



“The Barometer Asset with Employers”

Ahti AVIKAINEN

Senior Specialist, Ministry of Economic Affairs and Employment, Finland



*WAPES Event - Interaction between PES and their users,
Paris 7-8 September, 2017*

The Barometer Asset with Employers

SME Barometer in Finland

Ahti Avikainen
Senior Specialist
7.9.2017



Ministry of Economic Affairs
and Employment of Finland

SME Barometer



The Federation of Finnish Enterprises**, *Finnvera, and *Ministry of Economic Affairs and Employment******

prepare and publish twice a year **SME Barometer, which illustrates activities and operational environment of small and medium-sized enterprises.**

** The Federation of Finnish Enterprises has the largest membership of all business-related federations in Finland. Today our membership consists of more than 105,000 enterprises of all sizes, from all corners of the country, and encompasses the entire business spectrum. The membership structure provides a good reflection of the structure of Finnish business as a whole.*

*** Finnvera is a specialised financing company owned by the State of Finland and it is the official Export Credit Agency (ECA) of Finland. Finnvera provides financing for the start, growth and internationalisation of enterprises and guarantees against risks arising from exports.*

**** The Ministry of Economic Affairs and Employment's (MEAE) task is to build an operating environment and to ensure productivity, growth, high levels of employment and well-being.*

SME Barometer



- **Barometer (or report) focuses on SME's views of**
 - economic trends and expectations,
 - development,
 - growth and renewal,
 - internationalization,
 - availability of labour,
 - investments, and
 - financial situation

SME Barometer



- **Latest SME Barometer was published in Spring 2017:**
 - based on inquiry to 4 800 SMEs
 - provide very accurate picture of Finnish SMEs and their impressions of
 - changes in their operational environment and
 - factors dealing with their business trends or activities and development plans.
- **Barometer includes nationwide and regional reports**
 - Nationwide report gives a sight of the whole SME sector and focus on main lines of businesses like industry, construction, trade, and services.
 - Regional reports concentrate on the situation of the region's SMEs and compare the regional development to the situation of the whole country.

Summary of the results, SME Barometer, Spring 2017



- **SME's expectations for the near future are positive, however, the growth will remain modest**
 - Economic is growing, but the exports are not yet going up very rapidly, and the increased domestic demand cannot fully compensate this.
- **44 % of SME's are expecting improving economic trend during next 12 months, only 9 % are afraid of decreasing trend**
- **Profitability will be normalized, but SME's are still careful with investments**
- **New work possibilities will emerge**
 - Positive views probably increase number of open vacancies. The development or rise of labour costs have remain relatively moderate and this could facilitate new recruitments.

Change expectations of revenue/turnover, SME Barometer 1/2017



	Increasing %	Stable %	Decreasing %	Saldo
All enterprises	52	35	13	39
<i>Industry</i>	<i>58</i>	<i>32</i>	<i>10</i>	<i>48</i>
<i>Construction</i>	<i>45</i>	<i>41</i>	<i>14</i>	<i>31</i>
<i>Trade</i>	<i>54</i>	<i>32</i>	<i>14</i>	<i>40</i>
<i>Services</i>	<i>52</i>	<i>36</i>	<i>12</i>	<i>40</i>

Labour market situation – key figures in June 2017



- Economic growth is modest: according to Ministry of Finance 1,0 - 1,2 % in 2017-2019
- Employment rate: 72,5 %(+0,5 %, Statistics Finland)
- Unemployment rate: 8,9 % (-0,4 %, Statistics Finland)
- Unemployed job seekers 320 100 (Employment Service statistics)
- Long term unemployed 105 900 (-21 000), youth 45 800 (-8 400) (Employment Service statistics)

- LTU remains challenging and in the future greater share of unemployed will be LTUs

- Labour demand will increase by 15 000 persons in 2017



SME Barometer:

www.yrittajat.fi/suomen-yrittajat/tutkimukset/pk-yritysbarometrit/pk-yritysbarometri-12017-549090

More information:

**www.tem.fi
www.te-services.fi
www.enterprisefinland.fi**

@: ahti.avikainen@tem.fi

+358 29 504 7980