

Not to be released before 19 October 2004 (8.00 am Finnish time)

2004:226

Employment and unemployment in September 2004

- Number of employed persons 17,000 higher than one year ago
- Employment rate 67.2 per cent
- Number of unemployed 21,000 lower than one year before
- Rate of unemployment 7.2 per cent, 183,000 unemployed
- 25,000 new vacancies at labour exchange offices

According to the Labour Force Survey of Statistics Finland, the number of **employed persons** was 17,000 higher than one year previously. The number of self-employed persons grew, while that of wage earners remained almost unchanged. The number of wage earners engaged in continuous full-time work fell by 45,000. The number of persons with so-called atypical employment relationships, part-time and/or fixed-term, was 46,000 higher in September than in the previous year. The number of new employment relationships having lasted under one year increased by 19,000.

In September, the **employment rate**, that is, the proportion of the employed among persons aged 15 to 64, stood at 67.2 per cent, which was 0.4 percentage points higher than one year before. The employment rate for women rose by 0.7 percentage points to 65.7 per cent and that of men went up by 0.1 percentage points to 68.6 per cent. Adjusted for seasonal variation, the employment rate was 67.3 per cent. Compared with last year's September, employment increased in public and other services and in financial intermediation and insurance. Jobs decreased in manufacturing, trade and hotels and restaurants. Employment increased in the Provinces of Southern Finland and Lapland.

Changes in the labour force 9/2003 - 9/2004, thousand

	September 2004	September 2003	Change, % 9/03 - 9/04
<i>Statistics Finland's Labour Force Survey:</i>			
Employed total	2 368	2 351	0.7
- wage and salary earners	2 038	2 036	0.1
- self-employed and assisting family members	330	315	4.7
Employment rate, %	67.2	66.8	0.4²
Unemployed¹	183	204	-10.6
Unemployment rate, %	7.2	8.0	-0.8²
Labour force, total	2 550	2 555	-0.2
Labour force participation rate	64.8	65.0	-0.2²
Economically inactive, total	1 388	1 373	1.0
- students	387	393	-1.5
- persons performing domestic work	97	83	16.7
Economically inactive persons in disguised unemployment	103	98	5.2
<i>Ministry of Labour's Labour Exchange Statistics:</i>			
Unemployed job seekers	271	272	-0.6
- unemployed over a year	73	71	3.8
Employed with subsidised measures	38	39	-2.9
In labour market training	31	30	3.7
In trainee and job alternation places	22	22	-0.2
New vacancies at labour exchange offices	25	23	9.0

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 183,000 **unemployed** in September, which is 21,000 fewer than in the previous year. The **rate of unemployment** was 7.2 per cent, i.e. 0.8 percentage points lower than one year before. Adjusted for seasonal variation, the unemployment rate was 8.4 per cent.

The unemployment rate for men was in September 6.9 per cent and that for women 7.5 per cent. One year ago the unemployment rate for both men and women was 8.0 per cent. The unemployment rate among young people aged 15 to 24 went up by 0.9 percentage points to 17.1 per cent. Adjusted for seasonal variation, the unemployment rate for young people was 20.8 per cent. The rate of unemployment was lowest in the Province of Southern Finland, i.e. 6.1 per cent, and highest in the Province of Lapland, at 10.5 per cent.

According to the Labour Force Survey, the average number of employed persons **in the January to September period of 2004** was 2,370,000, which is 9,000 fewer than in the corresponding period of last year. The number of unemployed persons was 238,000, which is 6,000 fewer than in the January to September period of 2003.

At the end of September 2004, there were altogether 271,000 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 lower than in September 2003. Compared with the year before, unemployment grew in Uusimaa, Varsinais-Suomi and Satakunta but fell elsewhere in the country. The number of those covered by employment policy measures was the same as in September 2003, being 3.6 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 1,000 lower than in September 2003. During September, 25,000 new vacancies were reported to the labour exchange offices, which is 2,000 more than in last year's September.

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 $\pm 14,000$ persons.

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