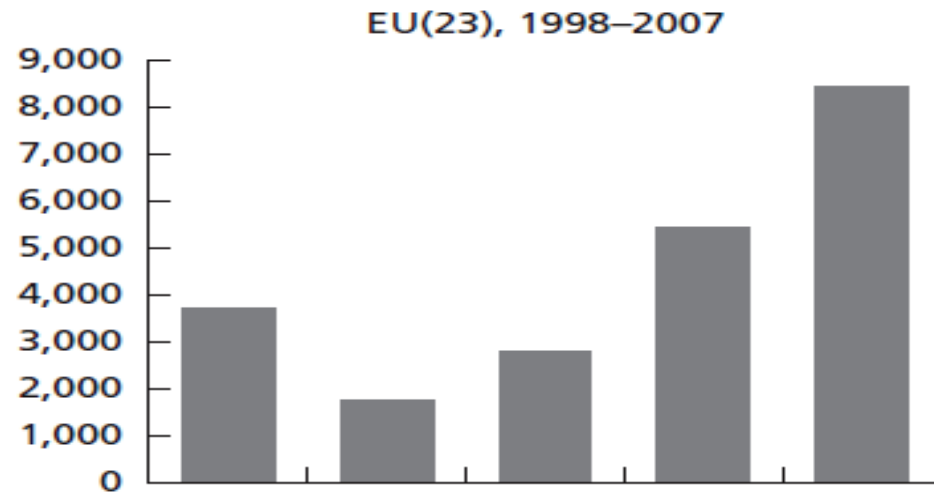


Source: ERHEL C., GUERGOAT-LARIVIÈRE M. (2011), "Job quality: A comparative perspective on the basis of EU indicators", *WISO – Wirtschafts- und Sozialpolitische Zeitschrift* (<http://www.isw-linz.at/>, 3/2011)

Job quality trends:

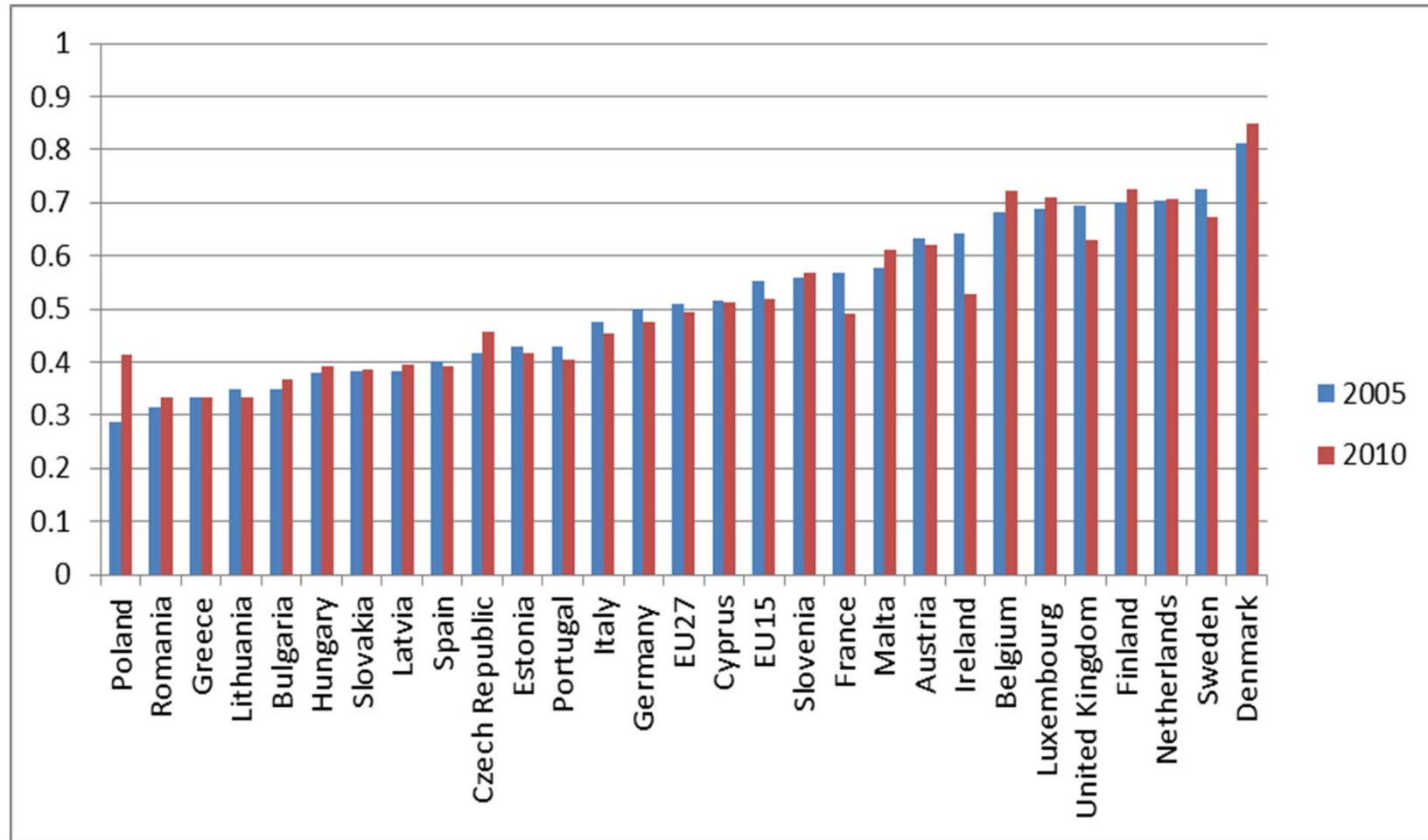
before the crisis, and upward trend with some polarization

Job creations by wage quintiles (thousands)



Job quality quite stable during the crisis period

Job Quality Index between 2005 et 2010



Source: Erhel C., Guergoat-Lariviere M., Leschke J., Watt A. (2012), "Trends in job quality during the Great Recession: a comparative approach for the EU", *Document de travail du CEE*, novembre 2012

Job quality : policy challenges

A policy matrix (Osterman, 2008)

Table 6.3 Policy Matrix

	Standard setting	Programmatic
Make bad jobs good	Minimum wage	Career ladders
	Living wages	Intermediaries
	Unionization	Sectoral programs
Create more good jobs	Community benefit agreements	Extension services
	Managed tax incentives	Sectoral programs
		Consortia or partnerships under business or union auspices