

Social consequences of the crisis and beyond

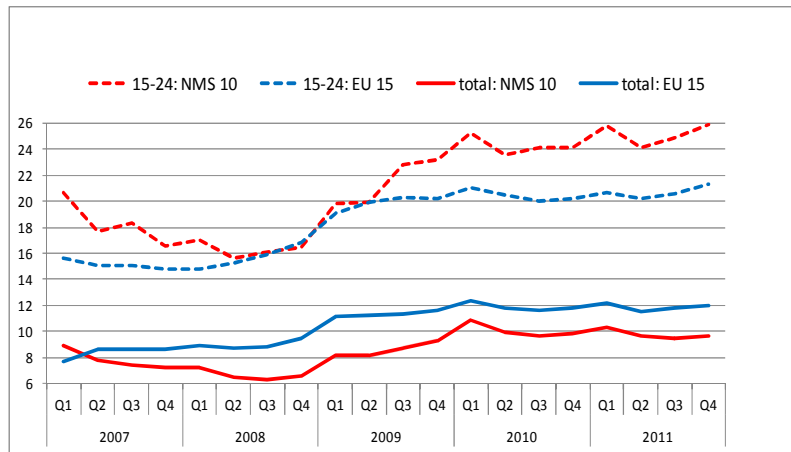
Sebastian Leitner

The main topics

- Youth unemployment and exclusion
- Labour market situation of migrant workers in the EU,
Migration and demographic developments
- Income development and poverty

Youth unemployment I

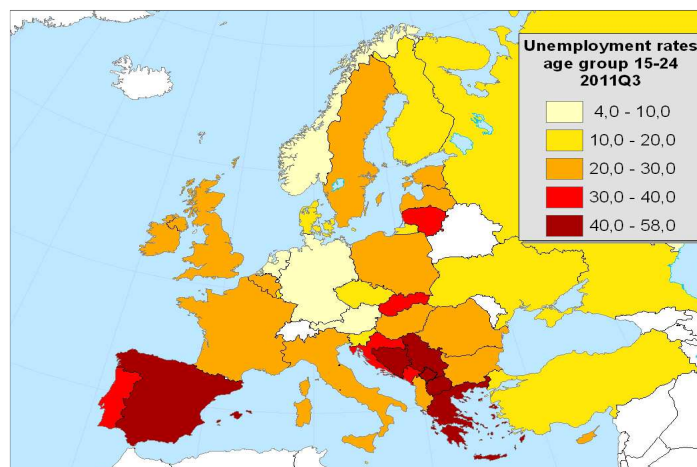
Unemployment rates of total population (15-64) and youth (15-24), 2007-2011



Source: Eurostat Database.

Youth unemployment II

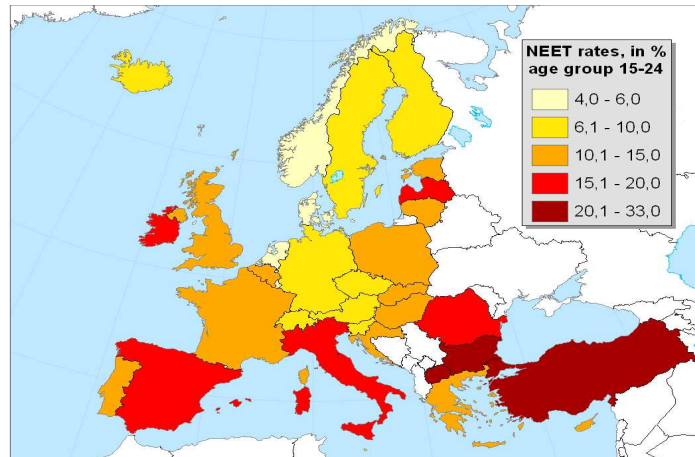
Youth unemployment rates (aged 15-24), 3Q 2011



Source: wiiw Database incorporating national and Eurostat statistics.

Youth unemployment – exclusion I

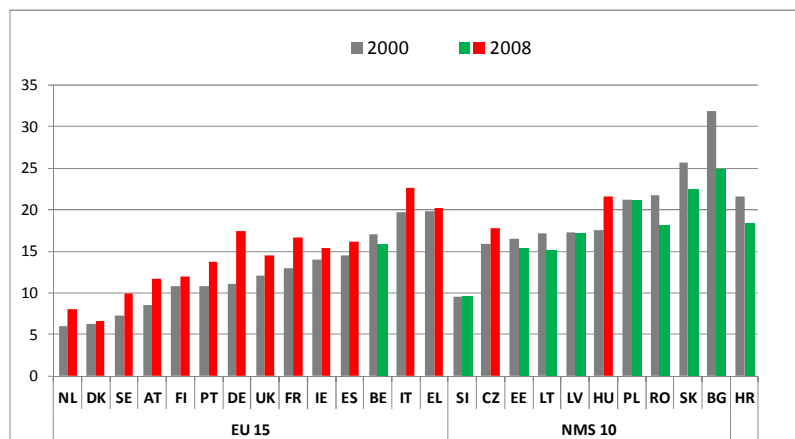
Young people who are “Not in Employment, Education or Training”, 2010



Source: Eurostat Database.

Youth unemployment – exclusion II

NEET rates of 5 year age cohorts among 15-34 years age group, 2000-2008



Source: Eurostat Database, wiiw own calculations.

Youth unemployment and exclusion

Conclusions

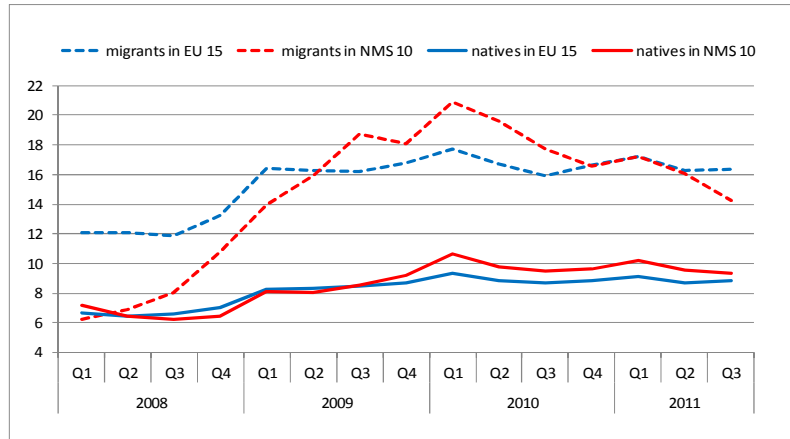
- Strong rise in youth unemployment
- Much higher than in total population
- NEET rates high in Eastern and Southern Europe, but not in Central European Countries
- Youth unemployment and exclusion is likely to remain high in the medium term

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Migrant workers I

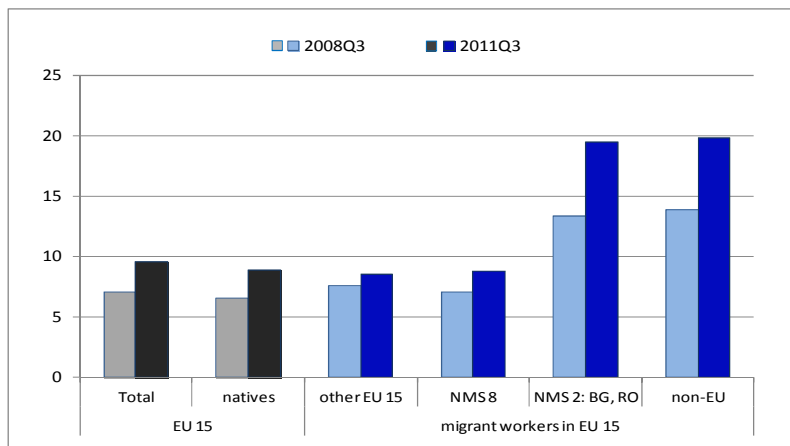
Unemployment rates of natives and migrant workers in the EU, 2008-2011



Source: Eurostat Database, wiiw own calculations.

Migrant workers II

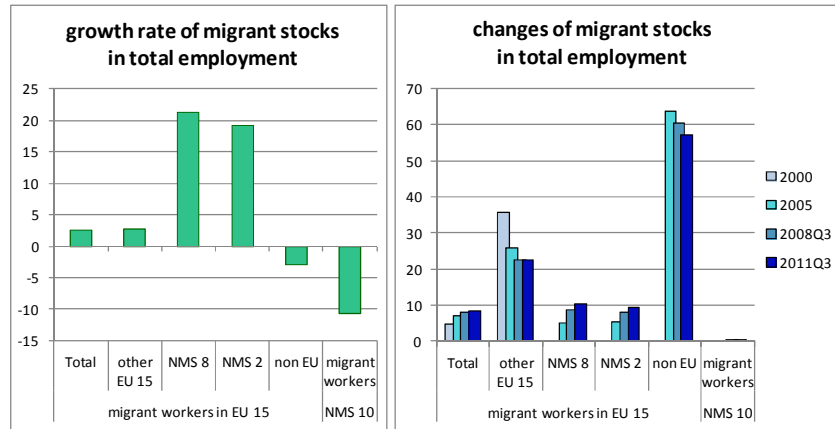
Unemployment rates of migrant workers in the EU 15, 3Q 2008 – 3Q 2011



Source: Eurostat Database, wiiw own calculations.

Migration during the crisis I

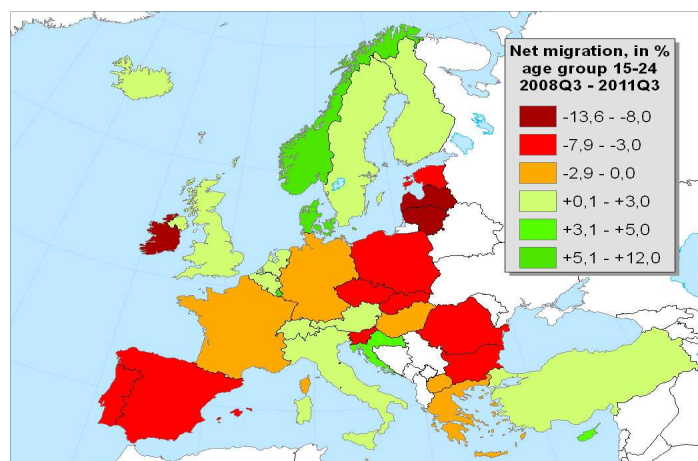
Stock of migrant workers in total employment: 3Q 2008 – 3Q 2011



Source: Eurostat Database, wiiw own calculations.

Migration during the crisis II

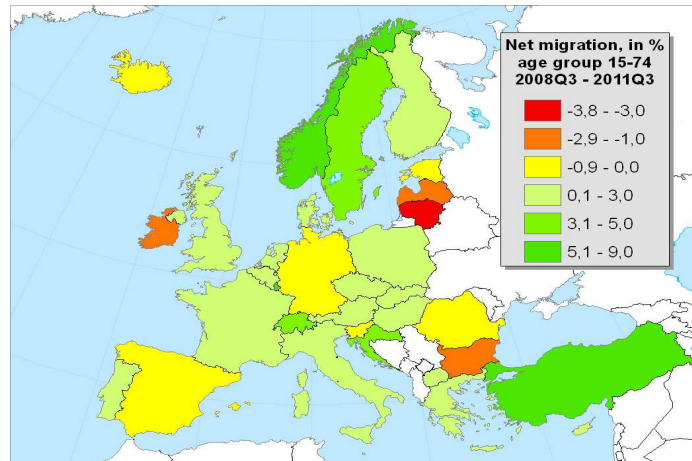
net migration flows of people aged 15-24, 3Q 2008 – 3Q 2011



Source: Eurostat Database, wiiw own calculations.

Migration during the crisis III

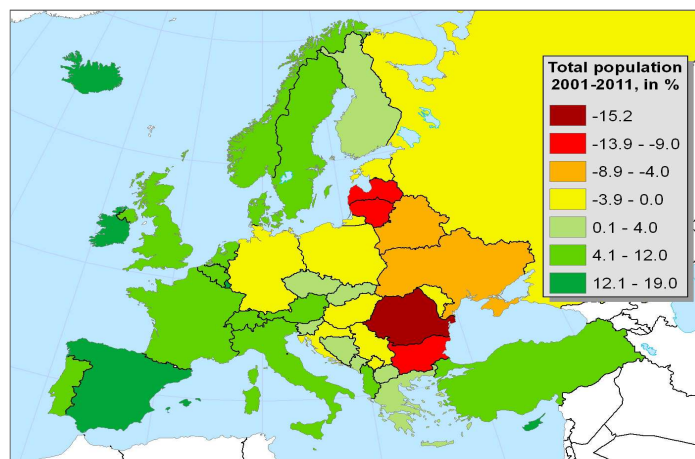
net migration flows of people aged 15-74, 3Q 2008 – 3Q 2011



Source: Eurostat Database, wiiw own calculations.

Population changes I

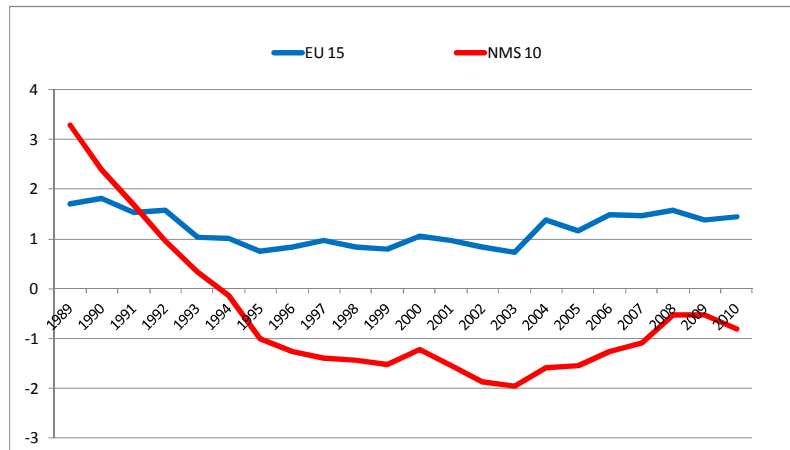
Total population, 2001 – 2011, in %



Source: wiiw Database incorporating national and Eurostat statistics.

Population changes II

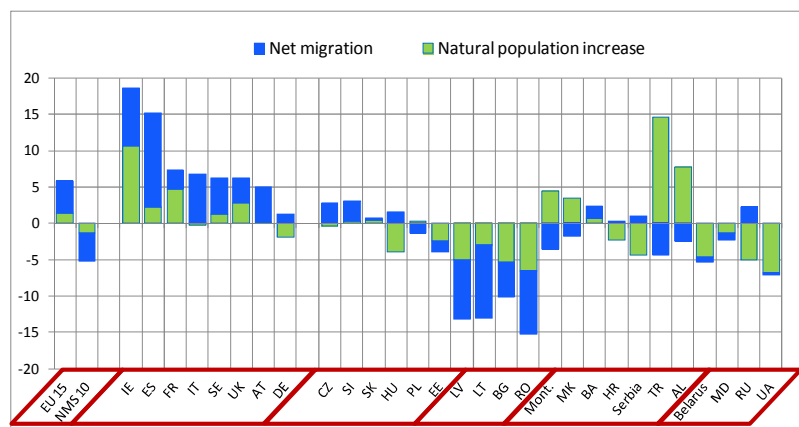
Annual natural increase in population (births minus deaths per 1000 inhabitants)



Source: wiiw Database incorporating national and Eurostat statistics.

Population changes III

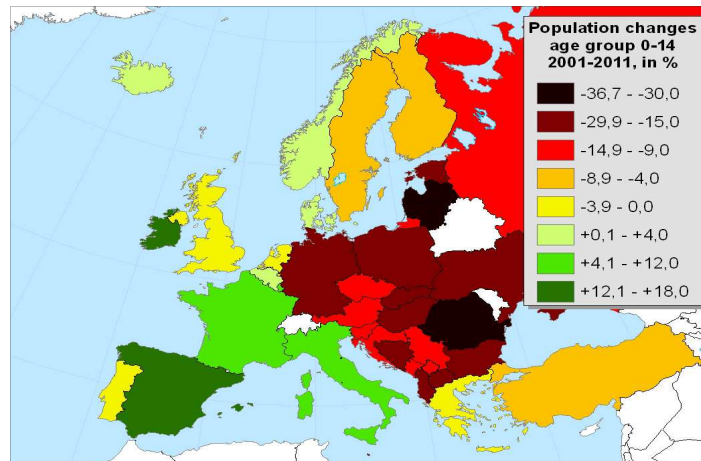
Structure of population changes, 2001-2011, in %



Source: wiiw Database incorporating national and Eurostat statistics.

Population changes IV

Young population: aged 0-14, 2001 – 2011, in %



Source: wiiw Database incorporating national and Eurostat statistics.

Labour market situation of migrant workers in the EU

Conclusions

- Strong rise in unemployment rates of migrants
- The situation of NMS 8 migrant workers in the EU 15 comparable to those of natives and EU 15 migrants
- The group of migrant workers from BG, RO and non EU 27 countries come off much worse: unemployment rates range around 20%

Migration and demographic developments

Conclusions

- Net migration of NMS workers continued during the crisis
- Especially young people left NMS to make a living, but also from crisis hit IE, ES, PT (+ little emigration in DE, FR, GR)
- Strong emigration of total population only in BG, LT, LV (and IE), little in EE, RO, SI (and ES, DE)
- In other NMS (CZ, HU, PL, SK): little net immigration (return migration of older aged people and new immigration)
- Longer term demographic developments (2001-2011): Population decline in CESEE, especially in the Baltic to Black Sea corridor - Driven both by emigration and natural decrease

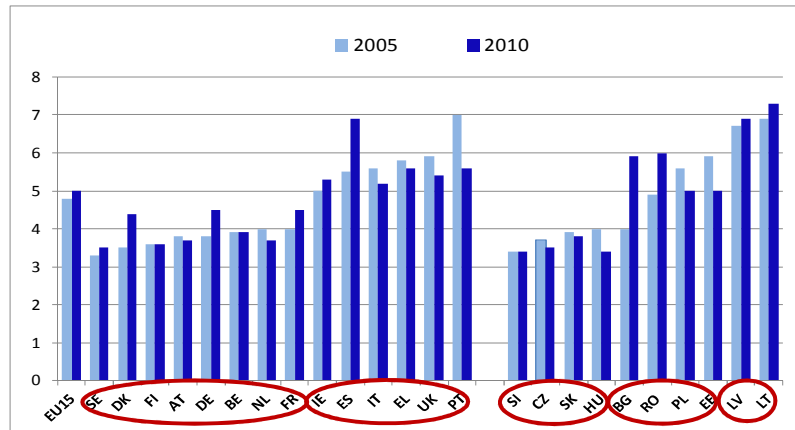
The main topics

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- Situation of migrant workers in the EU, Migration and demographic developments
- Income development and poverty

Income development I

Distribution of disposable income

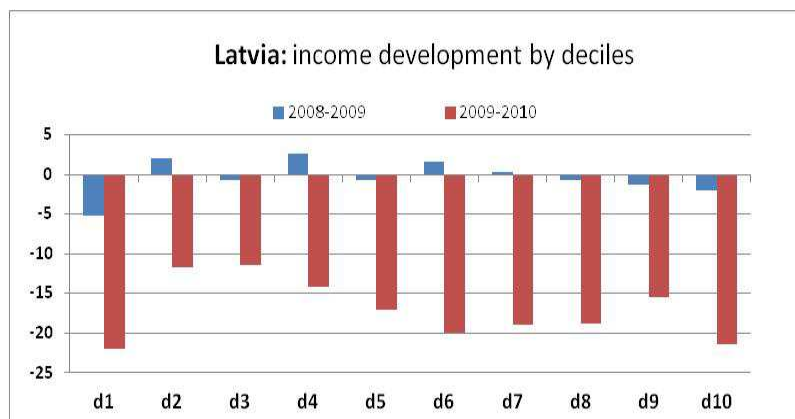
S80/S20: upper 20% of income earners/lowest 20% of income earners



Source: Eurostat Database.

Income development II

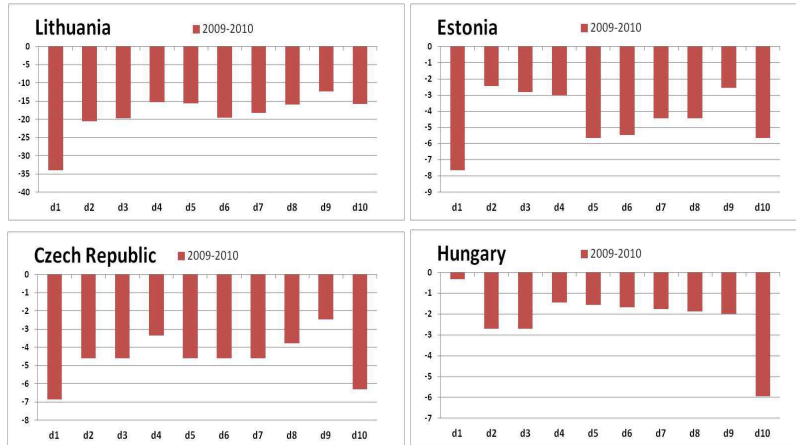
Disposable income by deciles, 2008-2010, in %



Source: Eurostat Database, wiiw own calculations.

Income development III

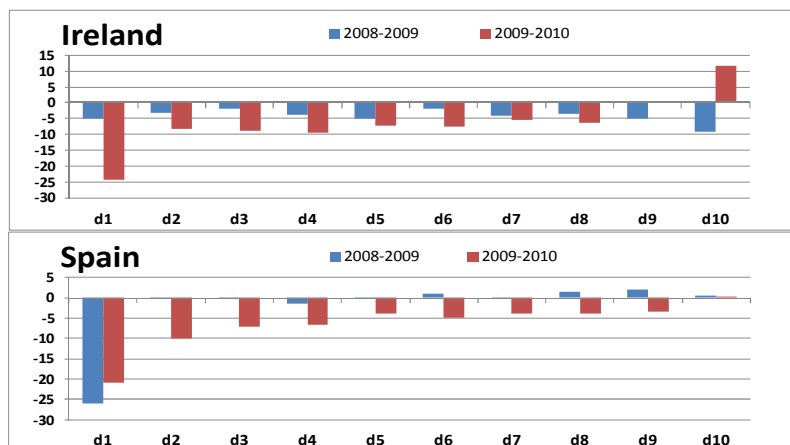
Disposable income by deciles, 2009-2010, in %



Source: Eurostat Database, wiiw own calculations.

Income development IV

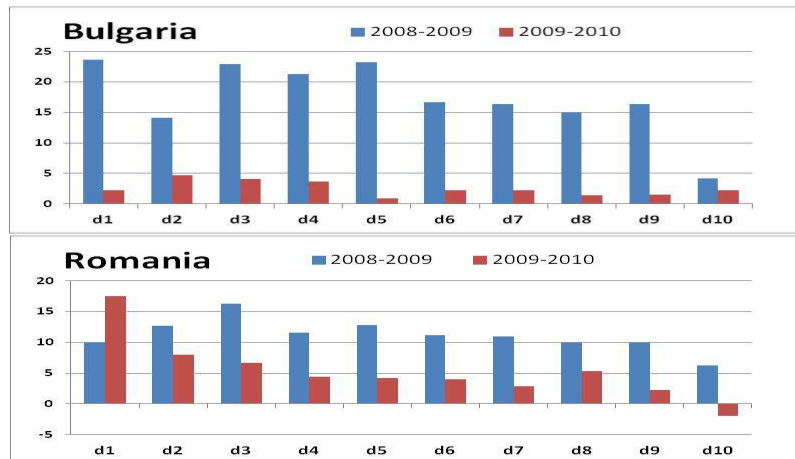
Disposable income by deciles, 2008-2010, in %



Source: Eurostat Database, wiiw own calculations.

Income development V

Disposable income by deciles, 2008-2009, in %

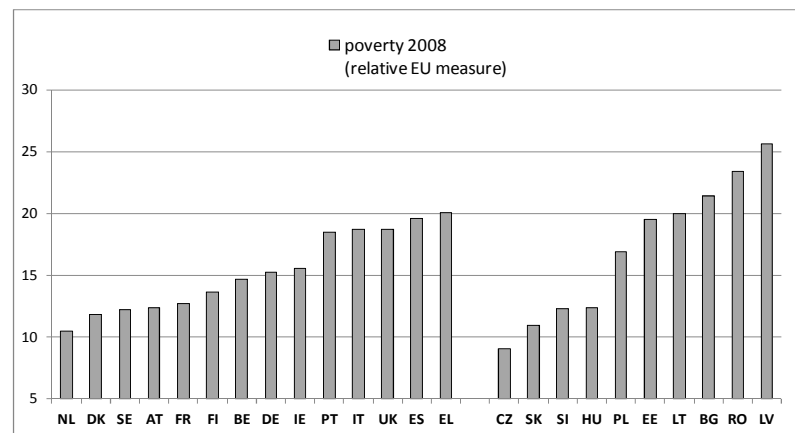


Source: Eurostat Database, wiiw own calculations.

Poverty rates I

Relative poverty – the EU headcount measure:

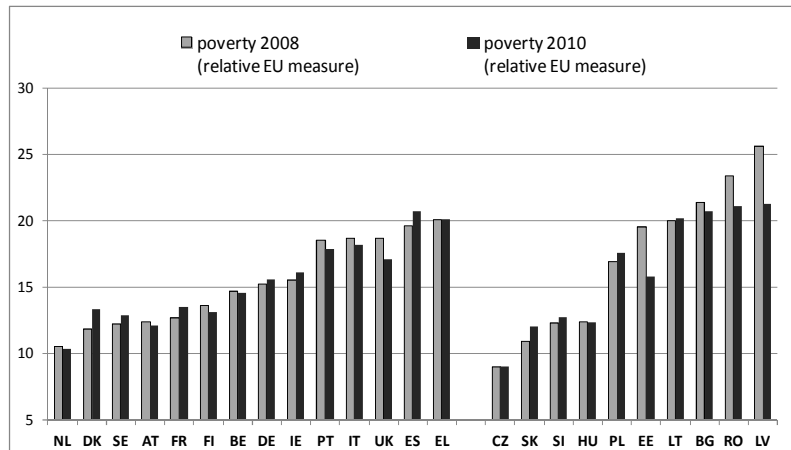
people with a disposable income below 60% of the median income



Source: Eurostat Database.

Poverty rates II

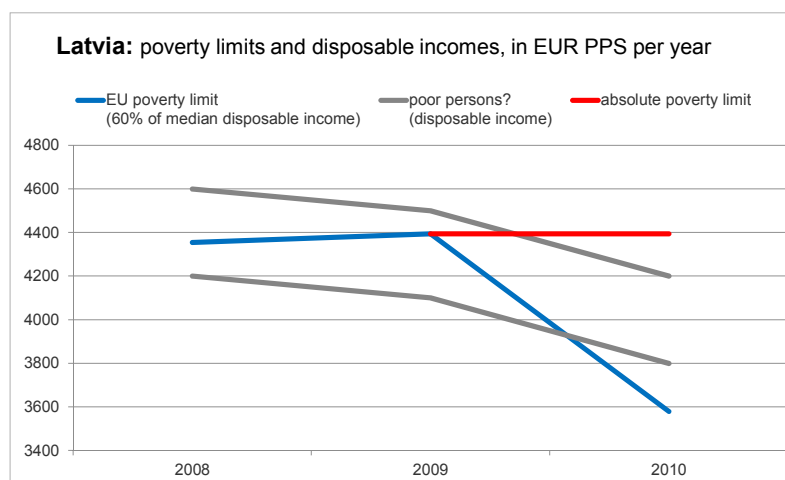
Relative poverty – EU headcount measure 2008-2010



Source: Eurostat Database.

Poverty rates III

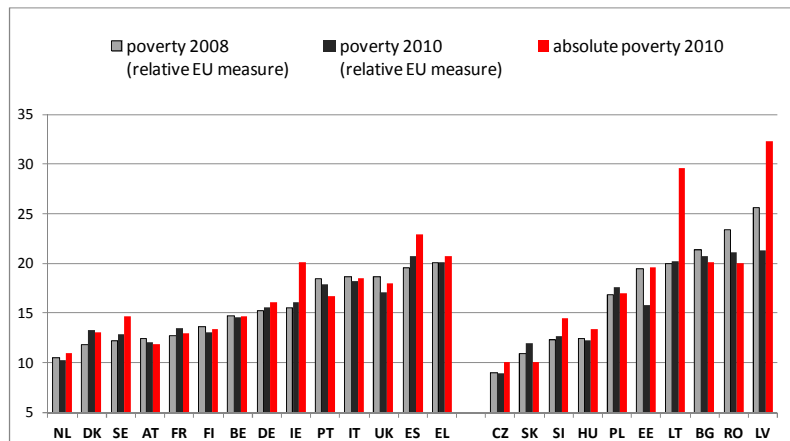
Trouble with relative poverty measures in (not) describing crisis developments



Source: Eurostat Database, wiiw own calculations.

Poverty rates IV

Relative (EU) and absolute headcount measures, 2008-2010



Source: Eurostat Database, wiiw own calculations.

Income development and poverty

Conclusions

- Inequality already high before the crisis (and rising in LV, LT, BG, RO) - (but falling in EE, PL) – poverty situation similar
- Inequality and poverty in CZ, HU, SI, SK comparably low and similar to Western European and Scandinavian countries
- Poverty situation strongly influenced by strength of welfare state
- Due to the crisis
 - Stability or fall in relative poverty (also due to decline of median incomes)
 - Substantial rise in absolute poverty in LV, LT (like in ES, IE)