

S.Korea's jobless rate falls to 2.9 pct in Sept.

By Yoo Seungki

SEOUL, Oct. 10 (Xinhua) -- South Korea's jobless rate fell to 2.9 percent last month due to strong job creation in both manufacturing and service industries, a government report showed Wednesday.

The unemployment rate stood at 2.9 percent in September, down 0.1 percentage point from a month earlier, according to Statistics Korea. From a year before, the rate was down 0.1 percentage point.

After peaking at 4.2 percent in February, the jobless rate has trended down to 2.9 percent last month that is nearly at full employment level. The September figure was the lowest this year.

The rate, however, was not expected to keep its downward trend further given the fact that domestic economic activity was slowing down. "The jobless rate is close to full employment, but labor demand cools in line with the slowdown in economic activity. The unemployment rate is unlikely to go any lower while the economy is at stall speed," Moody's Analytics said in a report before the data release.

The unemployment rate gauges the percentage of people unemployed who actively sought jobs over the past four weeks to the economically active population, or the sum of people employed and those unemployed.

The number of people unemployed, who failed to land work despite job-hunting efforts, reached 752,000 last month, down 6,000 from a year earlier.

The jobless rate among those aged between 15 and 29 came in at 6.7 percent in September, up 0.4 percentage point from a year before.

Meanwhile, the total number of people employed reached 25 million in September, up 685,000 from a year earlier. The on-year growth was sharply up from a 364,000 increase for August, and was the biggest expansion since March 2002 when 842,000 workers were hired more.

"Last year's Chuseok holiday fell to the survey period of between Sept. 11 and 13, resulting in a sharp fall in job creation in September 2011. The low base effect magnified this September's employment figure," the statistical agency said in a press release.

The hiring rate, which gauges the percent of working people to working age population, or those aged 15 and over, came in at 60 percent in September, up 0.3 percentage point from the previous month. The employment rate is an alternative measure to the jobless rate for assessing labor market conditions.

By industry, the manufacturing industry created 139,000 jobs last month, with the lodging and food service sector employing 110,000 workers. The health and social welfare industry added 92,000 positions, and the science and technology service industry hired 71,000 workers.

The educational service industry employed 71,000 workers, but employment in the finance & insurance industry reduced 25,000 last month.

The number of people employed as a regular worker increased 527,000 in September from a year before. The number of workers hired on a daily basis grew 43,000 last month, but temporary workers declined 86,000 over the same period.

The number of those working less than 36 hours per week reached 3,327,000 in September, down 78.8 percent from a year earlier. Among them, involuntary part-time workers came in at 297, 000, up 12.4 percent from a year before.

The involuntary part-time workers are those who want to work full time and are available to do so, but they are employed part time as their working hours are cut back involuntarily or they are unable to find a full time job.

In September, people working less than 18 hours per week came in at 1,083,000, among which those working part time for economic reasons reached 102,000.

The economically inactive population, or people aged over 15 less the economically active population, decreased 123,000 on-year to 15,942,000 in September despite continued growth in people who did not work due to old age and housework.

The number of people who prepare for job-searching increased 4, 000 on-year to 579,000 in September, but the number of people too discouraged to continue their search for job contracted 19,000 on- year to 185,000 last month.

Discouraged workers are those who want to work and are available to do so, but they failed to get the job due to tough labor market conditions. They are those who looked for a job sometime in the prior 12 months.

The so-called "take-a-rest" item, or those who replied that they took a rest during the job survey, reached 1,405,000 in September, down 15.1 percent from a year earlier. The item is important as it can include those who are unemployed and too discouraged to search for work for a long time.