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## EU

### Euro area unemployment rate at 12.0% EU28 at 10.8%

The euro area seasonally-adjusted unemployment rate was 12.0% in January 2014, stable since October 2013. It was also 12.0% in January 2013. The EU28 unemployment rate was 10.8% in January 2014, stable since October 2013. It was 11.0% in January 2013. These figures are published by Eurostat, the statistical office of the European Union.

Eurostat estimates that 26.231 million men and women in the EU28, of whom 19.175 million were in the euro area, were unemployed in January 2014. Compared with December 2013, the number of persons unemployed increased by 17 000 in both the EU28 and the euro area. Compared with January 2013, unemployment decreased by 449 000 in the EU28, and by 67 000 in the euro area.

Among the Member States, the lowest unemployment

rates were recorded in Austria (4.9%), Germany (5.0%) and Luxembourg (6.1%), and the highest in Greece (28.0% in November 2013) and Spain (25.8%).

Compared with a year ago, the unemployment rate increased in thirteen Member States, fell in thirteen and remained stable in Austria and Slovenia. The highest increases were registered in Cyprus (14.4% to 16.8%), Greece (26.3% to 28.0% between November 2012 and November 2013), Croatia (17.4% to 18.8%), Italy (11.8% to 12.9%) and the Netherlands (6.0% to 7.1%). The largest decreases were observed in Latvia (14.3% to 11.5% between the fourth quarters of 2012 and 2013), Portugal (17.6% to 15.3%), Hungary (11.1% to 8.8% between December 2012 and December 2013), Ireland (13.8% to 11.9%), and Lithuania (12.8% to 11.3%). In January 2014, the unemployment rate in the United States was 6.6%, down from 6.7% in December 2013 and from 7.9% in January 2013.

## 28<sup>th</sup> February - Equal Pay Day: Gender Pay Gap stagnates at 16.4% across Europe

Women in Europe still work 59 days 'for free' – this is what the latest figures released by the European Commission show. The gender pay gap – the average difference between women and men's hourly earnings across the entire economy – has barely moved in recent years and still stands at around 16% (it stands at 16.4% as the year before). The latest figures mean European Equal Pay Day is marked on 28 February, for the second year in a row. The EU-wide event marks the date in the new calendar year from which women really begin to be paid for their work as compared to men. In effect it means that women work 59 days "for free" until they match the amount earned by men. This is the fourth time the Equal Pay Day takes place at European level: following its launch by the Commission on 5 March 2011, the second day took place on 2 March 2012 and the third on 28 February 2013.

"European Equal Pay Day reminds us of the unequal pay conditions women still face in the labour market. The pay gap has only narrowed marginally in recent years. To make things worse, the very slight decreasing trend for the past years is largely a result of the economic crisis, which has seen men's earnings decrease, rather than women's earnings increase," said Vice-

President Viviane Reding, the EU's Justice Commissioner. "Equal pay for equal work is a founding principle of the EU, but sadly is still not yet a reality for women in Europe. Following years of inaction, it is time for a change. The European Commission is currently working on an initiative to trigger change, so that in the near future we will no longer need an Equal Pay day."

The gender pay gap is shown as a percentage of men's earnings and represents the difference between the average gross hourly earnings of male and female employees across the EU economy. The latest figures show an average 16.4% gender pay gap in 2012 across the European Union. They show stagnation after a slight downward trend in recent years, with the figure around 17% or higher in previous years. A continuous decreasing trend can be found in Denmark, the Czech Republic, Austria, the Netherlands and Cyprus, where other countries (Poland, Lithuania) have reversed their decreasing trend in 2012. In some countries like Hungary, Portugal, Estonia, Bulgaria, Ireland and Spain, the gender pay gap has increased in recent years.

The declining trend in the pay gap can be explained by several factors, such as a rising share of higher educated female workers or the greater impact of the economic downturn on some male-dominated sectors, such as

construction or engineering. The change is therefore not solely due to improvements in pay and working conditions for women.

A report by the European Commission from December 2013 on the implementation of EU rules on equal treatment for women and men in employment (Directive 2006/54/EC) found that equal pay is hindered by a number of factors. These include a lack of transparency in pay systems, a lack of legal clarity in the definition of work of equal value, and procedural obstacles. Such obstacles are for example the lack of information of workers necessary to bring a successful equal pay claim or including information about the pay levels for categories of employees. Increased wage transparency could improve the situation of individual victims of pay discrimination who would be able to compare themselves more easily to workers of the other sex.

The Commission is currently looking at options for action at European level to improve pay transparency and thereby tackle the gender pay gap, helping to promote and facilitate effective application of the principle of equal pay in practice.

### **Court of Justice of the European Union (CJEU)**

The European Court of Justice reiterated that a female employee on unpaid parental leave may apply for maternity leave if she becomes pregnant

again. In fact, according to the principal whereby "a period of leave guaranteed by European Union law cannot affect the right to take another period of leave guaranteed by that law", the female employee must be able to access the benefits associated with maternity leave in the same way as if she had been working immediately before taking maternity leave. She must therefore be able to benefit from the maintenance of her full salary as envisaged by the collective agreement applicable to the company during the period of maternity leave to which she would have been entitled "had that period of maternity leave been preceded by a minimum period of resumption of work"

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Italy has been condemned by the European Court of Justice in connection with the implementation of directive 98/59 relating to collective redundancies. In fact, Italian legislation excludes the *dirigenti* category of managers and senior managers when calculating the number of redundancies which the employer intends to make and the procedural guarantees relating to the information and consultation of workers at the workplace. The Court found this exclusion to be in breach of EU law

## **Belgium**

Social partners at Belgium's National Work Council have

negotiated a new cross-sectoral agreement on temporary agency work. It modernises existing laws and collective agreements to suit the current employment market. Changes relate mainly to the use of temporary agency work and daily work contracts. While employers and unions are broadly in favour of temporary agency work, unions are anxious to make sure it is closely regulated.

## **Denmark**

Workers at meat processing company Danish Crown have turned down a deal designed to save slaughterhouse production and jobs in Denmark. Shop stewards and management had negotiated an agreement to move part of the workers' wages into an investment fund. But workers wanted more assurances on jobs. Over the past decade, slaughterhouses in Denmark have been closed and work has gone to other countries. The deal was an attempt to reverse the decline of investment and employment.

## **France**

For 30 years, help for young people trying to enter the labour market has been a policy focus for successive French governments. Under-25s are not eligible for state income support and recent figures show that 23% of those aged between 18 and 25 live in poverty and have precarious employment. Since October 2013, the government

has piloted the Youth Guarantee initiative to address this problem. Although welcomed by unions, other social partners have said the scheme is too costly.

## **Greece**

Youth unemployment has risen to disturbingly high levels in Greece. Labour market entry has become extremely difficult for the thousands of young people leaving school and university because the continuing economic crisis has forced many enterprises to close or suspend operations, and job cuts in the public sector are still underway. Data from the Labour Force Survey show that half of those aged 29 and under are out of work, compared to 15% in 2008, and half of this group have never had a job.

## **Netherlands**

Collective agreements cover around 84% of workers in the Netherlands, and this makes the annual report on collective agreements produced by the Ministry of Social Affairs and Employment at the end of 2013 a significant document. The report looks at the content of these agreements, which is generally very broad, covering issues such as sickness, disability, employability and flexible work. The report contributes significantly to the understanding of Dutch industrial relations.