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Compact guides

European Neighbourhood
Policy – East countries

Labour market statistics

2014 edition

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Introduction

The EU revised the European Neighbourhood Policy (ENP) in May 2011, thereby establishing instruments for supporting the partner countries in building deep and sustainable democracy and for fostering inclusive economic development. The revitalised ENP strategy seeks to strengthen the individual and regional relationship between the EU and the countries in its neighbourhood through a 'more funds for more reform' approach.

The over-arching goals of the Eastern Partnership are to create the conditions to accelerate political association, to deepen economic integration between the EU and the Eastern European partner countries and to promote regional co-operation and good neighbourly relations.

In the framework of the revised European Neighbourhood Policy (ENP), the importance of official statistics is reinforced and the need for international co-operation in statistics is renewed. Statistics capture the characteristics of the countries of the region and thus help policy makers to identifying the needs, formulating objectives and orientating policies. On the other hand, statistics enable the progress towards agreed goals to be monitored and measured — a key component of governance.

Data sources

Most of the information presented in this leaflet has been provided on a voluntary basis by, and is under the full responsibility of, the National Statistical Institutes (NSIs) of the ENP-East countries. The data for the ENP-East countries are taken from the key indicators that are collected on a regular basis by Eurostat. All data presented in this publication were processed in January 2014.

Summary analysis

In most ENP-East countries, the activity rate and the employment rate were lower than in the EU-28

The activity rate in the EU-28, i.e. the proportion of the labour force in the total population of the working age, was 71.7 % (age group 15–64 years) in 2012 (see Table 1). Except for Georgia, the activity rates in the ENP-East countries were lower, ranging from 45.3 % in Moldova to 69.2 % in Azerbaijan. In all ENP-East countries (except Belarus), the activity rate for women was lower than for men: the gender difference was the lowest in Moldova (3.4 percentage points) and the highest in Georgia (20.4 percentage points). Gender differences in the activity rate were lower in Azerbaijan and Moldova than in the EU-28.

In 2012, the overall EU-28 employment rate for those aged 15 to 64 years, i.e. the proportion of employed to the total population of the same age group, was 64.1 % (see Table 2). This is higher than in all ENP-East countries except for Azerbaijan where the employment rate was 65.6 %. Moldova had the lowest employment rate of the ENP-East area (42.7 %) in 2012.

As in the EU, the employment rate for women was lower than for men in almost all ENP-East countries. Nevertheless, the employment gender gap was lower in Azerbaijan, Moldova and Ukraine than in the EU (11 percentage points). In Moldova, the employment gender gap was only 2 percentage points in 2012, which was almost the same as in 2007 (see Table 2).

Comparing the employment gender gap over a five-year period shows that it was higher in 2012 than in 2007 in Armenia and Azerbaijan. The employment gender gap is higher for older workers (i.e. aged 55–64 years) than for the total employed population in all ENP-East countries except Georgia (see Figure 1).

The services sector accounted for the largest share of employment in nearly all ENP-East countries

There were some notable differences in the structure of employment between the ENP-East countries when considering the distribution of employment by economic activity (see Figure 2). Employment in the service sector accounted for the largest share in Armenia and Azerbaijan (45 % and 48.1 % respectively) in 2012, as well as for the

majority of employment in Belarus, Moldova and Ukraine (56.6 %, 54.3 % and 54.5 % respectively). In Georgia, the agricultural sector was still the main employer in 2012 (52.7 %).

Employment in services in all ENP-East countries was still below the share of employment in services recorded in the EU-28 (70.1 % of the total employment). The agricultural sector was the second largest sector in terms of employment in Armenia, Azerbaijan and Moldova, where it accounted for more than one fourth of the total employment. In Ukraine, employment in agriculture (19.8 %) and industry (19.4 %) accounted for almost the same share of the total employment. Belarus was the only ENP-East country where the total of employment in industry and in construction accounted for slightly more than one third of the total employment.

All ENP-East countries were affected by the financial crisis, but levels of unemployment rates still differed widely among them

The ENP-East countries were affected by the financial crisis that gathered pace in autumn 2008, and most of them saw a peak of their unemployment rate in 2009 or in 2010. The level of the unemployment rate differed between the ENP-East countries over the concerned period (see Table 3). From 2010 to 2012, the unemployment rate in Armenia and Georgia, being at its lowest in 2012 at 17.3 % and 15.0 % respectively, was higher than in EU-28. In the other ENP-East countries, the unemployment rate ranged from 5.2 % in Azerbaijan to 7.5 % in Ukraine in 2012. Young people (15–24 years) in the ENP-East countries are more severely hit by unemployment than their elders (25–74 years), which was also the case in the EU. The unemployment rate of people aged 15–24 years was at least twice as high as for people aged 25–74 years (see Table 4). It was 3.6 times higher than the one for people aged 25 years and over in Azerbaijan.

In half of the ENP-East countries (Georgia, Moldova and Ukraine) the unemployment rate for men was higher than that for women (see Table 5). The reverse occurred in Armenia and Azerbaijan in 2012. In the EU, Georgia and Moldova the youth unemployment gender gap was the reverse of the one recorded for the total labour force (see Figure 3).

In half of the ENP-East countries, the long term unemployment rate is lower than in the EU-28

Long-term unemployment is a key concern for many policy-makers, affecting social cohesion and, ultimately, economic growth. The total long-term unemployment rate in each of the ENP-East countries for which data are available was much lower in 2012 than in 2002 (see Table 6). The total long-term unemployment rate in the ENP-East countries was lower than the average for the EU-28 (4.7 %) in 2012, with the exception of Armenia (9.1 %) and Georgia (6.4 %).

In three ENP-East countries (Armenia, Azerbaijan and Georgia), the long-term unemployment rate was higher for women than for men, while the reverse occurred in Moldova and Ukraine. There was no gender gap for long-term unemployed in the EU in 2012. The gender gap was very low (less than one percentage point) in Ukraine, Moldova and Georgia (see Figure 4).

One way of measuring the inequality of income distribution is the comparison of the total income received by the 20 % of the population with the highest earnings to the total income received by the 20 % of the population with the lowest earnings. In the EU the total income received by the 20 % of the population with the highest earnings was slightly more than five times the amount received by the 20 % of the population with the lowest earnings in 2012 (see Figure 5). In that same year, income inequality in Armenia (8) and Georgia (7.9) was substantially higher compared to the EU. Nonetheless, their situation in 2012 should be compared to the situation in 2002, when the equivalent figure was 13.3 and 13.8 respectively. Moldova also experienced a significant fall in income distribution inequality, from 7.1 in 2002 to 5.5 in 2012. In 2002, Ukraine and Azerbaijan recorded figures lower than the EU. The difference with the EU was greater in 2012 because the income distribution inequality was reduced in these ENP-East countries, while it remained unchanged in EU.

Table 1: Economic activity rate by gender (15–64 years)
(% of total population aged 15–64 years)

	Total		Men		Women	
	2007 (¹)	**2012**	**2007** (¹)	**2012**	**2007** (¹)	**2012**
EU-28	70.3	71.7	77.6	77.9	63.1	65.5
EU-27	70.4	71.8	77.7	78.0	63.2	65.6
AM	73.9	65.4	81.6	74.7	67.4	57.9
AZ	71.7	69.2	76.2	71.8	67.4	66.7
BY (²)	:	:	71.2	75.5	83.4	86.0
GE	68.3	72.8	77.9	83.5	60.1	63.1
MD	49.5	45.3	51.5	47.0	48.1	43.6
UA	67.3	67.6	72.9	73.9	62.2	61.9

(¹) Armenia, as a whole year, data relate to persons aged 16–64 years and using a different methodology than the ILO methodology.
(²) Share of the economically active population (employed of all ages and unemployed registered at the state employment agencies) in the total population of working age by gender (men aged 16–59 years, women aged 16–54 years); calculated according to the average annual number of the economically active and employed population and the unemployed registered at the state employment agencies.
Source: for the EU aggregates, Eurostat (online data code: lfsi_act_a); for the ENP-East countries, Eurostat (online data code: enpr_pslm).

Table 2: Employment rate be gender (15–64 years)
(% of total population aged 15–64 years)

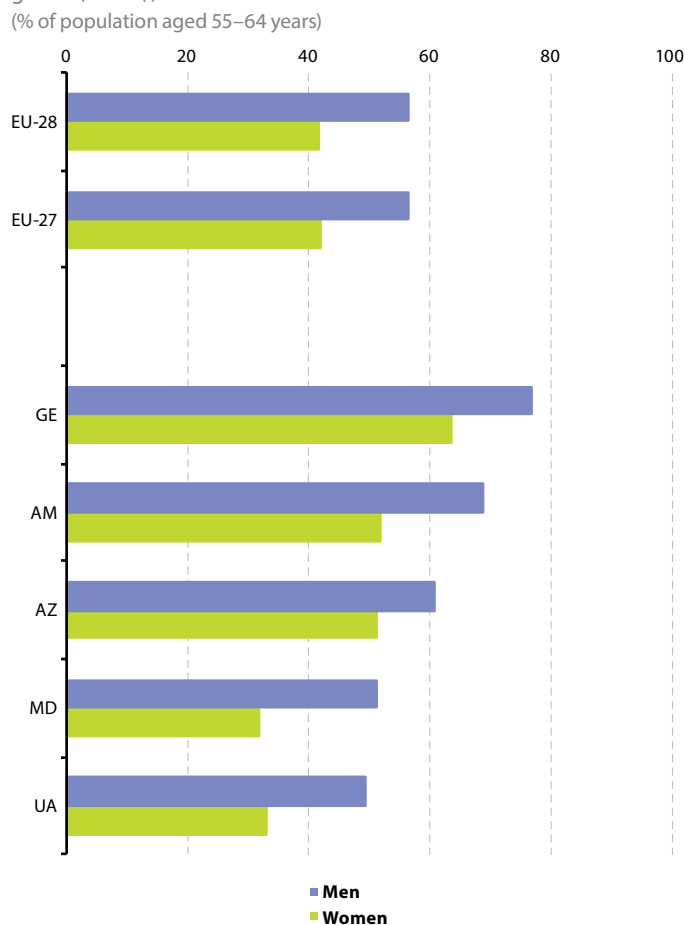|	Total		Men		Women	
	2007 (¹)	**2012**	**2007** (¹)	**2012**	**2007** (¹)	**2012**
EU-28	65.3	64.1	72.4	69.6	58.1	58.5
EU-27	65.3	64.2	72.5	69.8	58.2	58.6
AM	51.7	53.7	63.0	62.2	42.2	46.9
AZ	67.1	65.6	70.7	68.6	63.7	62.6
BY (²)	:	:	70.7	75.0	82.3	85.5
GE	57.8	60.4	65.5	68.7	51.1	53.0
MD	46.9	42.7	48.1	43.7	46.2	41.7
UA	62.9	62.5	67.9	67.5	58.3	57.8

(¹) Armenia, data relate to persons aged 16–64 years.
(²) Share of employed population of all ages in the total population of working-age (men aged 16–59 years, women aged 16–54 years).
Source: for the EU aggregates, Eurostat (online data code: lfsa_ergan); for the ENP-East countries, Eurostat (online data code: enpr_siemp).

Economic activity rates represent the labour force as a percentage of the population of working age (15 to 64 years). Activity rates for men and for women are expressed as a percentage of the corresponding male and female population (aged 15 to 64 years) respectively, rather than as a share of the total population (men and women). The labour force comprises persons in employment as well as unemployed persons.

Figure 1: Employment rate of older workers (55–64 years) by gender, 2012 (¹)
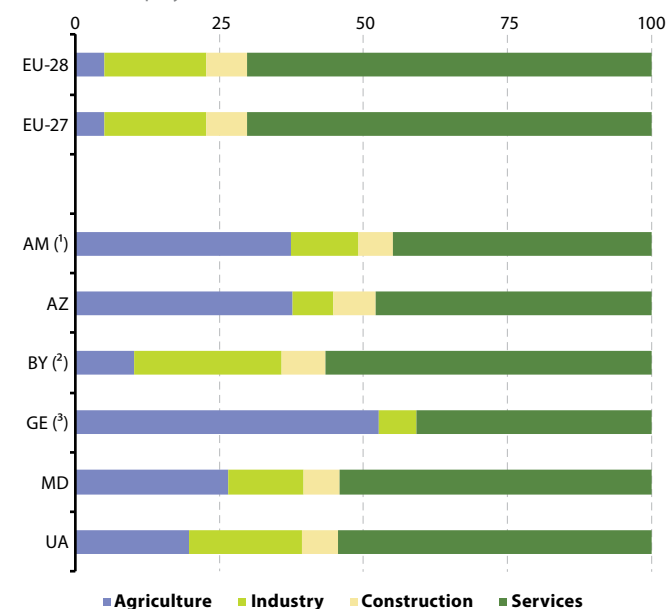(% of population aged 55–64 years)

(¹) ENP-East countries sorted in descending order according to the employment rate of male older workers; Belarus, not available.
Source: for the EU aggregates, Eurostat (online data code: lfsa_ergan); for the ENP-East countries, Eurostat (online data code: enpr_siemp).

Employment rates represent persons in employment as a percentage of the population of working age (15 to 64 years). Employment rates for men and women are expressed as a percentage of the corresponding male and female population (aged 15 to 64 years) respectively, rather than as a share of the total population (men and women).

The employment rate of older workers is calculated by dividing the number of persons aged 55 to 64 years in employment by the total population of the same age group.

Figure 2: Employment by economic activity, 2012
(% of total employment)

(¹) Data relate to persons aged 15–75 years.
(²) "Kinds of economic activity" classification based on NACE Rev 1.1.
(³) NACE section F — Construction is not available.
Source: for the EU aggregates, Eurostat (online data code: lfsa_egan2); for the ENP-East countries, Eurostat (online data code: enpr_ecnabrk).

Table 3: Unemployment rate (15–74 years)
(% of the total labour force aged 15–74 years)

	2002	**2007**	**2009** (¹)	**2010** (¹)	**2011**	**2012**
EU-28	9.0	7.2	8.9	9.6	9.6	10.5
EU-27	8.9	7.1	8.9	9.6	9.6	10.4
AM	:	:	18.7	19.0	18.4	17.3
AZ	10.0	6.3	5.7	5.6	5.4	5.2
BY	:	:	:	:	:	:
GE	12.6	13.3	16.9	16.3	15.1	15.0
MD	6.8	5.1	6.4	7.4	6.7	5.6
UA (²)	9.6	6.4	8.8	8.1	7.9	7.5

(¹) Armenia, as of whole year.
(²) Unemployment rate of the population aged 15–70 years.
Source: for the EU aggregates, Eurostat (online data code: lfsa_urgan); for the ENP-East countries, Eurostat (online data code: enpr_pslm).

The unemployment rate is the share of unemployed persons in the total number of active persons in the labour market (the labour force).

Table 4: Unemployment rate by age group
(% of the total labour force in the relevant age group)

	Aged 15–24			Aged 25–74		
	2002	2007	2012	2002	2007	2012
EU-28	18.1	15.5	22.9	7.7	6.1	9.1
EU-27	17.9	15.5	22.8	7.7	6.1	9.0
AM	:	:	35.4	:	:	14.8
AZ	21.5	13.6	14.2	7.2	4.9	3.9
BY	:	:	:	:	:	:
GE	28.0	31.5	33.3	11.1	11.4	12.9
MD	15.2	14.4	13.1	5.5	4.0	4.7
UA	19.1	12.5	17.3	8.2	5.4	6.3

Source: for the EU aggregates, Eurostat (online data code: lfsa_urgan); for the ENP-East countries, Eurostat (online data code: enpr_pslm).

Table 5: Unemployment rate by gender (15–74 years)
(% of the total labour force)

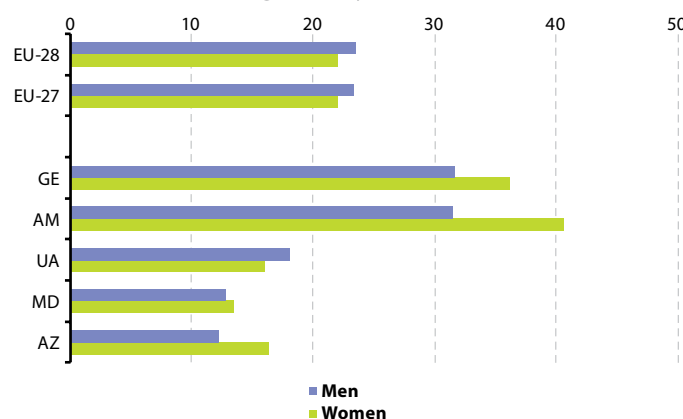|	Men			Women		
	2002	2007	2012	2002	2007	2012
EU-28	8.3	6.6	10.4	9.9	7.9	10.5
EU-27	8.3	6.6	10.4	9.8	7.8	10.5
AM (¹)	:	:	16.5	:	:	18.2
AZ	9.7	7.1	4.3	10.4	5.5	6.1
BY	:	:	:	:	:	:
GE	14.0	13.9	16.1	11.0	12.6	13.8
MD	8.1	6.3	6.8	5.5	4.0	4.3
UA (²)	9.8	6.7	8.5	9.5	6.0	6.4

(¹) Unemployment rate of the population aged 15–75 years.
(²) Unemployment rate of the population aged 15–70 years.
Source: for the EU aggregates, Eurostat (online data code: lfsa_urgan); for the ENP-East countries, Eurostat (online data code: enpr_pslm).

The unemployment rate by age group is the share of unemployed persons of the age group concerned as a proportion of the total number of active persons in the labour market (the labour force) of the same age group. The data presented generally refer to average rates of the four quarterly labour force surveys in each year.

Figure 3: Youth unemployment rate by gender, 2012 (¹)
(% of the total labour force aged 15–24 years)

■ Men
■ Women

(¹) ENP-East countries sorted in descending order according to the youth unemployment rate of men.
Source: for the EU aggregates, Eurostat (online data code: lfsa_urgan); for the ENP-East countries, Eurostat (online data code: enpr_pslm).

Table 6: Long-term unemployment rate
(% of the total labour force aged 15 years and over)

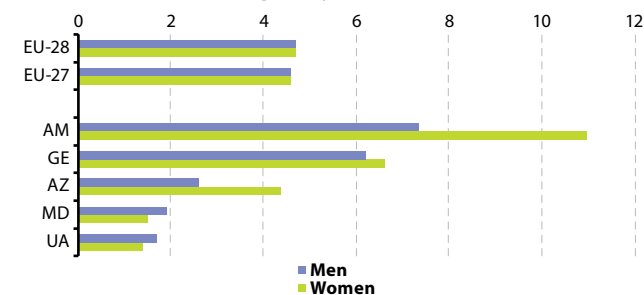|	2002	2007	2009	2010	2011	2012
EU-28	4.1	3.1	3.0	3.9	4.2	4.7
EU-27	4.0	3.1	3.0	3.9	4.1	4.6
AM (¹)	:	:	7.9	9.8	9.7	9.1
AZ	6.8	4.3	3.9	3.8	3.7	3.5
BY	:	:	:	:	:	:
GE	7.0	6.3	7.6	7.5	6.0	6.4
MD	4.1	1.8	1.8	2.3	2.2	1.7
UA (²)	4.9	1.4	1.2	1.8	1.5	1.6

(¹) Data relate to the population aged 15–75 years.
(²) Unemployment rate of the population aged 15–70 years.
Source: for the EU aggregates, Eurostat (online data code: une_ltu_a); for the ENP-East countries, Eurostat (online data code: enpr_sisoc).

The youth unemployment rate is the share of unemployed persons aged 15 to 24 years as a proportion of the total number of active persons in the labour market (the labour force) aged 15 to 24 years. Youth unemployment rates for men and women are expressed as a proportion of the male labour force aged 15 to 24 years and the female labour force aged 15 to 24 years respectively, not as a share of the total labour force aged 15 to 24 years (men and women).

The long-term unemployment rate is defined as the number of persons who have been unemployed for at least 12 months, expressed as a share of the total number of active persons in the labour market.
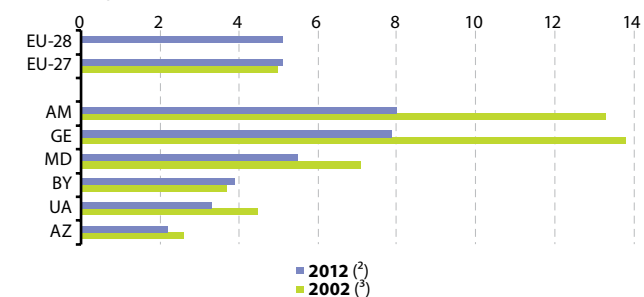
Figure 4: Long-term unemployment rate by gender, 2012 (¹)
(% of the total labor force aged 15 years and over)

■ Men
■ Women

(¹) ENP-East countries sorted in descending order according to long term unemployment rate of men; Belarus, not available.
Source: for the EU aggregates, Eurostat (online data code: une_ltu_a); for the ENP-East countries, Eurostat (online data code: enpr_sisoc).

Figure 5: Inequality of income distribution (¹)
(Income quintile share ratio S80/S20)

■ 2012 (²)
■ 2002 (³)

(¹) ENP-East countries sorted in descending order according to the income quintile share ratio in 2012.
(²) Armenia, 2011; EU-28 and EU-27, estimated; Belarus, break in series and equivalent household size (AE) = 1*head; Ukraine, break in series.
(³) Armenia, 2003; EU-27, 2005.
Source: for the EU aggregates, Eurostat (online data code: ilc_di11); for the ENP-East countries, Eurostat (online data code: enpr_psilc).

Inequality of income distribution is measured as the ratio of total income received by the 20 % of the population with the highest incomes (the top quintile) to that received by the 20 % of the population with the lowest incomes (the lowest quintile). This calculation should be made on the basis of equivalised disposable income, which is calculated for each household by adding together the income received by all members of the household and dividing it by the equivalised household size (which is calculated as the sum of the persons in the household on the basis of the following weights: 1.0 to the first adult, 0.5 to other persons aged 14 years or over who are living in the household, and 0.3 to each child aged less than 14 years).

More information

Eurostat website: http://ec.europa.eu/eurostat

Eurostat dedicated section on European Neighbourhood Policy:
http://epp.eurostat.ec.europa.eu/portal/page/portal/european_
neighbourhood_policy/introduction

For information on statistical classifications, please go to the
Eurostat classification server RAMON: http://ec.europa.eu/
eurostat/ramon

Statistics Explained is a wiki-based system that presents statistical
topics in an easy to understand way. Together, the articles make
up an encyclopaedia of European statistics and can be accessed
at: http://epp.eurostat.ec.europa.eu/statistics_explained. Statistics
Explained on ENP-East countries can be accessed at the section
dedicated to the European Neighbourhood Policy countries -
statistical overview.

For more specific questions on statistics in relation to ENP, please
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Country codes and symbols

For more information on statistics in ENP countries, please go to the
websites of the National Statistical Institutes:

AM	Armenia	http://www.armstat.am
AZ	Azerbaijan	http://www.stat.gov.az
BY	Belarus	http://www.belstat.gov.by
GE	Georgia	http://www.geostat.ge
MD	Moldova	http://www.statistica.md
UA	Ukraine	http://www.ukrstat.gov.ua

:	No data available
%	Percentage
1 000	Thousand
Italic	*Value is either an estimate or provisional and is therefore likely to change*