

Employment and Social Developments in Europe: 2018 review confirms positive trends but highlights challenges, in particular linked to automation and digitalisation

This year's edition confirms the ongoing positive labour market trends as well as an improving social situation. The numbers of people in employment reached new record levels. With almost 238 million people having a job, employment has never been higher in the EU. In 2017 over three and a half million more people were in employment, compared with 2016. However, while the number of hours worked per person employed has grown in recent years, they are still below the 2008 levels. At the same time we witness rising disposable incomes and lower levels of poverty. Severe material deprivation has receded to an all-time low, with 16.1 million fewer people affected, compared with 2012. But looking at the impact of technological developments, there are uncertainties about the future effects of automation and digitalisation. This is why the 2018 ESDE review is dedicated to the changing world of work.

Commissioner for Employment, Social Affairs, Skills and Labour Mobility, Marianne **Thyssen**, said: *"The European economy is growing faster and more evenly than before. This favours employment, props up household incomes, and improves social conditions. Technological change has a high potential to boost growth and jobs, but only if we shape this change. The European Pillar of Social Rights provides a compass for getting everyone ready for this transformation. Our proposals turn the Pillar into practice, by equipping people in Europe with better education and skills throughout their life and by ensuring that all workers are covered by basic rights in this fast changing world of work, with our proposals on transparent and predictable working conditions and access to social protection."*

This year's edition of the report aims to analyse opportunities and risks linked to technological innovation, demographic change, and globalisation. The review shows what needs to happen so that everybody can benefit from these developments.

As outlined in the review, technological progress is key to increasing overall productivity. But it is also replacing low-skill routine tasks and raising the skill threshold of employability: While there is no definite conclusion regarding the possible extent of technology's impact on jobs, studies show that repetitive routine tasks involved in current jobs are the most prone to full or partial automation; according to a study 37% to 69% of jobs could be partly automated in the near future. Better education and life-long learning as well as ensuring that our labour market and social protection institutions are fit for purpose are key to adapt to this changing

world of work.

With the Skills Agenda for Europe and EU funding, the Commission has prepared the ground to equip people in Europe with better skills at all levels, and in close cooperation with Member States, training providers and companies. Also social partners have an important role in the up-skilling and re-skilling of the labour force and in managing the increased flexibility in the changing world of work. They contribute to the design of training programs and identify opportunities and downsides of the rapid changes affecting labour markets.

New technologies contribute to the increase in the number of non-standard workers and self-employed. The ESDE review finds that new forms of work bring gains for both workers and business, in terms of increased flexibility, improved work-life balance while they offer new opportunities to people, including people with disabilities and older people, to enter or remain in the labour market. However, the ESDE review also finds a correlation between the growing incidence of non-standard work and a deterioration of working conditions, with higher income volatility, lower job security and insufficient access to social protection, as observed in the case of platform workers. The Commission is addressing this situation with proposals to modernise labour market legislation and social protection systems to respond to the new world of work. With the proposal for a [Directive on more transparent and predictable working conditions](#), new minimum standards are included for all workers, also those in non-standard forms of employment. And with the proposal for a [Recommendation on access to social protection](#), we encourage Member States to provide access to social security coverage to all employees and the self-employed, including transferability of rights between jobs and employment statuses.

Finally, the 2018 ESDE review also points to certain remaining structural challenges, for instance in the area of inequality, such as income and gender inequality, as well as skills development and education.

Background

The annual Employment and Social Developments in Europe review provides up-to-date economic analysis of employment and social trends in Europe. In light of these trends, the review points out potential challenges and highlights potential policy responses to face these. It is the main report in the European Commission's hands for analysing evidence and reviewing trends and upcoming challenges on the labour markets.

There are many examples in which the Commission focuses on addressing the challenges raised in the yearly ESDE reports. For instance, the Commission's recent proposal for the Multiannual Financial Framework earmarks more funds for investments into people, including through the [new European Social Fund Plus \(ESF+\)](#) and an [improved European Globalisation Adjustment Fund \(EGF\)](#). Initiatives and tools such as the [Skills Agenda for Europe](#), the [Youth Guarantee](#) and Youth Employment Initiative, the further strengthening of the [Erasmus programme](#), and the [European Solidarity Corps](#) will all contribute to pursuing these goals, as well as the Commission's proposals on [access to](#)

[social protection](#) and [transparent and predictable working conditions](#).

For More Information

[Memo: 2018 review of Employment and Social Developments in Europe – Questions and Answers](#)

[Factsheet: Annual review 2018 – Employment and Social Developments in Europe. The changing world of work: beyond digitalisation](#)

[2018 Employment and Social Developments Review](#)

[Employment and Social Analysis section on the EMPL website](#)

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CALENDRIER du 16 juillet au 22 juillet 2018

(Susceptible de modifications en cours de semaine)

Déplacements et visites

Lundi 16 juillet 2018

EU-China Summit

Informal meeting of competitiveness ministers (Internal market and industry), in Vienna, Austria

Agriculture and Fisheries Council

Foreign Affairs Council

16-17/07 EU and the Community of Latin American and Caribbean States (EU-CELAC) Ministerial meeting

President Jean-Claude **Juncker** in Beijing, China: participates in the EU-China Summit with Mr Donald Tusk, President of the European Council, and Mr Li Keqiang, Premier of the State Council of the People's Republic of China, and accompanied by Mr Jyrki **Katainen**, Ms Cecilia **Malmström** and Ms Violeta **Bulc**; participates in the EU-China Business Summit; participates in a working lunch

hosted by Mr Li Keqiang, Premier of the State Council of the People's Republic of China; meets Mr Xi Jinping, President of the People's Republic of China, together with Mr Donald Tusk, President of the European Council; and participates in a working dinner hosted by Mr Xi Jinping, President of the People's Republic of China.

Mr Frans **Timmermans** in The Haag, the Netherlands: meets Mr Mark Rutte, Prime Minister of the Netherlands; and Mr Arno Visser, President of the Court of Audit of the Netherlands.

Ms Federica **Mogherini** co-chairs the EU and the Community of Latin American and Caribbean States (EU-CELAC) Ministerial meeting, in Brussels.

Mr Jyrki **Katainen** in Beijing, China: meets with Mr Liu He, Chinese Vice Premier of the People's Republic of China.

Mr Neven **Mimica** in New York, the United States: participates in the ministerial meeting of the [2018 High-Level Political Forum](#) – co-hosts the High-Level Luncheon on “Accelerating SDG7 Achievement in support of 2030 Agenda for Sustainable Development” together with the United Nations Department of Economic and Social Affairs (DESA); co-hosts the EU side-event “A global circular economy for an inclusive and sustainable future: People and Planet in Partnership (for Prosperity and Peace)” together with Mr Karmenu **Vella**, and Ms Stientje van Veldhoven, Minister for the Environment of the Netherlands; and meets Mr Alpha Conde, President of Guinea.

Mr Miguel **Arias Cañete** in Madrid, Spain: meets Ms Teresa Ribera, Minister for Ecologic Transition of Spain.

Mr Karmenu **Vella** in New York, USA (until 17/07): participates in the United Nations High-Level Political Forum (UN HLPF) on Sustainable Development; meets Mr Sergio Bergman, Minister for Environment and Sustainable Development of Argentina. He also participates in the EU side event “Global circular economy for inclusive and sustainable future”; in the high-level dinner “Innovations and Solutions for Safeguarding Life on Earth”, organised by UN Biodiversity Convention, UN Environment, UN Development Programme, and the Food and Agriculture Organization (FAO).

Mr Vytenis **Andriukaitis** receives Mr Jan Krzysztof Ardanowski, Minister for Agriculture and Rural Development of Poland.

Mr Vytenis **Andriukaitis** receives Mr Petre Daea, Minister for Agriculture and Rural Development of Romania.

Mr Vytenis **Andriukaitis** meets Mr Gian Marco Centinaio, Minister for Agriculture of Italy, in Brussels.

Ms Elżbieta **Bieńkowska** in Tyrol, Austria: meets with industry representatives and local authorities and takes part in a dinner-debate with local Business leaders in Innsbruck.

Mr Tibor **Navracsics** receives representatives from World Footballers' Association (FIFPro).

Ms Corina **Crețu** in Beijing, China (until 18/07): participates in a High-Level Meeting with Mr Lin Nianxiu, Vice-Chairman of the National Development and Reform Commission (NDRC) of the People's Republic of China; as well as in the Signing Ceremony of International Urban Cooperation (IUC) city-to-city joint declarations.

Ms Mariya **Gabriel** in Sofia, Bulgaria: meets participants in the Traineeship Program of the Council of Women in Business in Bulgaria.

Mr Julian **King** delivers a speech at the Austria's EU Council presidency Cyber Security Conference on "Finance 5.0 – a challenge for cyber security"; and attends a lunch organised by the National Bank of Belgium on the occasion of the conference, in Brussels.

Mardi 17 juillet 2018

EU-Japan Summit

EU and the Community of Latin American and Caribbean States (EU-CELAC) Ministerial meeting

Informal meeting of competitiveness ministers (Research), in Vienna, Austria

President Jean-Claude **Juncker** in Tokyo, Japan: participates in the EU-Japan Summit with Mr Donald Tusk, President of the European Council, and Mr Shinzō Abe, Prime Minister of Japan.

Mr Frans **Timmermans** receives Mr Thomas Leysen, Chairman of KBC Group.

Ms Federica **Mogherini** co-chairs the EU and the Community of Latin American and Caribbean States (EU-CELAC) Ministerial meeting, in Brussels.

Ms Federica **Mogherini** co-chairs the Somalia Partnership Forum, in Brussels.

Mr Andrus **Ansip** receives Mr Francisco Polo, Secretary of State of Information Society and Digital Agenda of Spain.

Mr Jyrki **Katainen** in Tokyo, Japan: attends the EU-Japan Summit.

Mr Maroš **Šefčovič** in Berlin, Germany: chairs the Trilateral Gas Talks between Russia and Ukraine.

Mr Johannes **Hahn** in the former Yugoslav Republic of Macedonia and Albania: on official visit.

Mr Neven **Mimica** in New York, the United States: participates in the ministerial meeting of the [2018 High-Level Political Forum](#).

Mr Miguel **Arias Cañete** in Madrid, Spain: meets Mr Antonio Erias, President of Mercado Ibérico del Gas (MIBGAS); and Mr Ignacio Larracochea, President of PROMARCA.

Mr Vytenis **Andriukaitis** receives representatives of Medicines for Europe.

Mr Vytenis **Andriukaitis** receives representatives of the European Trade Association representing the medical imaging, radiotherapy, health ICT and electromedical industries (COCIR).

Mr Karmenu **Vella** in New York, the USA: participates in the United Nations High-Level Political Forum (UN HLPF) on Sustainable Development; meets Mr Thomas Remengesau, President of Palau. He also participates in the Ministerial breakfast "Achieving SDG12 with the One Planet Network", organised by Germany and UN Environment/10YFP Secretariat; as well as in the launch of "High Ambition Alliance on Chemicals and Waste", organised by Ms Karolina Skog, Minister for the Environment of Sweden.

M. Pierre **Moscovici** rencontre le Comité exécutif d'EuroCommerce, à Bruxelles.

Mr Christos **Stylianides** participates in the Somalia Partnership Forum, in Brussels.

Ms Elżbieta **Bieńkowska** in Tyrol, Austria: visits the Virtual Alpine Observatory in the Zigspitze Summit; and meets Mr Bernhard Schretter, CEO of the Planseewerke.

Ms Mariya **Gabriel** receives Mr Francisco Polo, Secretary of State of Information Society and Digital Agenda of Spain.

Ms Mariya **Gabriel** receives representatives from the International Federation of Reproduction Rights Organisations (IFFRO).

Ms Mariya **Gabriel** receives Ms Louise Mushikiwabo, Minister for Foreign Affairs of Rwanda.

Mr Julian **King** in Nicosia, Cyprus: meets Mr Ionas Nicolaou, Minister for Justice and Public Order of Cyprus; Mr Yiorgos Lillikas, Chairman of the Parliamentary Standing Committee on Foreign and European Affairs; Mr Demetris Demetriou, Deputy Chairman of Parliamentary Standing Committee on Legal Affairs; and Mr Zacharias Chrysostomou, Chief of Cyprus Police of Cyprus; and makes a visit to the Cybercrime Centre.

Mercredi 18 juillet 2018

College meeting

President Jean-Claude **Juncker** receives Mr Werner Hoyer, President of the European Investment Bank (EIB), and Mr Wilhelm Molterer, Managing-Director of the European Fund for Strategic Investments.

Mr Frans **Timmermans** receives Mr Tony Blair, former Prime Minister of the United Kingdom, and founder of the Tony Blair Institute for Global Change.

Ms Federica **Mogherini** hosts a meeting in the framework of the EU-facilitated Dialogue with Mr Hashim Thaçi, President of Kosovo and Mr Aleksandar Vučić, President of Serbia.

Mr Jyrki **Katainen** in Pori, Finland (until 20/07): attends [SuomiAreena public debate forum](#); participates in a [Citizens' Dialogue](#) on European Defence; meets Mr Kai Mykkänen, Minister for the Interior of Finland; Mr Timo Ritakallio, President and Executive Chairman of OP Financial Group; Mr Seppo Parvi, Deputy CEO of Stora Enso, and Mr Timo Heikka, Vice-President for Stakeholder Relations Finland and EU Affairs of Stora Enso; and participates in working dinners with Mr Risto Siilasmaa, Chair of the Board of Directors of Nokia Corporation, and Finnish political leaders.

Ms Corina **Crețu** in Zhengzhou, China: meets Mr Huang Qiang, Executive Deputy Governor of Henan; delivers closing remarks at the EU-China Regional and Urban Cooperation Seminar. She also visits the EU-China Exhibition on Urbanisation-GIZ Booth as well as meets with local official representatives.

Mr Dimitris **Avramopoulos** receives Mr Werner Hoyer, President of the European Investment Bank (EIB); and Mr Wilhelm Molterer, Managing Director of the European Fund for Strategic Investments of European Investment Bank (EIB).

Mr Carlos **Moedas** receives Ms Martina Munch, Minister for Science, Research and Culture of Brandenburg.

M. Julian **King** reçoit M. Frédéric MacKain, Secrétaire Général de la préfecture des Alpes Maritimes chargé d'une mission pour l'académie du renseignement.

Jeudi 19 juillet 2018

19-20/07 Informal meeting of employment and social policy ministers, in Vienna, Austria

President Jean-Claude **Juncker** in Madrid, Spain (until 20/07): attends an audience with His Majesty King Felipe VI of Spain; together with the board of trustees and sponsors of the Carlos de Amberes Foundation, attends an audience with His Majesty King Felipe VI of Spain; and delivers a keynote speech on "New perspectives for the future of Europe" at the Carlos de Amberes Foundation.

Mr Valdis **Dombrovskis** receives Mr Mamuka Bakhtadze, Prime Minister of Georgia.

Ms Cecilia **Malmström** receive Mr Mamuka Bakhtadze, Prime Minister of Georgia.

Mr Miguel **Arias Cañete** receives Mr Zygimantas Vaiciunas, Minister for Energy of Lithuania.

Mr Karmenu **Vella** receives Ms Vivian Motzfeldt, Minister for Education, Culture, Church and Foreign Affairs of Greenland.

Mr Karmenu **Vella** receives Mr Jürgen Resch, Managing Director of Deutsche Umwelthilfe (DUH, Environmental Action Germany).

Ms Marianne **Thyssen** in Vienna, Austria (until 20/7): attends the Employment, Social Policy, Health and consumer Affairs (EPSCO) Council; meets Mr Heinz Faßmann, Federal Minister for Education, Science and Research of Austria. She also meets Mr Eityvidas Bingelis, Vice-Minister for Social Security and Labour of Lithuania.

M. Pierre **Moscovici** à Paris: est auditionné par la mission d'information de l'Assemblée nationale intitulée "L'avenir de la zone euro"; et par la mission parlementaire sur le cadre financier pluriannuel.

Ms Věra **Jourová** in Prague, the Czech Republic: meets Mr Dan Ťok, Minister for Transport, and Ms Libuše Šmuclerová, CEO and Chair of the Board of the Czech News Center, publisher.

Mr Tibor **Navracsics** in Veszprém, Hungary: delivers a speech at the twin-cities conference on 'Education and Culture: driver of innovation in Central Europe'.

Mr Carlos **Moedas** in Lisbon, Portugal: attends the presentation of the book "*Etica Apilicada: Novas tecnologias*" and delivers a keynote speech at the dinner-debate organised by the think tank Portugal XXI.

Mr Julian **King** in London, the United Kingdom: meets Ms Chloe Smith, Minister for the Constitution; and attends a reception for the 20th anniversary of the Centre for European Reform.

Vendredi 20 juillet 2018

Informal meeting of employment and social policy ministers, in Vienna, Austria

General Affairs Council (Art. 50)

President Jean-Claude **Juncker** in Madrid, Spain: receives the "Marqués de Villalobar" Award granted jointly by the Chamber of Commerce of Belgium and Luxembourg in Spain and by the Spanish-Dutch Entrepreneurial Forum.

Mr Johannes **Hahn** receives Mr Mamuka Bakhtadze, Prime Minister of Georgia.

Mr Neven **Mimica** receives Ms Vivian Motzfeldt, Minister for Education, Culture, Church and Foreign Affairs of Greenland.

Ms Marianne **Thyssen** in Vienna, Austria: attends the Employment, Social Policy, Health and consumer Affairs (EPSCO) Council.

Ms Elżbieta **Bieńkowska** in Bohumin, the Czech Republic: takes part on the first Train ride from the Czech Republic to Poland, the first international open access passenger carrier on the Polish railways.

Mr Carlos **Moedas** in Lisbon, Portugal: delivers a keynote speech at the Fernando de Sousa Journalism 2018 Award ceremony and visits the Museum of Portuguese Decorative Arts and Workshops.

Samedi 21 juillet 2018

M. Pierre **Moscovici** à Buenos Aires, Argentine (jusqu'au 22 juillet):
participe aux réunions G20 des ministres de finance et des chefs des banques centrales.

Prévisions du mois de juillet:

24/07 Economic and Financial Affairs Council (Budget)

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Indicative programme – Foreign Affairs Council of 16 July 2018

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[2018 country-specific recommendations on economic, employment and fiscal policies](#)

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On 13 July, the Council concluded this year's "European Semester" exercise, the annual monitoring process aimed at ensuring economic convergence and stability in the EU.

The Council issued its 2018 recommendations and opinions to member states' on their economic, employment and fiscal policies. The recommendations had been

endorsed by the European Council in June.

The overall objective of this year's recommendations is to encourage member states to **use the current favourable economic momentum to further strengthen the resilience of their economies.**

The European Semester involves simultaneous monitoring of the member states' economic, employment and fiscal policies during a six-month period every year.

In the light of policy guidance given by the European Council annually in March, the member states present each year in April:

- national reform programmes for their economic and employment policies. These include a macroeconomic scenario for the medium term, national targets for implementing the 'Europe 2020' strategy for jobs and growth, identification of the main obstacles to growth, and measures for growth-enhancing initiatives in the short term;
- stability or convergence programmes for their fiscal policies. Eurozone countries present stability programmes, whereas non-euro member states present convergence programmes. These set out medium-term budgetary objectives, the main assumptions about expected economic developments, a description of fiscal and economic policy measures, and an analysis of how changes in assumptions will affect fiscal and debt positions.

The Council then adopts country-specific recommendations (CSRs) and opinions.

The 2018 CSRs are addressed to 27 of the EU's 28 member states. To avoid duplication there is no CSR for **Greece**, as it is subject to enhanced policy surveillance under an economic adjustment programme.

In May 2018, the Council adopted a specific recommendation on the economic policies of the **euro area**. It did so at an earlier stage so that eurozone issues be taken into account when approving the country-specific recommendations.

The recommendations can be found in the following documents:

[Visit the meeting page](#) [Download as pdf](#)