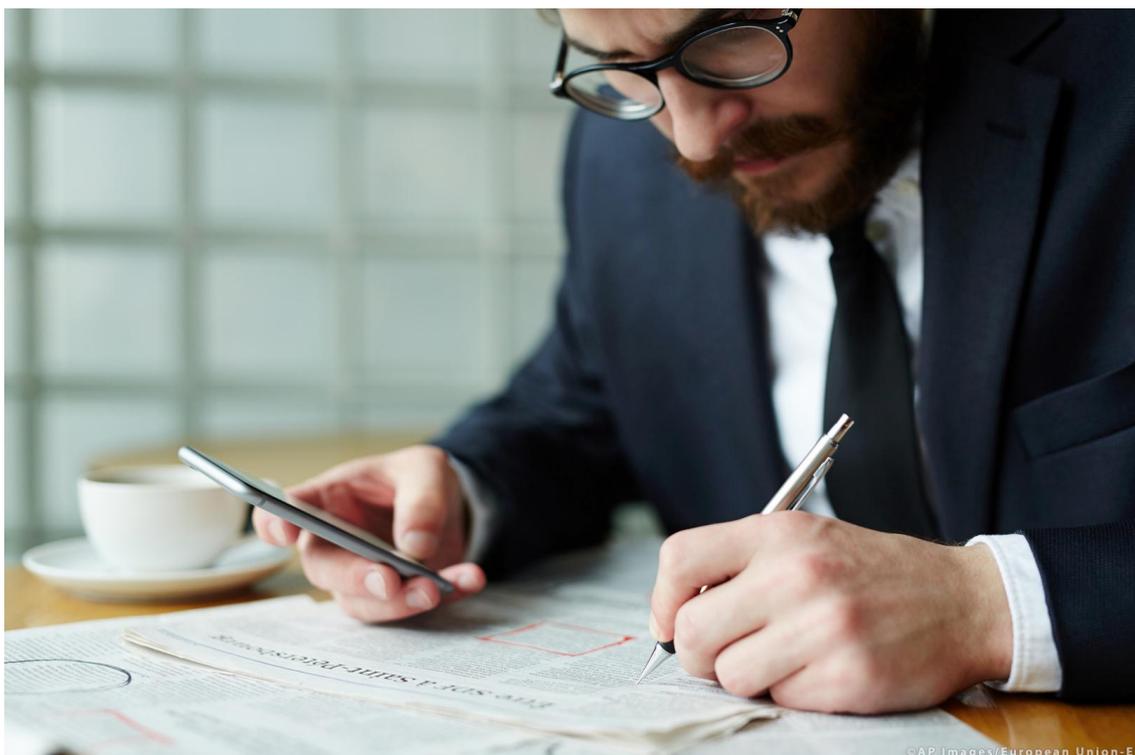


Reducing unemployment: EU policies explained



Looking for a job can be a challenge © AP Images/European Union - EP

The EU aims to have three quarters of people aged 20–64 have jobs by 2020. Find out how the EU works to reduce unemployment and fight poverty.

The economic and financial crisis of 2008 hit the global economy, leading to unemployment increasing in all EU countries.

Although EU labour market conditions and workers' rights have significantly improved in recent years, the fight against unemployment remains one of the EU's key challenges on its way towards quality jobs and a [socially inclusive Europe](#).

Efforts have been made in a number of areas, including helping young people enter the labour market, combating long-term unemployment, upgrading skills, and facilitating workers' mobility in the EU.

EU unemployment rate

Since mid-2013, the [EU's unemployment rate](#) has continued to decline.

In April 2019, it fell to 6.4% (from 7.0% in April 2018), the lowest level since the start of the EU monthly publication of unemployment statistics in January 2000. In the euro zone, the unemployment rate was 7.6% in April 2019, down from 8.4% in April 2018.

EU vs member state competencies

EU countries are still primarily responsible for employment and social policies. However, the EU complements and coordinates member state actions and promotes the sharing of best practices.

According to [article nine](#) of the Treaty on the Functioning of the European Union, the EU should consider the objective of a high level of employment when defining and implementing all of its policies and activities.

European employment strategy and targets

EU countries established a set of common objectives and targets for employment policy to fight unemployment and create more and better jobs in the EU. This policy is also known as the [European employment strategy](#) (EES).

Launched in 1997, this employment strategy forms part of the [Europe 2020 growth strategy](#), which gives an overall view of where the EU should be on key parameters by 2020 in different areas such as education and the fight against climate change and is used as a reference framework for activities at EU, national and regional levels.

The [goals](#) set for 2020 are: **75% of people aged 20–64 to be in work**, while the 116.1 million people (all EU countries apart from the UK) who had been at risk of poverty or social exclusion in 2008 should be cut to 96.2 million people.

In 2017, 72.2% of the EU population aged 20-64 were employed, just 2.8 percentage points below the 2020 target.

In 2016, 118.0 million people were at risk of poverty or social exclusion in the EU.

The European Commission monitors and implements the strategy through the [European Semester](#), an annual cycle of coordination of economic and employment policies at EU level.

The social and employment situation in Europe is evaluated in the context of the EU Semester and based on the [Employment Guidelines](#), common priorities and targets for national employment policies. In order to help EU countries move forward, the Commission issues country-specific recommendations, based on their progress towards each goal.

How it is funded

The [European Social Fund](#) (ESF) is Europe's main instrument to ensure fairer job opportunities for everyone living in the EU: workers, young people and all those seeking a job.

The European Parliament proposes to increase funding in the next EU's long-term budget for 2021-2027 with a primary focus on education, employment and social inclusion. The new version of the fund, known as the [European Social Fund Plus](#) (ESF+), would boost the quality of work, make it easier for people to find work in a different part of the EU, improve education, as well as promoting social inclusion and health.

The Employment and Social Innovation Programme (EaSI) aims to help modernise employment and social policies, improve access to finance for social enterprises or vulnerable people who wish to set up a micro-company and to promote labour mobility via the [EURES network](#). The European Jobs Network facilitates mobility by providing information to employers and jobseekers and also features a database of job vacancies and applications across Europe.

The [European Globalisation Adjustment Fund](#) (EGF) supports workers losing their jobs due to globalisation, as companies may shut down or move their production to non-EU countries, or the economic and financial crisis, in finding new work or setting up their own businesses.

The [Fund for European Aid to the Most Deprived](#) (FEAD) supports member state initiatives to provide food, basic material assistance and social inclusion activities to the most deprived.

The updated version of the ESF+ would merge a number of existing funds and programmes, such as the ESF, the EaSI, the FEAD, the Youth Employment Initiative and the [EU health programme](#), pooling their resources and providing more integrated and targeted support to people.

Fighting youth unemployment

Among the EU measures to combat [youth unemployment](#) is the [Youth Guarantee](#), a commitment by member states to ensure that all young people under the age of 25 years receive a good-quality offer of employment, continued education, an apprenticeship or a traineeship within four months of becoming unemployed or leaving formal education. The implementation of the Youth Guarantee is supported by EU investment, through the Youth Employment Initiative.

The [European Solidarity Corps](#) allows young people to volunteer and work in solidarity-related projects across Europe. The [Your first EURES job platform](#) helps young people aged 18 to 35,

and interested in gaining professional experience abroad, find a work placement, traineeship or apprenticeship.

Right skills, right job

By promoting and improving skills acquisition, making qualifications more comparable and providing information on the demands for skills and jobs, the EU supports people in finding good-quality jobs and making better career choices.

The [New Skills Agenda for Europe](#), launched in 2016, consists of 10 measures to make the right training and support available to people and to revise a number of existing tools, such as the European CV format Europass).



▶ Support for recovering job-seekers

<https://www.europartv.europa.eu/en/programme/eu-affairs/helping-recovering-people-back-into-the-job-market>

Challenge of long-term unemployment

Long-term unemployment, when people are unemployed for more than 12 months, is one of the causes of persistent poverty. It remains [very high](#) in some EU countries and still accounts for almost [50% of total unemployment](#).

To better integrate the long-term unemployed in the labour market, EU countries adopted [recommendations](#): they encourage the registration of long-term unemployed with an employment service, individual in-depth assessment to identify their needs, as well as a tailor-made plan to bring them back to work (a job integration agreement). It would be available to anyone unemployed for 18 months or more.

Long-term absence from work often leads to unemployment and to workers leaving the labour market permanently. To retain and reintegrate workers into the workplace who suffer from injuries or chronic health problems, in 2018, the European Parliament formulated a set of [measures](#) for member states to work on, such as making workplaces more adaptable through skills development programmes, ensuring flexible working conditions and providing support to workers (including coaching, access to a psychologist or therapist).



A better place to work

<https://www.europarlv.europa.eu/en/programme/eu-affairs/making-the-eu-a-better-place-to-work>

Promoting workers' mobility

Making it easier for people to work in another country can help tackle unemployment. The EU has a set of common rules in place to protect people's [social rights](#) related to unemployment, sickness, maternity/paternity, family benefits etc. when moving within Europe. Rules on the [posting of workers](#) establish the principle of same pay for same work at the same workplace.

Find out more about EU social policies

- How the EU improves workers' rights and working conditions
- The Parliament's fight for gender equality
- Improving public health: EU measures explained

Find out more

[Briefing](#)

[Fact sheet](#)