

Employment and unemployment in May 2004

- **Number of employed persons almost unchanged**
- **Employment rate 67.7 per cent**
- **Number of unemployed 7,000 higher than one year before**
- **Rate of unemployment 11.6 per cent, 313,000 unemployed**
- **31,000 new vacancies at labour exchange offices**

According to the Labour Force Survey of Statistics Finland, the number of **employed persons** fell by 4,000 and that of **unemployed persons** grew by 7,000 in May compared with one year before. The changes are within the margins of error. The number of labour force and those outside the labour force remained almost unchanged compared with one year previously.

The number of self-employed persons was 16,000 lower than one year ago. The number of wage earners grew by 12,000 from the previous year. The number of wage earners engaged in continuous full-time work grew by 32,000. Among those with so-called atypical employment relationships the number of fixed-term employees declined by 22,000 and that of part-time workers by 10,000. Compared with the previous year's May, employment decreased in agriculture, manufacturing and hotels and restaurants. Employment increased in construction, business services and health and social welfare. Jobs declined in the Province of Western Finland and increased in the Provinces of Southern Finland and Lapland.

In May, the **employment rate**, that is, the proportion of the employed among persons aged 15 to 64, stood at 67.7 per cent, which was 0.1 percentage points lower than one year before. The employment rate for women rose by 0.1 percentage points to 66.3 per cent, while that of men remained unchanged at 69.2 per cent. Adjusted for seasonal variation, the employment rate was 66.9 per cent.

Changes in the labour force 5/2003 - 5/2004, thousand

	May 2004	May 2003	CHANGE, % 5/03 - 5/04
<i>Statistics Finland's Labour Force Survey:</i>			
Employed, total	2 377	2 381	-0.2
- wage earners	2 097	2 085	0.6
- self-employed and unpaid family workers	280	296	-5.3
Employment rate, %	67.7	67.8	-0.1 ²
Unemployed¹	313	306	2.4
Unemployment rate, %	11.6	11.4	0.2 ²
Labour force, total	2 691	2 687	0.1
Labour force participation rate	68.4	68.5	-0.1 ²
Economically inactive, total	1 241	1 238	0.3
- students	252	265	-4.7
- persons performing domestic work	98	90	8.5
Economically inactive persons in disguised unemployment	97	112	-13.5
<i>Ministry of Labour's Labour Exchange Statistics:</i>			
Unemployed job seekers	283	273	3.9
- unemployed over a year	72	71	0.5
Employed with subsidised measures	38	39	-2.7
In labour market training	32	30	5.1
In trainee and job alternation places	20	22	-6.3
New vacancies at labour exchange offices	31	34	-7.3

Unrounded figures are used in the CHANGE column

² percentage points

¹ Based on the recommendations of the International Labour Organisation (ILO)

According to the Labour Force Survey, there were 313,000 **unemployed** in May. The **rate of unemployment** was 11.6 per cent, i.e. 0.2 percentage points higher than one year before. Adjusted for seasonal variation, the unemployment rate was 9.1 per cent.

The unemployment rate for men fell by 0.5 percentage points to 11.3 per cent and that for women rose by 1.0 percentage points to 12.0 per cent. The unemployment rate among young people aged 15 to 24 went up by 0.8 percentage points to 35.8 per cent. Adjusted for seasonal variation, the unemployment rate for young people was 21.3 per cent. The rate of unemployment was lowest in the Province of Southern Finland, i.e. 9.3 per cent, and highest in the Province of Oulu, at 17.0 per cent. Of all industries, the unemployment rate was highest in construction, 8.8 per cent.

According to the Labour Force Survey, the average number of employed persons in the January to May period of 2004 was 2,315,000, which is 20,000 fewer than in the corresponding period of last year. The number of unemployed persons was 259,000, which is nearly the same as in the January to May period of 2003.

At the end of May 2004, there were altogether 283,000 persons registered, in accordance with the Unemployment Security Act and the Labour Exchange Office Regulations, as job seekers at the **labour exchange offices**. The number of job seekers was 11,000 higher than in May 2003. Compared with the year before, unemployment grew in the areas of all other employment and economic development centres but in Kainuu. The number of those covered by employment policy measures declined by 1,000 from the previous year, being 3.4 per cent of the labour force. There were 38,000 unemployed job seekers aged under 25 registered at the labour exchange offices. Their number was 6,000 higher than in May 2003. During May, 31,000 new vacancies were reported to the labour exchange offices, which is 2,000 less than in last year's May.

Differences between the Labour Force Survey and the Labour Exchange Statistics

The employment situation is monitored monthly both with the sample-based Labour Force Survey of Statistics Finland and with the register-based Labour Exchange Statistics of the Ministry of Labour. The Labour Exchange Statistics describe the situation on the last weekday of the month. The data for the Labour Force Survey are collected for every week of the month.

The Labour Force Survey follows the recommendations of the International Labour Organisation (ILO) and the practices required by Eurostat, the Statistical Office of the European Communities. According to them, a person is classified as unemployed if he or she is aged 15 or over, does not have a job, has actively sought employment in the past four weeks and would be available for work within two weeks. The Labour Exchange Statistics are based on legislation and administrative regulations.

The Labour Force Survey and the Labour Exchange Statistics apply two basically different statistical criteria to how actively a person seeks work and makes him/herself available on the labour market. Those unemployed persons who have neither contacted a labour exchange office for over four weeks, nor actively sought work in any other way either, are generally classified in the Labour Force Survey as belonging to disguised unemployment. Full-time students can be recorded as unemployed in the Labour Force Survey if they meet the ILO recommendations, whereas in the Labour Exchange Statistics they are not accepted as being unemployed during term time. Due to statistical differences, the number of unemployed job seekers does not agree with the number of unemployed calculated in accordance with the ILO recommendations. In May the unemployment figure of Statistics Finland is generally higher than that of the Ministry of Labour.

Since the Labour Force Survey is a sample survey, its data allow for random variation. In respect of the unemployment rate, for example, the 95 per cent confidence interval or the margin of error is about ± 0.6 percentage points. The confidence interval for the number of unemployed is approximately $\pm 18,000$ persons.

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Latest seasonally adjusted unemployment figures published by the EU at: <http://europa.eu.int/en/comml/eurostat/>