

Eurozone risks losing 4.5 mln jobs: UN labor agency

GENEVA, July 11 (Xinhua) -- A further 4.5 million jobs could be lost in the eurozone over the next four years, if it fails to carry out reforms in a timely manner, the International Labor Organization (ILO) said in a report released Wednesday.

The report, entitled "eurozone job crisis: Trends and policy responses," warned "this would risk further feeding social unrest and eroding citizen's confidence in national governments, the financial system and European institutions."

Employment in the eurozone now remains 3.5 million lower than before the crisis, said the report, adding that employment has fallen since the start of 2012 in half of the eurozone countries after a modest recovery in 2010 and 2011.

By April 2012, the unemployment rate in the single-currency bloc reached 11 percent, or 17.4 million job seekers. Job losses were especially acute in southern Europe, and only Austria, Belgium, Germany, Luxembourg and Malta have enjoyed better employment since 2008.

The quality of jobs has deteriorated as well even in many of the stronger economies.

The report pointed out that by embracing a eurozone growth strategy with jobs at its core, a recovery is still possible within a single-currency setting.

Recommended policies include repairing the financial system, promoting productive investment, reinforcing effective employment programs, maintaining social protection, fostering social dialogue and undertaking job-friendly fiscal plans.

These policy shifts, the report said, would bring the eurozone out of the austerity trap and pave the way for a sustainable recovery with social cohesion.