



Press release

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Job losses come to a halt

According to the latest figures by Statistics Netherlands there were about the same number of jobs in the second quarter of 2005 as in the first. The seasonally adjusted figure shows an increase of 4 thousand jobs of employees. This slight increase comes after two years of job losses. The wage costs per employee in the second quarter were 2.4 percent higher than the year before. This is due to increased pension premiums.

No job losses for the first time in two years

A comparison of seasonally adjusted quarterly figures shows the most recent developments. For the first time since the start of 2003 there is a slight quarter-on-quarter growth, namely 4 thousand jobs. In the course of 2003 an average of 40 thousand jobs per quarter was lost. Then job loss decreased to 15 thousand in the first quarter of 2005. This was followed by a slight increase in the second quarter.

These figures include widely different developments in the public and private sectors. In 2002 the number of jobs in the private sector started falling, but this was compensated by the large job increases in the public sector (government, education and especially care). In 2003 the private sector started losing jobs at an increasing pace, which could no longer be compensated by the public sector. Since the start of 2004 private sector job losses started to decrease, whereas the growth rate in the public sector was strongly reduced.

More jobs in business services and care

The modest increase in employment in the second quarter is due to more jobs in business services and health care. This increase was larger than the decrease in other branches of industry, such as manufacturing and construction.

The growth in business services is mainly due to an increase in temporary employment, but employment is also increasing in branches such as computer services, advertising and economic services. In other parts of the private sector employment is still falling, but the rate at which it is falling is slowing down.

More women working

Compared to the year before the number of jobs was down by 41 thousand in the Netherlands, but also in the year-on-year comparison the job market is improving. At the start of 2004 the number of jobs was down by 136 thousand on the year before.

For the first time in 18 months the number of women with paid jobs increased (10 thousand). The number of jobs held by men is still 52 thousand lower, but here too the reduction rate is slowing down.

Employment in fulltime jobs no longer reduced as fast

In the second quarter of 2005 employment in fulltime equivalent jobs (fte) was 0.8 percent lower than the year before. Also when employment is expressed in fulltime equivalent jobs, employment was clearly not falling as much. The loss of employment in fte's was relatively bigger than the loss in jobs, which was 0.6 percent. This is because branches of industry with many parttime workers, such as care and business services, are performing better than branches of industry with less parttime work such as construction and manufacturing.

Wage costs increase mainly due to higher pension premiums

The wage costs per year worked were 2.4 percent higher in the second quarter of this year than in the same quarter of 2004. The increase is clearly higher than the collectively negotiated (CAO) wage increase, which was reduced to 0.6 percent in the second quarter. The difference was made mainly by a steep increase in pension premiums. There is not much difference in the wage costs increases between the branches of industry. Banks and insurance companies had the lowest wage cost increase with 1.8 percent, the manufacturing industry had the highest with 3.4 percent.