

# Growth and Employment Monitor

## Protecting and Creating Quality Jobs

Based on ETUI research into key employment and economic developments across Europe, the ETUC calls for urgent action to protect and create quality jobs

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### Introduction

- Europe is facing unprecedented economic and quality jobs challenges. The ETUC estimates that 500 jobs are being wiped out across the EU every day.
- The geopolitical challenges reinforce the necessity for the EU to boost internal demand.
- Data and evidence from all across Europe show the need for the EU to invest massively, to ensure anticipation and management of change, and to protect and create quality jobs.
- High-quality jobs, good working conditions, social dialogue and collective bargaining are at the heart of competitiveness.
- The EU must also respond to workers' uncertainties by taking prompt action to improve their pay and conditions, thus also contributing to higher internal demand.

This briefing outlines key evidence and actions needed to reinforce the EU “as an attractive, competitive and investment friendly location that protects and creates quality jobs” [Tripartite Social Summit for Growth and Employment on 19 March 2025].

### Ensuring Just transition and investment with social conditionalities

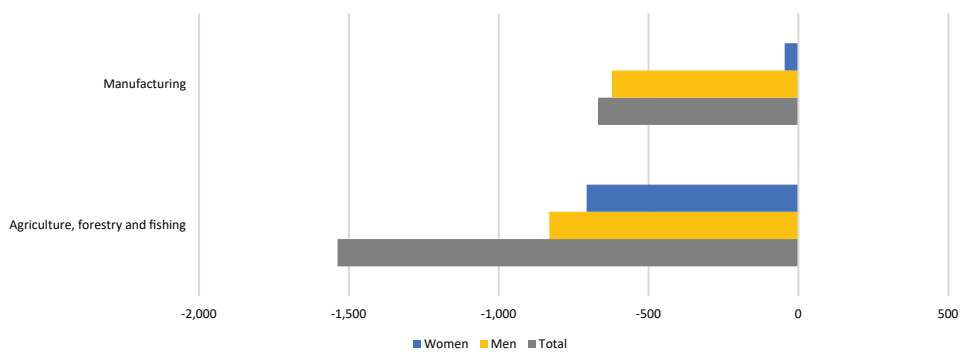
Europe is currently facing a period in its history which is without precedent, characterised by rapid technological change and sectoral transitions in employment patterns, recently exacerbated by energy price shocks and geopolitical and trade tensions. For sustainable competitiveness, it is vital that EU economic capacity is maintained, and quality jobs are protected and created.

It is necessary to ensure anticipation and management of change through a Directive on Just Transition in the world of work.

Europe has already lost 2.5 million manufacturing jobs since 2008 and nearly 100,000 jobs have been lost in the European steel industry alone. The situation is getting worse rapidly. Over 90,000 job cuts have been announced in the automotive sector since June. Restructuring processes are not confined to the manufacturing sector. Other sectors face the risk of forced redundancies and closures, that would weaken the European economy and entail the loss of thousands of jobs.

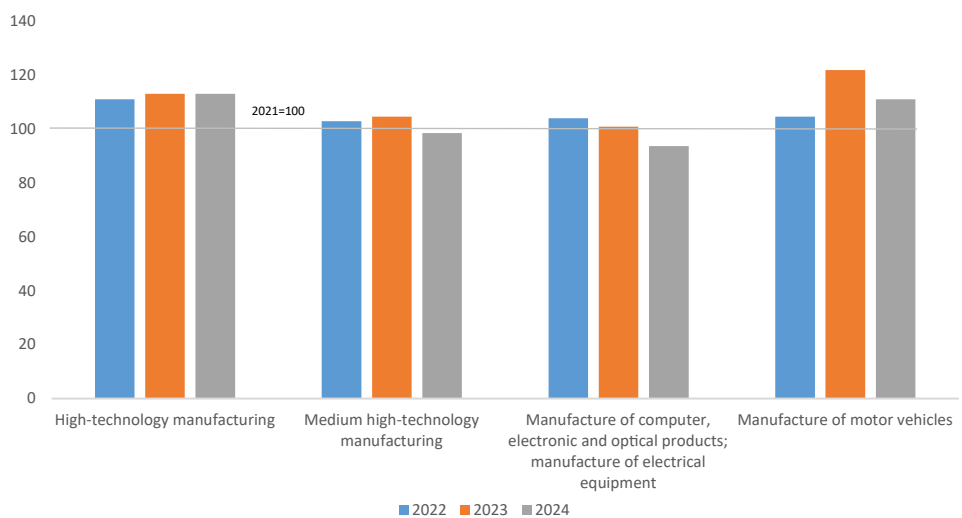
For example, Figure 1 shows the sectoral pattern of employment change for manufacturing and agriculture, forestry and fishing between 2019 and 2024.

Figure 1 **Sectoral employment change (net, thousands) by gender, EU27 (2019Q2-2024Q2)**



Note: Employment levels reported in thousands of people aged 15 to 64.  
Source of data: EU-LFS (lfsq\_egan2) by Eurostat.

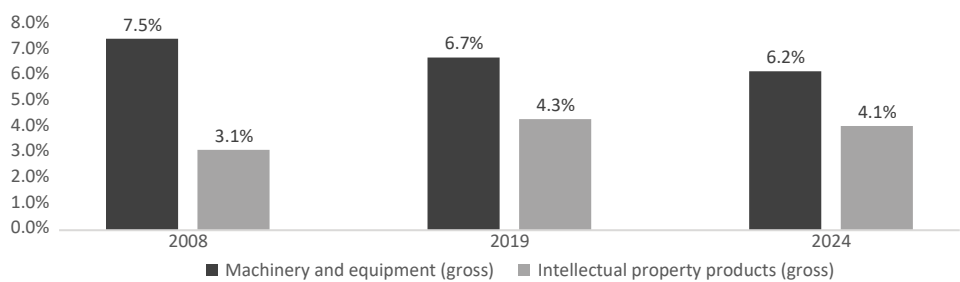
Figure 2 **Production in high-technology manufacturing, in medium high-technology manufacturing, in manufacture of computer, electronic and optical products and motor vehicles (index 2021=100, EU27, 2022-2024)**



Source: Calculations based on Eurostat data (sts\_inpr\_q).

The Draghi report and much commentary have rightly focused on the need for Europe to maintain and strengthen its position in advanced technology. Production in high-tech manufacturing and in particular manufacturing of computer, electronic and optical products, as well as of electrical equipment, has expanded in the EU27 since 2008. However, as Figure 2 shows, production has stagnated or declined between 2022 and 2024 in these key sectors. Production in medium-high tech manufacturing and manufacturing of motor vehicles declined significantly between 2019 and 2024, in the latter sector substantially so. The ongoing transformations and structural changes require strong mechanisms to protect jobs and production capacity, to ensure anticipation and management of change and to guarantee that the new jobs created are quality jobs.

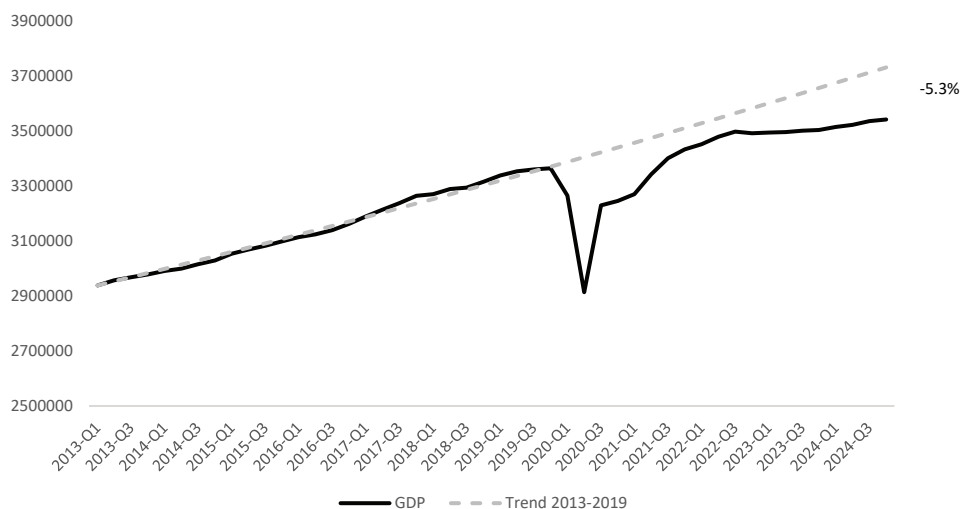
Figure 3 **Gross fixed capital formation in machinery, equipment... and in intellectual property products (%GDP, EU27, average of first three quarters 2008-2024)**



Note: Seasonally and calendar adjusted data.  
Source: Eurostat (namq\_10\_an6).

A crucial issue is the weakness of investment. As outlined in Figure 3, gross investment in the broad category 'machinery and equipment' has steadily declined in Europe between 2008 and 2024 as a share of GDP. Between 2008 and 2019 this was somewhat offset by investment in intellectual property products. However, between 2019 and 2024, investment declined in this sector too.

Figure 4 **Real GDP in mn. euro (EU27, 2013q1-2024q4, constant prices 2015)**



Note: seasonally and calendar adjusted data.  
Source: Eurostat EU-LFS (namq\_10\_gdp)

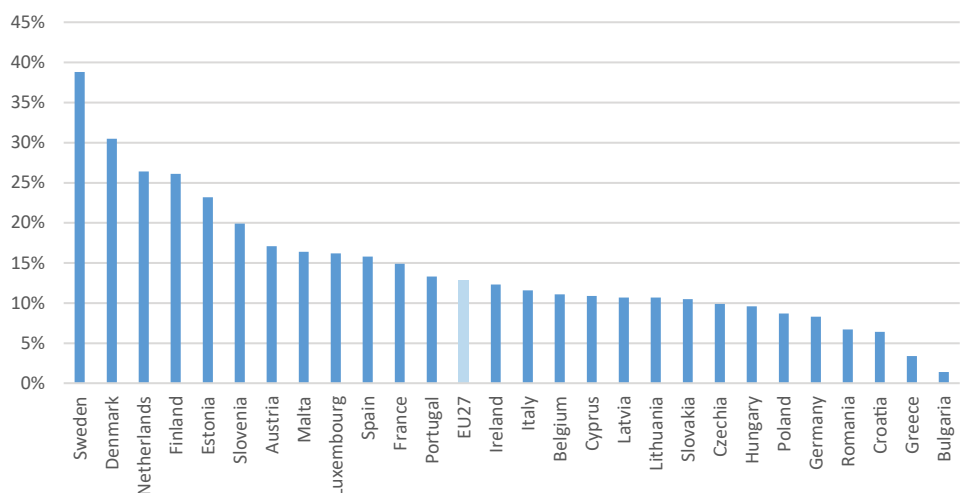
Weak investment and weak growth feed on each other. Since the final quarter of 2019, and despite the robust recovery in late 2020-2021, thanks not least to the support measures implemented by national governments, real GDP grew at a rate substantially below the trend of 2013-2019. Real GDP in the EU27 was virtually stagnant in 2024. By the final quarter of 2024, real output in the EU27 was 5.3% below the level it would have reached had it kept growing at that trend rate. Faced with weak demand growth, and facing price shocks and geopolitical uncertainty, EU policy must help kickstart growth and arrest the bleeding of jobs in manufacturing and other sectors by ensuring a new wave of investments with strong social conditionalities.

One of the most important ways to manage the structural upheavals is to ensure the respect of the right to quality training for working people – without costs and during working time.

In 2023, in the EU only 12.8% of working-age adults (25-64) participated in education and training during the previous 4 weeks. Despite EU initiatives in this area, the Covid-19 pandemic had a negative impact on participation in adult learning and not all countries had recovered to pre-pandemic levels by 2023. In France, participation in 2023 was still 4.6 percentage points lower than in 2019.

There is a strong regional divide in participation in adult learning across the EU27, with high participation rates in the Nordics and the Netherlands and below the EU average in the central and eastern European countries (Figure 5). While in Sweden participation in adult learning reached 38.8%, in Bulgaria it was only 1.4% in 2023. Workers need stronger rights to paid training during working hours and training needs to be made more readily available to lower-skill workers.

Figure 5 **Participation in education and training (last 4 weeks), 2023**



Notes: Workers aged 25-64.  
Source of data: EU-LFS (Eurostat).

The ETUC has long identified the consequences for working people of the chronic under-investment in quality jobs, in industrial policy and public services, social progress and just transition.

Failed austerity policies must be rejected and instead the EU must develop ambitious common investment tools, develop progressive taxation policies and provide member states with the necessary room for manoeuvre to finance the investments needed for quality jobs, industrial policy, public services, just transitions. Also, there must be no blank checks, public money and support should come with social conditionalities to ensure the creation of quality jobs.

The ETUC is calling on the European institutions to deliver a Directive on Just Transition in the world of work, through anticipation and management of change, based on the principles of trade union involvement and collective bargaining, and to ensure the right for all to training without cost to the worker and during working time – backed up with a SURE 2.0 mechanism.

The ETUC is also calling for:

- full suspension and urgent reform of the economic governance rules in order to allow for the necessary investments in quality jobs, just transitions, industrial policy, strong public services, social protection, security and other EU objectives;
- introduction of an EU investment facility financed through common debt and/or new EU own resources, as well as a SURE 2.0 mechanism to protect employment and economic capacity;
- strong social conditionalities to apply to any investments / public funds / state aid / support to companies, in order to ensure quality jobs, better employment and working conditions, collective bargaining, full respect of workers and trade union rights;
- EU and national investments should support the development of European industry and ensure that quality jobs in Europe are being protected and created.

In this context, the ETUC also reiterates its demand that resources for initiatives on security must not come from a reduction of resources for social objectives.

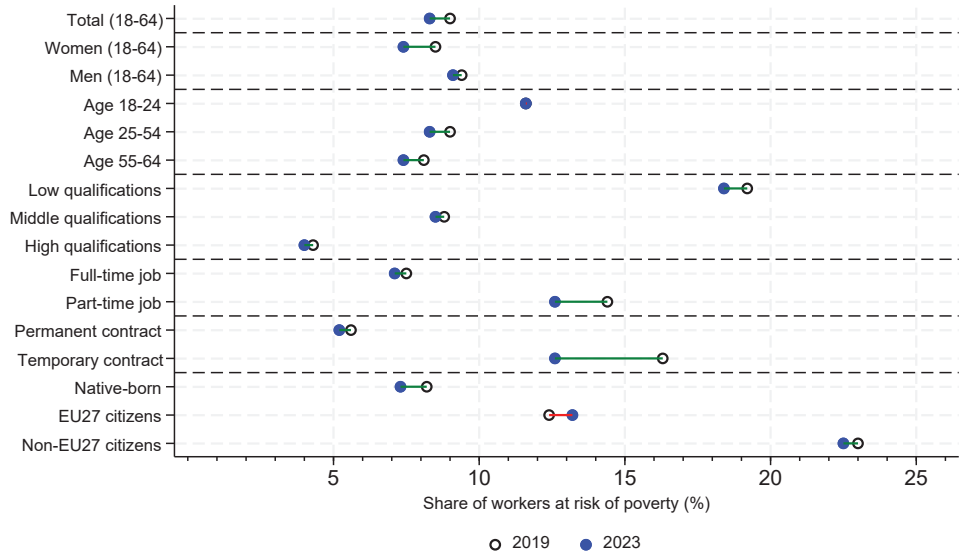
## **Protecting and Creating Quality Jobs**

Having a job is by no means full protection against the risk of poverty. In 2023, 8.3% of the EU27 working age population was at-risk-of-poverty - that means they had equivalised disposable income (after social transfer) below the at-risk-of-poverty threshold. But the figure for those with a full-time job was only around one percentage point lower (Figure 6).

The risk of in-work poverty is particularly high for workers with non-standard contracts, both part-time and temporary.

Young people (18-24 years old) and those with a migrant background, especially those born outside the EU, also face a relatively much higher risk of in-work poverty. Social cohesion and resilience and economic competitiveness hinge on ensuring quality jobs with fair pay for all workers.

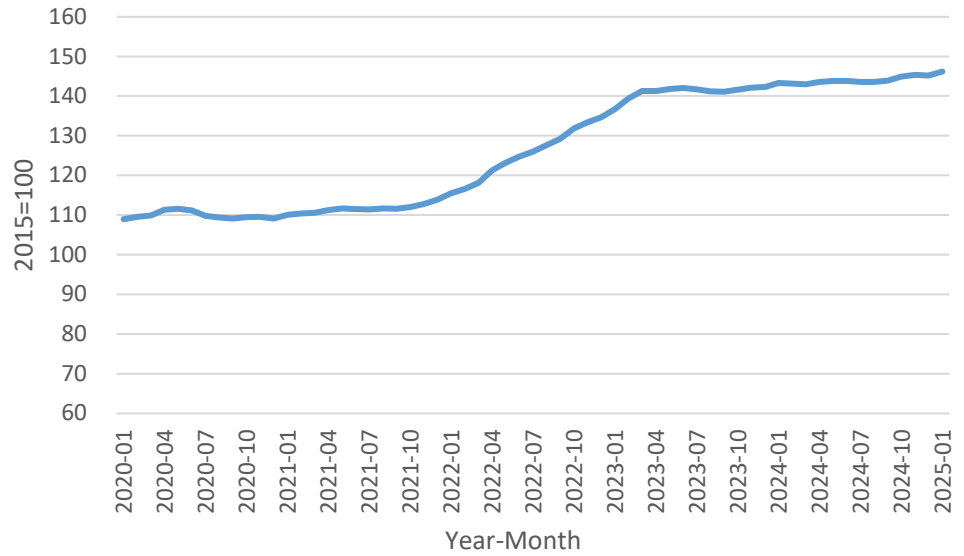
Figure 6 **Workers at risk of poverty, by group, EU-27 (2019 and 2023)**



Source of data: Eurostat EU-SILC (ilc\_iw01, ilc\_iw04, ilc\_iw05, ilc\_iw07, ilc\_iw15).

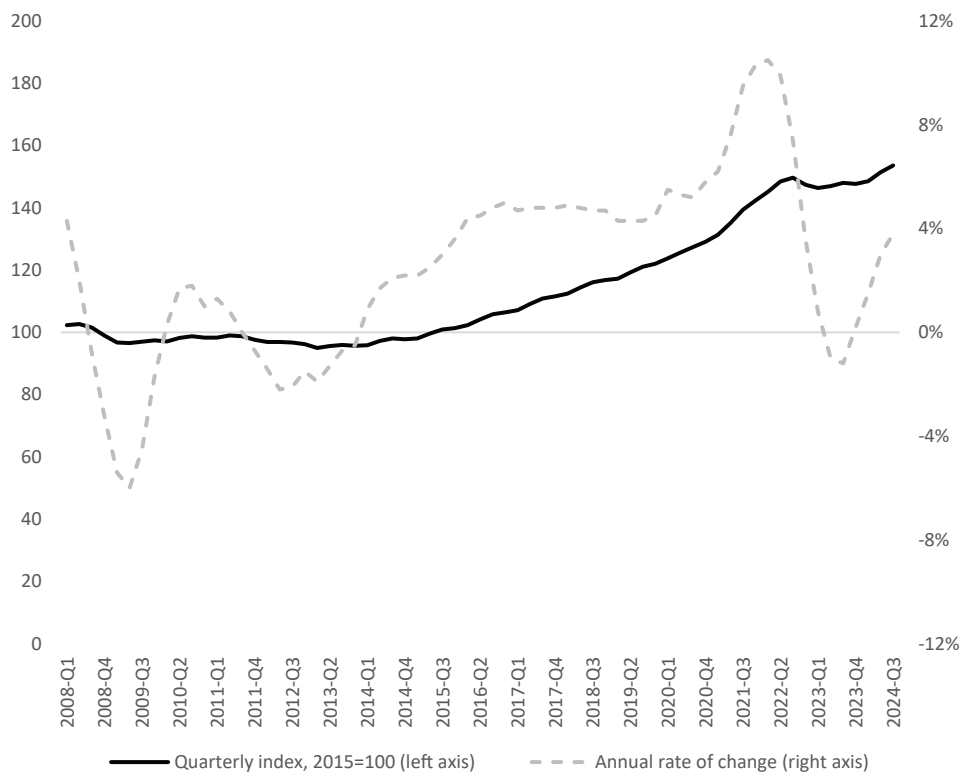
Source of figure: Benchmarking Working Europe 2025: Quality Jobs for sustainable competitiveness.

Figure 7 **Harmonised index of consumer prices for food (2015=100)**



Source: Eurostat (prc\_fsc\_idx).

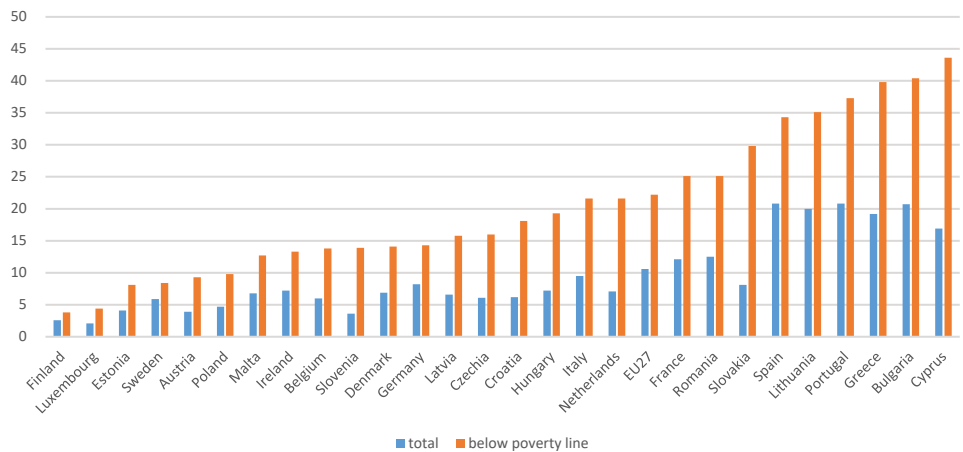
Figure 8 **House prices (index 2015=100 and annual rate of change, EU27, 2008q1-2024q3)**



Source: Eurostat (prc\_hpi\_q).

In the context of the cost-of-living crisis that followed the spike in energy prices, food and house prices remain of particular concern – also considering that wages have risen less than inflation. Although the rate of inflation for food (harmonised index of consumer prices for the commodity food, Figure 7) declined from spring 2024 onwards and did not exceed 2.5%), food price levels remained high, maintaining the strain on lower income household budgets. On the other hand, house prices began rising again at a rapid pace from 2024 after a respite from 2021 (see Figure 8). This shows the importance of action also at EU level to ensure affordable housing. Households are in many cases unable, for either financial or – as tenants - legal reasons, to shoulder the investments needed to make their housing energy efficient. This is shown by the large proportions of the population, especially the poor, in many countries unable to keep their homes warm (Figure 9).

Figure 9 **Energy poverty – share of population unable to keep their home warm, for total population and for those at risk of poverty (% , 2023)**



Source of data: Eurostat (sdg\_07\_60).

Source of figure: Benchmarking Working Europe 2025: Quality jobs for sustainable competitiveness.

In 2023, energy poverty in the EU27 increased yet further from an already high level to 10.6% of the total population. This means that, in 2023, 47.4 million people in the EU27 were unable to afford to heat their homes adequately. This represents an increase of 5.9 million compared to 2022. Furthermore, 22.2% of those at risk of poverty across the whole of the EU were unable to maintain their homes at an adequate temperature; in Greece, Bulgaria and Cyprus, 40% of poorer households suffered energy poverty. Inequality in exposure to energy poverty was particularly high in Croatia, Hungary and the Netherlands, where those at risk of poverty were three times more likely to suffer from energy poverty than the total population.

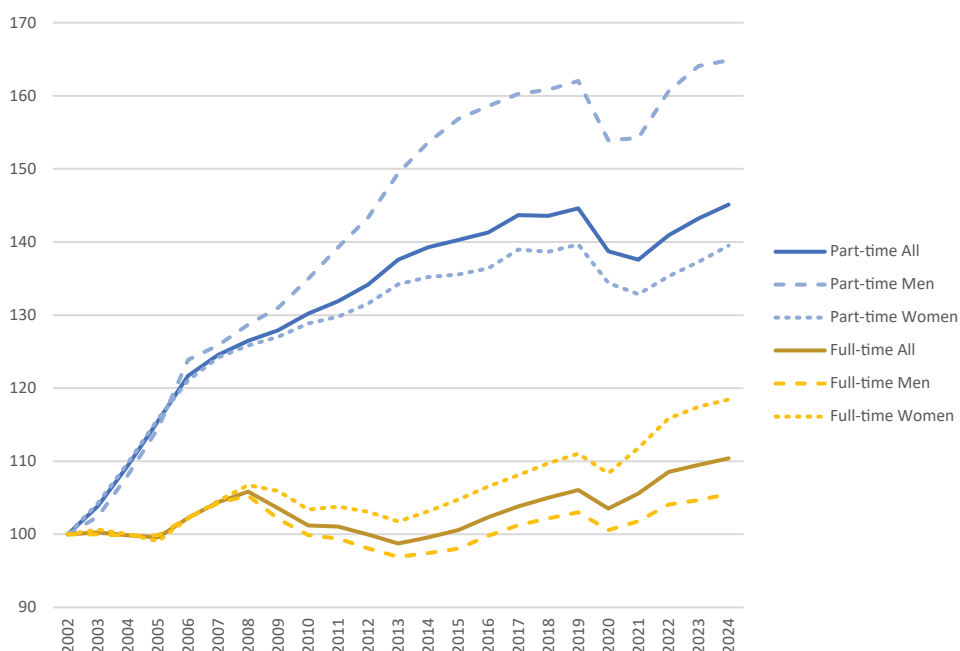
More than one in eight (13%) employees in the EU27 do not have a stable, permanent contract. The prevalence of temporary employment is highest in the Netherlands (25.9% in the third quarter of 2024), generally high in the Southern European countries (e.g., 16.5% in Spain, 15.7% in Portugal), Finland (16.9%) and Poland (15%), while it is 5% or less in most CEE countries.

Also, the dynamic in part-time job growth has far outpaced that in full-time employment over the recent two decades. While the Covid-19 pandemic took a much bigger toll on part-time workers, who in many cases fell through the cracks of employment retention schemes and other policies which mainly safeguarded standard (full-time) employment, the growth in part-time jobs accelerated again after the pandemic, and by 2024 again outstripped the rate of growth in full-time employment.

As shown in Figure 10, part-time employment has increased by 45% since 2002 in the EU-27, while full-time employment grew by just 10% in the same period. By 2024, part-time jobs accounted for 17.9% of employment in the EU, ranging from 1.5% in Bulgaria up to 43% in the Netherlands.



Figure 10 **Employment growth by full-time and part-time jobs, by gender, EU-27, 2002-2024, second quarters (indexed 2002=100)**



Note: Age 15-64.

Source of data: EU-LFS (lfsq\_epgaed) by Eurostat.

Source of figure: Benchmarking Working Europe 2025: Quality jobs for sustainable competitiveness.

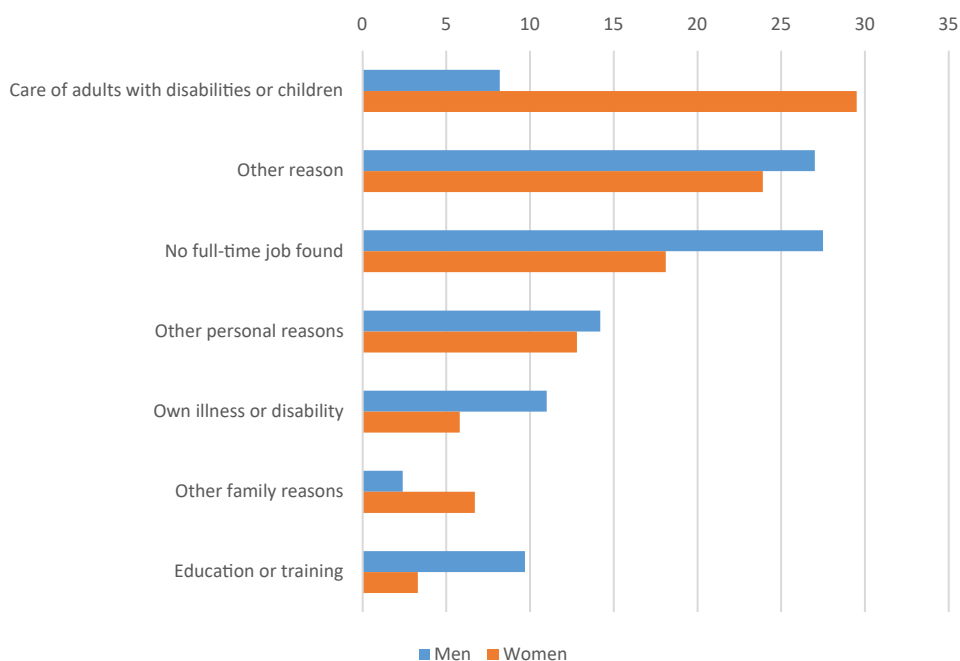
Understanding the reasons behind individuals' decisions to take up part-time work is central for designing tailored labour market policies towards improving job quality and gender equality.

As illustrated in Figure 11 one-in-five (20.1%) workers in the EU-27 (aged 25-64) works part-time because they could not find a full-time job. In the context of labour market shortages in some regions and sectors, this potential needs to be tapped, which implies the need for higher pay and better working conditions.

There is a marked gender difference in reasons behind taking a part-time job (Figure 11): men are three times more likely than women to cite education and training as the main reason for working part-time (9.7% men versus 3.3% women), while women are nearly four times more likely than men to work part-time because of family caring obligations (29.5% women versus 8.2% men).

These different patterns contribute to the existing gender (pay) gaps and lower the overall quality of employment and professional careers, in particular for women. They therefore call for social investment in the provision of care to support women's labour market participation and highlight the need to address the gendered division of labour and ensure gender pay equality. The risk of in-work poverty is particularly high for workers with non-standard contracts, both part-time and temporary.

Figure 11 **Main reasons for part-time employment by gender, % (EU27, 2023)**



Note: Reasons are reported as percentage of employees aged 25 to 64.  
 Source of data: EU-LFS ( lfsa\_epgar) by Eurostat.

High-quality jobs, good working conditions and social dialogue and collective bargaining are at the heart of competitiveness. Being serious about competitiveness means being serious about delivering quality jobs in every sector and in every region, improving working conditions, reinforcing social dialogue and collective bargaining, and democracy at work. Social cohesion is also a key element for competitiveness.

Working people cannot wait further for the European institutions to take action to protect and create quality jobs. The Quality Jobs Package must be anticipated, and the Commission should already start the two-stage social partners consultation on the necessary legislation.

This must include in particular the following ETUC demands:

- A Directive on Just Transition in the world of work, through anticipation and management of change, based on the principles of trade union involvement and collective bargaining, and to ensure the right for all to training without cost to the worker and during working time – backed up with a SURE 2.0 mechanism
- Regulating the role of labour intermediaries and introducing an EU general legal framework limiting subcontracting and ensuring joint and several liability through the subcontracting chain
- Addressing psychosocial risks and online harassment and shaming at work through a European Directive
- Ensuring effective regulation of AI with the ‘human in control’ principle incorporate into EU law through a Directive on AI at the workplace
- Delivering a Directive on Telework and the Right to Disconnect

- Reinforcing democracy at work in the first place by strengthening collective bargaining, introducing a comprehensive EU framework on information, consultation and participation, and fully safeguarding well-functioning collective bargaining systems
- Guaranteeing that the revision of the Directives on public procurement ensures that public money goes to organisations that respect workers' and trade union rights that negotiate with trade unions and whose workers are covered by collective agreements
- Ending precarious work by guaranteeing legal rights to permanent contracts and full-time work, banning zero-hours contract and preventing unpaid traineeships



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