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Employment and unemployment in May 2003

- 19,000 fewer employed than a year ago
- Employment rate 67.8 per cent
- 17,000 fewer unemployed than a year ago
- Rate of unemployment 11.4 per cent, 306,000 unemployed
- 34,000 new vacancies at labour exchange offices

According to the Labour Force Survey of Statistics Finland, the number of employed persons was 19,000 lower in May 2003 than a year earlier. The number of wage-earners remained unchanged but that of self-employed persons fell by 18,000. The number of wage-earners engaged in continuous full-time work went down by 9,000. There were 9,000 more fixed-term employment relationships than one year earlier. Jobs in the private sector decreased by 37,000 whereas in the public sector they increased by 16,000. During May, 34,000 new vacancies were reported to the labour exchange offices, which is 2,000 fewer than in May 2002.

In May, the employment rate, that is, the proportion of the employed among persons aged 15 to 64, stood at 67.8 per cent, which is 0.7 percentage points lower than one year before. The employment rate for men fell by 0.5 percentage points to 69.2 per cent. The employment rate for women declined by one percentage point and was 66.2 per cent. Adjusted for seasonal variation, the employment rate was 67.5 per cent. Compared to May 2002, employment grew in public and other services. Jobs declined in agriculture, trade, and in hotel and restaurant activities. Jobs increased in the Province of Lapland and decreased in the Provinces of Southern and Western Finland.

Changes in the labour force 5/2002 - 5/2003, thousand

	May 2003	May 2002	CHANGE, % 5/02 - 5/03
<i>Statistics Finland's Labour Force Survey:</i>			
Employed, total	2 381	2 400	-0.8
- wage-earners	2 085	2 086	-0.0
- self-employed and unpaid family workers	296	314	-5.7
Employment rate, %	67.8	68.5	-0.7 ²
Unemployed¹	306	323	-5.5
Labour force, total	2 687	2 723	-1.3
Unemployment rate, %	11.4	11.9	-0.5 ²
Economically inactive, total	1 238	1 192	3.9
- discouraged job seekers	34	23	46.9
- other disguised unemployment	79	70	11.6
<i>Ministry of Labour's Labour Exchange Statistics:</i>			
Unemployed job seekers	273	276	-1.1
- unemployed over a year	71	77	-7.0
Employed with subsidised measures	39	39	-1.4
In labour market training	30	26	17.0
In trainee and job alternation places	22	16	31.9
New vacancies in labour exchange offices	34	36	-5.9

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 306,000 unemployed in May, i.e. 17,000 fewer than one year before. The rate of unemployment was 11.4 per cent, having been 11.9 per cent one year previously. Adjusted for seasonal variation, the unemployment rate was 9.0 per cent.

In May the unemployment rate for men was 11.8 per cent and that for women 11.0 per cent. Twelve months previously men's unemployment rate was 12.4 per cent and women's 11.3 per cent. The unemployment rate among young people aged 15 to 24 was 35.0 per cent, whereas in May 2002 it stood at 33.4 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. 9.3 per cent, and highest in the Province of Oulu, at 17.8 per cent. Of all industries, the unemployment rate was highest in construction, 12.6 per cent.

Unemployment figures are higher in May than in April primarily because students are starting to enter the labour market, but many of them have not yet found a job. In May, 133,000 unemployed persons reported studying as their principal activity. Of employed persons, 106,000 said studying was their principal activity.

At the end of May 2003, there were altogether 273,000 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 3,000 fewer than in May 2002. Unemployment declined elsewhere in the country, but rose in the areas of the employment and economic development centres of Uusimaa and Pirkanmaa. The number of those covered by employment policy measures increased by 9,000 from May 2002 and was 3.4 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 higher than in last year's May.

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 May 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 ± 0.6 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/comm/eurostat/>