

2018 Country Report for Latvia

Key points for EASPD members

I. Employment and Labour Market Policy

- The unemployment rate continued to decline to 8.7 % in 2017.
- Participation in active labour market policies remains low.
- Active labour market policies rely on EU funding and are expected to increase, but their coverage is still lagging behind other EU countries.
- **Labour market conditions have improved on the back of economic growth, but the social protection system remains weak.**
- The variation in labour market outcomes by education level is somewhat wider in Latvia than in many other EU countries.
- The youth unemployment rate increased in 2016.
- The dispersion of employment rates among ethnic groups and regions are larger than before the crisis.

II. Education Policy

- The education system faces a challenge to consolidate resources while improving quality and efficiency.
- Access to quality education remains dependent on the place of residence and type of school.
- The decline in student numbers poses a challenge to reduce capacity and improve quality of the education system.
- In terms of basic skills, 15-year-olds' performance as measured by the 2015 OECD Programme for International Student Assessment (PISA) appears to have levelled off although it remains well above the EU average.

III. Social Policy

- **Access to healthcare is limited and a concern.**
- Health outcomes remain poor despite the substantial improvement over the past decade. The poor health outcomes are linked to the low public expenditure, while other EU countries with similarly modest spending per capita have better results. A substantial increase in financing is expected from 2018 onwards.



- The increase in healthcare financing is expected to satisfy some of the critical needs but newly adopted access restrictions risk worsening health outcomes.
- Streamlining the hospital sector will allow for improvements to be made on efficiency and quality.
- **Shortage of healthcare workforce hampers delivery of public healthcare.**
- Introduction of e-health services has proceeded despite drawbacks.
- **The social protection of people with disabilities remains very weak. While the employment and activity rates for persons with disabilities in Latvia are higher than the EU average, their poverty or social exclusion rate is among the highest in the EU at 38.9 %.**
- **The difference in poverty rates between people with and without disabilities is higher than the EU (20.1 pps. vs. the EU average of 10.1 pps.).**
- **Latvia has one of the largest tertiary education attainment gap between people with and without disabilities in the EU (20 pps. vs. the EU average of 13.7 pps. in 2015 - EU SILC 2016), indicating inequalities of opportunity.**

IV. Anything else?

- Despite some recent improvements, persistently high inequality and poverty reflect the weakness of the social safety net and the design of the tax and benefit system.
- Income inequality and poverty remain relatively high (in part due to the weaknesses in the social protection system).
- The gender employment gap is very low.
- Latvia has a low gender employment gap.

Additional Information

- European Commission: 2018 Country Report for [Latvia](#)
- EASPD [Activities on the European Semester](#)

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