

Employment and unemployment in October 2003

- **35,000 fewer employed than a year ago**
- **Employment rate 66.0 per cent**
- **8,000 fewer unemployed than a year ago**
- **Rate of unemployment 8.3 per cent, 210,000 unemployed**
- **20,000 new vacancies at labour exchange offices**

According to the Labour Force Survey of Statistics Finland, the number of employed persons fell by 35,000 and that of unemployed persons by 8,000 from October 2002 to this year's October. The size of the labour force thus decreased by 43,000 persons in twelve months. There were 53,000 more persons of working age outside the labour force this October than twelve months previously. Labour force participation rate among the population of working age fell by 1.3 per cent to 64.3 per cent.

The number of self-employed persons increased whereas that of wage-earners decreased year-on-year. The number of wage-earners engaged in continuous full-time work went down by 35,000. There were 14,000 fewer part-time employment relationships than one year earlier. Compared to October 2002, employment increased in public and other services, and in transport but decreased in manufacturing, wholesale and retail trade, hotel and restaurant activities, and financing, insurance and business services. Jobs decreased in all provinces except for the Province of Oulu.

In October, the employment rate, that is, the proportion of the employed among persons aged 15 to 64, stood at 66.0 per cent, which is 1.1 percentage points lower than one year earlier. The employment rate for women fell by 1.7 percentage points to 63.6 per cent. The employment rate for men went down by 0.6 percentage points and was 68.4 per cent. Adjusted for seasonal variation, the employment rate was 67.0 per cent.

Changes in the labour force 10/2002 - 10/2003, thousand

	October 2003	October 2002	CHANGE, % 10/02 - 10/03
<i>Statistics Finland's Labour Force Survey:</i>			
Employed, total	2 319	2 354	-1.5
- wage-earners	2 000	2 045	-2.2
- self-employed and unpaid family workers	318	309	3.2
Employment rate, %	66.0	67.1	-1.1 ²
Unemployed¹	210	218	-3.8
Unemployment rate, %	8.3	8.5	-0.2 ²
Labour force, total	2 529	2 572	-1.7
Labour force participation rate	64.3	65.6	-1.3 ²
Economically inactive, total	1 401	1 348	3.9
- students	401	368	8.7
- persons performing domestic work	89	90	-0.5
Economically inactive persons in disguised unemployment	103	103	-0.4
<i>Ministry of Labour's Labour Exchange Statistics:</i>			
Unemployed job seekers	275	277	-0.6
- unemployed over a year	70	75	-7.1
Employed with subsidised measures	37	38	-2.4
In labour market training	34	33	3.9
In trainee and job alternation places	23	19	21.5
New vacancies at labour exchange offices	20	21	-7.1

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 210,000 unemployed in October, i.e. 8,000 fewer than one year before. The change fits within the margin of error ($\pm 14,000$). The rate of unemployment was 8.3 per cent, having been 8.5 per cent twelve months earlier. Adjusted for seasonal variation, the unemployment rate was 8.9 per cent. Men's unemployment rate fell by 0.4 percentage points to 7.7 per cent. Women's unemployment rate remained unchanged at 8.9 per cent. The unemployment rate among young people aged 15 to 24 was 19.2 per cent, whereas in October 2002 it stood at 16.7 per cent. Adjusted for seasonal variation, the unemployment rate for young people was 22.6 per cent. The rate of unemployment was lowest in the Province of Southern Finland, i.e. 6.8 per cent, and highest in the Province of Lapland, at 12.1 per cent. Of all industries, the unemployment rate was highest in construction, 9.9 per cent.

According to the Labour Force Survey, over the January to October 2003 period, the average number of employed persons was 2,373,000, which is 6,000 fewer than over the corresponding period of the year before. The number of unemployed persons was 240,000, or 3,000 fewer than in the January to October period of 2002.

At the end of October 2003, there were altogether 275,000 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 2,000 fewer than in October 2002. Unemployment declined elsewhere in the country, but rose in the areas of the employment and economic development centres of Uusimaa, Pirkanmaa and Häme. The number of those covered by employment policy measures increased by 4,000 from October 2002 and was 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 last year's October. During October, 20,000 new vacancies were reported to the labour exchange offices, which is one thousand fewer than in October 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 October 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 ± 0.5 percentage points. The confidence interval for the number of unemployed is approximately $\pm 14,000$ persons.

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Latest seasonally adjusted unemployment figures published by the EU at:

<http://europa.eu.int/en/comml/eurostat/>