

TRENDS OF HUMAN RESOURCE INDICATORS IN CYPRUS 2015 - 2021

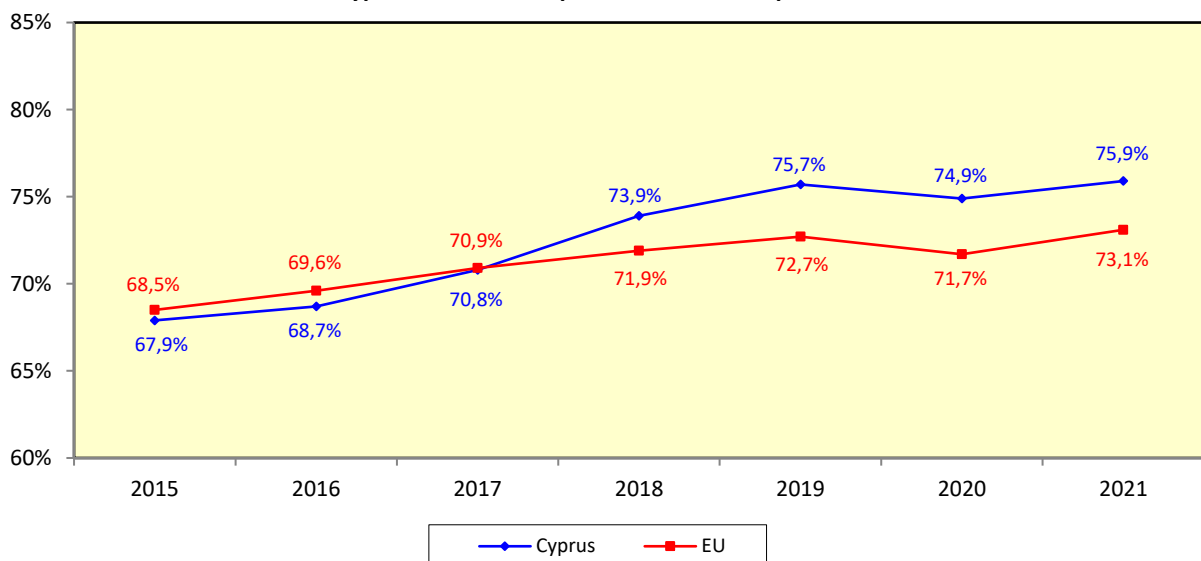
The creation of a modern and flexible labour market and highly trained human resources capable of responding effectively to the ever-increasing challenges and demands of the country's economy and to the rapid developments in the world economy, are among the central objectives of every state. An important tool for monitoring the fulfilment of this objective is the systematic monitoring of trends in the labour market and in the education and training sector.

In this context, the HRDA has introduced the periodic preparation of this study. The main goal of the study is the comprehensive analysis and examination of trends of indicators on employment and unemployment, participation and supply in the labour market, and participation in education and training in Cyprus during the period 2015-2021.

A. Employment

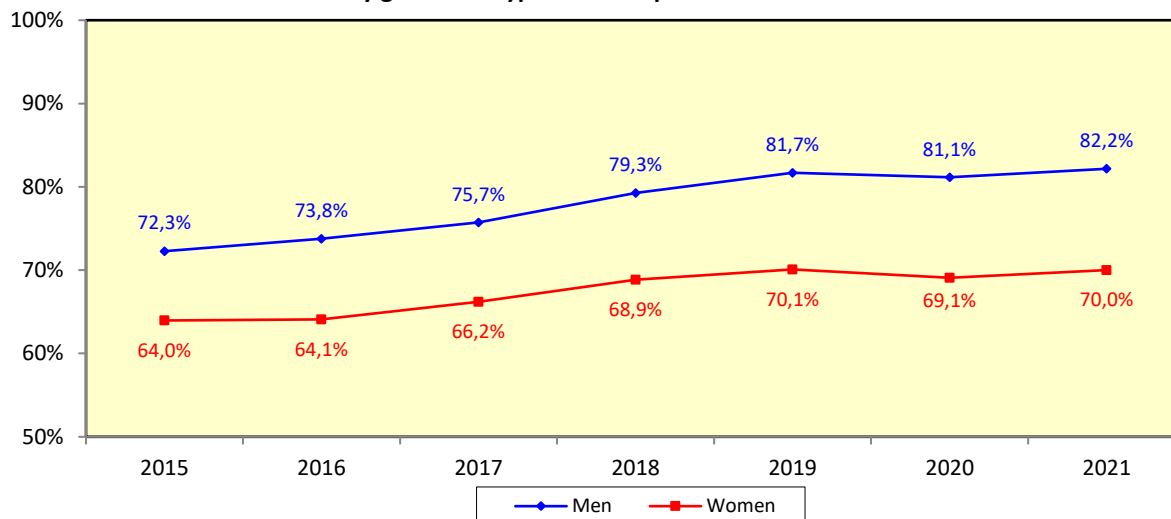
The overall employment rate of the population aged 20-64 has been positively affected by the gradual recovery of the Cyprus economy following the economic crisis, and as a result, it has remained higher than the respective EU average since 2018. The rate recorded a significant gradual increase, reaching 75,7% in 2019 and thus meeting the national target on employment which was set at 75-77% for 2020, as per the "Europe 2020" strategy. However, the impact of the COVID-19 pandemic adversely affected the economy and the labour market, resulting in a decrease in the employment rate in 2020 to 74,9%. Subsequently, in 2021, with the gradual reactivation of enterprises and the lifting of the restrictive measures, together with the government's measures to support employees and businesses, the employment rate recovered to 75,9%. The most significant improvements of the period were observed among men, persons aged 55-64 and persons with up to lower secondary education.

**Employment rate for the population aged 20-64
in Cyprus and the European Union for the period 2015-2021**



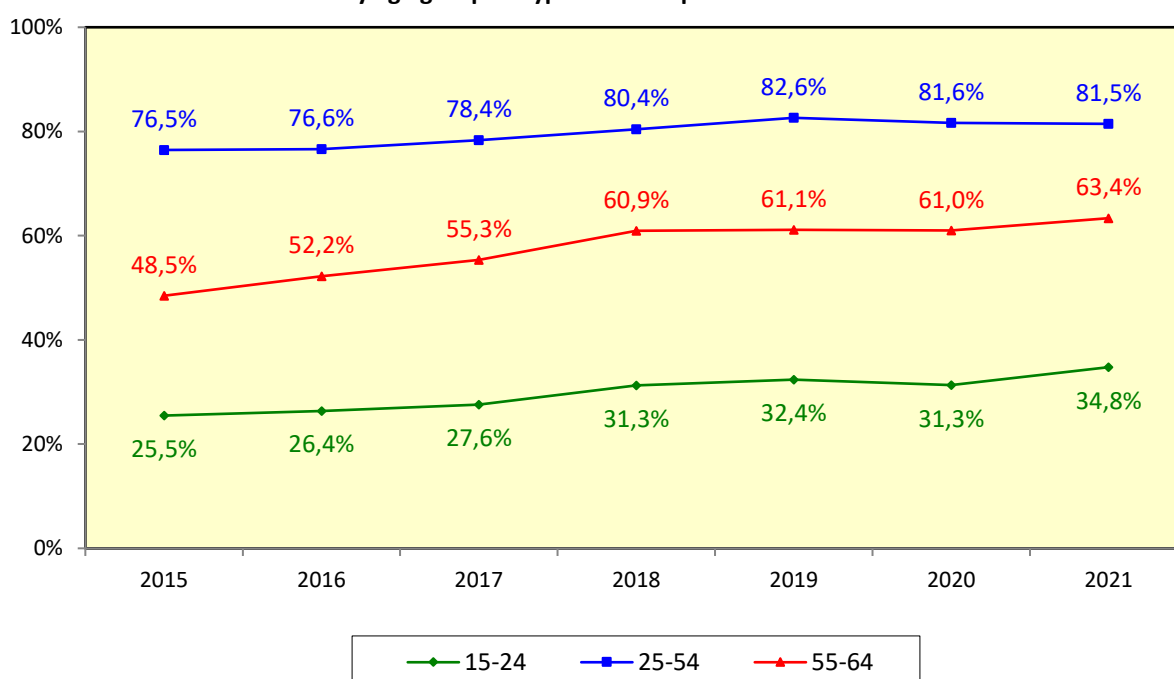
The employment rate for men in Cyprus is considerably higher than the corresponding rate for women. The difference has increased over time, from +8,3 percentage points in 2015 to +12,2 percentage points in 2021 (the biggest gap of the period).

Employment rate for the population aged 20-64 by gender in Cyprus for the period 2015-2021



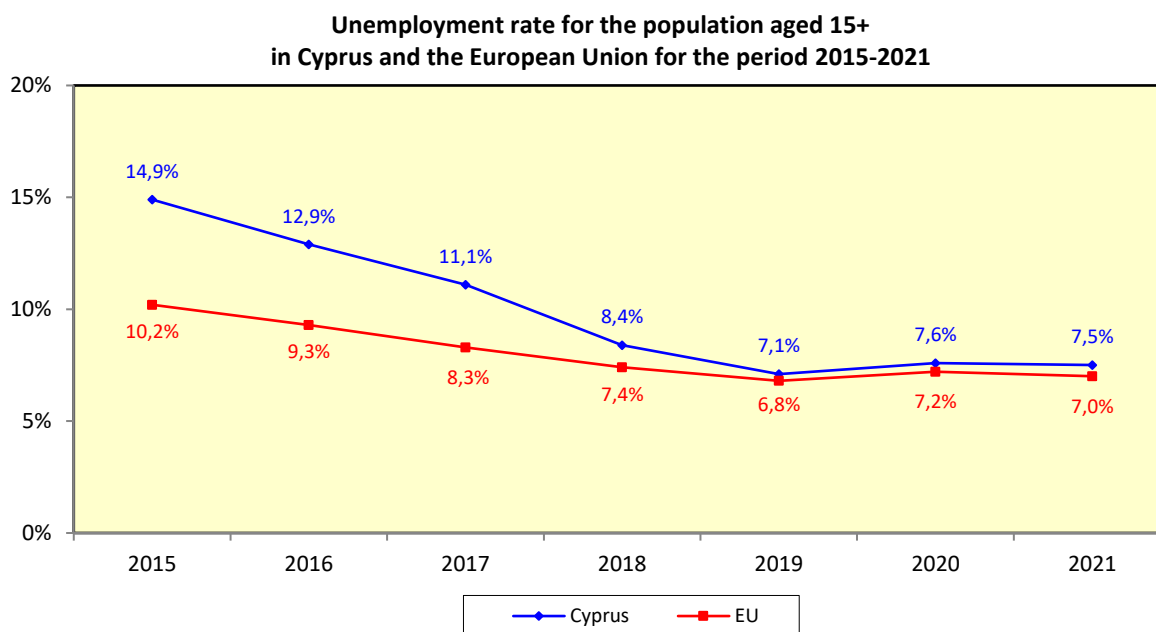
The highest, with significant difference, employment rate for the population aged 15-64 in Cyprus, was recorded for the population aged 25-54. Their employment rate exhibited an upward trend during the period, rising from 76,5% in 2015 to 81,5% in 2021. The second highest employment rate was observed in the 55-64 age group, which also recorded the greatest improvement over the period 2015-2021. The employment rate in 2015 was 48,5%, while by 2021 it rose significantly to 63,4%, recording an increase of +14,9 percentage points. The lowest employment rate can be found in the 15-24 age group, despite its significant improvement over time. The rate increased from 25,5% in 2015 to 34,8% in 2021, which was the highest rate of the period.

Employment rate for the population aged 15-64 by age group in Cyprus for the period 2015-2021

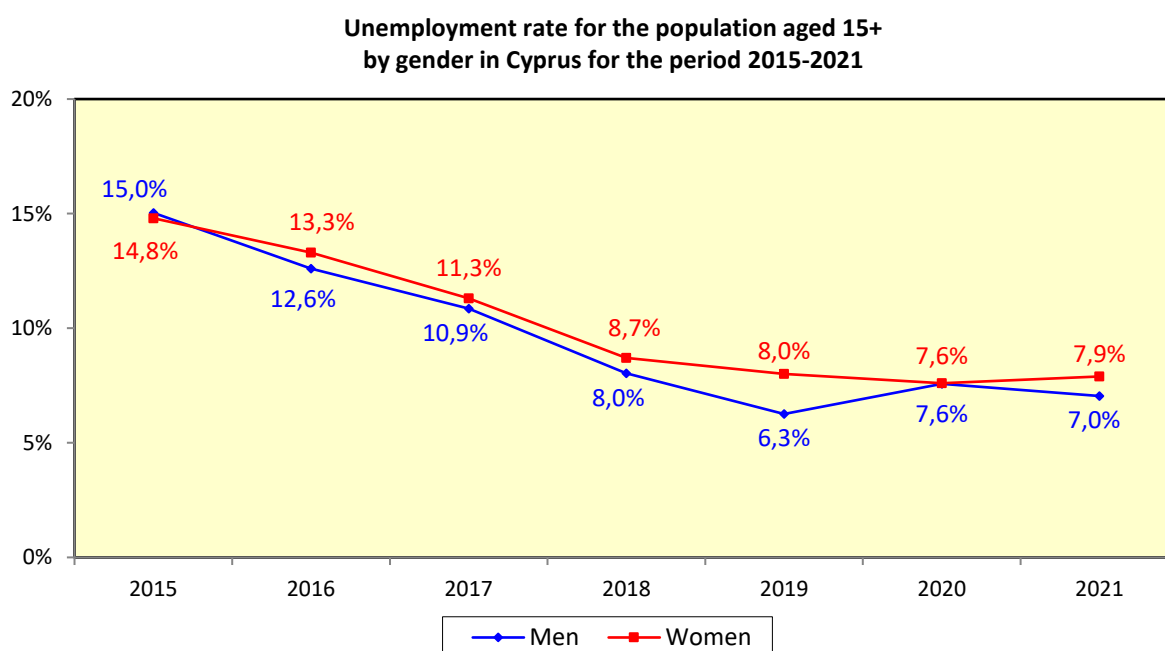


B. Unemployment

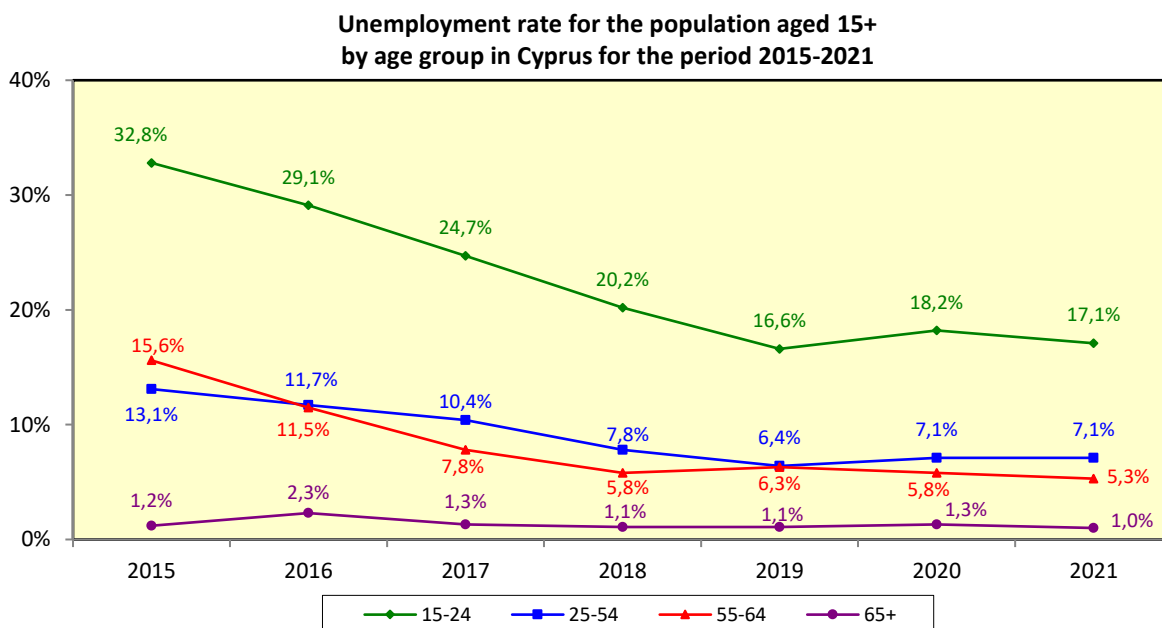
The unemployment rate of the population aged 15+ in Cyprus showed a gradual decline, which was disrupted by the emergence of the COVID-19 pandemic in 2020. The unemployment rate rose from 7,1% in 2019 to 7,6% in 2020, whereas in 2021 it declined marginally to 7,5%. It must be noted that the unemployment rate in Cyprus remained at a higher level than the respective rate in the EU throughout the period 2015-2021, despite the significant decrease of the gap, which shrunk from +4,7 percentage points in 2015 (highest value of the period) to +0,5 percentage points in 2021.



In 2021, unemployment was higher among women (7,9%) than among men (7,0%). The largest gap between the two rates occurred in 2019, with the unemployment rate of men being -1,7 percentage points lower than the corresponding rate of women. However, in 2020, the unemployment rate of men increased significantly, whereas the respective rate of women was further reduced.



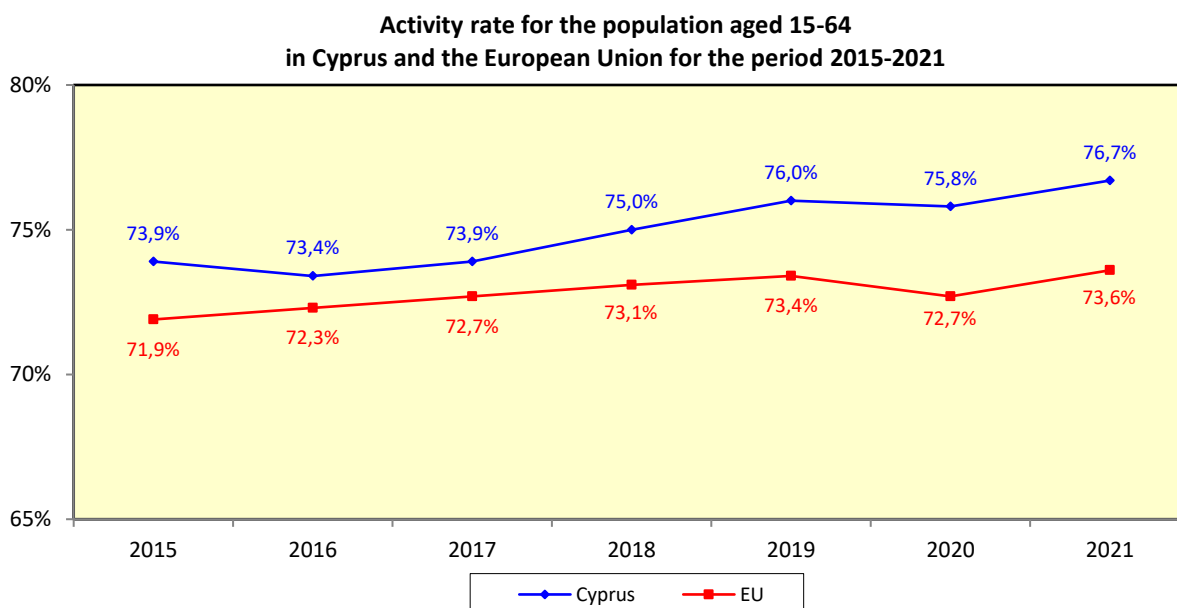
Young persons aged 15-24 remain the age group with the highest unemployment rate (17,1%), despite the gradual decrease of their number, with more than 1 in 6 young persons being unemployed in 2021.



In summary, the highest unemployment rates in 2021 were observed among women (7,9%), young persons aged 15-24 (17,1%) and persons with up to post-secondary non-tertiary education (8,7%) and up to lower secondary education (8,2%). As to the long-term unemployed, despite the significant decrease of their number since 2015, their share remained at high levels (36,0%).

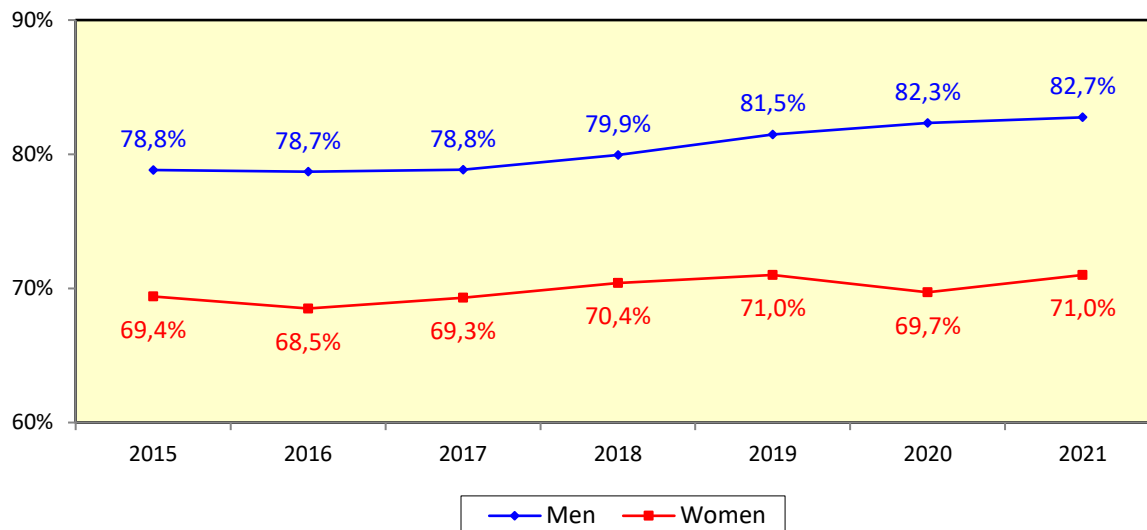
C. Participation in the labour market

The activity rate of the population aged 15-64 in Cyprus, has significantly increased since 2015 and was higher than the corresponding EU average. The difference between the rate in Cyprus and the EU average has increased significantly throughout the period and rose from +2,0 percentage points in 2015 to +3,1 percentage points in 2021.



The activity rate of men in Cyprus is significantly higher than the corresponding rate of women. In particular, the gap has increased from +9,4 percentage points in 2015 to +11,7 percentage points in 2021, despite the small fluctuations observed during the period.

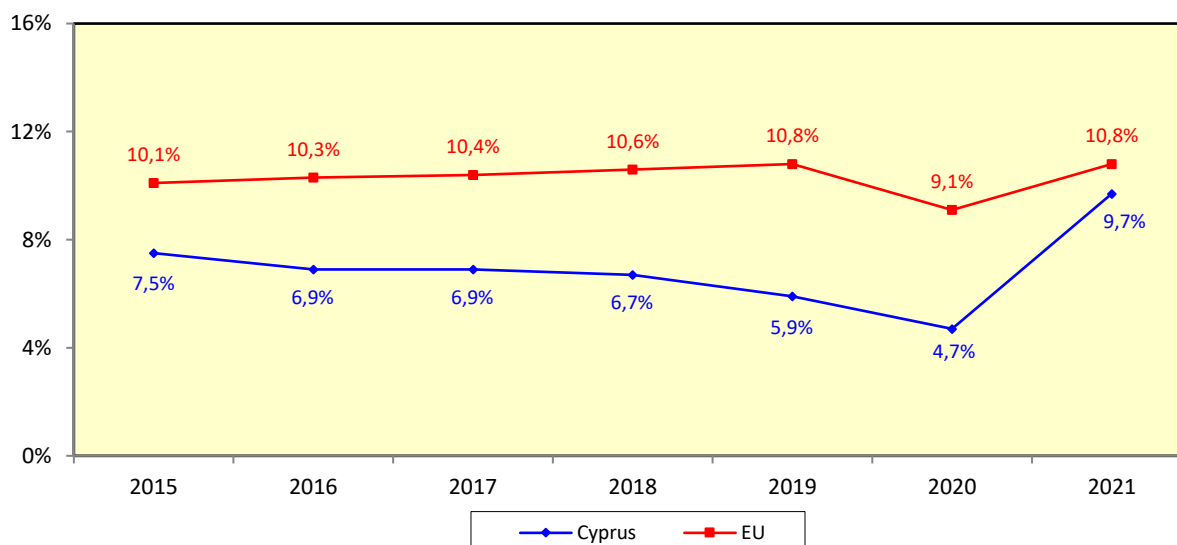
Activity rate for the population aged 15-64 by gender in Cyprus for the period 2015-2021



D. Participation in education and training

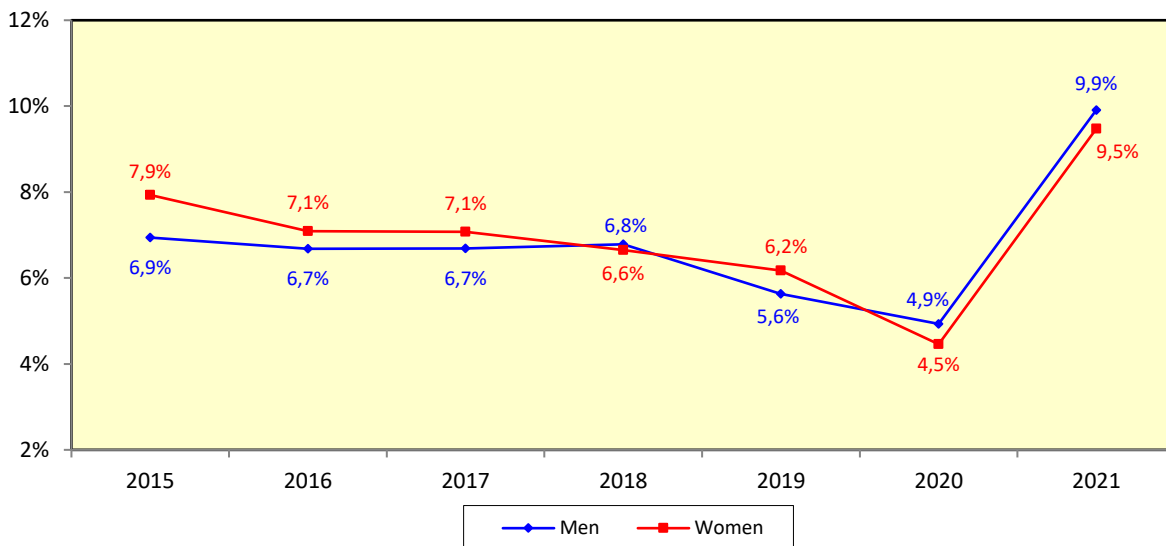
The participation rate in education and training of the population aged 25-64 in Cyprus exhibited an overall downward trend, despite its significant recovery in 2021 (9,7%). The emergence of the COVID-19 pandemic in 2020 and the uncertainty it caused, resulted in a substantial decrease in the participation rates in education and training both in Cyprus and the EU. However, the gradual familiarisation with new training methods and tools, the need to utilise e-learning tools as a result of the measures put in place to limit the spread of the virus and the accumulated training needs transferred from 2020, resulted in a significant increase of the rate in Cyprus in 2021, thus narrowing the gap with the EU to -1,1 percentage points.

Participation rate in education and training of the population aged 25-64 in Cyprus and the European Union for the period 2015-2021



The participation rate of women in education and training was generally higher than the corresponding rate of men during the period 2015-2019. However, the emergence of the COVID-19 pandemic in 2020, resulted in a reversal of the situation. On the contrary, the participation rate of women in the EU has remained consistently higher than that of men throughout the period.

Participation rate in education and training of the population aged 25-64 by gender in Cyprus for the period 2015-2021



The participation rate in education and training of employed persons aged 25-64 in Cyprus was significantly lower than the corresponding rate in the EU, except in 2021, when a sudden increase was observed. The inactive population exhibited the second highest participation rate in education and training, despite the major fluctuations observed throughout the period 2015-2021. Participation in education and training among the unemployed remains at low levels, despite the significant increase observed in 2021. The participation rates of employees in the primary and secondary sector, as well as in lower and middle level occupations, also remain low. Finally, it is noted that the participation rate in education and training decreases with age.

Participation rate in education and training of the population aged 25-64 by employment status in Cyprus for the period 2015-2021

