

NEWS RELEASE

Employment in the Western Balkans Up by Six Percent Since 2010 According to New Regional Database

VIENNA, April 4, 2017 – The Western Balkans region created 300,000 additional jobs between 2010 and 2016, or an overall increase in employment of about six percent. This is good news, but the rate of increase needs to accelerate in order to have a more significant impact on high unemployment and wide-spread inactivity. This is according to the new *‘Western Balkans Labor Market Trends 2017’* report launched today by the World Bank and the Vienna Institute for International Economic Studies (wiiw).

The report is made possible by the first-ever database to provide easily-accessible regional labor market data for the Western Balkans. It allows, for the first time, to calculate aggregate labor market indicators across the six Western Balkan countries and to directly compare the six Western Balkan countries with each other and with select EU comparator countries. The database is available through the [SEE Jobs Gateway](#). The report relies on labor force survey data provided by statistical offices of the Western Balkan countries for the integrated regional database, and by Eurostat for the EU comparator countries. The report and SEE Jobs Gateway are co-financed by the Austrian Federal Ministry of Finance and the World Bank.

‘For the first time, researchers can analyze labor market developments across all Western Balkan countries in an easy and consistent way through the new database,’ said **Ellen Goldstein, World Bank Director for the Western Balkans**. *‘This will be important as we seek to accelerate job creation in the Western Balkans beyond the six percent increase seen since the global financial crisis.’*

The new report finds that unemployment in the region decreased but remains too high at 21 percent of the labor force. The rate of unemployment assesses the number of people who want to work and are actively seeking jobs, while inactivity is a broader measure of people who are economically inactive for a range of reasons. Forty percent of the working age population remain inactive – a much higher rate than in EU peer countries, with inactivity being particularly high among women and the less-educated.

According to the report, the recent employment recovery has surprisingly benefited older workers. This is partially explained by demographics, as the number of workers in the 55-64-year-old group is growing strongly overall. Employment in this group increased by more than 20 percent in most countries. The employment recovery also favored the highly-educated.

‘We are seeing that, more than ever, higher education becomes a path to higher employment. Indeed, employment of those with higher education degrees rose significantly, and this is also true for young people,’ said **Robert Stehrer, Scientific Director of the Vienna Institute for International Economic Studies**. *‘It is also very encouraging to see that female employment*

has been rising during the recent recovery, although progress toward decreasing the gender gap in employment is slow.'

Those that did not benefit from modest job recovery are the low-skilled and, especially, less-educated youth. Youth unemployment fell from 50 percent in 2014 to 48 percent in 2015. Initial data for 2016 point to a continuing decline, but joblessness among youth remains high compared to 17.3 percent in the European Union.

The report is the first in a series of annual updates based on the integrated regional labor market database.

News Release

2017/ECA/103

Contacts:

World Bank:

Elena Karaban (+1-202) 473-9277 ekaraban@worldbank.org

Vienna Institute for International Economic Studies:

Hermine Vidovic (+43 1) 5336610-45 vidovic@wiiw.ac.at

Links:

Complete report: 'Western Balkans labor Market Trends 2017'

<http://www.worldbank.org/en/region/eca/publication/western-balkan-labor-market-report> or
<http://documents.worldbank.org/curated/en/289221491270732309/Western-Balkans-Labor-Market-Trends-2017>

Western Balkans Jobs Gateway database: <http://seejobsgateway.net/charts>

More information about the World Bank activities in Europe and Central Asia:

<http://www.worldbank.org/eca>

More information about the Vienna Institute for International Economic Studies: <https://wiiw.ac.at/>