

Press release

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Unemployment further down

- Unemployment in June down for the second month in a row
- More people with paid jobs
- Number of unemployment benefits further down
- More benefits discontinued than new ones claimed in 2014

Statistics Netherlands announced today that unemployment has fallen for the second month in a row. More people found work or went back to work. Unemployment was reduced by 16 thousand in June and stood at 8.4 percent of the labour force. Unemployment also declined in March, but that was because many people withdrew from the labour market.

Figures provided by the Employee Insurance Agency (UWV) show that the number of people claiming unemployment benefits has declined further. In June this year, 431 thousand benefits were granted, a reduction by 5 thousand relative to May.

Unemployment further down in June

After adjustment for seasonal effects, 657 thousand people were registered as unemployed in June. Unemployment fell substantially in May and June, but increased marginally in April, resulting in an average monthly reduction of 9 thousand over the second quarter. Since the reduction in the unemployed labour force was the same as the growth in the employed labour force, the total labour force (unemployed plus employed) remained unchanged. In the first quarter of this year, the labour force was reduced because many people withdrew from the labour market, but the number of job vacancies and temp hours was already growing during that period.

Dutch unemployment rate relatively low

In June, unemployment in the Netherlands according to the International Labour Organisation (ILO) definition was 6.8 percent of the labour force, versus 7.0 percent in May. In a European context, the unemployment rate in the Netherlands is relatively low. The eurozone rate stood at 11.6 percent in May and the rate for the entire European Union was 10.3 percent. With approximately 5 percent, Austria, Malta and Germany had the lowest unemployment rates.

The main difference between the national and the international labour force definition is the amount of weekly working hours. The international definition, based on the ILO definition, covers every individual who is working or willing to work, also pupils and students with small, part-time jobs. In the international definition, the minimum is one hour a week. According to the national definition, the labour force includes all persons working or willing to work at least twelve hours a week.

On 1 January 2015, Statistics Netherlands will adopt the international definition and the main unemployment indicator will be based on the ILO definition

More benefits in sector public administration

The number of people claiming unemployment benefits fell by 1.1 percent to 431 thousand in June 2014 relative to May. The number of unemployment benefits fell across nearly all sectors in June compared to the preceding month, but grew by 4.7 percent in the sector public administration. The number of benefits granted to over-55s rose in June. This was also the case in May. Proportionally, the number of benefits was reduced most strongly in June among under-25s.

The number of benefits increased by 12.8 percent relative to June 2013. Apart from the construction sector, nearly all sectors showed an increase compared to one year previously.

More benefits ended because people found work

The UWV paid 304 thousand new unemployment benefits in the 1st half of this year, i.e. 1.1 percent more than last year and 312 thousand benefits were discontinued during the same period, nearly 20 percent more than in 2013. In the 1st half of 2014, more benefits were ended than new ones granted. Last year, it was the other way round. In the 1st six months of this year, 151 thousand benefits were ended because claimants found work, 20 percent more than in 2013. This year, 49 percent of benefits were ended because claimants found work, as against 48 percent in 2013.