



Global Employment Trends 2014

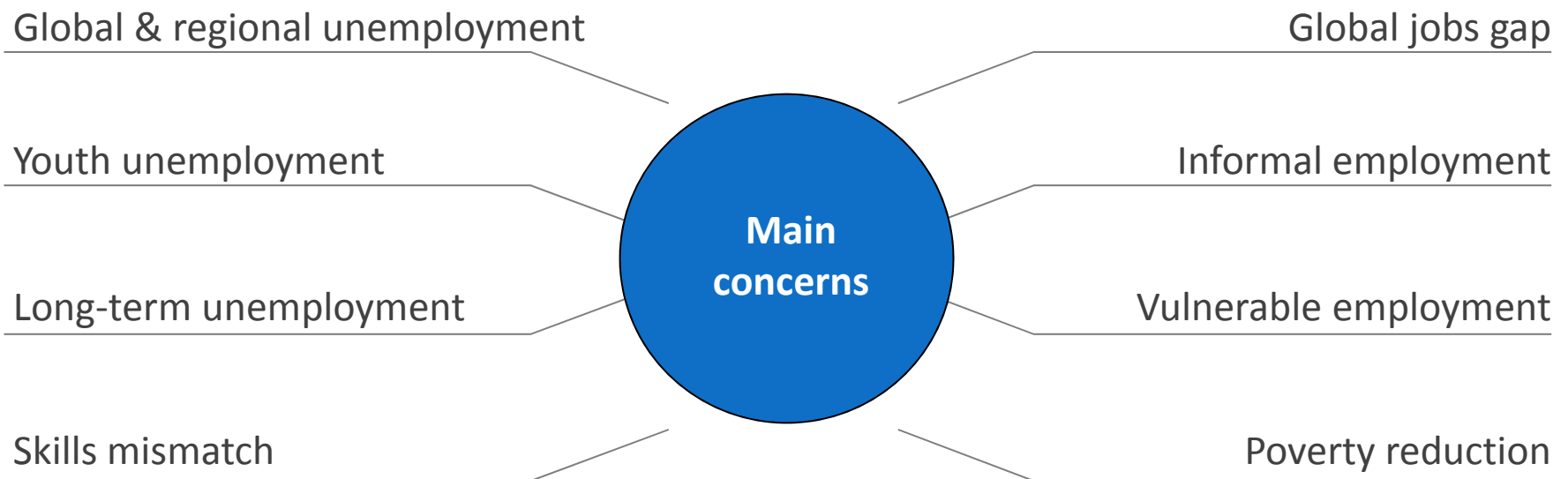
Risk of a jobless recovery?

Employment Trends Unit
International Labour Organization
Geneva, Switzerland



Global labour market trends

Unemployment increases further in 2014

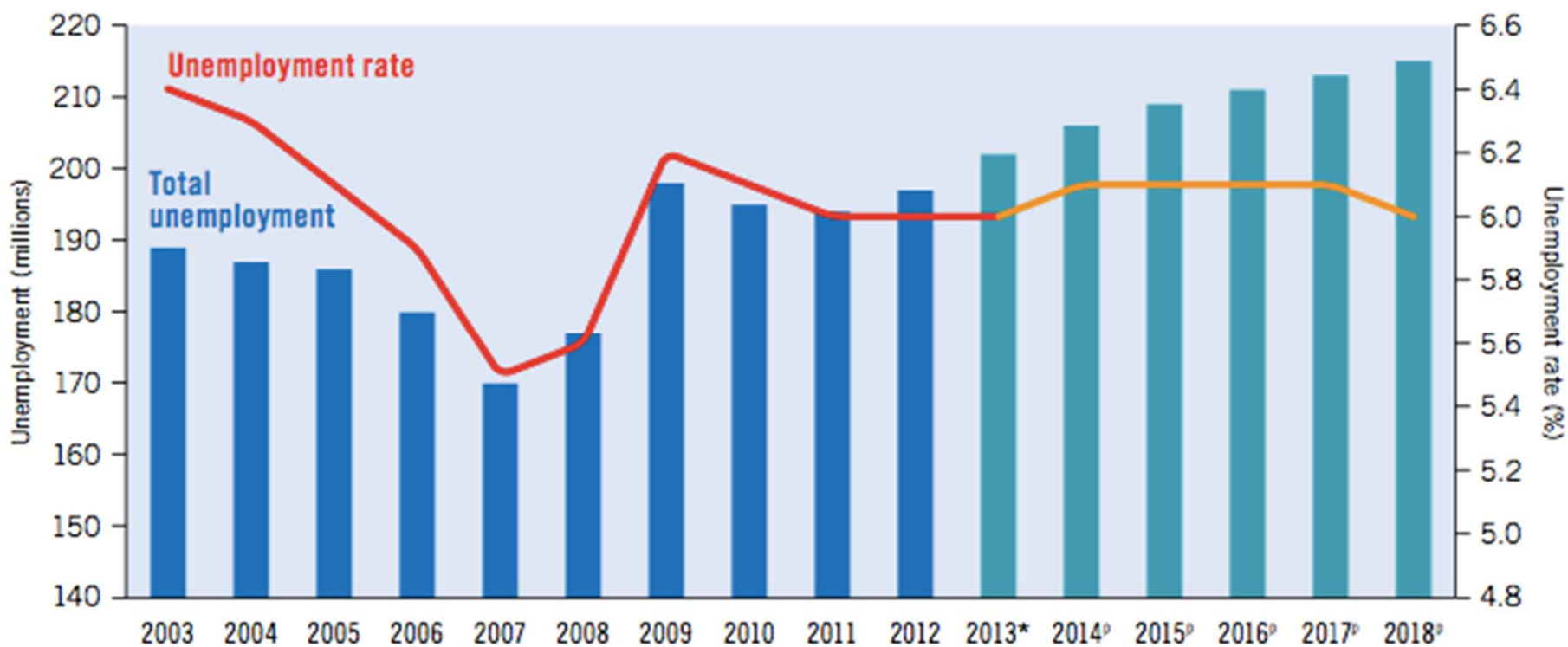


Global labour market trends

Global unemployment trends and projections, 2003-18



- Global unemployment has reached almost 202 million people in 2013
- The global unemployment rate is expected to remain at 6.1 per cent between 2014 and 2017

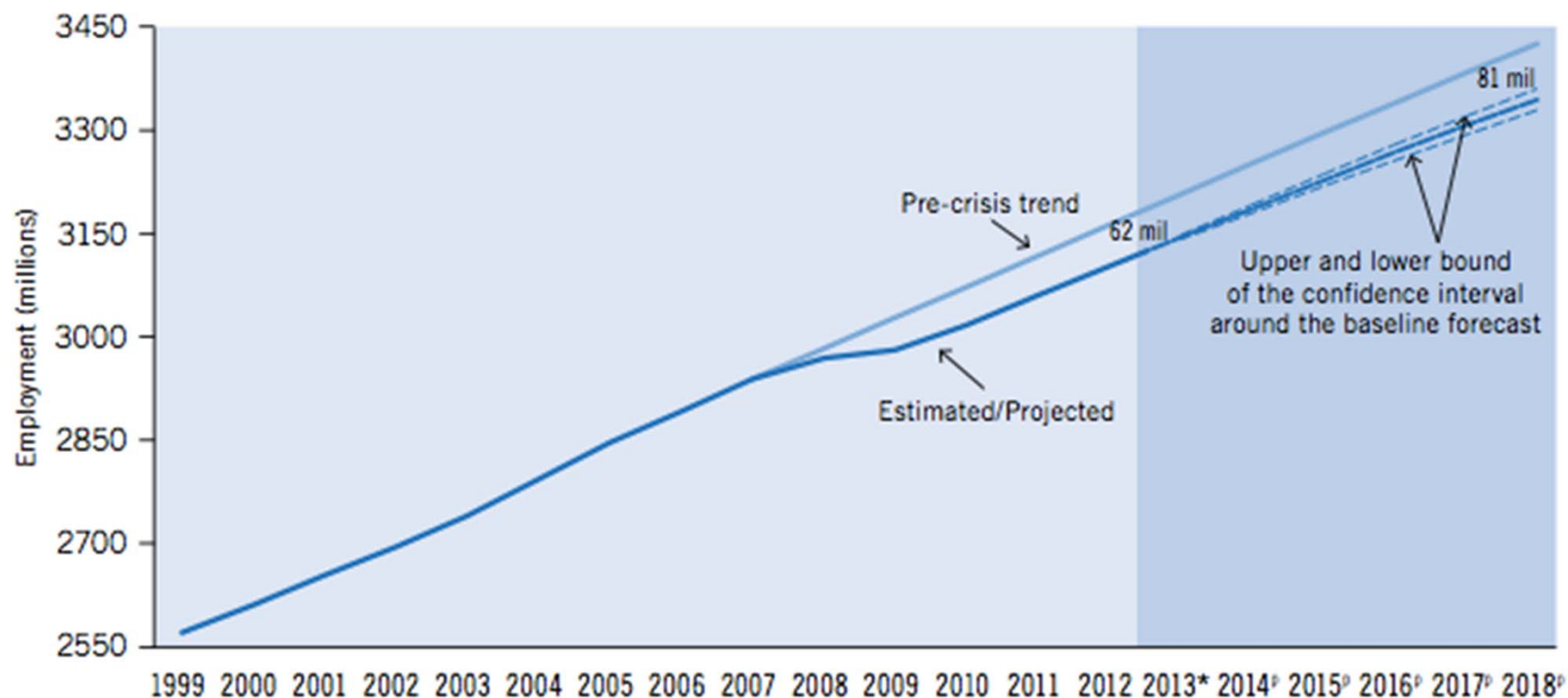




Global labour market trends

The crisis- related global jobs gap widens further

- Crisis-related jobs gap widened to 62 million jobs lost since 2008
- This includes 23 million people who became discouraged and dropped out of the labour market

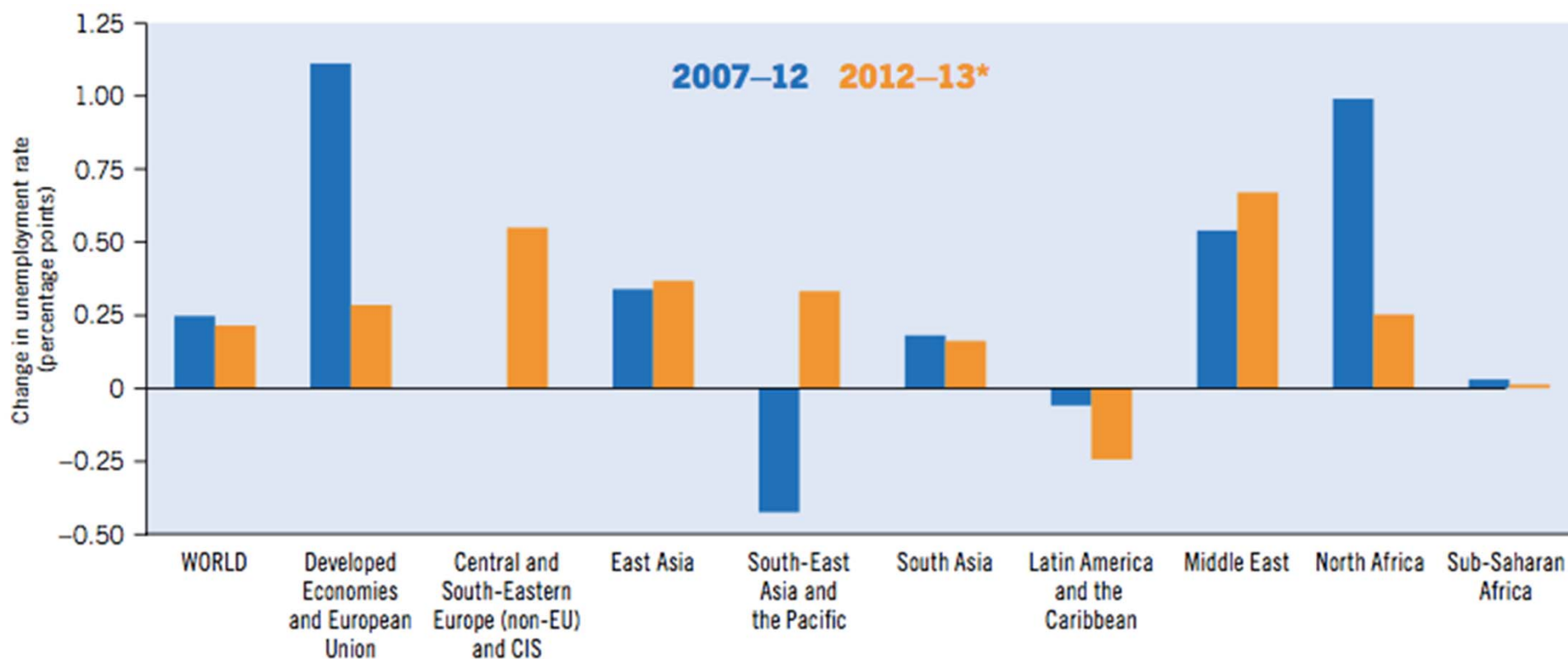




Global labour market trends

Change in the youth unemployment rate

- Youth unemployment continued rising in 2013
- Strong increases in some emerging regions such as the Middle East

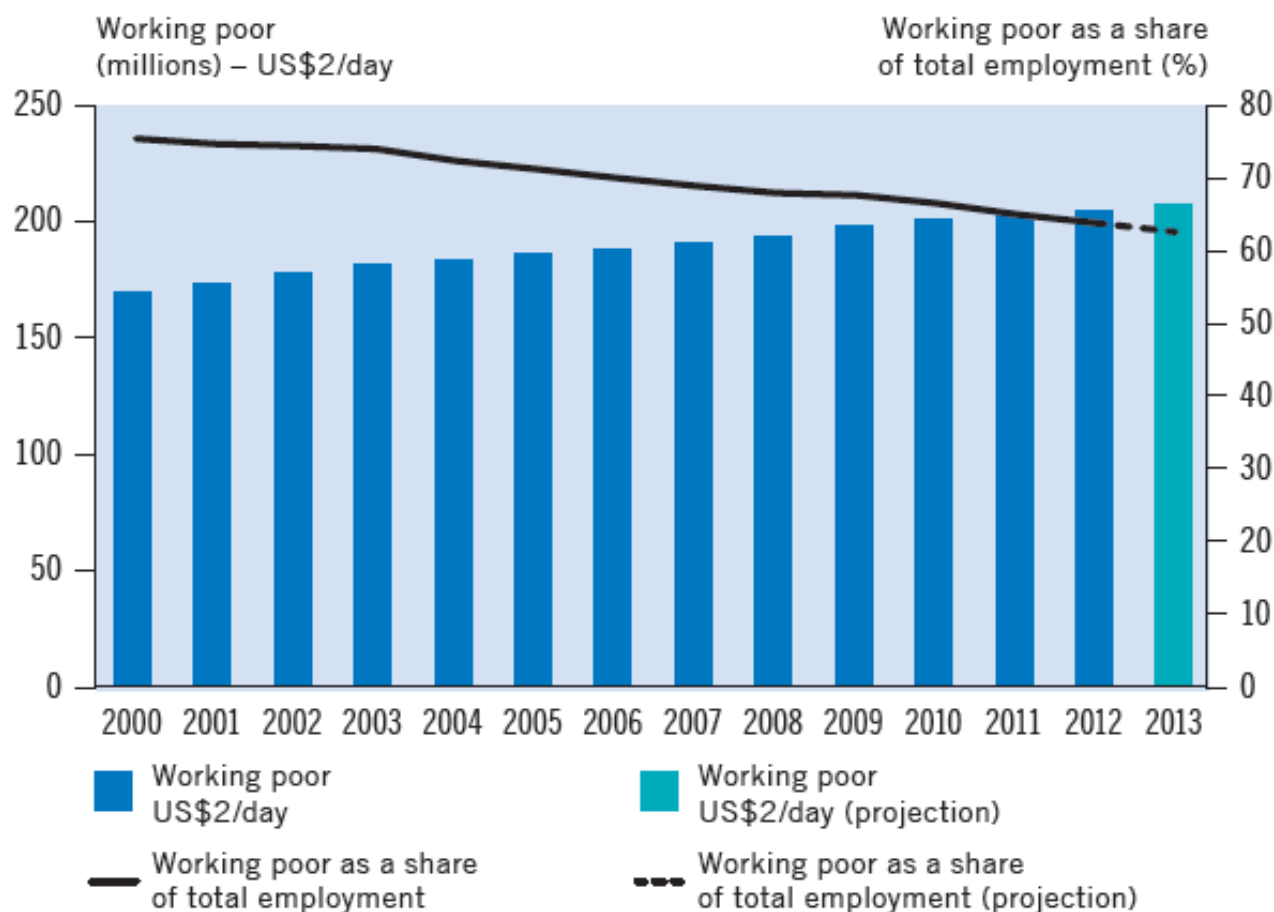


Regional economic and labour market prospects

Sub-Saharan Africa



- Incidence of working poverty remains high in the region
- Absolute number of working poor has reached around 200 million workers in 2013

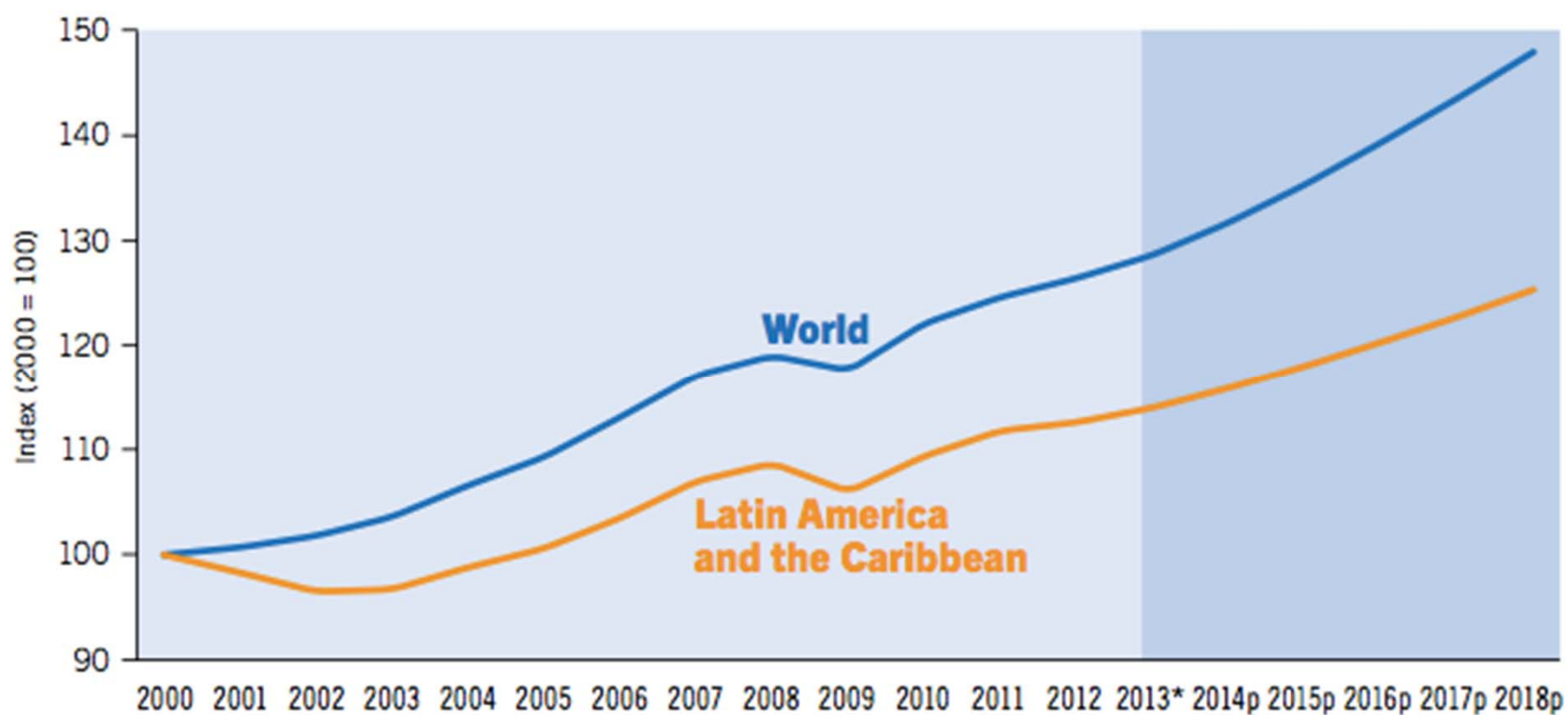




Regional economic and labour market prospects

Latin America and the Caribbean

- Labour productivity remains below the world average...
- ...and projected growth does not indicate potential for catch up

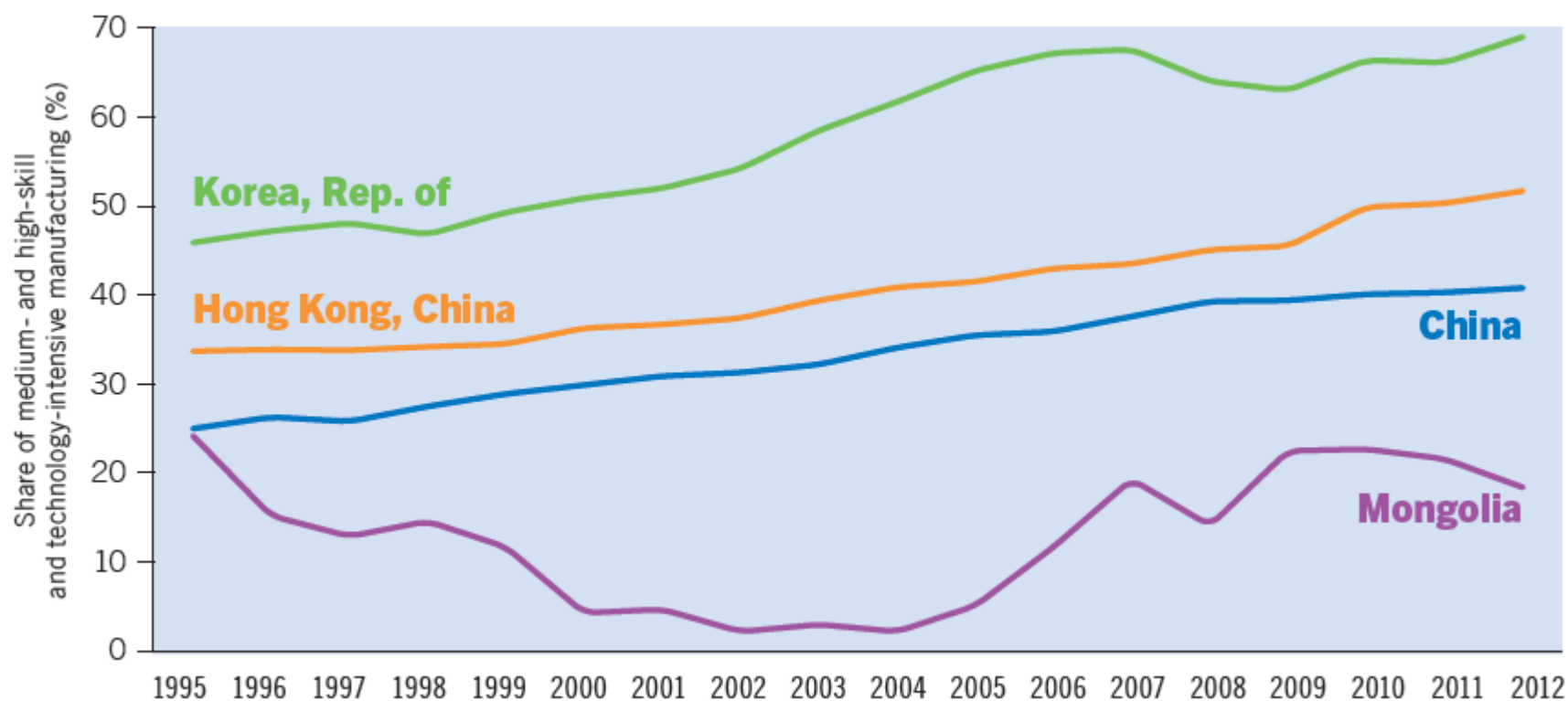


Regional economic and labour market prospects

East Asia



- Most countries in the region have increase the skill-content of their manufacturing sector
- This poses challenges for firms in the region to find qualified labour

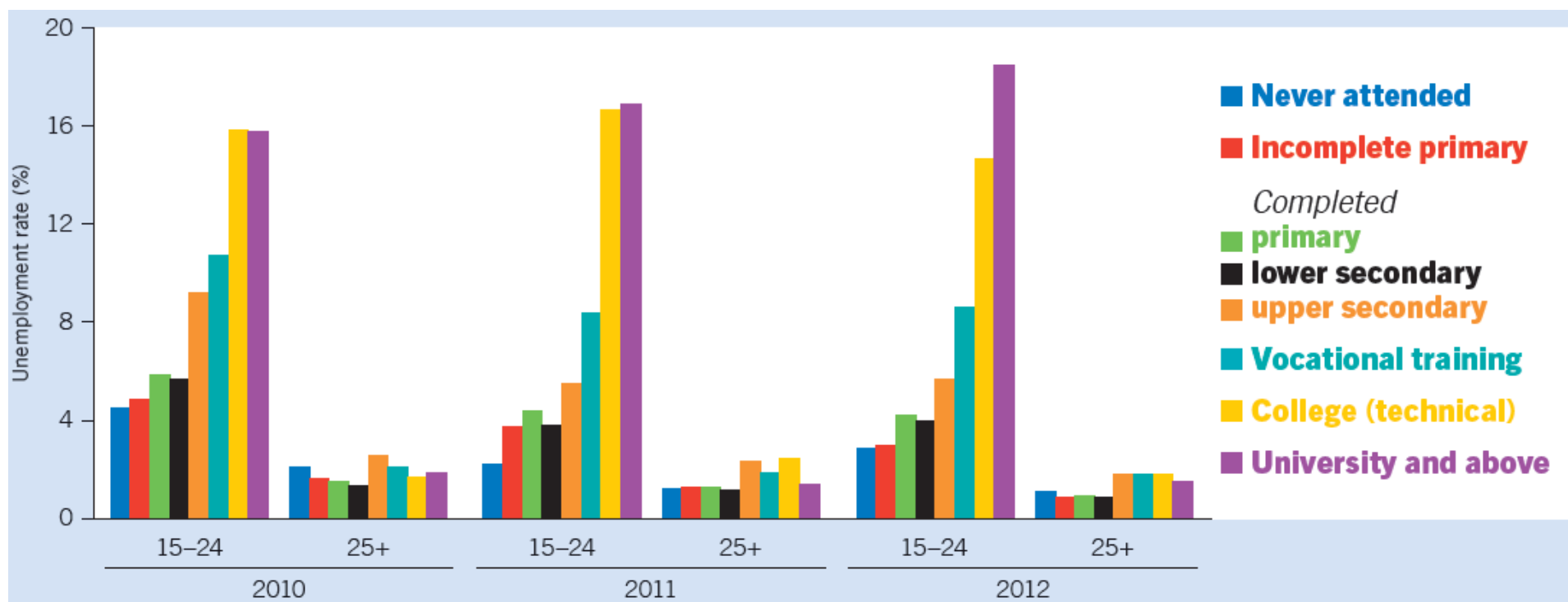




Regional economic and labour market prospects

South East Asia and the Pacific

- Skills mismatch is high in some countries in the region (e.g. Vietnam)
- Young graduates suffer especially from lacking job opportunities

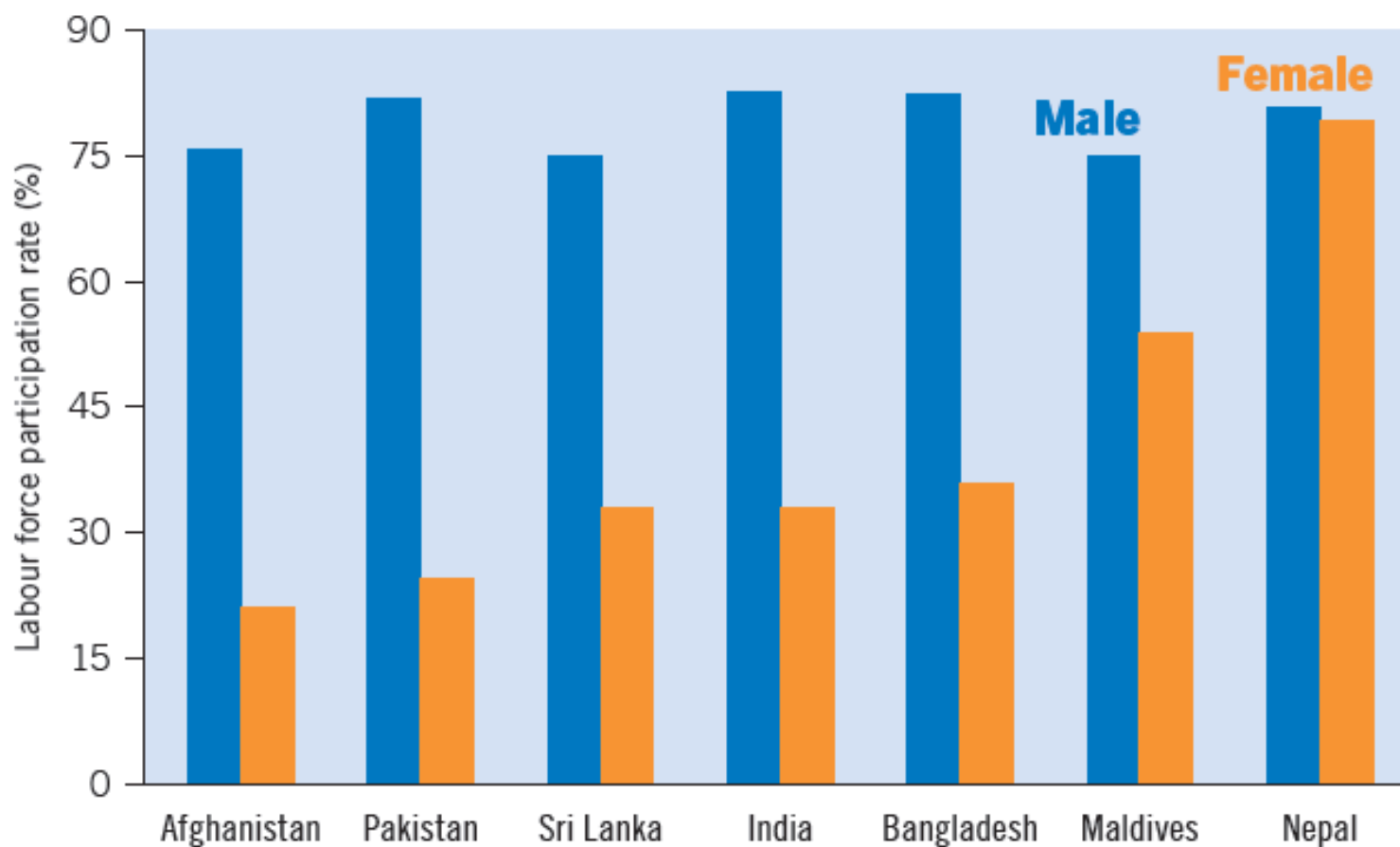


Regional economic and labour market prospects

South Asia



- Gender disparities in participation rates remain large in most countries of the region

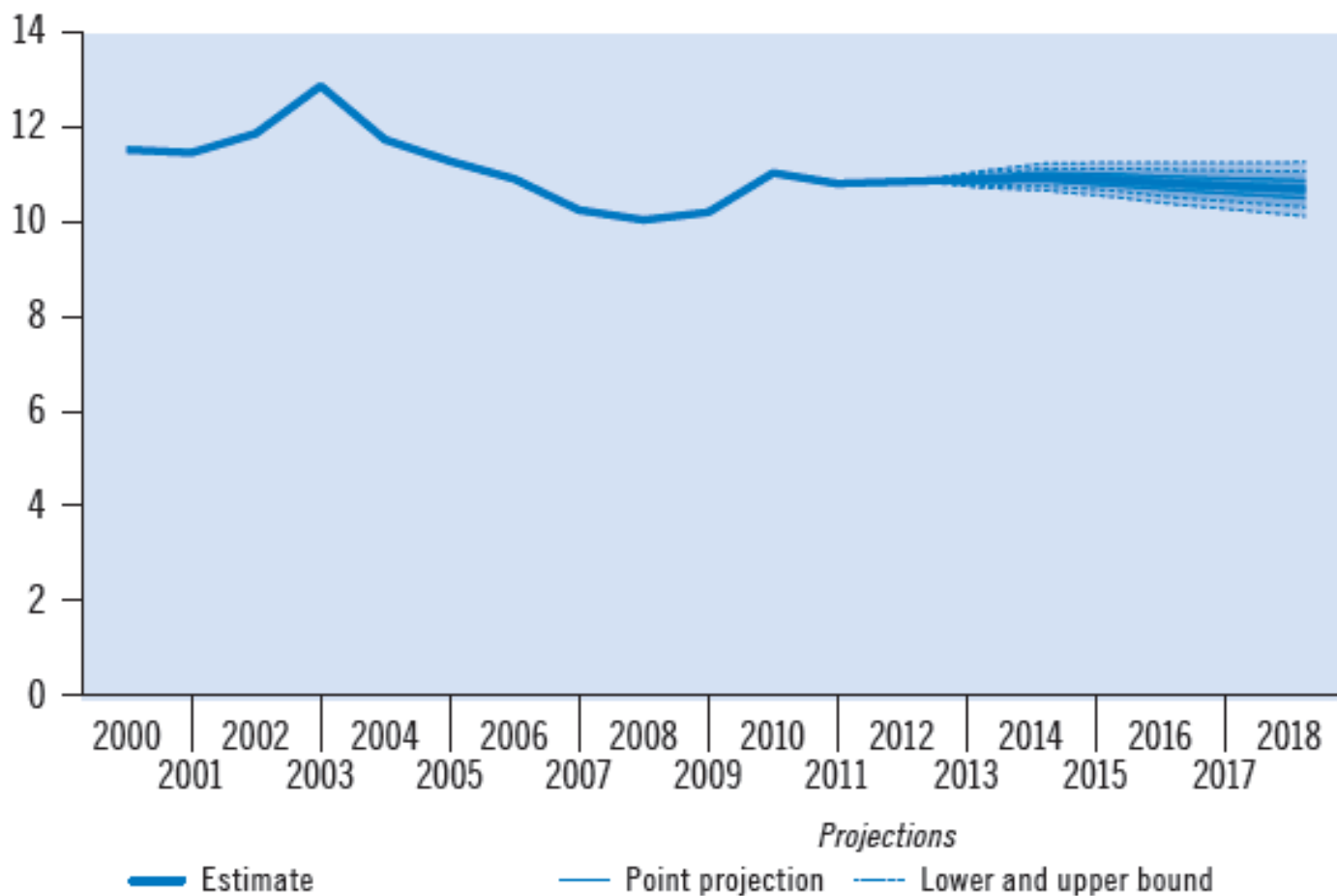


Regional economic and labour market prospects

Middle East and North Africa



- Unemployment rates among the highest in the world



Regional economic and labour market prospects

Middle East and North Africa



- Closing the large jobs gap would substantially raise GDP per capita in MENA countries

	Jobs gap (thousands)	Change in GDP per capita (%)
Maintain youth unemployment at current levels	-580	+0.3
Reduce youth unemployment rate by half	3019	+1.1
Increase employment-to-population ratio for women and youth to global average	58202	+20.1

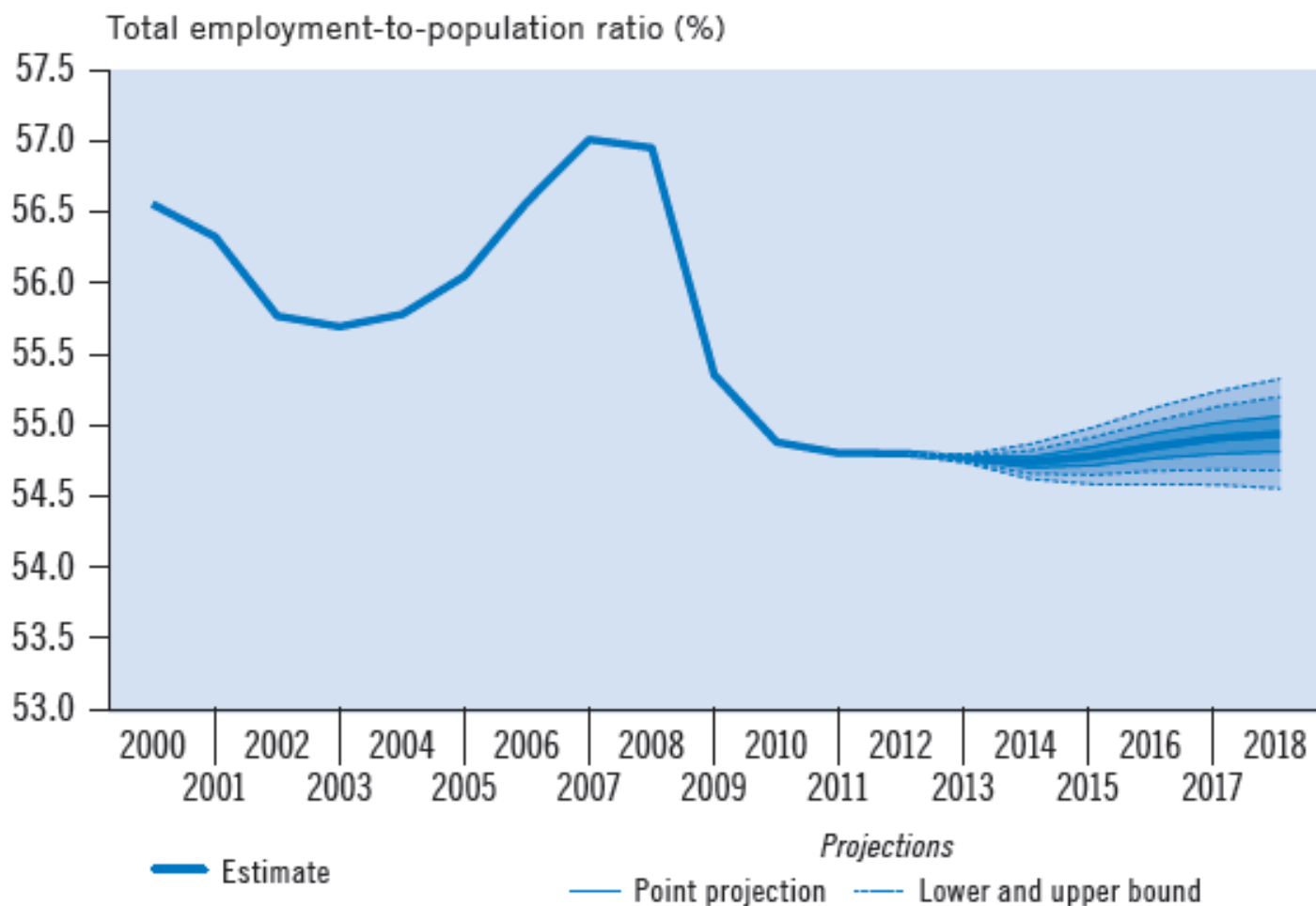
1. **First scenario:** Keep youth unemployment constant until 2018
2. **Second scenario:** Reduce youth unemployment rate by half in comparison to 2013
3. **Third scenario:** Increase the employment-to-population rates for both youth and women to the global average by 2018

Regional economic and labour market prospects

Developed Economies and European Union



- The regional employment-to-population ratio shows only moderate signs of improvement

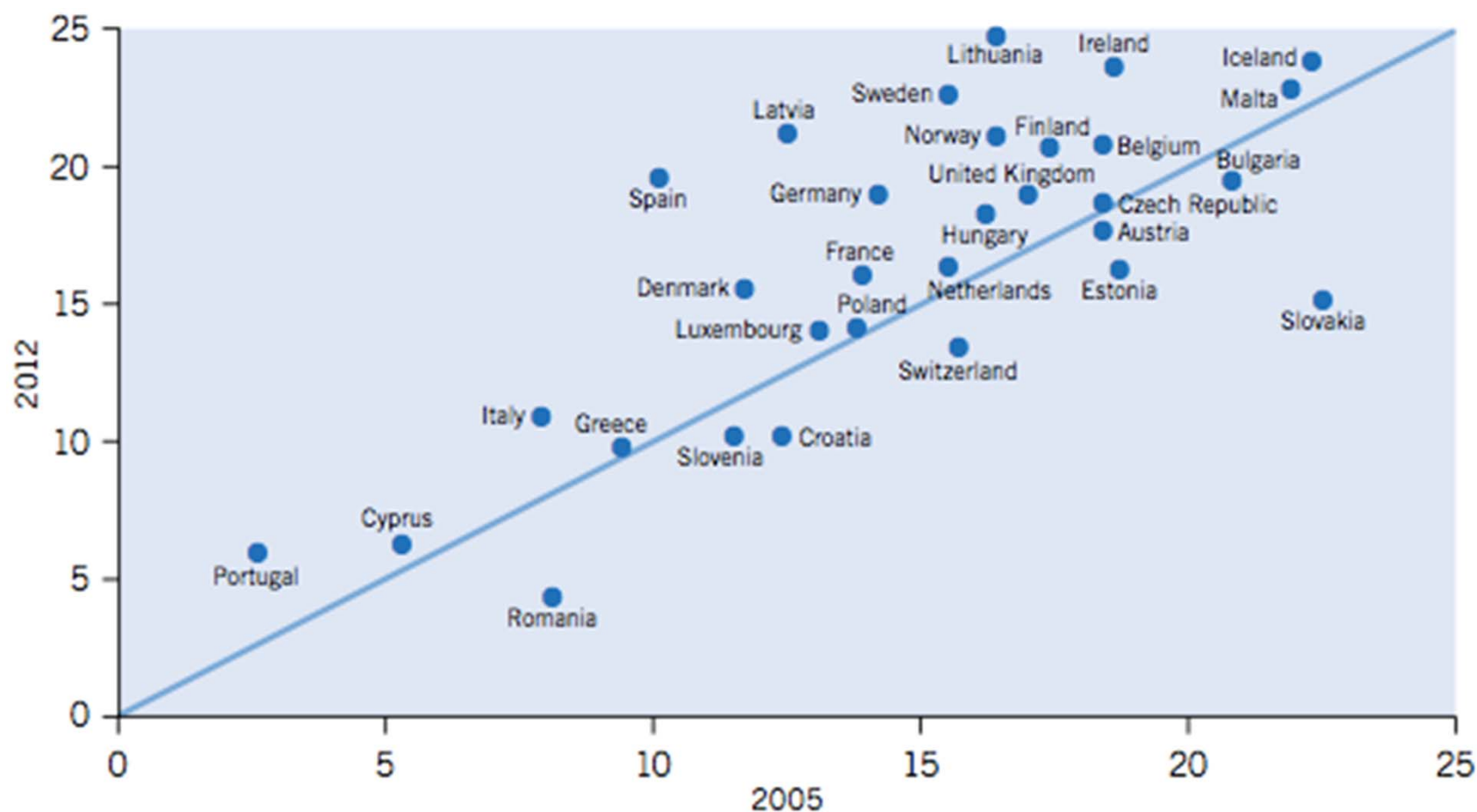


Regional economic and labour market prospects

European Union and EFTA countries



- Long term unemployment duration has doubled in many countries in the region



Policy recommendations

Renewed focus on the world of work is essential



Public and private debt remains high, forcing governments into consolidation and households into deleveraging

Global recovery in labour markets is being held back by a deficit of aggregate demand as public spending and labour incomes stagnate

Monetary policy remains accommodative and has helped reduce unemployment rates by 1-2 percentage points

Lack of policy coordination between monetary and fiscal policies has substantially increased labour market uncertainty,

Growth in numbers of long-term unemployed and increased labour market detachment is raising risk of emergence of structural labour market problems

Monetary policy is running the risk of fuelling new asset price bubbles rather than supporting employment creation

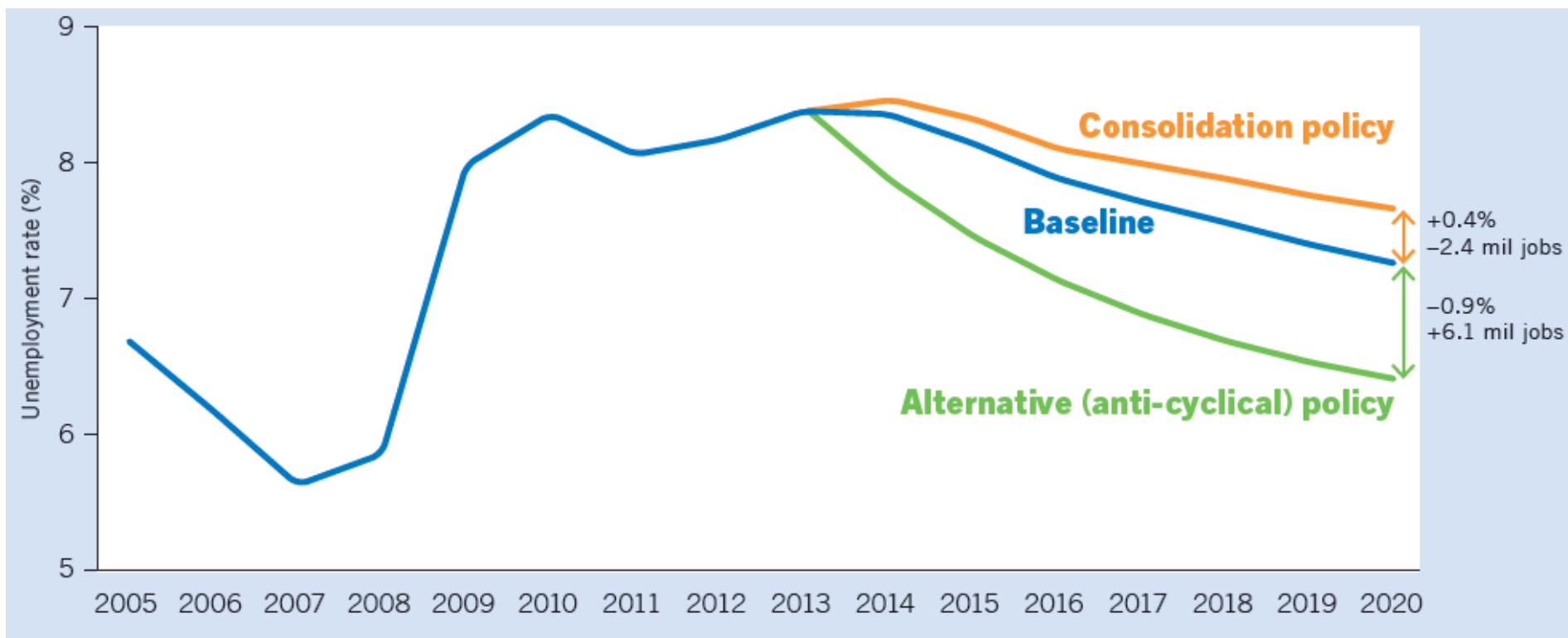
Policies need to focus on the World of work



Policy recommendations

1. Address weak aggregate demand

- A coordinated stimulus package could add 6.1 million jobs in G20 countries
- Currently implemented fiscal consolidation packages will cost another 2.4 million jobs by 2020





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