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Employment and unemployment in August 2004

- Number of employed persons 7,000 lower than one year ago
- Employment rate 68.8 per cent
- Number of unemployed 7,000 higher than one year before
- Rate of unemployment 8.0 per cent, 209,000 unemployed
- 28,000 new vacancies at labour exchange offices

According to the Labour Force Survey of Statistics Finland, the number of **employed persons** was 7,000 lower than one year previously. The number of self-employed persons rose, while that of wage earners fell compared with a year earlier. The number of wage earners engaged in continuous full-time work fell by 23,000. The number of persons with so-called atypical employment relationships, part-time and/or fixed-term, was 9,000 higher in August than in the previous year. In the private sector employment declined, while in the public sector the number of jobs grew.

In August, the **employment rate**, that is, the proportion of the employed among persons aged 15 to 64, stood at 68.8 per cent, which was 0.3 percentage points lower than one year before. The employment rate for men fell by 0.7 percentage points to 71.1 per cent, while that of women rose by 0.2 percentage points to 66.4 per cent. Adjusted for seasonal variation, the employment rate was 67.1 per cent. Compared with last year's August, employment decreased in public administration and national defence and transport. Jobs increased in health care and business services. Job declined most in the Province of Western Finland.

Changes in the labour force 8/2003 - 8/2004, thousand

	August 2004	August 2003	Change, % 8/03 - 8/04
<i>Statistics Finland's Labour Force Survey:</i>			
Employed total	2 417	2 424	-0.3
- wage and salary earners	2 128	2 140	-0.6
- self-employed and assisting family members	289	284	2.0
Employment rate, %	68.8	69.1	-0.3 ²
Unemployed¹	209	202	3.8
Unemployment rate, %	8.0	7.7	0.3 ²
Labour force, total	2 626	2 626	0.0
Labour force participation rate	66.7	66.9	-0.2 ²
Economically inactive, total	1 310	1 302	0.6
- students	319	301	5.9
- persons performing domestic work	88	98	-10.4
Economically inactive persons in disguised unemployment	102	86	17.9
Ministry of Labour's Labour Exchange Statistics:			
Unemployed job seekers	281	284	-1.1
- unemployed over a year	74	72	2.4
Employed with subsidised measures	37	38	-1.8
In labour market training	25	22	11.6
In trainee and job alternation places	20	20	0.2
New vacancies at labour exchange offices	28	25	11.6

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 209,000 **unemployed** in August, which is 7,000 more than in the previous year. The change is within the margin of error ($\pm 15\ 000$).

The **rate of unemployment** was 8.0 per cent, i.e. 0.3 percentage points higher than one year before. Adjusted for seasonal variation, the unemployment rate was 9.0 per cent. The unemployment rate for women rose by 0.6 percentage points to 8.6 per cent and that for men remained unchanged at 7.4 per cent. The unemployment rate among young people aged 15 to 24 went down by 2.5 percentage points to 13.6 per cent. Adjusted for seasonal variation, the unemployment rate for young people was 20.2 per cent. The rate of unemployment was lowest in the Province of Southern Finland, i.e. 7.0 per cent, and highest in the Province of Lapland, at 10.4 per cent.

According to the Labour Force Survey, the average number of employed persons **in the January to August period of 2004** was 2,370,000, which is 12,000 fewer than in the corresponding period of last year. The number of unemployed persons was 245,000, which is 3,000 fewer than in the January to August period of 2003.

At the end of August 2004, there were altogether 281,000 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 3,000 lower than in August 2003. Compared with the year before, unemployment grew in Uusimaa and Satakunta but fell elsewhere in the country. The number of those covered by employment policy measures rose by 2,000 from the previous year, being 3.2 per cent of the labour force. There were 36,000 unemployed job seekers aged under 25 registered at the labour exchange offices. Their number was 2,000 lower than in August 2003. During August, 28,000 new vacancies were reported to the labour exchange offices, which is 3,000 more than in last year's August.

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 ± 0.6 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](http://europa.eu.int/en/comm/eurostat)