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## Employment and unemployment in August 2003

- 5,000 fewer employed than a year ago
- Employment rate 69.1 per cent
- 12,000 fewer unemployed than a year ago
- Rate of unemployment 7.7 per cent, 202,000 unemployed
- 25,000 new vacancies at labour exchange offices

According to the Labour Force Survey of Statistics Finland, the number of employed persons was 5,000 lower in August 2003 than a year earlier. The number of self-employed persons fell and that of wage-earners grew. The number of wage-earners engaged in continuous full-time work went up by 16,000. There were 9,000 fewer wage-earners in so-called atypical, that is, part-time or fixed-term, employment relationships in August than one year earlier. Jobs in the private sector decreased by 38,000 whereas in the public sector they increased by 31,000. During August, 25,000 new vacancies were reported to the labour exchange offices, which is the same number as in August 2002.

In August, the employment rate, that is, the proportion of the employed among persons aged 15 to 64, stood at 69.1 per cent, which is 0.2 percentage points lower than one year before. The employment rate for men rose by 0.7 percentage points to 71.8 per cent. The employment rate for women declined by 1.3 percentage points and was 66.2 per cent. Adjusted for seasonal variation, the employment rate was 67.1 per cent. Compared to August 2002, employment decreased in agriculture and manufacturing. Jobs increased in transport, and in public and other services. Jobs decreased in the Province of Southern Finland and increased in the Province of Eastern Finland.

### Changes in the labour force 8/2002 - 8/2003, thousand

	August 2003	August 2002	CHANGE, % 8/02 - 8/03
<i>Statistics Finland's Labour Force Survey:</i>			
<b>Employed, total</b>	2,424	2,429	-0.2
- wage-earners	2,140	2,135	0.2
- self-employed and unpaid family workers	284	294	-3.5
<b>Employment rate, %</b>	69.1	69.3	-0.2 <sup>2</sup>
<b>Unemployed<sup>1</sup></b>	202	214	-6.0
<b>Labour force, total</b>	2,626	2,644	-0.7
<b>Unemployment rate, %</b>	7.7	8.1	-0.4 <sup>2</sup>
<b>Economically inactive, total</b>	1,302	1,275	2.1
- discouraged job seekers	30	28	8.2
- other disguised unemployment	56	71	-21.2
<i>Ministry of Labour's Labour Exchange Statistics:</i>			
<b>Unemployed job seekers</b>	284	287	-1.2
- unemployed over a year	72	79	-7.9
Employed with subsidised measures	38	38	0.3
In labour market training	22	19	16.1
In trainee and job alternation places	20	15	30.1
<b>New vacancies in labour exchange offices</b>	25	25	-1.8

Unrounded figures are used in the CHANGE column

<sup>2</sup> percentage points

<sup>1</sup> Based on the recommendations of the International Labour Organisation (ILO)

According to the Labour Force Survey, there were 202,000 unemployed in August, i.e. 12,000 fewer than one year before. The rate of unemployment was 7.7 per cent, having been 8.1 per cent twelve months previously. Adjusted for seasonal variation, the unemployment rate was 9.0 per cent.

In August the unemployment rate for men was 7.4 per cent and that for women 8.0 per cent. Twelve months previously men's unemployment rate was 7.7 per cent and women's 8.5 per cent. The unemployment rate among young people aged 15 to 24 was 16.1 per cent, whereas in August 2002 it stood at 14.9 per cent. Adjusted for seasonal variation, the unemployment rate for young people was 22.4 per cent. The rate of unemployment was lowest in the Province of Southern Finland, i.e. 6.5 per cent, and highest in the Province of Eastern Finland, at 11.7 per cent. Of all industries, the unemployment rate was highest in construction, 7.8 per cent.

According to the Labour Force Survey, over the January to August 2003 period, the average number of employed persons was 2,382,000, which is 4,000 fewer than over the corresponding period of the year before. The number of unemployed persons was 248,000, or 2,000 fewer than in the January to August period of 2002.

At the end of August 2003, there were altogether 284,000 persons registered, in accordance with the Unemployment Security Act and the Labour Exchange Office Regulations, as job seekers at the labour exchange offices. This is about 4,000 fewer than in August 2002. Unemployment declined elsewhere in the country, but rose in the areas of the employment and economic development centres of Uusimaa, Central Finland and Pirkanmaa. The number of those covered by employment policy measures increased by 8,000 from August 2002 and was 3.1 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 the same as in August 2002.

### 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. The difference between the August unemployment figures of Statistics Finland and the Ministry of Labour was approximately the same as one year previously.

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  $\pm 0.5$  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/en/comm/eurostat/>**