

Growth, Wages, and Employment in the Balkans

- **Introduction: Growth Problem**

Growth has been rather disappointing in the last six years, from the beginning of the crisis that is. Table 1 gives real growth rates of GDP from 2003 to 2014 and averages for the whole period and that from 2009.

Table 1

			2009	2010	2011	2012	2013	2014	Average 2009- 2014	Average 2003- 2014
Bulgaria			-5.5	0.4	1.8	0.8	1.1	1.6	0.0	3.2
Croatia			-6.9	-2.3	0.0	-2.0	-0.9	-0.6	-2.1	1.1
Romania			-6.6	-1.1	2.2	0.7	3.4	2.9	0.2	3.4
Slovenia			-7.9	1.3	0.7	-2.5	-1	2.5	-1.2	1.7
Greece			-3.1	-4.9	-7.1	-6.4	-3.9	0.8	-4.1	-0.3
Spain			-3.8	-0.2	0.1	-1.6	-1.2	1.4	-0.9	1.1
Portugal			-2.9	1.9	-1.3	-3.2	-1.6	0.9	-1.0	-0.1
Albania			3.3	3.8	3.1	1.5	1.4	1.5	2.4	4.2
Bosnia and Herzegovina			-2.8	0.7	1.0	-1.7	2.5	0.5	0.0	2.6
Kosovo			3.5	3.2	4.4	2.5	3.4	4.5	3.6	4.5
Macedonia			-0.9	2.9	2.8	-0.4	2.7	3.5	1.8	3.2
Montenegro			-5.7	2.5	3.2	-2.5	3.3	1.3	0.4	3.3
Serbia			-3.5	1.0	1.6	-1.7	2.6	-2	-0.3	2.3

The performance during the crisis has been diverse with Albania, Kosovo, and Macedonia doing better while Bosnia and Herzegovina, Serbia and especially Croatia doing worse. The reasons for this diversity are simple. Here I will look at the developments in the labour markets and in those for the young in particular.

Labour and Youth

Entering the labour market is difficult for the young in Southeast Europe. It has become even more difficult during the current crisis (on the impact of the crisis on this region see Gligorov et al., 2012). A stylised fact is that about one in two people below 30 years of age can expect to get employment. It is even worse in the 15 to 24 age group. Why is that?

Looking at long-term developments, labour markets have been depressed in this region in the past ten or even twenty years (wiiw, 2008). That suggests three possible reasons. One is a persistent austere policy mix, i.e. the mix of monetary and fiscal policies, getting even tighter during the crisis. Another is distorted relative prices, i.e. wages, interest rates, and exchange

rates that affect competitiveness and investments. The third is a set of structural problems not only in the labour market but also in product and financial markets as well as in the markets for skills and education. We shall take these three issues in turn and then discuss policy choices with a view to addressing cyclical as well as structural problems.

- **Fiscal Constraints**

Putting aside the long-term macro constraints, there is no doubt that the prolonged crisis has had a dampening effect on the labour markets. Loss of employment has been significant and in some cases very large. In addition, the young have been disproportionately affected and not only in Southeast Europe but more generally (Matsumoto et al., 2012).

To illustrate the developments and the connections between GDP growth, fiscal deficits, and employment, total and youth, average growth rates over the crisis are related to fiscal deficits in Figure 1, which shows that worse growth performance is connected with higher fiscal deficits. The latter is one possible measure of fiscal pressure, i.e. the pressure to turn to fiscal consolidation in the short run. In Figures 2 and 3, GDP growth is related to overall change in employment and in the employment of young and there is a clear negative effect of the growth slowdown on employment, though more on that of the young (country by country graphs are in the Appendix, Figure A3; data for some countries and for some years are lacking).

Figure 1

- **GDP growth and fiscal deficits, 2003-2012**

Source: Eurostat, wiiw and national statistics.

So, slow or negative growth tends to worsen fiscal balances and tends to lead to a significant drop in overall and in particular youth employment.

Figure 2

- **GDP and employment growths, 2004-2012**

Source: Eurostat, wiiw and national statistics.

This is largely a consequence of the decline in investment, perhaps especially public investment (Figure A1). It seems to be the case that public capital investments have the largest multiplier effect on growth, which means that decline in public investments will tend to affect employment strongly not just directly but through the negative effect on growth (Cottarelli and Jaramilo, 2012; Abu Abbas et al., 2013; Gureson, 2013). In addition, they seem to be highly correlated with private investments, at least in this region (Gligorov et al., 2013). Other elements of fiscal policies have also contributed to the decline of employment and thus to the decreasing probability for new entrants into the labour market to find employment. Some of these policies have aimed at stabilising the existing employment, e.g. by discouraging labour shedding, while not much effort

has gone into encouragement for new employment. In that sense, the growing pressure on fiscal policies, i.e. on the need for frontloaded fiscal consolidation, has influenced negatively employment of the young.

Figure 3

- **GDP and employment of young (15-24) growths, 2004-2012**

Source: Eurostat, wiiw and national statistics.

To see what these fiscal deficits mean for the pattern of public spending, the latter has also been related to employment, country by country (Figure A5 in the Appendix). Given that overall growth rates are either negative or quite low on average over the period of the crisis, the spending to GDP ratio should increase due to the working of automatic stabilisers. However, spending to GDP ratios have been more constant than increasing and have been declining in the past couple of years or so. That suggests that fiscal policy has been somewhat or quite restrictive even though deficits have tended to widen in recessions.

Not only have constraints on public spending led to declining employment, but tax policies too. Initially, public revenues declined more than GDP, which works as somewhat of a fiscal relaxation. This trend took a turn in the other direction, however, in some countries sooner, in others later and almost everywhere in about the past two years, and the trend of tax increases is continuing (in per cent of GDP, Figure A2). In fact, given worsening fiscal balances in many countries, further tax hikes are in the pipeline together with additional cuts in public spending. It is hard to assess the overall effects of fiscal consolidation measures on overall employment and on that of the young, but it clearly is negative.

Figure 4

- **Fiscal deficits and employment growth, 2008-2012**

Source: Eurostat, wiiw and national statistics.

Figure 5

- **Fiscal deficits and growth of youth employment, 2008-2012**

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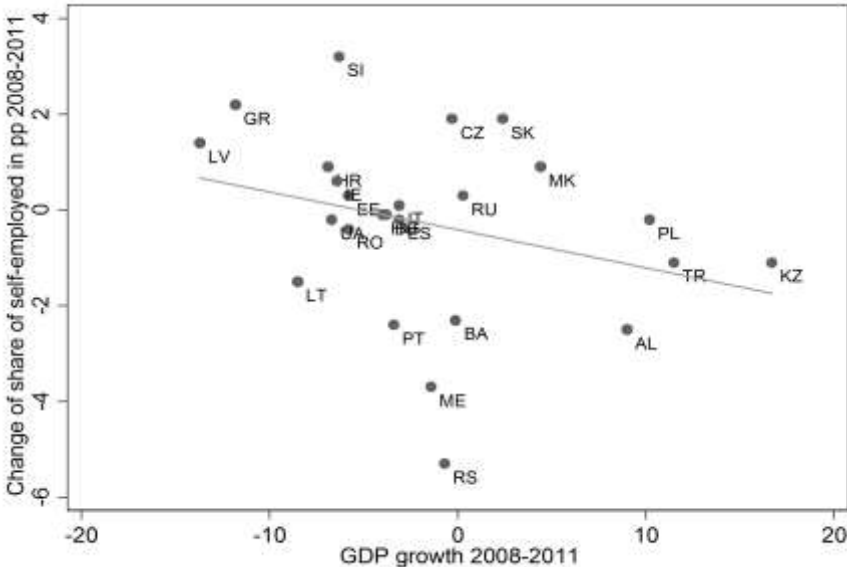
Source: Eurostat, wiiw and national statistics.

Additionally, the informal labour market has behaved pro-cyclically at least in a number of these countries. Though the statistics of the informal markets are not satisfactory, it turns out that the decline of employment is happening among those that are self-employed too. That most likely affects the younger population more even though the data are lacking (it is to be expected that lower levels of employment among the young mean that they are more prone to look for work in the informal sector).

As seen in Figure 6, in a number of countries in Southeast Europe (e.g. Serbia, Montenegro, Bosnia and Herzegovina), informal employment has declined strongly in the early years of the crisis and the trend has for the most part continued. In some countries, the opposite development is detectable, though it does not seem as if informal employment provides for significant substitute for formal employment.

Figure 6

- **Growth and informal employment**



Source: Eurostat, wiw and national statistics.

- **Relative Prices**

What has become clear during the crisis is that employment is more flexible than nominal wages. While real wages have declined in some cases, those have proved to be more resilient than employment (Figure 7 for the changes in real wages). This is not only characteristic of countries with fixed exchange rates, but also of those that implement inflation targeting or opt for devaluations. In general, countries in Southeast Europe suffer from high currency substitution and therefore tend to opt for one or another system of fixed exchange rates. Those produce different rates of inflation, but real wages tend to be sticky even in countries with somewhat elevated inflations.

Figure 7

- **Exchange rates, consumer prices and wages 2005-2013**
change in % against preceding year

Sources: Eurostat, Government Finance Statistics (IMF), National Ministries of Finance, National Banks.

If we compare the stability of real wages in the period of recession or stagnation with the decline of employment, it is clear that the burden of adjustment is on employment rather than on the relative price of labour. This is also important from the point of view of allocation of economic activities and thus of labour. In the regime of fixed exchange rates and sticky wages, there will be more investment and employment in the non-tradable sector rather than in the exporting one. Indeed, in terms of exports of goods, most of these countries are still rather closed. Therefore, expansion of employment in good times is mostly in services, which tend to suffer more during the bad times due to sharp decline of domestic consumption. In addition, there is greater flexibility of employment contracts in those sectors. That probably explains the sharp drop in employment though wages have proved resilient.

Apart from developments in the labour and product markets, there is also the additional negative contribution of the financial markets. Due to the growing share of non-performing loans in the banking assets, credits have become quite scarce, interest rates prohibitively high, while small and medium-sized enterprises have no access to the financial markets. This is why the loss of employment is stronger in these enterprises. Larger enterprises and the public sector have stopped hiring, but shed much less labour (details in Gligorov et al., 2013).

This increasing difficulty to set up new businesses is detrimental to the employment of the young. As demand for labour is limited due to fiscal consolidation and declining investments, both public and private, individual or small-size entrepreneurship cannot provide for a way out due to lack of financial resources. This may not be such a problem in some labour-intensive activities both low and high skilled, but those are facing a declining consumption and thus are hard to sustain. That adds to the problems that the young face in the labour and the financial markets.

Overall, low growth prospects and the increasing squeeze of public spending with a growing tax burden and sticky relative prices produce depressed labour markets that are exceptionally inhospitable to the young.

- **Structural Issues**

One message that comes out of the data is that productivity tends to grow fast in good times while it does not decline in bad times. A typical country would be Serbia, which has seen a secular decline in employment since the beginning of the 2000s irrespective of whether GDP tended to grow relatively fast or to decline or stagnate during the crisis. Indeed, the decline of employment accelerated during the crisis, which means that productivity has been increasing during the crisis too. This applies to most countries in the region more or less in the same way, though the magnitudes are different.

In addition, consistently, there is somewhat higher demand for skilled as opposed to unskilled labour; employment rates are high for skilled people and unemployment rates lower. For instance, in the age group 15 to 24, the average employment rate of the low-skilled in the sample of the Southeast European and comparator countries is around 14 per cent in the last five or so years, 31 per cent for medium-skilled, and 51 per cent for high-skilled. This is within the overall variability in employment that mostly correlates with growth.

Over time, there is some increase in the share of young people with higher skills, which may indicate that the young are receiving the market signal and are gradually investing more in education. This effect may be somewhat dulled by the opposite signal from the outside labour markets where often less skilled people tend to find jobs especially in boom years. Given that the relevant market for people in Southeast Europe is traditionally the world, it is hard to separate the incentives from the domestic and mostly depressed market and the outside market that might offer more opportunities for employment. This influence of the foreign labour markets may have been responsible for the sharp drop in the employment rate among the skilled people during the crisis years.

In this respect, the most interesting is the 25 to 29 age group. Low employment rates in this group suggest that there are significant barriers to entering into the labour market. This is not necessarily the consequence of low competition for wages and jobs. It is also not clear that there is a skill mismatch in this group. The expectation is that they on average have as good if not better an educational profile than the group of employed people as a whole. Finally, the young are more likely to be working on a temporary contract. Still, the probability of a person in that age group of finding a job is often around fifty per cent. Clearly, entry into the labour market is quite hard for first-time young job seekers.

The reason may be that there is a need for an initial investment when someone attempts to get an employment for the first time and that cost outweighs the expected productivity gain. This is often the complaint of the employers who cannot find people with the skills they need. This often suggests that the entrepreneurs are not ready to pay for the training on the job, which is more often than not required with most employees in their first job. The ease of firing that comes with the temporary employment contract may not outweigh completely the cost of learning by doing of the newly employed person. In fact, searching-by-doing, i.e. trying out one employee after another, may prove to be a rather costly way to hire.

This problem is compounded by the fact that usually there is a prolonged period between the end of education and the start of work as is the case if entry in the job market is rather difficult. In the interim, that is while looking for a job, skills tend to be lost. Most young people fall not only into the category of the unemployed, but also of long-term ones. This tends to increase the costs of learning on the job. The data suggest that increasingly time is spent in prolonged education,

which however creates another problem, which is connected with the lack of specialisation and the need to diversify.

What heightened macroeconomic risk, e.g. growth and employment variability, leads to is a strategy to diversify skills. The chances to get a job are better if a person can do a number of tasks rather than specialise in one of them. This strategy of diversification may lead to losses of efficiency, but may be rational from the point of view of the chances for employment (i.e. will increase the chances of employment and decrease the risk of protracted unemployment). In general, that means that a person will be looking for a job in which he or she is less productive but has a better chance of employment. Taken together, aggregating over all young persons, lack of specialisation can easily lead to less growth and development in the long run, and possibly to a lower level of overall employment.

Another effect of high macroeconomic risk is an elevated discount rate on future income and consumption. That may lead to lower overall national saving and thus increased reliance on foreign investments. Most countries in Southeast Europe have elevated foreign debts and substantial current account deficits mostly driven by even higher trade deficits. That reliance on foreign finance increases the macroeconomic risk and decreases efficiency, apart from constraining the available policy mix in good times and bad.

Finally, the resilience of real wages is related to instability, but that does not mean that increased flexibility, e.g. improved score in the EPL index, is without distributional consequences in the labour market. Earlier research (wiiw, 2008) has found that increase flexibility works differently for men and women: what is good for the former is bad for the latter and *vice versa*. This probably applies to the old vs. young and to skilled vs. unskilled; e.g. relying less on collective contracts may benefit younger workers while more widespread reliance on temporary employment may have negative effects on the chances of the young but not necessarily if they are skilled. In any event, increased macroeconomic stability will make it easier to design a more efficient labour market regulation.

These effects of persistent macroeconomic instability are mostly felt by the young, because of the choices they have to make whether to invest in skill acquisition, how much to specialise and whether to save rather than consume.

Wages and Employment

There has been a significant divergence of wages in the region (Table 2). In the last five years or so, growth has been slow and labour markets have been even more depressed than previously (Table 3 and Figures 8 and 9). Macedonia is an exception, but its inherited level of employment is very low and its unemployment rate is very high. In most other countries,

employment has declined, though in Kosovo the unemployment rate has declined quite notably, which must be due to outward migration, as well as improved or changed statistics.

Interestingly enough, the growth rate of wages both gross and net, is correlated with better labour market and growth performance (Figures 10 and 11). In most countries, gross wages have increased faster than net wages. Macedonia is an exception with net wages increasing much more than gross wages. In Serbia and Croatia, net wages have held up better than gross wages, though they have declined or practically stagnated respectively. These countries have also experienced the largest falls in employment and the largest increases in unemployment, which has resulted from or has been the consequence of a negative average growth rate in Croatia and zero growth in Serbia over the last five years (2009-2013).

To summarise, better wages developments are associated with better labour market performance and more sustained growth.

Table 2

Average monthly wages (euro)

	2005	2006	2007	2008	2009	2010	2011	2012	2013
Average monthly gross wages									
EUR at exchange rate									
Albania	161	177	221	279	273	252	260	283	291
Bosnia and Herzegovina	405	444	488	569	615	622	650	660	660
Croatia	844	906	961	1044	1051	1054	1049	1048	1048
Kosovo	.	.	.	.	.	.	.	.	.
Macedonia	348	376	394	428	488	491	497	498	504
Montenegro	326	377	497	609	643	715	722	727	726
Serbia	308	377	484	561	470	461	517	508	537
Average monthly net wages									
EUR at exchange rate									
Albania	.	.	.	.	.	.	.	.	.
Bosnia and Herzegovina	274	299	330	384	404	408	417	422	423
Croatia	591	629	660	717	724	733	732	729	728
Kosovo	192	192	197	205	246	286	348	353	362
Macedonia	206	221	238	263	326	334	339	340	343
Montenegro	213	246	338	416	463	479	484	487	479
Serbia	210	258	347	402	338	332	372	366	388

Source: wiiw and National Statistical Offices.

Table 3a

Employment rates, LFS, total
Employed persons in % of population 15+

	2005	2006	2007	2008	2009	2010	2011	2012	2013
Albania	.	.	50.0	46.2	47.4	47.5	51.9	50.1	.
Bosnia and Herzegovina	.	29.7	31.2	33.6	33.1	32.5	31.9	31.7	31.6
Croatia	43.3	43.6	44.1	44.4	43.3	41.1	39.5	38.1	36.4
Kosovo ¹⁾	28.9	29.0	26.5	24.3	26.4	.	.	25.5	.
Macedonia	33.9	35.2	36.2	37.3	38.4	38.7	39.0	39.0	40.6
Montenegro	34.8	34.8	42.7	42.3	41.2	40.0	39.0	40.0	40.3
Serbia	42.3	40.4	41.8	44.4	41.2	37.9	35.8	35.5	37.7

1) Percentage of employed persons in the working age population.

Table 3b

Unemployment rates, LFS, total
Unemployed in % of labour force

	2005	2006	2007	2008	2009	2010	2011	2012	2013
Albania	.	.	13.4	13.1	13.7	14.0	14.0	13.4	15.6
Bosnia and Herzegovina	.	31.1	29.0	23.4	24.1	27.2	27.6	28.0	27.5
Croatia	12.7	11.1	9.6	8.4	9.1	11.8	13.5	15.9	17.2
Kosovo	41.4	44.9	43.6	47.5	45.4	45.1	44.8	30.9	31.0
Macedonia	37.3	36.0	34.9	33.8	32.2	32.0	31.4	31.0	29.0
Montenegro	30.3	29.6	19.3	17.2	19.3	19.6	19.7	19.7	19.5
Serbia	20.8	20.9	18.1	13.6	16.1	19.2	23.0	23.9	23.6

Source: wiiw and National Statistical Offices.

Figure 8: Change in the rate of employment 2013/2008 and average real growth rate 2009-2013

Figure 9: Average real rate of growth 2009-2013 and change in rate of unemployment 2013/2008

Source: wiiw database

Figure 10: Change in rate of unemployment 2013/2008 and change in the net wage in euro 2013/2008

Figure 11: Change in rate of employment 2013/2008 and change in gross wages in euro 2013/2008

As already mentioned, interesting cases are Serbia and Croatia. The former has seen a significant decline in wages and a strong decline in employment and increase in unemployment. Wages could be corrected due to the depreciation of the currency. However, this has not prevented the deterioration in the labour market. Croatia saw wages stagnating, while employment decreased and unemployment increased. This country targets a stable exchange rate and shies away from any sustained depreciation of its currency. Most other countries did experience deteriorating labour markets, but also rising wages.

Staying with the comparison between Serbia and Croatia, there is a difference in their export performance. Serbia saw a strong increase in exports of goods while both exports of goods and services in Croatia are below their levels in 2008. All other countries also saw growing exports in the years after the crisis of 2009. So, provisionally, there are two conclusions to be drawn. One is that a depreciating currency influences exports, but not necessarily employment. The other is that higher wages sustain growth in countries that did not have an overvalued real exchange rate before the crisis.

- **Some Policy Choices**

In the context of the issues discussed here, there are mainly three policy choices facing the policy-makers.

The first is how to design fiscal consolidation packages that are growth and employment friendly? In the context of limited space for monetary and exchange rate policies, though that space is hardly completely absent, the policy of fiscal devaluation seems attractive (Fahri et al., 2013; IMF, 2013). Some cuts in public spending together with cuts in taxes could prove supportive of accelerated growth. It should support consumption and investments, both private and public.

The second is increased reliance on active labour market policies. If it is the case that skills and productivity increase the probability of employment, there should be large payoffs to well-designed policies of skill acquisition and to learning by doing. There is clearly a lot to be done in the region given that still mostly passive rather than active labour policies are the main instruments (Vidovic et al., 2012).

The third is the need for macroeconomic stability. Not so much due to the uncertainty that instability brings about, but mostly because it decreases efficiency due to lower incentives to specialise and excel in one's own profession. Decisions to invest in skills and to start up a business are long-term ones and high macroeconomic risks discourage them more than structural problems and persistent barriers in various markets. Macroeconomic stability is part of a strategy for growth that has been changing in recent years in this region, which is why there has to be some efficient connection between structural reforms and macroeconomic policies.

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• **Appendix**

Table A1a

• **Activity rates of persons aged 15-24**

Activity rates of persons aged 15-24, total										
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Bulgaria	29.2	29.5	27.9	28.9	28.9	30.1	29.5	28.9	29.5	30.4
Croatia	38.4	40	38.1	35.9	34.9	34.7	34.1	34.2	31.4	29.6
Romania	33.9	36.1	31.2	30.6	30.5	30.4	30.9	31.2	31.1	30.9
Slovenia	33.8	39.3	40.5	40.6	41.8	42.9	40.9	39.9	37.4	34.4
Greece	35.2	37.3	33.7	32.4	31.1	30.2	30.9	30.3	29.2	29.2
Spain	44.0	44.7	47.7	48.2	47.8	47.7	45.1	42.7	40.9	38.8
Portugal	45.0	43.1	43.0	42.7	41.9	41.6	39.2	36.7	38.8	37.9
Albania	.	.	.	.	.	.	34.7	.	44.6	37.4
Bosnia and Herzegovina	.	.	.	33.3	33.4	33.1	32.6	33.0	31.4	29.4
Kosovo										
Macedonia	.	.	.	35.8	35.9	35.9	35	33.3	32.1	33.6
Monetenegro	.	34.6	32.3	53.6	34.1	33.7	28.8	25.1	20.9	30.6
Serbia	.	37.0	35.8	37.4	33.3	32.5	28.9	28.2	28.4	29.6
Activity rates of persons aged 15-24, male										
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Bulgaria	32.7	33.3	31.1	31.3	31.7	34.0	34.0	33.5	33.9	35.3
Croatia	43.0	45.2	43.0	39.9	39.9	40.7	40.3	40.2	37.1	34.1
Romania	38.8	40.4	35.9	35.1	35.9	35.9	35.9	36.2	35.4	35.3
Slovenia	38.3	43.1	44.5	44.4	47.6	47.7	45.4	44.4	42	38.1
Greece	38.9	40.5	37.0	36.1	34.7	34.3	34.4	33.4	31.8	31.2
Spain	48.9	49.6	52.3	52.2	52.1	51.5	48.3	45.1	42.6	40.2
Portugal	48.5	47.7	46.9	46.6	45.3	44.4	40.8	38.6	41.1	40.1
Albania	.	.	.	.	.	.	39.9	.	52.1	45.3
Bosnia and Herzegovina	.	.	.	40.2	40.7	39.8	40.4	39.5	38.6	37.9
Kosovo										
Macedonia	.	.	.	42	43.8	43.3	43.4	42.2	39.9	40.5

Monetenegro	.	38.3	37.8	41.2	37.1	37.9	32.3	29.1	24.6	33.3
Serbia	.	40.9	40.8	43.9	37.9	37.6	33.0	28.6	33.2	36.6
Acitivity rates of persons aged 15-24, female										
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Bulgaria	25.7	25.6	24.5	26.4	26.0	26.1	24.8	24.2	24.8	25.3
Croatia	33.6	34.7	32.9	31.6	29.5	28.3	27.1	27.6	25.0	24.3
Romania	29.0	31.7	26.5	25.9	24.9	24.7	25.8	26.1	26.7	26.2
Slovenia	28.9	35.4	36.3	36.4	35.4	37.4	35.8	34.8	32.3	30.0
Greece	31.4	34.1	30.4	28.7	27.6	26.1	27.4	27.2	26.6	27.2
Spain	38.9	39.6	42.9	43.9	43.3	43.7	41.7	40.1	39.1	37.4
Portugal	41.4	38.4	38.9	38.7	38.4	38.6	37.5	34.8	36.4	35.6
Albania	.	.	.	.	.	.	30.1	.	36.7	28.8
Bosnia and Herzegovina	.	.	.	26.1	25.8	25.6	24.4	25.7	23.2	21.1
Kosovo										
Macedonia	.	.	.	29.3	27.5	28.1	26.2	24	23.9	26.2
Monetenegro	.	30.3	26.3	28.6	31.3	29.2	25.3	20.8	16.7	27.8
Serbia	.	33.3	30.6	30.1	27.7	27.1	24.5	21.9	20.7	21.8

Table A1b

• **Acitivity rates of persons aged 25-29**

Acitivity rates of persons aged 25-29, total										
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Bulgaria	73.7	74.7	73.1	76.2	78.5	80.1	77.2	76.5	75.1	75.8
Croatia	82.8	83.0	84.4	83.4	86.4	85.0	82.4	81.0	81.2	81.2
Romania	78.4	78.8	76.1	76.7	75.8	74.2	73.6	74.9	75.7	75.9
Slovenia	87.5	88.1	88.0	86.5	87.8	88.7	86.3	87.0	87.2	85.8
Greece	83.3	84.0	84.2	84.7	84.5	84.1	84.8	84.9	84.9	85.8
Spain	84.0	84.7	84.9	85.8	85.9	86.5	86.5	86.8	86.4	86.9
Portugal	87.4	86.9	87.8	87.7	87.4	88.2	88.1	87.5	88.5	88.9

Albania	.	.	.	.	.	.	.	.	.	.
Bosnia and Herzegovina	.	.	.	.	.	.	.	.	.	.
Kosovo										
Macedonia	.	.	.	74.8	75.6	77.1	77.5	79.2	78.9	78.1
Monetenegro	.	73.6	70.4	78.1	76.4	74.3	74.2	74.4	70.6	73.3
Serbia	.	78.2	76.3	75.1	75.9	74.3	72.6	71.3	74.8	77.1
Acitivity rates of persons aged 25-29, male										
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Bulgaria	80.0	81.1	81.1	83.3	84.8	88.2	85.4	83.4	80.7	82.4
Croatia	88.1	91.3	90.1	86.3	90.9	90.0	86.0	82.5	84.3	85.9
Romania	84.0	85.5	82.6	82.5	80.8	79.2	79.2	81.0	81.2	82.2
Slovenia	89.2	90.3	89.6	89.5	90.6	91.1	89.5	89.7	88.8	88.5
Greece	91.5	92.7	91.2	91.0	91.0	90.7	90.4	90.6	89.7	89.4
Spain	88.9	89.4	89.9	90.5	90.6	90.1	89.7	89.1	89.2	90
Portugal	89.8	89.7	90.3	90.2	89.4	90.5	89.4	88.9	90.2	88.5
Albania	.	.	.	.	.	.	.	.	.	.
Bosnia and Herzegovina	.	.	.	.	.	.	.	.	.	.
Kosovo										
Macedonia	.	.	.	86.2	86.6	89.7	88.8	89.5	88.0	87.8
Monetenegro	.	85.2	82.1	85.1	86.9	80.1	81.2	79.5	72.9	77.0
Serbia	.	86.8	83.8	82.9	84.4	82.2	78.6	71.4	80.1	82.2
Acitivity rates of persons aged 25-29, female										
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Bulgaria	66.9	68.0	64.4	68.6	71.3	70.5	67.9	68.6	69.1	68.7
Croatia	77.8	74.4	78.1	79.9	81.6	79.3	78.4	79.3	77.4	75.4
Romania	72.2	71.9	69.3	70.6	70.6	69.0	67.7	68.4	69.9	69.3
Slovenia	85.7	85.8	86.2	83.5	84.8	86.1	83.0	84.3	85.5	83.2
Greece	74.6	75.0	76.9	77.9	77.3	76.8	78.4	78.9	79.5	81.7
Spain	78.8	79.8	79.6	80.7	80.9	82.6	83.1	84.4	83.5	83.7

Portugal	85.0	84.0	85.3	85.2	85.4	85.8	86.7	86.0	86.7	89.2
Albania	.	.	.	.	.	.	.	.	.	.
Bosnia and Herzegovina	.	.	.	.	.	.	.	.	.	.
Kosovo										
Macedonia	.	.	.	62.9	64	63.7	65.5	68.2	69.4	68
Monetenegro	.	63.6	61.0	71.4	65.0	68.9	67.3	69.6	68.4	69.2
Serbia	.	69.5	68.6	66.8	66.8	65.4	66.0	64.5	68.2	70.6

Table A1c

• **Acitivity rates of persons aged 15-64**

Acitivity rates of persons aged 15-64, total										
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Bulgaria	61.7	62.8	62.1	64.5	66.3	67.8	67.2	66.5	65.9	67.1
Croatia	62.3	63.9	63.3	62.8	63.4	63.2	62.4	61.4	60.8	60.5
Romania	63.4	63.9	62.3	63.6	63.0	62.9	63.1	63.6	63.3	64.2
Slovenia	66.9	69.9	70.7	70.9	71.3	71.8	71.8	71.5	70.3	70.4
Greece	65.1	66.5	66.8	67.0	67	67.1	67.8	68.2	67.7	67.9
Spain	67.4	68.5	69.7	70.8	71.6	72.6	73.0	73.4	73.7	74.1
Portugal	72.9	72.8	73.4	73.9	74.1	74.2	73.7	74	74.1	73.9
Albania	.	.	.	.	65.2	61.9	61.9	62.3	68.5	65.5
Bosnia and Herzegovina	.	.	.	51.2	52.2	53.5	53.2	54.0	53.8	53.9
Kosovo										
Macedonia	.	.	.	62.2	62.8	63.5	64.0	64.2	64.2	63.9
Monetenegro	.	60.2	58.9	58.4	62.3	61.2	60.3	59.3	57.3	59.0
Serbia	.	66.4	65.2	63.6	63.4	62.7	60.6	59.0	59.4	60.1
Acitivity rates of persons aged 15-64, male										
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Bulgaria	66.3	67.2	67.0	68.8	70.6	72.5	72.0	70.8	69.9	71.0
Croatia	69.7	71.4	70.0	68.9	70.4	70.0	68.0	67.2	67.4	66.1
Romania	70.2	70.8	69.4	70.7	70.1	70.6	70.9	71.5	70.7	72.1

Slovenia	71.6	74.2	75.1	74.9	75.8	75.8	75.6	75.4	73.9	73.7
Greece	78.3	79.1	79.2	79.1	79.1	79.1	79.0	78.9	77.7	77.4
Spain	79.7	80.2	80.9	81.3	81.4	81.8	81.0	80.7	80.4	80.1
Portugal	79.4	79.1	79.0	79.5	79.4	79.5	78.5	78.2	78.5	77.9
Albania	.	.	.	.	74.4	72.1	73.3	.	.	.
Bosnia and Herzegovina	.	.	.	65.5	67.0	67.7	67.0	67.0	66.3	67.0
Kosovo										
Macedonia	.	.	.	75	74.8	76.6	77.6	77.7	76.8	76.6
Monetenegro	.	69.1	66.2	67.7	70.3	69.5	68.4	67.1	63.8	65.9
Serbia	.	75.1	74.3	72.7	71.9	71.2	68.7	64.6	68.1	68.8
Acitivity rates of persons aged 15-64, female										
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Bulgaria	57.1	58.4	57.3	60.2	62.1	63.1	62.5	62.3	61.9	63.2
Croatia	55.2	56.8	56.7	56.9	56.4	56.6	57	55.9	54.4	55.0
Romania	56.7	57.2	55.3	56.6	56.0	55.2	55.4	55.8	56.0	56.4
Slovenia	62.1	65.6	66.1	66.7	66.6	67.5	67.9	67.4	66.5	66.9
Greece	52.1	54.1	54.5	55.0	54.9	55.1	56.5	57.6	57.5	58.4
Spain	54.8	56.6	58.3	60.2	61.4	63.2	64.8	65.9	67.0	67.9
Portugal	66.6	66.7	67.9	68.4	68.8	68.9	69	69.9	69.8	70.1
Albania	.	.	.	.	56.2	52.8	51.8	.	.	.
Bosnia and Herzegovina	.	.	.	37.3	37.8	39.5	39.6	41.1	41.2	40.9
Kosovo										
Macedonia	.	.	.	49.2	50.4	50.2	50	50.4	51.2	50.8
Monetenegro	.	51.5	51.8	49.8	54.2	53.0	52.4	51.7	50.9	52.1
Serbia	.	57.9	56.2	54.5	54.9	54.4	52.8	50.8	50.7	51.2

Table A2a

• **Employment rates of persons aged 15-24**

Employment rates of persons aged 15-24, total										
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Bulgaria	21.3	22.3	21.6	23.2	24.5	26.3	24.8	22.2	22.1	21.9
Croatia	24.7	26.9	25.8	25.5	26.5	27.1	25.6	23.0	20.1	16.9
Romania	27.3	28.0	24.9	24.0	24.4	24.8	24.5	24.3	23.8	23.9
Slovenia	28.6	33.8	34.1	35.0	37.6	38.4	35.3	34.1	31.5	27.3
Greece	26.2	27.4	25.0	24.2	24.0	23.5	22.9	20.4	16.3	13.1
Spain	34.2	34.7	38.3	39.5	39.1	36.0	28.0	24.9	21.9	18.2
Portugal	39.0	37.1	36.1	35.8	34.9	34.7	31.3	28.5	27.2	23.6
Albania	.	.	.	.	.	.	25.3	.	34.1	27.0
Bosnia and Herzegovina	.	.	.	12.5	13.8	17.4	16.7	14.0	13.1	10.7
Kosovo										
Macedonia	.	.	.	14.4	15.2	15.7	15.7	15.4	14.4	15.5
Monetenegro	.	13.5	13.7	14.2	20.9	23.5	18.6	13.7	13.1	18.1
Serbia	.	19.2	18.7	19.5	18.7	21.1	16.9	15.2	14.0	14.5
Employment rates of persons aged 15-24, male										
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Bulgaria	23.1	25.0	23.9	25.4	27.1	29.3	28.0	25.4	25.1	24.9
Croatia	28.5	31.9	30.0	29.1	31.6	33.2	31.0	27.7	23.9	19.7
Romania	31.4	30.3	28.2	27.3	28.3	29.1	28.3	28.1	27.0	27.4
Slovenia	33.3	38.3	38.1	39.2	43.2	43.0	39.1	37.6	35.7	30.4
Greece	31.9	32.9	30.1	29.7	29.2	28.5	27.7	24.5	19.6	16.1
Spain	39.5	40.0	43.5	44.4	44.2	39.3	29.4	25.6	22.1	18.4
Portugal	43.3	41.7	40.5	39.8	39.1	38.5	33.2	30.4	29.3	25.5
Albania	.	.	.	.	.	.	29.5	.	38.9	31.1
Bosnia and Herzegovina	.	.	.	15.7	18.1	22.0	21.5	17.7	16.7	14.1
Kosovo										
Macedonia	.	.	.	17.2	18.6	19.2	20.6	19.5	17.7	18.1
Monetenegro	.	15.7	16.8	16.3	24.8	25.6	20.7	16.2	15.8	19.2

Albania	.	.	.	.	.	.	.	.	.	.
Bosnia and Herzegovina	.	.	.	.	.	.	.	.	.	.
Kosovo										
Macedonia	.	.	.	41.3	43.5	46	48.3	47.9	46.8	45.7
Monetenegro	.	44.1	38.2	50.8	56.5	59.2	53.3	54.0	49.7	53.1
Serbia	.	56.9	49.9	52.4	54.4	57.3	54.2	48.0	48.1	49.9
Employment rates of persons aged 25-29, male										
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Bulgaria	66.2	69.6	72.4	75.4	78.4	82.0	78.8	71.8	68.3	68.6
Croatia	74.2	75.5	77.6	76.1	80.8	83.6	78.6	68.1	66	65.5
Romania	75.2	75.5	75	73.6	73.9	72.8	71.2	72.5	72.8	72.5
Slovenia	81.5	84.0	82.2	82.8	85.8	86.7	81.5	78.3	77.2	77.7
Greece	81.0	82.4	82.1	82.2	81.3	81.7	79.5	75.7	66.3	57.7
Spain	79.7	80.3	81.7	83.3	83.7	77.9	68.5	65.7	64.5	59.4
Portugal	83.3	83.8	82.2	82.8	82.1	83.3	80.0	77.4	76.4	71.7
Albania	.	.	.	.	.	.	.	.	.	.
Bosnia and Herzegovina	.	.	.	.	.	.	.	.	.	.
Kosovo										
Macedonia	.	.	.	48.8	50.5	55.3	56	56.2	53.9	50.9
Monetenegro	.	59.5	49.8	55.8	64.1	63.9	59.0	58.6	51.3	55.7
Serbia	.	68.8	61.3	60.4	63.1	64.4	59.6	54.7	54.8	55.6
Employment rates of persons aged 25-29, female										
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Bulgaria	55.6	58.6	57.1	60.8	66.0	66.7	62.1	61.0	59.1	58.5
Croatia	62.4	59.2	64.1	66.9	69.4	68.3	66.2	65.1	60.0	58.4
Romania	66.8	65.7	63.8	65.2	66.0	65.5	63.5	62.2	63.6	62.8
Slovenia	75.8	76.9	77.2	72.3	75.3	78.8	73.6	73.1	72.4	68.4
Greece	59.4	59.0	60.4	62.8	62.6	63.5	63.7	60.1	52.6	49.0
Spain	64.3	66.4	68.8	70.3	72.0	71.3	66.1	64.1	61.7	58.4
Portugal	77.1	76.0	74.2	73.1	72.3	73.9	75.1	72.2	72.5	70.3

Albania	.	.	.	.	.	.	.	.	.	.
Bosnia and Herzegovina	.	.	.	.	.	.	.	.	.	.
Kosovo										
Macedonia	.	.	.	33.3	36.1	36.2	40	39.2	39.4	40.2
Monetenegro	.	30.8	29.0	46.0	48.3	55.1	47.8	49.6	48.1	50.2
Serbia	.	45.1	38.3	44.0	45.2	49.2	48.2	39.8	40.0	42.7

Table A2c

• **Employment rates of persons aged 15-64**

Employment rates of persons aged 15-64, total										
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Bulgaria	53.1	55.1	55.8	58.6	61.7	64	62.6	59.7	58.4	58.8
Croatia	53.4	54.9	55	55.6	57.1	57.8	56.6	54	52.4	50.7
Romania	58.7	58.7	57.6	58.8	58.8	59	58.6	58.8	58.5	59.5
Slovenia	62.5	65.6	66.0	66.6	67.8	68.6	67.5	66.2	64.4	64.1
Greece	58.9	59.6	60.1	61.0	61.4	61.9	61.2	59.6	55.6	51.3
Spain	59.7	60.9	63.3	64.8	65.6	64.3	59.8	58.6	57.7	55.4
Portugal	68.2	68	67.5	67.9	67.8	68.2	66.3	65.6	64.2	61.8
Albania	.	.	.	.	56.4	53.7	53.4	53.5	58.7	56.3
Bosnia and Herzegovina	.	.	.	35.0	36.7	40.7	40.1	39.0	38.7	38.5
Kosovo										
Macedonia	.	.	.	39.6	40.7	41.9	43.3	43.5	43.9	44
Monetenegro	.	43.3	41.0	41.0	50.2	50.8	48.8	47.6	45.9	47.4
Serbia	.	53.4	51.0	49.9	51.5	53.7	50.4	47.2	45.4	45.3
Employment rates of persons aged 15-64, male										
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Bulgaria	56.7	58.7	60.0	62.8	66	68.5	66.9	63	61.2	61.3
Croatia	60.7	62.3	61.7	62	64.4	65.0	62.4	59.4	57.9	55.1
Romania	64.7	64.1	63.7	64.6	64.8	65.7	65.2	65.7	65	66.5
Slovenia	67.2	69.9	70.4	71.1	72.7	72.7	71	69.6	67.7	67.4

Greece	73.5	74	74.2	74.6	74.9	75	73.5	70.9	65.9	60.6
Spain	73.2	73.6	75.2	76.1	76.2	73.5	66.6	64.7	63.2	60.2
Portugal	75	74.4	73.4	73.9	73.8	74	71.1	70.1	68.1	64.9
Albania	.	.	.	.	63.6	63.0	64.3	.	.	.
Bosnia and Herzegovina	.	.	.	46.2	48.7	52.9	51.2	49.6	48.7	49.0
Kosovo										
Macedonia	.	.	.	48.3	48.8	50.7	52.8	52.8	52.3	52.4
Monetenegro	.	52.5	48.7	47.8	57.8	58.3	55.9	54.3	51.2	53.3
Serbia	.	63.1	61.2	59.2	60.0	62.3	58.1	54.4	52.4	52.4
Employment rates of persons aged 15-64, female										
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Bulgaria	49.5	51.6	51.7	54.6	57.6	59.5	58.3	56.4	55.6	56.3
Croatia	46.3	47.8	48.6	49.4	50	50.7	51	48.8	47	46.2
Romania	52.8	53.5	51.5	53	52.8	52.5	52	52	52.0	52.6
Slovenia	57.7	61.3	61.3	61.8	62.6	64.2	63.8	62.6	60.9	60.5
Greece	44.5	45.5	46.1	47.4	47.9	48.7	48.9	48.1	45.1	41.9
Spain	46.1	47.9	51.2	53.2	54.7	54.9	52.8	52.3	52.0	50.6
Portugal	61.5	61.7	61.7	62	61.9	62.5	61.6	61.1	60.4	58.7
Albania	.	.	.	.	49.3	45.6	43.6	.	.	.
Bosnia and Herzegovina	.	.	.	24.0	25.0	28.7	29.3	28.5	28.6	28.1
Kosovo										
Macedonia	.	.	.	30.7	32.3	32.9	33.5	34	35.3	35.3
Monetenegro	.	34.3	33.3	34.8	42.5	43.5	41.6	41.0	40.7	41.4
Serbia	.	44.0	40.8	40.6	43.0	45.3	43.0	40.1	38.3	38.1

Table A2d

- **Employment rates of low-skilled persons (level 0-2) aged 15-24**

Employment rates of low-skilled persons (level 0-2) aged 15-24, total					

Kosovo										
Macedonia	.	.	.	16.5	16.0	17.5	15.9	15.0	15.1	18.2
Monetenegro	.	.	.	.	.	.	.	.	.	.
Serbia	.	.	.	.	.	.	.	.	.	.

Table A2f

• **Employment rates of high-skilled persons (level 5-6) aged 15-24**

Employment rates of high-skilled persons (level 5-6) aged 15-24, total										
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Bulgaria	61.9	56.4	60.4	63.8	67.4	73.1	75.4	63.5	58.5	62.0
Croatia	52.5	54.1	57.9	56.5	64.9	57.5	58.2	56.2	40.5	37.4
Romania	71.3	73.9	61.2	57.6	63.4	61.9	56.4	44.8	42.5	39.7
Slovenia	69.6	68.4	68.1	69.0	79.4	68.6	71.8	60.0	53.9	53.7
Greece	54.8	56.4	53.2	56.0	56.6	61.5	56.1	47.8	44.5	41.5
Spain	51.6	51.7	56.0	57.6	58.8	56.3	48.5	45.6	41.2	38.1
Portugal	70.8	68.9	59.3	52.0	57.1	55.5	50.4	47.0	49.9	37.4
Albania	.	.	.	.	.	.	.	.	.	.
Bosnia and Herzegovina	.	.	.	.	.	.	.	.	.	.
Kosovo										
Macedonia	.	.	.	25.9	33.9	25.7	28.6	36.9	25.8	30.2
Monetenegro	.	.	.	.	.	.	.	.	.	.
Serbia	.	.	.	.	.	43.5	42.9	26.1	28.4	26.8
Employment rates of high-skilled persons (level 5-6) aged 15-24, male										
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Bulgaria	.	.	57.8	68.3	68.4	75.7	79.3	62.1	61.5	62.2
Croatia	.	.	.	.	70.6	56.1	51.1	58.8	49.0	40.0
Romania	66.1	77.4	65.7	59.5	63.6	62.0	57.1	46.1	44.6	40.8
Slovenia	.	.	59.9	81.5	86.3	66.7	72.3	67.8	52.6	52.0
Greece	65.1	66.4	59.5	59.6	59.7	62.1	59.1	52.6	50.0	49.9
Spain	54.0	53.6	58.8	60.1	61.8	57.0	46.8	43.5	38.0	38.2

Portugal	71.6	72.2	56.6	46.5	57.8	46.2	39.2	40.1	44.3	31.2
Albania	.	.	.	.	.	.	.	.	.	.
Bosnia and Herzegovina	.	.	.	.	.	.	.	.	.	.
Kosovo										
Macedonia	.	.	.	26.5	34.4	20.2	40.0	47.3	29.3	32.7
Monetenegro	.	.	.	.	.	.	.	.	.	.
Serbia	.	.	.	.	.	.	.	.	.	.
Employment rates of high-skilled persons (level 5-6) aged 15-24, female										
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Bulgaria	62.4	60.7	61.6	61.7	66.8	71.5	73.7	64.1	57.1	61.9
Croatia	56.4	54.8	60.1	54.5	62.0	58.6	61.2	54.8	34.8	35.8
Romania	74.7	71.8	58.0	56.4	63.4	61.8	56.0	44.0	41.0	39.1
Slovenia	74.2	86.0	72.2	62.7	75.5	69.5	71.5	56.2	54.7	54.9
Greece	49.3	51.1	49.8	54.2	55.1	61.2	54.6	45.7	42.4	37.6
Spain	49.9	50.4	54.2	55.9	56.6	55.8	49.5	47.0	43.0	38.0
Portugal	70.5	67.7	59.9	53.8	56.8	59.4	56.5	51.2	52.6	40.8
Albania	.	.	.	.	.	.	.	.	.	.
Bosnia and Herzegovina	.	.	.	.	.	.	.	.	.	.
Kosovo										
Macedonia	.	.	.	25.5	33.7	28.0	21.7	29.9	23.7	29.0
Monetenegro	.	.	.	.	.	.	.	.	.	.
Serbia	.	.	.	.	.	.	.	.	.	.

Table A3a

• **Unemployment rates of persons aged 15-24**

Unemployment rates of persons aged 15-24, total										
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Bulgaria	27.1	24.5	22.3	19.5	15.1	12.7	16.2	23.2	25.0	28.1

Croatia	35.8	32.8	32.3	28.9	24.0	21.9	25.1	32.6	36.1	43.0
Romania	19.5	22.3	20.2	21.4	20.1	18.6	20.8	22.1	23.7	22.7
Slovenia	15.3	14.0	15.9	13.9	10.1	10.4	13.6	14.7	15.7	20.6
Greece	25.7	26.5	26.0	25.2	22.9	22.1	25.8	32.9	44.4	55.3
Spain	22.3	22.4	19.7	17.9	18.2	24.6	37.8	41.6	46.4	53.2
Portugal	13.4	14.0	16.1	16.3	16.6	16.4	20.0	22.4	30.1	37.7
Albania	.	.	.	.	20.1	27.2	27.2	.	23.6	27.9
Bosnia and Herzegovina	.	.	.	62.4	58.6	47.3	48.9	57.6	57.5	62.8
Kosovo										
Macedonia	.	.	.	59.7	57.7	56.4	55.1	53.7	55.3	53.9
Monetenegro	.	60.9	58.7	38.9	38.8	30.4	35.6	45.5	37.0	41.1
Serbia	.	48.2	47.7	47.8	43.7	35.2	41.6	46.2	50.9	51.1
Unemployment rates of persons aged 15-24, male										
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Bulgaria	29.4	25.0	23.4	18.9	14.5	13.7	17.8	24.1	26.0	29.5
Croatia	33.8	29.5	30.2	27.2	20.9	18.5	23.1	31.1	35.6	42.3
Romania	19.2	25.1	21.6	22.3	21.1	18.8	21.2	22.3	23.7	22.3
Slovenia	13.1	11.2	14.5	11.6	9.4	9.9	13.8	15.2	15.0	20.3
Greece	18.0	18.8	18.7	17.7	15.7	17.0	19.4	26.7	38.5	48.4
Spain	19.1	19.3	16.7	15.0	15.2	23.7	39.1	43.2	48.2	54.4
Portugal	10.6	12.5	13.6	14.5	13.5	13.3	18.7	21.2	28.7	36.4
Albania	.	.	.	.	22.8	27.1	26.2	.	25.4	31.4
Bosnia and Herzegovina	.	.	.	59.8	55.4	44.7	46.7	55.3	56.8	62.8
Kosovo										
Macedonia	.	.	.	58.9	57.4	55.7	52.7	53.9	55.5	55.2
Monetenegro	.	59.1	55.6	80.8	33.0	32.0	35.4	44.5	35.5	42.3
Serbia	.	46.1	44.9	43.1	40.7	31.0	39.3	35.2	50.8	47.9
Unemployment rates of persons aged 15-24, female										
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012

Bulgaria	24.1	23.8	21	20.3	15.9	11.4	13.8	21.7	23.6	26.0
Croatia	38.5	37.3	35.1	31.1	28.5	27.2	28.4	35.1	36.8	44.3
Romania	20.0	18.7	18.4	20.2	18.7	18.3	20.1	21.8	23.8	23.2
Slovenia	18.4	17.7	17.8	16.8	11.2	11.3	13.4	13.8	16.8	21.0
Greece	35.2	35.6	34.8	34.7	32.1	28.9	33.9	40.6	51.5	63.2
Spain	26.4	26.4	23.4	21.6	21.9	25.8	36.4	39.8	44.4	51.8
Portugal	16.7	15.9	19.1	18.4	20.3	20.2	21.6	23.7	31.7	39.2
Albania	.	.	.	.	16.6	27.2	28.3	.	20.9	21.9
Bosnia and Herzegovina	.	.	.	66.7	62.3	51.9	52.9	62.3	60.0	62.8
Kosovo										
Macedonia	.	.	.	60.9	58.2	57.4	59.4	53.3	54.8	51.8
Monetenegro	.	63.5	62.6	58.2	45.3	28.2	35.5	46.9	40.0	39.7
Serbia	.	50.5	51.7	55.5	48.3	41.3	44.9	47.5	57.1	57.0

Table A3b

• **Unemployment rates of persons aged 25-29**

Unemployment rates of persons aged 25-29, total										
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Bulgaria	17.0	14.0	11.0	10.3	7.5	6.4	8.1	12.7	15.0	15.9
Croatia	17.7	18.7	15.7	13.8	12.9	10.0	11.7	17.6	22.1	23.2
Romania	9.2	10.3	8.7	9.4	7.6	6.7	8.4	9.9	9.8	10.7
Slovenia	10.0	8.6	9.3	10.4	8.1	6.5	10.1	13.0	14.2	15.0
Greece	15.3	15.6	15.1	14.0	14.3	13.1	15.0	19.7	29.6	37.5
Spain	14.0	13.2	11.2	10.3	9.2	13.6	22.1	25.2	26.9	32.2
Portugal	8.3	8.0	10.9	11.1	11.7	10.8	12.0	14.4	15.9	20.1
Albania	.	.	.	.	.	.	.	.	.	.
Bosnia and Herzegovina	.	.	.	.	.	.	.	.	.	.
Kosovo										
Macedonia	.	.	.	44.8	42.5	40.3	37.7	39.4	40.6	41.5

Macedonia	.	.	.	47.0	43.6	43.2	39	42.5	43.2	40.9
Monetenegro	.	51.6	52.5	35.5	25.6	20.0	29.1	28.7	29.6	27.4
Serbia	.	35.1	44.2	34.1	32.3	24.8	27.0	38.3	41.4	39.5

Table A3c

• **Unemployment rates of persons aged 15-74**

Unemployment rates of persons aged 15-74, total										
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Bulgaria	13.8	12.1	10.1	9.0	6.9	5.6	6.8	10.2	11.3	12.3
Croatia	14.0	13.7	12.7	11.2	9.6	8.4	9.1	11.8	13.5	15.9
Romania	6.9	7.7	7.2	7.3	6.4	5.8	6.9	7.3	7.4	7.0
Slovenia	6.5	6.0	6.5	6.0	4.9	4.4	5.9	7.3	8.2	8.9
Greece	9.4	10.2	9.9	8.9	8.3	7.7	9.5	12.6	17.7	24.3
Spain	11.3	11.1	9.2	8.5	8.3	11.3	18.0	20.1	21.7	25.0
Portugal	6.2	6.4	7.7	7.8	8.1	7.7	9.6	11.0	12.9	15.9
Albania	.	.	.	.	13.5	13.0	13.8	14.2	14.3	13.9
Bosnia and Herzegovina	.	.	.	31.1	29.0	23.4	24.1	27.2	27.6	28.0
Kosovo										
Macedonia	.	.	.	36.1	35	33.8	32.2	32	31.4	31
Monetenegro	.	27.7	30.3	29.6	19.3	17.2	19.3	19.6	19.7	19.7
Serbia	14.6	18.5	20.8	20.9	18.1	13.6	16.1	19.2	23.0	23.9
Unemployment rates of persons aged 15-74, male										
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Bulgaria	14.3	12.4	10.3	8.7	6.5	5.5	7.0	10.9	12.3	13.5
Croatia	12.6	12.4	11.6	9.9	8.4	7.0	8.0	11.4	13.8	16.2
Romania	7.4	9.0	7.8	8.2	7.2	6.7	7.7	7.9	7.9	7.6
Slovenia	6.0	5.7	6.1	4.9	4.0	4.0	5.9	7.5	8.2	8.4
Greece	6.0	6.4	6.1	5.6	5.2	5.1	6.9	9.9	15.0	21.4
Spain	8.2	8.2	7.1	6.3	6.4	10.1	17.7	19.7	21.2	24.7
Portugal	5.3	5.7	6.8	6.6	6.7	6.6	9.0	10.0	12.7	16.0

Albania	.	.	.	.		
Bosnia and Herzegovina	.	.	.	28.9	26.7	21.4	23.1	25.6	26.1	26.4
Kosovo										
Macedonia	.	.	.	35.3	34.6	33.5	31.8	31.9	31.8	31.5
Monetenegro	.	.	.	.	17.7	15.9	18.0	18.5	20.6	18.9
Serbia	13.8	15.1	16.8	17.9	15.8	11.9	14.8	18.4	22.4	23.2
Unemployment rates of persons aged 15-74, female										
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Bulgaria	13.2	11.6	9.8	9.3	7.3	5.8	6.6	9.5	10.1	10.8
Croatia	15.7	15.4	13.9	12.8	11.2	10.1	10.3	12.3	13.2	15.6
Romania	6.4	6.2	6.4	6.1	5.4	4.7	5.8	6.5	6.8	6.4
Slovenia	7.0	6.4	7.1	7.2	5.9	4.8	5.8	7.1	8.2	9.4
Greece	14.3	15.9	15.3	13.6	12.8	11.4	13.2	16.2	21.4	28.1
Spain	15.9	15.2	12.2	11.6	10.9	13.0	18.4	20.5	22.2	25.4
Portugal	7.3	7.3	8.8	9.1	9.7	9.0	10.3	12.1	13.2	15.8
Albania	.	.	.	.		
Bosnia and Herzegovina	.	.	.	34.9	32.9	26.8	25.6	29.9	29.9	30.7
Kosovo										
Macedonia	.	.	.	37.2	35.6	34.2	32.8	32.3	30.8	30.3
Monetenegro	.	.	.	.	21.5	17.9	20.5	20.7	20.0	20.3
Serbia	15.8	22.9	26.2	24.7	21.0	15.8	17.8	20.2	23.7	24.9

Table A3d

- Unemployment rates of low-skilled persons (level 0-2) aged 15-24**

Unemployment rates of low-skilled persons (level 0-2) aged 15-24, total										
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Bulgaria	41.4	37.5	39.8	37.8	29.5	28.1	31.9	39.5	47.1	46.5

Croatia	42.2	37.4	29.0	40.5	29.5	32.5	42.2	46.2	52.7	61.5
Romania	15.3	20.9	16.3	19.7	18.6	20.3	19.4	15.8	18.7	16.3
Slovenia	26.1	18.0	20.6	17.2	13.2	10.9	18.9	19.7	24.8	29.6
Greece	20.3	22.9	19.4	21.7	17.8	19.0	22.3	31.2	43.2	50.7
Spain	23.3	23.2	21.8	19.8	20.4	29.7	44.7	49.6	53.2	59.9
Portugal	13.4	14.9	15.5	15.2	16.2	15.8	20.3	22.3	32.6	39.4
Albania	.	.	.	.	.	.	.	.	.	.
Bosnia and Herzegovina	.	.	.	.	.	.	.	.	.	.
Kosovo										
Macedonia	.	.	.	62.2	58.8	56.5	54.5	58.0	59.0	63.1
Monetenegro	.	.	.	.	.	.	.	.	.	.
Serbia	.	.	.	.	.	32.7	38.2	40.1	49.1	51.5
Unemployment rates of low-skilled persons (level 0-2) aged 15-24, male										
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Bulgaria	43.7	35.6	39.7	34.2	28.1	29.9	30.0	39.6	47.9	49.9
Croatia	43.2	36.3	32.2	41.8	30.1	33.5	45.4	52.3	57.1	57.3
Romania	15.8	23.6	17.1	21.1	18.9	21.0	20.6	16.9	19.8	18.7
Slovenia	23.6	19.3	20.0	18.2	13.7	10.8	20.9	22.3	24.0	29.5
Greece	14.5	17.8	15.5	15.7	12.3	14.6	18.2	28.3	38.2	47.2
Spain	19.4	19.2	18.3	16.3	16.8	27.8	44.4	49.3	53.2	58.9
Portugal	10.3	12.5	13.6	14.1	13.6	13.4	18.8	21.3	31.2	37.8
Albania	.	.	.	.	.	.	.	.	.	.
Bosnia and Herzegovina	.	.	.	.	.	.	.	.	.	.
Kosovo										
Macedonia	.	.	.	58.5	56.4	53.8	49.1	62.0	58.0	64.8
Monetenegro	.	.	.	.	.	.	.	.	.	.
Serbia	.	.	.	.	.	.	.	.	.	.
Unemployment rates of low-skilled persons (level 0-2) aged 15-24, female										
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012

Bulgaria	37.3	40.5	40.1	44.4	32.0	25.1	35.3	39.4	45.8	40.4
Croatia	40.0	40.2	.	.	28.2	30.5	34.4	32.0	45.0	67.8
Romania	14.5	16.7	14.8	17.3	18.0	18.8	17.2	13.9	17.0	12.2
Slovenia	33.1	.	21.9	15.3	12.4	11.2	15.1	14.9	26.5	29.8
Greece	35.3	34.9	31.0	38.3	32.1	30.6	33.7	38.7	55.4	58.5
Spain	30.3	30.7	28.0	26.0	26.7	33.0	45.3	50.1	53.2	61.6
Portugal	18.0	18.9	18.6	17.1	20.3	19.7	22.6	23.8	34.9	42.4
Albania	.	.	.	.	.	.	.	.	.	.
Bosnia and Herzegovina	.	.	.	.	.	.	.	.	.	.
Kosovo										
Macedonia	.	.	.	67.9	63.8	61.7	65.7	48.9	60.9	58.6
Monetenegro	.	.	.	.	.	.	.	.	.	.
Serbia	.	.	.	.	.	.	.	.	.	.

Table A3e

• **Unemployment rates of medium-skilled persons (level 3-4) aged 15-24**

Unemployment rates of medium-skilled persons (level 3-4) aged 15-24, total										
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Bulgaria	23.0	19.7	17.5	15.3	12.3	9.6	14.1	21.2	22.3	26.5
Croatia	34.8	31.9	33.0	27.4	23.2	20.6	23.7	31.8	34.5	42.1
Romania	22.8	24.0	22.5	22.0	21.0	17.5	20.9	24.6	25.4	25.1
Slovenia	13.8	13.2	14.8	12.9	9.4	10.0	12.3	12.9	13.3	18.6
Greece	28.0	27.4	27.6	26.1	23.7	23.3	26.5	31.4	43.8	58.0
Spain	22.0	21.0	17.2	16.1	16.6	19.6	31.1	34.3	41.5	49.7
Portugal	12.9	11.2	15.3	16.0	14.8	14.3	18.1	21.3	27.2	35.5
Albania	.	.	.	.	.	.	.	.	.	.
Bosnia and Herzegovina	.	.	.	.	.	.	.	.	.	.
Kosovo										
Macedonia	.	.	.	57.7	57.3	55.2	53.8	52.2	51.3	49.3
Monetenegro	.	.	.	.	.	.	.	.	.	.
Serbia	.	.	.	.	.	35.6	42.5	46.6	50.8	50.6

Bosnia and Herzegovina	.	.	.	.	.	.	.	.	.	.
Kosovo										
Macedonia	.	.	.	64.8	53.8	72.0	52.4	43.5	63.6	59.7
Monetenegro	.	.	.	.	.	.	.	.	.	.
Serbia	.	.	.	.	.	.	.	.	.	.
Unemployment rates of high-skilled persons (level 5-6) aged 15-24, female										
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Bulgaria	.	.	.	.	.	.	.	.	.	.
Croatia	.	39.3	.	35.3	29.4	31.0	23.9	33.4	46.5	52.4
Romania	9.2	.	.	28.8	21.1	22.0	24.8	30.4	32.6	32.4
Slovenia	.	.	.	.	.	.	.	17.7	19.8	23.5
Greece	36.5	38.2	40.8	35.7	36.6	27.6	36.5	48.1	52.3	59.1
Spain	22.3	23.8	18.8	17.3	15.8	16.9	26.2	28.2	33.7	40.8
Portugal	.	.	23.9	29.9	28.1	27.3	23.9	25.1	28.0	39.5
Albania	.	.	.	.	.	.	.	.	.	.
Bosnia and Herzegovina	.	.	.	.	.	.	.	.	.	.
Kosovo										
Macedonia	.	.	.	68.1	57.5	65.4	72.4	60.3	69.5	62.9
Monetenegro	.	.	.	.	.	.	.	.	.	.
Serbia	.	.	.	.	.	.	.	.	.	.

Figure A1

- **Public capital investments**
in % of GDP

ESA'95 definition for all EU countries, national definition for the rest of the countries.

Sources: Eurostat, Government Finance Statistics (IMF), National Ministries of Finance, National Banks.

Figure A2

- **Total fiscal revenues**
in % of GDP

ESA'95 definition for all EU countries, national definition for the rest of the countries.

Sources: Eurostat, Government Finance Statistics (IMF), National Ministries of Finance, National Banks.

Figure A3

- **Employment growth and GDP growth**

Figure A4

- **Employment growth and fiscal balance**

Figure A5

- **Employment rates and general government expenditure**

FDI stock per capita in EUR, 2013	986	5,546	1,927	6,012	2,970	1,376		1,474	1,524											
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Source: wiiw Annual Database, Eurostat, AMECO.