# Report

#### Note

This work is the translation of « La France dans l'Union européenne » published in the *INSEE Références* collection in April 2014.

Unless otherwise stated, the data used are taken from the website of Eurostat, the European Union's statistical office. These data are continually updated. The date of acquisition of the figures is therefore generally indicated below the tables and charts. The data mainly concern the countries of the European Union of 28 (EU of 28), as currently defined. However, for some countries (particularly those that have recently joined the EU), certain figures are not yet available. In such cases the perimeter of the EU is indicated.

On 15 May 2014, the INSEE published the national accounts in the 2010 base: these data are compiled in accordance with the new European System of Accounts (ESA 2010). France is one of the first countries to integrate this change, as most other States are not publishing national accounts data in line with ESA 2010 until September 2014. Prior to that date, only data from the 2005 base can be used to make reliable comparisons. It is this base that is therefore used here. It is likely that the change of base will have little effect on the majority of national accounting aggregates (particularly those presented here) and that it will not alter the hierarchies observed between countries.

#### Symbols used

- ... Result unavailable
- /// No results due to the nature of things
- e Estimate
- p Provisional result
- n.s. Non-significant result
- € Euro
- M Million
- Bn Billion
- Ref. Reference

### Europeans in employment in seven socio-economic categories

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In 2011, 218 million people aged 15 or over were working in the 27 countries of the European Union (EU). It would be inadequate to describe the workings of this labour market solely through the prism of economic activities (agriculture, industry, services, etc.). A new economic and social tool enables us to provide a deeper analysis of this complex space that is the European Union, by dividing the labour force into seven homogenous socio-economic groups, ranging from managers to the least skilled employees. This interpretative framework is useful, for example, in analysing the labour market in each country (risk of unemployment, part-time work, mobility, etc.) as well as the impact of the economic crisis on its evolution.

This article is based on a categorisation of the European social space currently being developed and aims to divide the 218 million people who work in the Union into seven groups, consisting of socio-economic categories<sup>1</sup> (*Box 1*).

The "managers" group brings together company directors and executives whose principal functions are managerial. In 2011, there are 13 million such managers in the EU- $27^2$ , or 6% of people in employment. There are 39 million "professionals", a group containing principally teachers, health professionals and engineers. They represent 18% of the reference population. Small business owners (the "independents" or "small entrepreneurs" – including farmers, shopkeepers and craftsmen) generally do not have any employees. There are 26 million of them, or 12% of the total (*Figure 1*).

The intermediate occupations (or "technicians and associated professionals") cover a large part of the "intermediate professions" in the corresponding French category. However, they do not include primary school teachers, who, like other teachers, are classified at European level among the "professionals". Numbering 30 million, they constitute 14% of the total. There are 32 million "clerks and skilled service employees" (15%), 36 million "skilled workers" or ("industrial skilled employees", 17%), and 41 million "less-skilled employees" (19%).

This categorization of the European social space proves relatively balanced, with exceptions<sup>3</sup> (no obviously dominant category or barely represented category). It is clearly consistent with the description of the structure of the European economic fabric (strong expansion of the service sector, decline of agriculture and slump in industry – *Box 2*) and is subdivided at national level for each country in order to describe the distinctive features of national contexts.

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<sup>1.</sup> This article, based on data provided by Eurostat, represents only the opinions of its authors

<sup>2.</sup> In other words the European Union in 2011, when it consisted of 27 countries, Croatia not yet being part of it.

<sup>3.</sup> For example, in Luxembourg, the "professionals" represent 33% of employees, and "independents" only 4%, against respectively 14% and 31% in Romania.

#### 1. Breakdown of the labour force in employment by socio-economic category for the major European regions





Intermediate occupations

as a %

20

15

10 5

0









 Northern Europe: Denmark, Sweden, Finland, United Kingdom, Ireland, Netherlands, Belgium, Germany, Austria, Luxembourg, France; Central and eastern Europe: Bulgaria, Estonia, Hungary, Latvia, Lithuania, Poland, Czech Republic, Romania, Slovakia, Slovenia; Southern Europe: Cyprus, Spain, Greece, Italy, Portugal.

Scope: all individuals aged 15 to 75 working in one of the countries of EU-27.

Findings: in northern Europe, out of every 100 people in employment, there are 7 managers, 20 professionals, 16 intermediate occupations, 16 skilled employees, 14 skilled workers, 19 low-skilled workers, and 8 independents. *Source: Eurostat, LFS 2011.* 

#### Employees and independents not classified in the same way

The managers' activity is essentially managerial. Overall, one third of them are not employees but this proportion varies greatly from one country to the next: it is almost two-thirds of managers in southern Europe; these are often directors of small or medium-sized enterprises, whereas salaried managers are generally found in larger companies. This is one of the most masculine groups (68%), although this characteristic is less marked in France (61%) and in certain Central and Eastern European countries. The managers form quite a well-qualified population. This is less true, however, of self-employed managers than of salaried managers. They work in all sectors. This is the best-paid group: half of the salaried managers are in the highest decile in the distribution of wages in their country (*Sources and definitions*).

Box 1

#### Constructing a European socio-economic classification

The harmonisation of European statistics is being developed with the aim of better describing and comparing these societies. In this framework, the development of a socioeconomic classification of the population is controversial and long-awaited.

The aim is to construct, at European level, a tool that – based on characteristics of employment and, in particular, of occupation type – defines the classes in which individuals display a certain homogeneity of behaviour in various social spheres.

In France, the explanatory power of our "socio-occupational categories" is well known. This classification is generally used in sociology, demographics and economics, and helps to structure our vision of the social space. Using the principles described by P. Bourdieu, A. Desrosières and L. Thévenot extended the work of J. Porte and adjusted the categories used since 1954 to construct, in 1982, a classification that has since been revised, in 1993 and 2003. In Europe, other countries have taken similar approaches, even if the principles of construction of such classifications sometimes differ. However, most of them are based on gualification and employment status.

## The ESEG (European Socio-Economic Groups) Project

In the 1990s the European Commission asked B. Grais to write a report on existing national classifications. Then, in 2004-06, at the request of the Research Directorate, a working group - consisting mostly of researchers, under the direction of D. Rose and E. Harrison - developed an initial classification: ESEC (European Socio-Economic Classification), based on the different forms of "employment relationship" (taking into account the person's autonomy at work and the implicit contract with their employer) in accordance with the principles developed by J. Goldthorpe. As it was controversial and disputed, at Eurostat's request this classification was assessed by statistical institutes in France, Bulgaria, Italy and Hungary, in 2007-09. The ESEC was constructed using the 1988 version of the International Standard Classification of Occupations (ISCO 1988). Since then, this International Labour Organization classification has been considerably updated (ISCO 2008), with an improved integration of qualification levels and the exercise of managerial functions.

In late 2011, Eurostat tasked INSEE with piloting a small group of statisticians belonging to the four national statistical offices (France, Hungary, Italy and Czech Republic), with the aim – by mid-2014 – of proposing a socio-economic classification that takes into account previous work and is based on three mandatory variables available in all the European surveys: occupation (ISCO 2008 two digits), employment status (salaried or not) and activity sector (industry, services, etc.), encoded in accordance with NACE (Statistical Classification of Economic Activities in the European Community, one digit). This operating restriction presents the advantage of being able to encode the new classification in all the major European surveys without extending the questionnaires.

Initial studies and discussions with researchers (a major consultation was carried out and several laboratories were associated with the group's work) enabled a consensus to be reached. For people in work, seven groups were identified, and the precise perimeter of three of them was set: the "managers", the "professionals", and the "independents". For the four other groups - "intermediate occupations", "clerks and skilled service employees", "skilled workers" and "low-skilled workers" - three proposals were debated and tested in various fields. As the classification has not, at the time of writing of this article, yet been completely agreed, the numerical results presented here may end up being slightly modified in light of the working group's final proposal, without the general content of the findings being affected. Furthermore, two other groups are

#### Box 1 (cont'd)

for retired people, students and other people out of the labour market.

The development of classification proposals is based on the analysis of employment and labour market characteristics. The indicators used for this analysis are the variables relating to stability and quality of employment, whether the work is full- or part-time, level of training, the salary decile in the individual country when that information is available, the activity sector, and the size of the enterprise to which the person belongs. This nine-group classification project will be completed by a second classification level developed in about 30 sub-groups, with the aim of analysing some of the most targeted populations. This detailed level will also enable other groupings to be made that are considered useful by certain researchers or statisticians, whether for theoretical reasons or to take into account the distinctive features of the countries in question. For example, farmers are isolated, at the detailed level of ESEG, in a sub-group within the "independents", enabling them to be identified in countries where they represent a large proportion of workers. Similarly, among the less skilled employees, we can distinguish between blue-collar and whitecollar<sup>4</sup> and service workers, and in this way

we can put together a group that includes all manual workers.

Tests are being carried out to determine the best contours - in other words, the classification that proves to be the most discriminating with regard to various social fields: working conditions, health, living conditions, housing conditions, deprivation and poverty, etc.

#### From one classification to another: the example of France

Changing the classification modifies the vision of society: for example, the breakdown of jobs in France in accordance with our traditional "socio-occupational categories" is here cross-referenced with the classification of groups used in this article and which will be close to the "European Socio-Economic Groups" (ESEG). The vast majority of farmers, shopkeepers and craftspeople logically belong to the "independents" group, with the exception of company directors who are part of the "managers" group. The French "intermediate occupations" do not correspond exactly to the equivalent group in the European classification: 20% are part of the "professionals". Finally, one in three "employees" and "workers" are categorized as "low-skilled workers" by the ESEG (Figure).

	European socio-economic groups (ESEG)									
French socio-occupational categories (CS)	Managers	Professionals	Intermediate occupations	Independents	Skilled employees	Skilled workers	Less-skilled occupations	People in employment according to the CS		
								%	Thousands	
Farmers	1.2	0.0	0.0	98.8	0.0	0.0	0.0	2.0	518	
Craftspeople, shopkeepers, business owners	20.7	1.9	0.0	77.4	0.0	0.0	0.0	6.5	1,676	
Managers	34.1	65.6	0.3	0.0	0.0	0.0	0.0	17.6	4,521	
Intermediate occupations	1.0	20.4	70.6	3.2	1.2	0.0	3.6	24.4	6,287	
Employees	0.0	0.0	4.1	0.0	57.9	0.0	38.1	28.3	7,289	
Workers	0.0	0.0	3.6	0.0	3.9	60.7	31.8	21.1	5,426	
People in employment according to the ESEG										
(%)	7.6	16.6	19.2	7.8	17.5	12.8	18.4	100.0	///	
(Thousands)	1,956	4,282	4,939	2,009	4,512	293	4,726		5,717	

Source: INSEE, Employment Survey 2011 (French LFS).

4. Or between "clerks and service employees" and "workers".

#### Box 2

#### Six main activity sectors

In the European Union (EU) the service sector represents 70% of jobs, industry 18%, construction 7%, and agriculture 5% (Figure 1). The proportion of construction jobs varies little from one country to another, but this is not true of the other sectors. Agriculture represents less than 2% of jobs in many northern European countries (Belgium, Germany, Denmark, Luxembourg, Sweden and the United Kingdom) while it accounts for 10% or more of the total in Greece, Portugal, Poland and Romania. Industry brings together less than 12% of jobs in Cyprus, Greece, Luxembourg, the Netherlands and the United Kingdom, while it is 20% or over in Germany, Italy, Bulgaria, Czech Republic, Estonia, Hungary, Poland, Romania, Slovenia and Slovakia.

In almost all European Union countries, the majority of jobs are to be found in the service and trade sectors. But the proportion of service jobs is 60% or less in several Central and Eastern European countries (Poland, Romania, Slovakia, Czech Republic, Slovenia) while it is over 75% in other areas, where "highskilled service" (a group that includes banks, computing and communication, as well as specialised scientific and technical activities) and "mainly non-market service" are notably developed (*Definitions*).

In industry and "high-skilled service", large companies are relatively common, particularly in northern Europe, while in construction and agriculture, small enterprises dominate. But, the proportion of large companies and of small companies is a factor that helps to structure the economic fabric and social relations. On average, 36% of people working in EU countries are in companies of less than 10 employees; this proportion rises to 47% in southern Europe (and to 64% in Greece) against 31% in northern Europe. On the other hand, 37% of working Europeans are employed in companies with more than 50 employees, 44% in northern Europe and 25% in southern Europe.



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#### Box 2 (cont'd)

The extension of the salaried workforce came with industrialisation, and then the growth of the service sector and its social development in Europe, causing a decrease in the number of independent commercial workers, craftsmen and, in particular, farmers, over the long term. In 2011 the proportion of self-employed is less than 13% in northern Europe (with less than 2% in agriculture and 11% in other sectors), while it is still 22% in southern Europe (3% in agriculture and 19% in other sectors – *Figure 2*). In Central and

Eastern Europe, the share of self-employed is almost as large as it is in southern Europe, due to the relatively high number of Romanian and Polish farmers. The share of agricultural workers remains high only in a few countries (Romania, Poland, Slovenia, Greece and Portugal). Other self-employed (including, notably, those in construction and market service sectors) represent 25% of people in work in Greece, 23% in Italy, 16% in Cyprus, 17% in Czech Republic, and 15% in Slovakia.



1. Breakdown of people in employment by activity sector

The "professionals" are even more highly qualified than managers (84% have university degrees<sup>5</sup>, against 55% of managers). Irrespective of the country, they are characterised by a high level of education, high stability in employment and low exposure to the risk of unemployment (*Figure 2*). Half of them belong to the mainly non-market service sector: administration, education and health. A quarter work in the high-skilled service sector (finance, computing, communication, scientific and technical activities). In this group, the share of women is never less than 45%; this rate is lowest in Germany, the Netherlands and the United Kingdom, while it is over 60% in certain Central and Eastern European countries. The share of professionals who work in the Professions is low (16%). Finally, their income positions them at the top of the earnings hierarchy, as almost half of those who are salaried are located above the eighth decile in the distribution of wages in their countries.

<sup>5.</sup> With the International Standard Classification of Education (ISCED-1997): Level 5 (First stage of tertiary education) and level 6 (Second stage of tertiary education)

								as a %
	Whole	Managers	Professionals	Independents	Intermediate occupations	Skilled employees	Skilled workers	Less-skilled workers
Indicator of turnover	13	7	10	8	10	13	14	20
Average time in job (in years)	11	13	12	15	12	11	10	7
Risk of unemployment for labour force aged 25 or over <sup>1</sup>	8	3	3	4	4	7	10	14
Proportion of women	45	32	51	34	51	65	14	60
Proportion of part-time work	20	7	17	19	17	26	5	36
Proportion of constrained part-time work	5	1	2	4	2	5	2	12
Low qualifications	21	12	2	34	9	18	31	38
High qualifications	33	55	84	17	44	24	7	10
Employees earning more than eighth decile <sup>2</sup>	20	69	48	///	26	12	13	3
Employees earning less than second decile <sup>2</sup>	20	3	7	///	10	21	13	42
Division of working population	100	6	18	12	14	15	17	19

#### 2. A few indicators for Europeans' quality of employment

1. Ireland and the Netherlands excluded, as well as unemployed people unclassifiable due to lack of information on previous employment.

2. The united Kingdom, Sweden and Ireland excluded (variables unavailable).

Scope: all individuals aged 15 or over working in one of the countries of EU-27 (except Malta).

Findings: 18% of Europeans in employment are professionals; 10% of professionals have been in their current job for less than a year; they have an average length of service in their current job of 11.7 years. The unemployment rate for over-25s in this category is 3%. The proportion of part-time workers is 17%, of whom 2.5% would like to work longer hours; 2% declare low qualifications (ISCED 2 or lower) and 84 % have university degrees (ISCED = 4 or higher). 48% of professionals are in the eight decile or higher in the national distribution of salaries.

The intermediate occupations group contains only salaried employees: technicians, team leaders, health professionals (nurses in particular). This group is as feminised as the professionals group but less highly qualified, with only 44% having university degrees. Just under a third of them perform (local) managerial functions. Their employment is as stable as that of the professionals, but with slightly higher exposure to the risk of unemployment. Two-thirds of this group earn more than the median wage for their country, and a quarter above the eighth decile.

The "clerks and skilled service employees" group brings together people in administration and health (nursing auxiliaries), social work and security (police officers, in particular). This is the most feminised group of all (65% women), along with the "less-skilled" group. Part-time work is quite common, with a quarter of employees. One in five of these part-time workers has not chosen that status, but is compelled to do so<sup>6</sup>. Stability of employment is lower and the risk of unemployment higher than in the previous group. The vast majority of skilled employees work in the service sector, whether mainly non-market (43%) or traditional<sup>7</sup> (31%). In terms of qualifications, almost two-thirds have the equivalent of the French CAP or baccalaureate<sup>8</sup>. Due to their level of qualifications and the high proportion of part-time work, their wages are, on average, considerably lower than those of the intermediate occupations and skilled workers. Only just over 40% of skilled service employees are above the median salary level for their country, and 20% are below the second decile.

Skilled workers represent 17% of the working population in the EU, but only 10% in the United Kingdom and 13% in France, compared with more than 25% in many Central and Eastern European countries. Compared with the other large northern and western

<sup>6.</sup> If the employee says they wish to work longer hours, we consider that they have not chosen that status, so we call it "constrained part-time work".

<sup>7.</sup> Trade, transport, personal services, etc. In this study, the service sector is divided into three sub-sectors: high-skilled, mainly non-market, and traditional (Sources and definitions).

<sup>8.</sup> With the International Standard Classification of Education (ISCED-1997): Level 1 (primary education) and level 2 (lower secondary education)

European countries, Germany is notable in having a large proportion of skilled workers in its workforce (17%). At European level, half of skilled workers work in industry, and one-fifth in construction. Job stability is similar to that of skilled service employees. But the risk of unemployment for skilled workers is, in 2011, noticeably higher than that for skilled service employees, as a consequent of the 2008 economic crisis. In this highly masculine group (86% men), part-time work is rare. Wages are, on average, higher than those for skilled service employees (51% of skilled European workers have a salary higher than their national median, compared with 44% for skilled service employees), even when we limit the sample to full-time workers.

Less-skilled workers represent almost 20% of the working population and are situated at the very bottom of the wage hierarchy. This category includes 60% of women. The feminisation of less-skilled jobs is high in Luxembourg and Portugal (70%) and lower in Ireland (54%), the United Kingdom (55%) and Denmark (51%). Sixty eight percent of these jobs are in the traditional service sector (*Definitions*). Thirty six percent are part-time jobs, and one in three of these are constrained part-time work. This group of workers most often declares that they work weekends, nights or shifts (one in three). This group also has the lowest level of training and the lowest wages. More than 40% of these people have wages below the second decile in the distribution of wages for their country.

The six groups listed thus far are clearly ordered, in terms of pay and qualifications. Furthermore, the latter four (intermediate occupations, skilled service employees, skilled workers, low-skilled workers) are exclusively salaried. The independents (or "small entrepreneurs") form a separate group that includes only the self-employed and is made up of farmers, shopkeepers and craftspeople. One quarter of these independents work in agriculture, another quarter in trade, and one third in construction. Eighty percent of them work alone, without any employees, sometimes with the assistance of one family member ("family worker"). Their level of training is slightly higher than low-skilled workers. They declare low incomes (18% of them say they are not making a positive income and 37% declare an income below the second decile in the distribution of wages for their country).

#### Risk of unemployment and instability of employment are most widespread among people in less-skilled employment

At European level, the social groups run from managers and professionals to lessskilled workers, not only in terms of income but of stability of employment and risk of unemployment. The chasm between managers and less-skilled workers illustrates the inequalities that exist throughout all EU countries (*Figure 3*).

The risk of unemployment among the over-25s (*Definitions*) is highest for less-skilled workers in almost every country (19 countries out of 24). In the few countries where skilled workers are more exposed to unemployment, the situation for less-skilled workers is very similar to them. This risk (of almost 15%) is 11 percentage points higher than the average for professionals in the EU. It is especially high in Greece and Spain, two countries very badly affected by the crisis, but it is also high in the other countries.

Likewise, instability of employment, measured using the turnover indicator (i.e. the percentage of people who stay in their job for less than a year) is, in all EU countries, highest for less-skilled jobs, 10 percentage points higher than for professionals (*Figure 4*). This disparity is relatively low in Portugal (six points). In Denmark, turnover is high irrespective of the social group, perhaps reflecting the "flexi-security" model. So the share of Danish professionals who have been in their jobs for less than a year is particularly high



#### 3. Comparison of risk of unemployment between professionals and less-skilled occupations in some EU countries Average unemployment

Scope: all individuals aged 15 or over working in one of the twenty countries of EU-27 where data are available. Findings: in Spain, the unemployment rate for less-skilled over-25s is 22 percentage points higher than for professionals of the same age. Source: Eurostat, LFS 2011.



#### 4. Comparison of turnover for less-skilled occupations in comparison with professionals

Scope: all individuals aged 15 or over working in one of the countries of EU-27 (except Malta). Findings: in Portugal, the turnover (proportion of individuals in current job for less than a year) in less-skilled occupations is 6 percentage points higher than for professionals. Source: Eurostat, LFS 2011. (15% against an average of 10% for the EU as a whole). But this turnover generally affects the less-skilled much more: in Denmark, 31% of low-skilled workers have been in their jobs for less than a year, compared with 20% for the EU as a whole.

Another characteristic of less-skilled jobs is the prominence of part-time work, with 36% in the EU compared with about 17% among professionals and intermediate occupations – two categories that also have a female majority. This predominance of part-time work in less-skilled jobs can be seen in almost all EU countries (*Figure 5*). It is more tenuous (less than 10 percentage points) where part-time work is generally less common, in certain Central and Eastern European countries (Czech Republic, Hungary and Poland, for example) or in Greece. On the other hand, it is very marked (around 30 percentage points) in Germany, Denmark, the United Kingdom and the Netherlands. This latter is an extreme case: 73% of people – and 89% of women – in less-skilled work have a part-time job, with an average time quota of 40%.



5. Comparison of share of part-time work for less-skilled occupations with professionals

Scope: all individuals aged 15 or over working in one of the countries of EU-27 (except Malta). Findings: in Ireland, the proportion of part-time work for less-skilled occupations is 30 percentage points higher than for professionals. Source: Eurostat. LFS 2011.

These differences between socio-economic categories show how almost everywhere in Europe, less-skilled workers have fewer working hours and low salaries. Thus 42% of Europeans in less-skilled jobs are below the second decile in the distribution of wages in their countries. This proportion is more than 50% in the Czech Republic, and 47% in France.

#### Employment trends from 2008 to 2011: between rebounds and stagnation

In 2009, employment rates dropped in almost every country (-1.8% for the EU). Only Poland and Luxembourg evaded this trend. The fall in employment remained moderate (less than 0.5%) in Germany, Austria, Holland and Cyprus. During the following two years, European employment stagnated overall (*Figure 6*), but this aggregated trend masks some highly variable situations: between 2009 and 2011, employment rates rebounded in some countries and stagnated or continued to fall in others.



#### 6. Employment trend from 2008 to 2011 in Europe

Sweden, Luxembourg, Belgium, Austria, Germany and Poland: countries where employment rose between 2008 and 2011 by 1% or more.
France, Italy, United Kingdom, the Netherlands, Finland, Hungary, Czech Republic, Cyprus, Romania and Slovakia: countries where employment evolved between 2008 and 2011 between 00% and -3.5%.

3. Spain, Portugal, Greece, Ireland, Denmark, Bulgaria, Slovenia, Lithuania, Latvia and Estonia: countries where employment fell between 2008 and 2011 by more than - 5%.

Scope: all individuals aged 15 or over working in one of the countries of EU-27 (except Malta).

Findings: in all six countries (Sweden, Luxembourg, Germany, Poland, Austria, Belgium) where employment increased, the average number of jobs in 2011 is 2% higher than in 2008.

Source: Eurostat, LFS 2008 to 2011.

Overall, between 2008 and 2011 employment increased by more than 1% in six countries (Sweden, Luxembourg, Germany, Poland, Austria, Belgium) representing 31% of the EU's working population. At the other extreme, in 10 countries (Spain, Portugal, Greece, Ireland, Bulgaria, Slovenia, Denmark and the three Baltic States) representing 19% of the EU's working population, the fall in employment was more than 5%. Between these two situations, 10 countries experienced a fall in employment of between 0.5% (France) and 3% (Slovakia) between 2008 and 2011.

During that period, the economic crisis and its repercussions affected the principal activity sectors to varying degrees (*Figure 7*). Employment contracted by more than 14% in construction after the housing bubble burst in several countries (-42% for jobs in this sector in Spain; -37% in Greece). In the manufacturing industries, the fall in employment was almost as marked (-10% on average), with a drop almost everywhere: -4% in Germany, -9% in France, -8% in Italy, -14% in the United Kingdom. Job losses in these two sectors (-6.4 million for the EU as a whole) are higher than the net balance of job losses in the EU (-4.4 million).

The fall in employment is equally marked in trade (more than a million jobs lost), agriculture and transport (-500,000 jobs for each of these sectors), and administration (-400,000 jobs).

A few sectors did resist this trend, however, with a growth in employment of 9% in health and social work, 5% in education and in administrative and support service activities, and 7% in specialised scientific and technical activities. Health and social work were the biggest creators of

#### 7. Employment trend by sector and unemployment rate from 2008 to 2011

								as a %	
	Division of	Employment trend from 2008 to 2011						Unemployment rate	
	employment in 2011	Total	Agriculture	Industry	Construction	Services	2008	2011	
Countries where employment increased <sup>1</sup>	32	2.1	-3.7	-4.1	0.2	4.8	7.0	6.9	
Countries where employment fell moderately <sup>2</sup>	50	-1.4	-0.8	-9.0	-10.5	1.2	6.3	8.3	
Countries where employment fell sharply <sup>3</sup>	18	-10.0	-11.4	-19.1	-37.1	-3.0	8.7	17.4	
Whole	100	-2.0	-4.2	-9.0	-14.2	1.5	7.0	9.6	

1. Sweden, Luxembourg, Belgium, Austria, Germany and Poland: countries where employment rose between 2008 and 2011 by 1% or more.

2. France, Italy, United Kingdom, the Netherlands, Finland, Hungary, Czech Republic, Cyprus, Romania and Slovakia: countries where employment evolved between 2008 and 2011 between 0% and -3.5%.

3. Spain, Portugal, Greece, Ireland, Denmark, Bulgaria, Slovenia, Lithuania, Latvia and Estonia: countries where employment fell between 2008 and 2011 by more than 5%.

Scope: all individuals aged 15 or over working in one of the countries of EU-27 (except Malta) Source: Eurostat, LFS 2008 to 2011.

employment. These trends generally helped the most qualified people. In this way, employment among people with university degrees increased by 10% while employment for the least qualified (level ISCED 2 or less) fell by 13%.

## Employment for skilled workers falls throughout Europe while employment for managers and professionals holds strong

The economic crisis that began in 2008 affected the social groups of the EU to varying degrees. Within the EU, the population of the most qualified people in work increased between 2008 and 2011 – the number of managers and professionals increased by about 5% – while employment fell in all other socio-economic categories (*Figure 8*). For the intermediate occupations and clerks and skilled services employees, frequently working in the service sector which was least affected by the crisis, this fall was limited (around 1%). Among skilled employees, it was above all in administrative-type jobs (secretaries, accountants, etc.) that the sharpest falls occurred, with the development of new technologies leading to productivity gains. On the other hand, the poor conditions in industry and construction had a powerful impact on skilled workers, whose employment fell by just over 10%. In the less-skilled group, there was a relatively moderate fall in employment rates, less than 3%, but concentrated in the jobs of less-skilled workers (about –8%).

• /	·		0 /					as a %	
	Managers and	Independents	Intermediate occupations	Skilled employees	Skilled workers	Less-skilled occupations	Unemployment rate		
	professionals						2008	2011	
Countries where employment increased <sup>1</sup>	10.2	1.0	3.9	-0.4	-3.4	-0.5	7.0	6.9	
Countries where employment fell moderately <sup>2</sup>	4.3	0.6	-3.2	-0.8	-10.3	-0.6	6.3	8.3	
Countries where employment fell sharply <sup>3</sup>	0.3	-16.8	-8.2	-1.3	-22.0	-9.8	8.7	17.4	
Whole	5.4	-3.2	-1.6	-0.8	-10.5	-2.5	7.0	9.6	

#### 8. Employment trend by socio-economic category from 2008 to 2011

1. Sweden, Luxembourg, Belgium, Austria, Germany and Poland: countries where employment rose between 2008 and 2011 by 1% or more.

2. France, Italy, United Kingdom, the Netherlands, Finland, Hungary, Czech Republic, Cyprus, Romania and Slovakia: countries where employment varied between 2008 and 2011 between 0% and -3.5%

3. Spain, Portugal, Greece, Ireland, Denmark, Bulgaria, Slovenia, Lithuania, Latvia and Estonia: countries where employment fell between 2008 and 2011 by more than 5%.

Scope: all individuals aged 15 or over working in one of the countries of EU-27 (except Malta). Source: Eurostat, LFS 2008 to 2011. Within the group of six countries where employment remained dynamic, the hierarchy of socio-economic categories remained in place. The increase in employment helped only the most qualified categories (about +10% for managers and professionals, and +4% for intermediate occupations). The number of independents, skilled service employees and less-skilled workers was stable. Skilled workers suffered from the fall in industrial employment (about –3%).

#### Box 3

#### The place of women: between one third and half of jobs, depending on the country

In the European Union, 46% of jobs are occupied by women in 2011. This rate varies sharply (Figure). In the Baltic States, women are notably in the majority among adults of working age (almost 52% of people between 15 and 64) and consequently very prominent on the labour market (51% of jobs), due to high emigration levels towards Russia among men of working age (Avdeev A. et al., 2011). On the other hand, employed women are noticeably less numerous than men in certain southern countries such as Malta (35%), Italy (41%) and Greece (40%). Furthermore, the presence of women in the labour market increased greatly in recent decades in Spain (their share of jobs in 2011 is 45%, whereas in 1990 it was only 30%) and they have almost reached parity in

Portugal (47%), Denmark, Sweden, France and Finland (48%), the Czech Republic and Luxembourg (43%).

In the Scandinavian countries (Sweden and Denmark), in the United Kingdom and Ireland, in Germany, Austria, France and the Benelux countries, women often work part-time: in these countries, that concerns more than 30% of women in work, and the figure is as high as 78% in the Netherlands. Conversely, part-time work is much less common among women in Bulgaria (3%), Slovakia (6%), Czech Republic and Hungary (less than 10%). These differences reflect the countries' specific economic and demographic features, related to the implementation of policies that favour, to some degree, the work-life balance.



Proportion of women in the working population

In the group of ten countries that experienced a moderate fall in overall employment, the labour market for professionals and managers remained dynamic (about +4%) while that for independents, skilled employees and less-skilled jobs either remained stable or shrank slightly. The fall, however, was more marked among the intermediate occupations, a quarter of whom work in the hard-hit sectors of industry and construction. Skilled workers, strongly impacted by the fall in industrial activity, saw their workforce dramatically reduced (–10%).

In the group of ten countries where employment fell sharply, depending on the social structure, it was the skilled workers and independents who suffered the most from job losses (about threequarters of jobs disappeared). The only category that resisted this trend, in almost every country, was the professionals group.

#### **Further reading**

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#### Sources

The figures are taken from the annual European survey, the Labour Force Survey, coordinated by Eurostat. The 27 members of the EU in 2011 are featured in this survey, which is based on harmonised surveys at European level.

The French data cover Metropolitan France.

The socio-economic category is constructed from the occupation as expressed in the international classification available on the subject (ISCO in English; CITP in French), revised in 2008 and implemented by the statistical offices only from the surveys of 2011 onwards. In order to estimate the employment trends between 2008 and 2011, in the LFS 2008 we used a conversion of the occupations initially expressed in ISCO 1988 to the occupations of ISCO 2008, with the aid of a conversion table between the old and new versions of this classification.

For certain indicators, some countries may be excluded from the analysis as the necessary variables are not treated everywhere in the same way. For example, where it is necessary to have the occupation expressed at a detailed level of the ISCO classification in order to construct the socioeconomic classification, Malta is excluded, because occupations are encoded in a more aggregated way in the survey.

#### Definitions

In this study, the **service sector** is divided into three sub-groups: mainly non-market services (public administration, education, health and social work); high-skilled services (finance, computing, communication, scientific and technical activities including research and development); and traditional services (trade, transport, personal services, etc.)

The **turnover** indicator is the proportion of individuals who have been in their current jobs for less than one year.

**Risk of unemployment**: the unemployment rate in a given population is defined as the number of unemployed people in this population as a percentage of the number of people of working age (in work and unemployed). An unemployed person is classified in the group of the last job he occupied, which is problematic in the case of unemployed people entering the labour market for the first time. This is why the population scope for this indicator was limited to over-25s. Despite this reservation, not all unemployed people have a previous occupation or status provided in the LFS. That is why the indicator calculated in this way is defined as "risk of unemployment". Moreover, for a few countries, this information is unusable.

For employees, we know the **decile** to which they belong in the distribution of wages in the country in question. This variable is not always usable and some countries were excluded. For the self-employed, the decile is not known, but we have sometimes – with help from another source – been able to compare their income to the distribution of wages in their country.

For the self-employed, the size of the **enterprise** is that of the legal unit; this variable is often imprecise and sometimes incorrect. We use it only in segments (less than 10 employees, 10-49, 50 or more).