



Ministry of Economic Affairs
and Employment of Finland

Ministry of Economic Affairs and Employment
Employment and Well-Functioning Markets Department 27.10.2020

EMPLOYMENT SERVICE STATISTICS' QUALITY DESCRIPTION

Author:

Ministry of Economic Affairs and Employment

1. Relevance of the statistical information

1.1 Data content and purpose

The Employment Service Statistics contain the most important information about jobseekers registered with the Employment and Economic Development Offices (TE Offices), labour market policy services and job vacancies. The size of jobseeker groups is described by the number of people and the number of people participating in labour market policy services. Vacancies refer to the number of vacancies reported to the TE Offices at the time of monitoring. Unemployed persons have to register with the TE Office as unemployed jobseekers in order to receive unemployment benefits. The figures also include registered jobseekers who are taking part in local government trial schemes for promoting employment.

StatFin database and Employment Bulletin includes the most important Employment Service Statistics data concerning jobseekers, unemployed jobseekers, services, and vacancies. Among others, jobseekers appear in the statistics according to jobseeker group. A wide variety of information about unemployed jobseekers is available by industry, education and occupation, age group, gender, Centre for Economic Development, Transport and the Environment (ELY Centre) region, and duration of unemployment. The same vacancies appear in the statistics according to region, occupational group and industry. Furthermore, the number of employment services occurring in a month is available.

The purpose of the Employment Service Statistics is to serve as a monitoring and measurement tool for employment and economic development activity, the data from which is utilised to develop and increase the amount of services needed by the client groups. In addition, data from the Employment Service Statistics is extensively used in research, public administration and by those people who actively follow the labour market. Hopefully the Employment Service Statistics will also be of interest to the media, organisations and trade unions in the industry, and private citizens.

1.2 Concepts, classifications and material of the Statistics

1.2.1 Material:

The material for the Employment Service Statistics is derived entirely from the TE Offices' client service system.

1.2.2 Concepts:

1.2.2.1 Registered jobseekers

In the Employment Service Statistics, a jobseeker is considered to be a person who registers as a jobseeker with the TE Office. Jobseekers are divided into the following groups on the basis of their employment situation:

00 = employed through employment services

A job-seeker is classified as having been "employed through employment services" if his/her employer is granted pay subsidy or if a government departments or agencies have been allocated funds for covering the employment costs resulting from hiring the job-seeker (those employed by the State).

This category also includes job-seekers who have become entrepreneurs and received a start-up grant.

01 = employed in the general labour market

Employees whose regular weekly working time is at least 4 hours are classified as "employed in the general labour market". This category also includes those employees who work full-time as entrepreneurs or self-employed workers, as referred to in Chapter 2 of the Act on Unemployment Security.

Persons who temporarily absent from the workplace due to illness, holiday, labour disputes, poor weather, broken down equipment or any other such reason are also classified as employed in the general labour market.

People hired as job alternation substitutes belong to this category, if their job application is valid.

02 = unemployed

A job-seeker is categorised as "unemployed" if he/she does not have an employment relationship, does not work full-time as an entrepreneur or self-employed worker as referred in Chapter 2 of the Act on Unemployment Security and is not a full-time student as referred in Chapter 2 of said act.

Employed persons are also considered unemployed if they are fully laid off (03) or their regular weekly working time is less than 4 hours.

Full-time school children and students are not considered unemployed, even during holidays.

03 = laid off

A job-seeker is categorised as "laid off" if he/she has been fully laid off without pay by his/her employer for a limited or indefinite period.

The labour market position of fully laid off employees (03) places in them in the *unemployed* category.

04 = on reduced working week

A person is “on reduced working week” if the employer has shortened his/her weekly working time and he/she is not paid for the time that has been reduced. Also those employees who have been laid off by reducing their weekly or daily working time belong to this category.

However, if a job-seeker has originally agreed with the employer that his/her work is part-time work (e.g. half-time work), he/she belongs to the “employed in the general labour market” category (01) rather than this one.

05 = outside the labour force

A job-seeker is considered “outside the labour force” if he/she meets the criteria of unemployment, but the employment situation code 02 is not appropriate, on the grounds of the person's situation. This category includes persons who have reported as job-seekers but who can only accept employment or participate in services after a fixed period of time due to situations such as imprisonment, long-term hospital treatment and obligatory military service.

This category also includes persons who are absent from the workplace for a long time, for example due to parental leave or child-care leave.

06 = on unemployment pension

A job-seeker is categorised as being “on unemployment pension” if there a written decision has been issued granting him/her unemployment pension. Job-seeking has not come to an end. Only the earlier code (02) is changed.

07 = in services promoting employment

This code is used for people participating in job-seeking training, career training, work/training trials or rehabilitating work activities.

08 = in training

Job-seekers are categorised as being “in training” if they are full-time schoolchildren or students. This category also includes those in labour market training, those engaged in self-motivated studies supported by unemployment benefit and those engaged in self-motivated studies supported by integration support, as referred to in Act on the promotion of integration of immigrants (*Iaki kotoutumisen edistämisestä*, 1386/2010).

The labour market position of those participating in services promoting employment (07) and those in training (08) places them *outside the labour force*. The same applies to those on unemployment pension (06).

The labour market position of those who are employed through employment services (00) or in the general labour market (01) or on reduced working week (04) is considered to be *employed*.

1.2.2.2 Services

The employment and economic development administration uses **services** to increase the effectiveness of labour market activities and to support work placement and professional skill. Services that break unemployment, and are therefore included in the activation rate, are reported in the Employment Bulletin and on this website.

Placements include pay subsidies, employment at government agencies and institutes, and start-up grants. Pay subsidy is money granted to an employer to hire an unemployed person. The subsidy is discretionary; eligibility for the subsidy is assessed on a case-specific basis. Wage-subsidised work must support the employment of unemployed job-seekers on the open labour market. Pay subsidy is granted for work performed on an employment contract or for apprenticeship training.

A start-up grant can be issued to unemployed job-seekers and for non-unemployed persons who leave paid work, studies or domestic work, among other activities, in order to become full-time entrepreneurs. Before granting a start-up grant, the Ministry of Economic Affairs and Employment investigates whether entrepreneurship is a suitable employment option for the applicant.

Traineeship/preparatory training for working life A TE Office can assign a young labour market subsidy recipient without vocational education to a traineeship at a workplace, in order to familiarise him/her with working life. Preparatory training for working life is a measure equivalent to a traineeship, intended for persons older than 25, with a vocational education or who are eligible for the basic unemployment allowance or earnings-related allowance. They can be assigned to traineeships or coaching for working life in the service of the state, municipalities, municipal authorities, other communities, foundations or private entrepreneurs. From the beginning of 2013, these services will no longer be available.

Trials include work and training trials. A work trial is a service organised for a private customer at a workplace, without an employment relationship. The purpose of a work trial is to investigate the vocational choice and career options of a private customer, or to support his/her return to the labour market. This also helps him/her to confirm whether they are interested in the sector or profession. Through training trials, private customers try out studying a subject within a suitable institution, in order to test their suitability for the field in question and their ability to study in the institute in question. The customer's ability to work and function is assessed in from the viewpoint of choosing a field of education and ability to work within that field.

Labour market training is training funded by the employment and the economy administration. It is primarily designed for unemployed job-seekers and persons under threat of unemployment. The aim of such training is to provide such people with professional skills for working life. This training is intended for people older than 20 and is arranged at vocational adult education centres and other vocational institutes and universities. It can also be arranged by private training providers.

Training includes job-seeking and career training. The purpose of job-seeking training is to support and guide a private customer in seeking employment. Career training supports and helps such customers to identify their vocational and career options, to apply for vocational education and to develop their capacity for work. Career training can also be focused on a certain career. In every case, the purpose of job-seeking and career training is to support customers in finding a job or vocational education.

Job alternation leave is an arrangement by which an employee is released for a certain period from the tasks involved in the service relationship, in accordance with a job alternation agreement he/she has signed with his/her employer. The employer simultaneously commits to hiring someone who is registered with a TE Office as an unemployed jobseeker (=job alteration substitute) for a corresponding period.

Rehabilitative work activities are intended for the long-term unemployed, with the purpose of improving their possibilities to find employment and enhancing their life management skills. Their organisation is based on an activation plan which the TE Office and the municipality's social welfare services prepare together with the unemployed person. Municipalities are responsible for organising rehabilitative work activities for people with a long unemployment history and who are receiving labour market support or social support.

Self-motivated studies supported by unemployment benefit are available for job-seekers who are at least 25 years old. The TE Office must recognise the job-seeker's need for education and be of the opinion that the education in question will improve his/her professional skills and abilities on the labour market. Unemployment benefits are payable to full-time students only.

1.2.2.3 Job vacancy

The Employment Service Statistics include the job vacancies that the employer has reported to be filled via the TE Office.

All vacancies during a month include vacancies that have been open in the TE office during the month.

New vacancies during a month include vacancies that have been announced open by the employer during the month.

Vacancies filled during a month include vacancies that have been filled during the month.

Jobs vacant at the end of month include vacancies that are still open in the TE office at the end of month = the last weekday of the month.

1.2.3 Classifications

Jobseekers: education, industry, occupation, age group, gender, duration of unemployment, activity prior to job seeking, reason for terminating job seeking. Regional classification: Municipality, Sub-regional units, Regions, Centre for Economic Development, Transport and the Environment (ELY Centre) and Employment and Economic Development Office (TE Office).

: region, participants: age group, gender, duration of previous unemployment, placement after the service, duration of service.

Job vacancy: monthly new/all/filled/filled with a TE Office applicant during the month, those still vacant at the end of the month. Classification: duration of vacancy, occupation, industry, region.

2. Methodological description

Data about jobseekers, services and vacancies are transferred on a monthly basis from the Employment and Economic Development Administration's individual-level client service register to the Employment Service Statistics system's individual database, from where the actual statistics tables are created according to certain classifiers and variables. The overview statistics for a single month include the persons that meet certain conditions that are in the register on the last weekday of the month in question. The monthly review statistics include all persons that meet the definitions of the table in question during that month, for example, unemployed jobseekers. The statistics for a period longer (four months, six months and annual statistics) than one month generally include all the persons that meet the conditions or the vacancies for that period, with the exception of separately calculated annual averages, which are based on the average of monthly data.

The Employment Service Statistics monthly release includes data that describe the situation on the last weekday of that month as well as monthly review data that describe the total number of people that belong to a certain group during the month (for example, unemployed jobseekers).

3. Correctness and accuracy of data

The Employment Service Statistics are entirely based on register data, which is transferred monthly from the Employment and Economic Development Administration's client service system. Thus all the data in the Statistics is register-based and completely dependent on the entries in the client register system. The system is a system intended for the registration of a broad range of clients and various TE Office services, in which the primary purpose is not to produce data for the Statistics system. Sometimes data entered in register is updated after the statistical month has ended, in which case extracting individual statistics from the statistics system at a certain time can be important. For example, annual statistics are created again after the end of the statistical month in order to ensure that the data is as comprehensive and complete as possible for the statistical year in question.

In order to ensure the correctness of the data in the statistics system, the statistical data is spot checked before its release, thus making it possible to correct any errors in the statistical tables before they are released. In addition, consistency between the statistics system and the client register and variables is ensured through cooperation between the experts responsible for the statistics, client register and the substance issues in question.

4. Timeliness and promptness of published data

The monthly data is ready three weeks after the end of the statistics month. At the end of each year, a release date is specified for the monthly statistics and the Employment Bulletin so that the schedule shows the precise release date for the next year's monthly releases. The release schedule is maintained on the Ministry of Economic Affairs and Employment website at: <http://www.tem.fi/en/release-dates-of-statistics-and-description-and-quality-description>

The Employment Service Statistics' 4-month and quarterly statistics are also released three weeks after the end of the statistics month. The 6-month and annual statistics are released 4-8 weeks after the end of the statistics month in question.

5. Accessibility and transparency/clarity of data

The key data contained in the Employment Service Statistics is published monthly in the Employment Bulletin in the ministry's website. The most important Employment Service Statistics data is also in Statistics Finland's Labour Force Survey and the Ministry of Economic Affairs and Employment's joint release. In addition, the time series containing the most important monthly are available on the Ministry of Economic Affairs and Employment's website at: <http://www.tem.fi/en/employment-bulletin-and-employment-service-statistics>

Furthermore, Employment Service Statistics data is published in three-four Statistics Bulletins each year.

The most important time series of the Employment Service Statistics are presented in the Ministry of Economic Affairs and Employment's Finnish Labour Review, which is published four times a year. The time series' include long lists of annual averages and the averages of the most recent quarters. The Finnish Labour Review is widely distributed in print form and is also available on the Ministry of Economic Affairs and Employment's website.

The Ministry of Economic Affairs and Employment's Employment Bulletin, Statistics Bulletins, and Finnish Labour Review are available in PDF format on the Ministry website.

Basic data of the Employment Service Statistics since year 2006 is available in the StatFin –database in address: https://pxnet2.stat.fi/PXWeb/pxweb/en/StatFin/StatFin_tym_tyonv/

More detailed information about the Employment Service Statistics is available from the Ministry of Economic Affairs and Employment's Employment and Well-Functioning Markets Department.

6. Comparability of statistics

The Statistics utilise classifications that are in general use. In addition to the Employment Service Statistics, Statistics Finland also compiles and publishes statistics on unemployment and job vacancies. The Employment Service Statistics are register-based, with definitions that are based on legislation and administrative provisions while Statistics Finland's Labour Force Survey is based on sampling and observes internationally agreed practices and definitions. Thus the content of these statistics are not comparable. The differences between the Employment Service Statistics and the Labour Force Survey are described in the following report: https://www.tilastokeskus.fi/til/tyti/tyti_2019-09-13_men_001_en.html

The register-based Employment Service Statistics are also not comparable with similar register-based statistics in other countries due to the country-specific differences in national methods and definitions. However, EU Commission collects and publishes the registered unemployment figures for EU member States on an annual basis in its Labour Market Policy database (LMP database) as reference data, both on its website and in the publications of the actual database.

7. Coherence and consistency/uniformity

The Social Insurance Institution of Finland (Kela) and the Financial Supervisory Authority (FIN-FSA) publish statistics on the payment of unemployment-related benefits. The data in the Employment Service Statistics includes jobseekers registered with the Employment and Economic Development Administration, participants in services and reported job vacancies. Statistics Finland's Labour Force Survey is based on sampling and international agreements. Thus, each set of statistics has its own purpose in monitoring the development of unemployment and labour market policy. The Kela and FIN-FSA data take the payment of benefits into account in terms of how many people receive benefits and how much of each active or passive benefit is paid.

In contrast, the Ministry of Economic Affairs and Employment's Employment Service Statistics and Statistics Finland's Labour Force Survey are derived from personal information that meets the definitions set for the statistics. The Employment Service Statistics include the number of persons registered in the client register, the number of persons participating in services, and the vacancies reported to the TE Offices. For example, the Employment Service Statistics include all unemployed jobseekers regardless of whether they are entitled to unemployment benefits. The Kela and Fin-FSA statistics only include those to whom, for example, unemployment benefits have been paid rather than all unemployed persons. The Employment Service Statistics include numbers data concerning the persons that have participated in Labour Administration services, but it does not include data on the costs or amount of euros involved in such services. Cost data is monitored in the Ministry of Economic Affairs and Employment's economic systems. However, the personal statistics and cost data for services are available together in the Labour Market Policy database, where the personal and euro data is combined by service. The Labour Market Policy database is a comprehensive database for EU Member Countries (+Norway) administered by EU Commission. It includes the labour market policy services for all Member Countries along with extensive statistical data and descriptions.

8. Documentation

The documentation related to the Employment Service Statistics is available from the Ministry of Economic Affairs and Employment's Employment and Well-Functioning Markets Department:
Switchboard: +358 295 16001, E-mail: [tyonvalitystilasto\(at\)tem.fi](mailto:tyonvalitystilasto(at)tem.fi).