

Description of Finnish data collection for research program:

**Unemployment, Early Retirement and
Citizenship: Marginalisation and
Integration
in the Nordic Countries**

Laura Saurama

M. Soc. Sc., Teacher Fellow
Department of Social Policy
FIN-20014 University of Turku

Tel. +358-02-333 5711
 Fax. +358-02-333 5093
 Email. laura.saurama@utu.fi

The Finnish data has been collected during the end of 1999 and in the beginning of year 2000. The Finnish data includes three data sets: sample of total population and samples of unemployed and early retired.

Sample of the total population

University of Turku, Department of Social Policy, conducted survey to the total population during 1999-2000. The sample size was 3000 Finnish speaking, Finns living in the mainland of Finland (excluding Ahvenanmaa). The sample included 15-74 years old population. The response rate was 62.6%. The data presents well the Finnish population.

Table 1. The representativeness of the Finnish data

	Data	Population
Sex		
Female	54.8	51.2
Male	45.2	48.8
	100.0	100.0
Age		
15-24	13.6	16.9
25-34	16.5	17.0
35-44	20.7	19.7
45-54	21.6	21.2
55-64	16.6	13.9
65-74	11.0	11.2
	100.0	99.9
Labour force		
Employed	60.5	57.3
Unemployed	9.1	7.3
Not in labour force	30.4	35.3
	100.0	99.9
Unemployment rate	13.1	11.4

Source: Statistics of Finland 1999

From the table we can see that the data represents the 15-74 years old population quite well. Women are slightly over represented as are also over 55 years old and those in the labour market. But the overall representativeness of the data is quite good.

Sample of the unemployed

Statistics of Finland conducted a survey for 2000 unemployed in the beginning of 2000. The sample was again restricted to the Finnish speaking population. The sample was drawn from the register of the ministry of labour among those who were registered as unemployed job seekers in the last quarter of 1999. An another criterion was that an unemployed person should have been unemployed at least 92 days. Maximum duration of unemployment was not fixed. Data was drawn by divided sampling by relative fixing of the quota. Population included those who were unemployed, laid off, in employment training or employed with selective measures. The final sample size was 1995 cases in which the response rate was 40.4%.

Table 2. Description of the sample of unemployed.

	Sample	Non respondent unemployed	Unemployed population
Sex			
Female	54.5	45.6	49.1
Male	45.5	54.4	50.9
	100.0	100.0	100.0
Age			
under 30	15.7	18.1	17.2
30-39	15.2	21.2	18.8
40-49	21.6	23.4	22.7
50-59	35.8	28.9	31.7
60 and over	11.8	8.3	9.7
	100.0	100.0	100.0
Type			
Unemployed	81.5		84.6
Laid off	1.7		4.3
Employed with selective measures or in education	16.7		11.2
	99.9		100.1

Among the unemployed sample women and older unemployed are over presented. This can be understood, because quite often young people experience short periods of unemployment but still they do not identify themselves as

unemployed. According the type of unemployed there is a slight over presentation of those in active measures, employed or in education.

Table 3. Description of data.

	Data
Employed during last 5 years (months)	
Mean	16.1
Median	9
Std. deviation	17.9
Unemployed during last 5 years (months)	
Mean	33.6
Median	33.0
Std. deviation	18.6

In the sample the mean duration of unemployment is 33.6 months, which is approximately 2.8 years. This is quite long duration of unemployment, but the problem in the questioning was that unemployed were asked how many months in the last 5 years they have spent unemployed. This does not give a precise measure for the duration of the unemployment. According to the ministry of labour in 1999 the average duration of unemployment was 52 weeks (laid offs excluded) (Ministry of Labour 2000) and the average duration of the completed spell of unemployment was 19 weeks. The high average time spent in unemployment in the sample indicates the over presentation of aged or ageing unemployed among whom the duration of unemployment is higher.

Sample of early retired

Survey for the early retired was also conducted by the Statistics of Finland in the beginning of year 2000. To draw the sample information was collected from the registers of the Social Insurance Institution and the Central Pension Security Institute. The sample was again restricted to the Finnish speaking population.

Sample was drawn by divided sampling by relative fixing of the quota. This was done by controlling the pension benefit person was receiving. Also it was taken into account that there would be enough people who receive only national pension or only employment pension or their pension is a combination of the both. Only persons who receive pension in their own account were taken in to the population.

The register had information based on the year 1998 (end of the year). Because the official retirement age is 65 (excluding public sector officials 63) it was necessary to set an age criteria to the 63, so that it would be possible to control that people did not turn 65 during the time between register information and our survey. People working in the public sector who retired at the age of 63 were ruled out of the population and treated as normal old age pensioners. The final sample includes 2985 cases with response rate of 51.3%.

Table 4. Description of the sample of early retired.

	Sample	Non respondent early retirees	early retired population
Sex			
Female	52.8	47.5	50.3
Male	47.2	52.5	49.7
	100.0	100.0	100.0
Age			
under 30	0.9	3.1	2
30-39	2.7	4.9	3.8
40-49	4.2	11.8	7.9
50-59	21.7	23.4	22.5
60 and over	70.5	56.8	63.8
	100.0	100.0	100.0
Type of pension			
Early old age pension	11.6		12.3
Disability pension	39.8		47.8
Individual early retirement pension	12.1		10.9
Unemployment pension	17.2		11.8
Part-time pension	2.9		2.9
Special pension for farmers	9.3		9.3
Other	7.2		4.9
	100.1		99.9

Again we have a situation where women are over presented as are also the aged or ageing early retirees. Low response rate among the young early retirees might affect lightly to the results concerning the disability pensioners. This is the only pathway out of labour market among those under 55.

According to the type of the pension there is a low presentation of disability pensioners, but over presentation of unemployment pensioners. The group other includes those that were according to the Ministry of labour retired. That group also includes those who have moved to old age pensions during the time lag.

Data description reveals that most of the early retirees have retired after the age of 50. Those retired before that age are disability pensioners, because other pension

types do not allow persons to retire earlier. The most common ages to retire are 55, 58 and 60. Most of the early retirees in the sample have retired during the 1990s and actually after 1994.

Table 5. Description of the sample of early retirees.

Age of retirement	%
16-19	9.8
40-49	11.5
50-59	35.9
60-64	30.6
Year of retirement	
-70s	3.2
80s	9.1
90-94	25.5
95	10.3
96	13.1
97	11.9
98	12.4
99	9.4
2000	5.3
	<hr/>
	100.0

References:

Ministry of Labour. 2000. Työpoliittinen aikakausikirja [Finnish Labour Review] 43:2.

Statistics Finland. 1999. Statistical yearbook of Finland 1999. Karisto. Hämeenlinna.