

Employment and unemployment in March 2004

- Number of employed persons 13,000 lower than a year ago
- Employment rate 65.8 per cent
- Number of unemployed 15,000 lower than one year before
- Rate of unemployment 9.5 per cent, 242,000 unemployed
- 42,000 new vacancies at labour exchange offices

According to the Labour Force Survey of Statistics Finland, the number of **employed persons** fell by 13,000 and that of **unemployed persons** by 15,000 in March compared with one year before. The total number of the **labour force** was thus 28,000 lower than one year previously. The number of working age population rose by 10,000 during the year. Of the working age population, 38,000 more were outside the labour force than in March 2003.

The number of both self-employed persons and wage earners fell. The number of wage earners engaged in continuous full-time work grew by 6,000. The number of persons with so-called atypical, part-time or fixed-term employment relationships declined by 18,000 from one year ago. Compared with the previous year's March, employment decreased in manufacturing and trade. Employment increased in transport. Jobs declined in the Provinces of Southern and Western Finland and increased in the Province of Eastern Finland.

In March, the **employment rate**, that is, the proportion of the employed among persons aged 15 to 64, stood at 65.8 per cent, which was 0.5 percentage points lower than the year before. The employment rate for women fell by 1.9 percentage points to 63.9 per cent, while that of men went up by 0.9 percentage points to 67.6 per cent. Adjusted for seasonal variation, the employment rate was 67.1 per cent.

Changes in the labour force 3/2003 - 3/2004, thousand

| | March 2004 | March 2003 | CHANGE, % 3/03 - 3/04 |
|---|------------|------------|--------------------------|
| <i>Statistics Finland's Labour Force Survey:</i> | | | |
| Employed, total | 2 314 | 2 327 | -0.6 |
| - wage earners | 2 013 | 2 024 | -0.6 |
| - self-employed and unpaid family workers | 301 | 303 | -0.6 |
| Employment rate, % | 65.8 | 66.3 | -0.5 ² |
| Unemployed¹ | 242 | 257 | -5.9 |
| Unemployment rate, % | 9.5 | 9.9 | -0.4 ² |
| Labour force, total | 2 556 | 2 584 | -1.1 |
| Labour force participation rate | 65.0 | 65.9 | -0.9 ² |
| Economically inactive, total | 1 376 | 1 338 | 2.9 |
| - students | 377 | 355 | 6.2 |
| - persons performing domestic work | 90 | 79 | 14.0 |
| Economically inactive persons in disguised unemployment | 68 | 74 | -7.4 |
| <i>Ministry of Labour's Labour Exchange Statistics:</i> | | | |
| Unemployed job seekers | 289 | 289 | -0.2 |
| - unemployed over a year | 72 | 73 | -0.9 |
| Employed with subsidised measures | 36 | 36 | -0.3 |
| In labour market training | 37 | 36 | 2.3 |
| In trainee and job alternation places | 22 | 21 | 6.6 |
| New vacancies at labour exchange offices | 42 | 37 | 12.5 |

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 242,000 **unemployed** in March, i.e. 15,000 fewer than one year before. The **rate of unemployment** was 9.5 per cent, i.e. 0.4 percentage points lower than one year before. Adjusted for seasonal variation, the unemployment rate was 8.9 per cent.

The unemployment rate for men fell by 1.2 percentage points to 9.7 per cent and that for women rose by 0.3 percentage points to 9.2 per cent. The unemployment rate among young people aged 15 to 24 went down by 3 percentage points to 24.2 per cent. Adjusted for seasonal variation, the unemployment rate for young people was 21.0 per cent. The rate of unemployment was lowest in the Province of Southern Finland, i.e. 7.5 per cent, and highest in the Province of Lapland, at 14.9 per cent. Of all industries, the unemployment rate was highest in construction, 10.9 per cent.

According to the Labour Force Survey, the average number of employed persons in the first quarter of 2004 was 2,301,000, which is 18,000 fewer than in the corresponding period of last year. The number of unemployed persons was 237,000, or 6,000 fewer than in the January to March period of 2003.

At the end of March 2004, there were altogether 289,000 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 the same as in March 2003. Compared with the year before, unemployment grew in the areas of three and continued to fall in the areas of twelve employment and economic development centres. The number of those covered by employment policy measures grew by 2,000 from the previous year, being 3.8 per cent of the labour force. There were 32,000 unemployed job seekers aged under 25 registered at the labour exchange offices. Their number was the same as in March 2003. During March, 42,000 new vacancies were reported to the labour exchange offices, which is 5,000 more than in last year's March.

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 March unemployment figures of Statistics Finland and the Ministry of Labour was slightly higher than 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 ± 0.6 percentage points. The confidence interval for the number of unemployed is approximately $\pm 16,000$ persons.

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