

Unemployment

The number of unemployed increased by **1.15 million** in the EU28 between January and July 2020

After a long fall, unemployment now on a steep rise

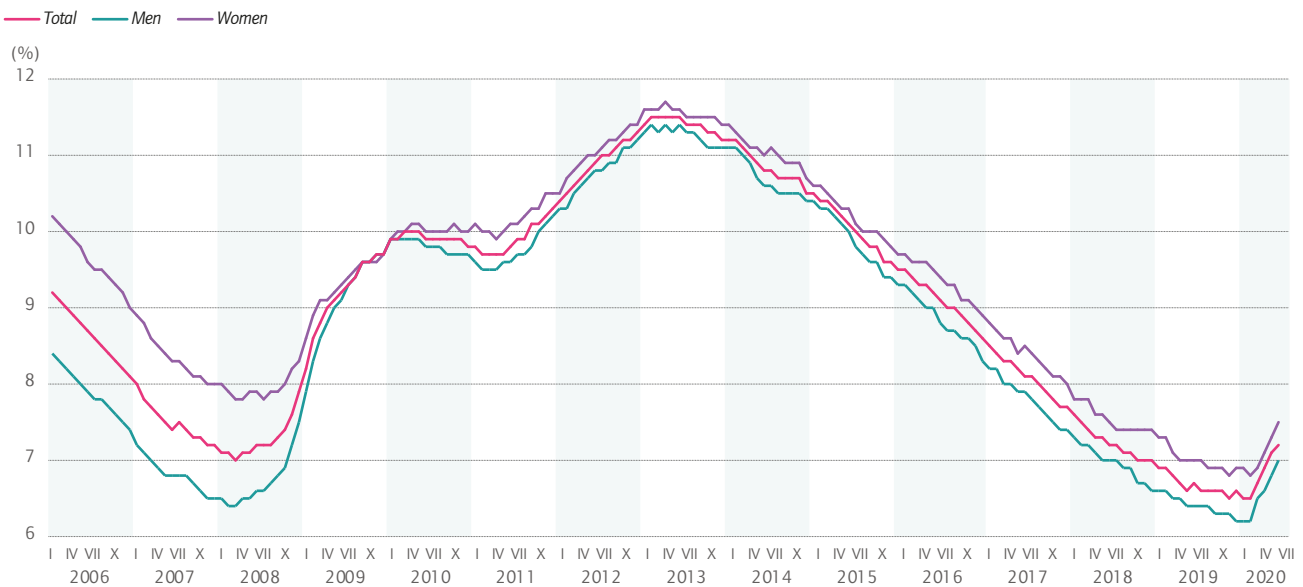
In the EU, the unemployment rate was on a steady decline since its record level of 11.5% in 2013 (Figure 2.1). By early 2020, the figure had fallen to 6.5%, which was a more favourable situation even compared to early 2008 (just before the consequences of the financial crisis took effect in the real economy) when the lowest levels of unemployment were recorded in the EU27, at around 7%.

An important, though clearly unintended, consequence of the previous crisis was a reduction of the gender gap in the share of men and women out of work. While in the early 2000s the unemployment rate among women tended to be higher than among men, this gap virtually disappeared between 2009 and 2010 (in the EU28, unemployment was actually higher among men than it was among women in 2009). However, with the gradual recovery from 2013 onwards, the gender gap in unemployment started to widen once again.

The outbreak of the Covid-19 pandemic and the measures taken to contain its spread had a visibly disruptive effect on the labour market. Accordingly, the unemployment rate has been on the rise again since March 2020 in the EU27; by July 2020 it had increased from 6.5% to 7.2%, with a similar impact on both men and women. In all EU28 countries, the number of unemployed persons increased by around 1.15 million between January and July 2020: 734,000 were men and 406,000 women.

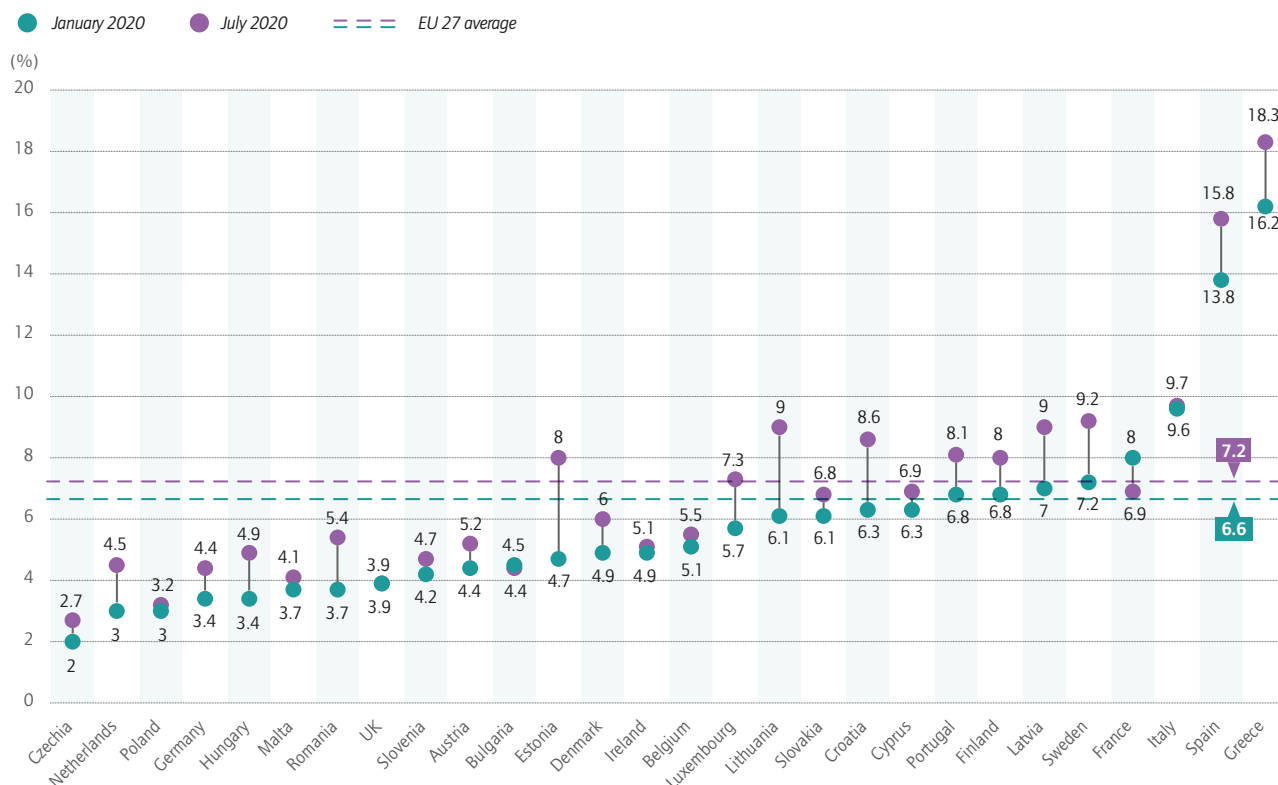
The spread and impact of these numbers have varied greatly across the Member States, not least because of differences in the spread of contagion and between the sectoral structures of the economies, but also due to the different approaches taken by national governments in response to the labour market crisis. As a result, the crisis has not influenced unemployment rates to the same extent, or with the same time lag, in all countries. As shown in Figure 2.2, between January and July 2020, the biggest increases in unemployment were noted in Estonia, Lithuania, and Croatia, followed by Latvia, Sweden, Spain and Greece. In Bulgaria and France, the unemployment rates were lower in July compared to January 2020, while in the UK and Italy they were practically the same.

Figure 2.1 Evolution of unemployment rate in the EU27, by gender (%)



Source: Eurostat [une_rt_m].
Notes: Active population. Data seasonally adjusted.

Figure 2.2 Unemployment rates, 2020, by country (%)



Source: Eurostat [une_rt_m].
Notes: Active population. Data seasonally adjusted. Data for Estonia, Greece, Hungary and the UK are from May 2020.