

Not to be released before **24 August 2004**

(8.00 am Finnish time)

2004:186

Employment and unemployment in July 2004

- Number of employed persons 16,000 higher than one year previously
- Employment rate 70.6 per cent
- Number of employed persons nearly unchanged
- Unemployment rate 7.8 per cent, 212,000 unemployed
- 19,000 new vacancies at labour exchange offices

According to the Labour Force Survey of Statistics Finland, the number of **employed persons** was 2,490,000, which was 16,000 higher than a year earlier. The number of **unemployed persons** was 212,000, which was almost the same as in July 2003.

The number of self-employed persons grew by 11,000 and that of wage earners by 6,000 from the previous year. The number of wage earners engaged in continuous full-time work fell by 15,000 and that of persons with so-called atypical employment relationships increased by 22,000. Compared with the previous year's July, employment grew in trade, hotels and restaurants, business services and public and other services. Jobs declined in manufacturing, construction and transport. Jobs increased in the Province of Western Finland and decreased in the Province of Southern Finland.

In July, the **employment rate**, that is, the proportion of the employed among persons aged 15 to 64, stood at 70.6 per cent, which was 0.1 percentage points higher than the year before. The employment rate for men fell by 0.5 percentage points to 73.3 per cent, while that for women rose by 0.8 percentage points to 68.0 per cent. Adjusted for seasonal variation, the employment rate was 67.2 per cent.

Changes in the labour force 7/2003 - 7/2004, thousand

	July 2004	July 2003	Change, % 7/03 - 7/04
<i>Statistics Finland's Labour Force Survey:</i>			
Employed total	2 490	2 473	0.7
- wage and salary earners	2 171	2 165	0.3
- self-employed and assisting family members	319	308	3.4
Employment rate, %	70.6	70.5	0.1²
Unemployed¹	212	213	-0.7
Unemployment rate, %	7.8	7.9	-0.1²
Labour force, total	2 701	2 687	0.6
Labour force participation rate	68.6	68.4	0.2²
Economically inactive, total	1 234	1 241	-0.5
- students	202	206	-1.9
- persons performing domestic work	102	100	2.5
Economically inactive persons in disguised unemployment	110	108	2.2
<i>Ministry of Labour's Labour Exchange Statistics:</i>			
Unemployed job seekers	309	307	0.5
- unemployed over a year	74	74	0.5
Employed with subsidised measures	34	35	-2.3
In labour market training	21	20	4.5
In trainee and job alternation places	17	18	-2.4
New vacancies at labour exchange offices	19	20	-5.8
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 212,000 **unemployed** in July. The **rate of unemployment** was 7.8 per cent, i.e. 0.1 percentage points lower than one year before. Adjusted for seasonal variation, the unemployment rate was 9.0 per cent.

The unemployment rate for men fell by 0.1 percentage points to 7.3 per cent and that for women was unchanged at 8.5 per cent. The unemployment rate among young people aged 15 to 24 went down by 2.0 percentage points to 13.3 per cent. Adjusted for seasonal variation, the unemployment rate for young people was 20.4 per cent. The rate of unemployment was lowest in the Province of Southern Finland, i.e. 6.2 per cent, and highest in the Province of Oulu, at 10.8 per cent. Of all industries, the unemployment rate was highest in construction, 9.0 per cent.

According to the Labour Force Survey, the average number of employed persons in the January to July period of 2004 was 2,364,000, which is 13,000 fewer than in the corresponding period of last year. The number of unemployed persons was 250,000, which is 5,000 fewer than in the January to July period of 2003.

At the end of July 2004, there were altogether 309,000 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 2,000 higher than in July 2003. Compared with the year before, unemployment grew in the areas of eight and fell in the areas of seven employment and economic development centres. The number of those covered by employment policy measures was the same as in last year's July, being 2.7 per cent of the labour force. There were 44,000 unemployed job seekers aged under 25 registered at the labour exchange offices. Their number was unchanged from July 2003. During July, 19,000 new vacancies were reported to the labour exchange offices, which is 1,000 less than in last year's July.

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.

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 ± 0.5 percentage points. The confidence interval for the number of unemployed is approximately $\pm 15,000$ persons.

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