Classification of Sectors 2012 and employer sector in the Labour Force Survey

The Labour Force Survey has adopted the Classification of Sectors 2012 where applicable starting from the statistical reference year 2020. Statistics Finland has made the decision (ref. TK-41-444-19) to adopt the Classification of Sectors 2012 in the Population and Social Statistics Department. The aim is to standardise the classifications used and the quality in statistics production, as well as improve the comparability of statistics. It is common for the population statistics to make a division into the local government, central government and private sectors.

The Classification of Sectors 2012 will replace the current national application of the employer sector classification used in the Labour Force Survey. Sector data in the Business Register are used in forming employer sector data. The Economic and Environmental Statistics Department is responsible for the content of the Classification of Sectors at Statistics Finland and the Business Register that belongs to the Data Collection Department is responsible for its practical implementation.

The new classification has been taken into use from the start of January 2020. The first employer sector data according to the new classification will be published on 25 April 2020. The data according to the new and old classifications are not fully comparable with each other. For the comparison, employer sector data for the statistical reference year and the comparison year will be published with the new classification in the appendix tables of the monthly and quarterly releases for 2020.

The classification of employer sector data into the private and public sectors used previously in the Labour Force Survey was based on the data on owner type in the Business Register. The inference rules of the classification in the Labour Force Survey were complicated and prone to errors. For this reason, the definition was not complied with in all respects. Enterprises owned by a municipality or joint municipal authority were classified in the local government sector, although by definition they should have been classified under the private sector.

The new classification is based directly on the Business Register's sector data, which exists for all establishments in the Business Register. This lowers the need for manual classification and errors caused by it.

The present [concept definitions](#) of the Labour Force Survey remain almost unchanged as concerns the private and public sectors. However, there may be changes in the classification for individual establishments.

As previously, the published data are divided into the public and private sectors, and the public sector is divided into the central government and local government sectors.

The **public sector** includes the following sub-categories:

- S.1311 Central government
    - S.13111 Budget economy of central government
    - S.13119 Other units of central government
- S.1313 Local government
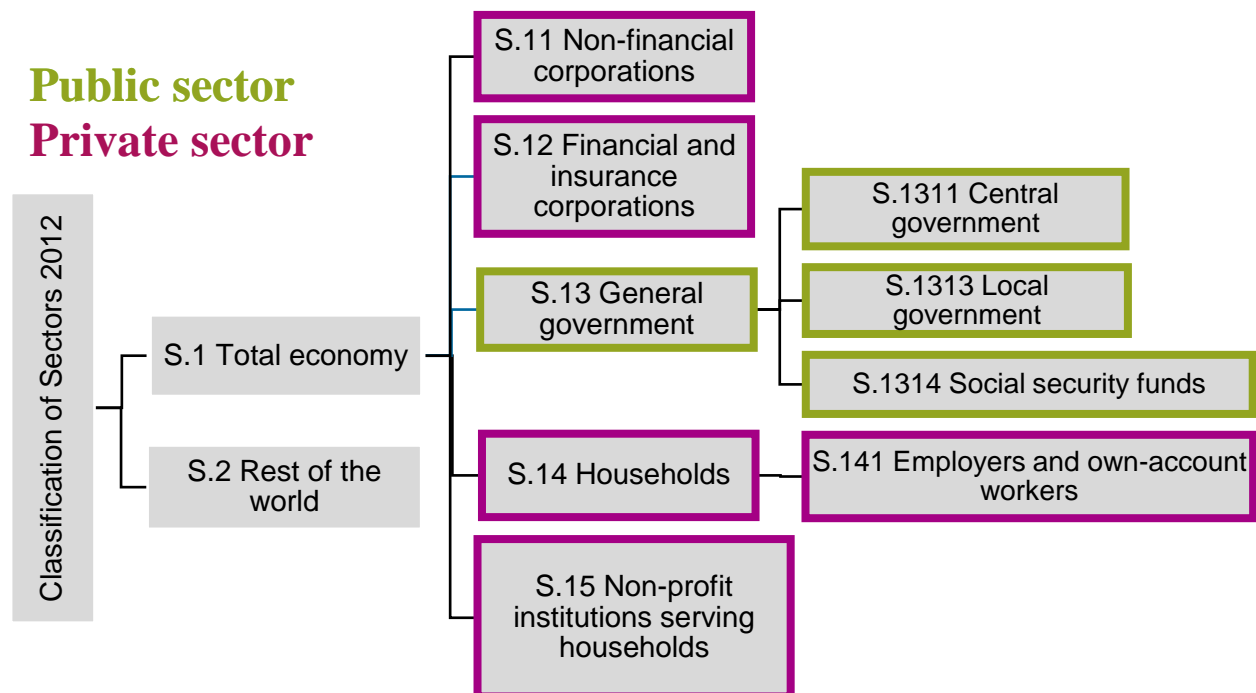   - S.13131 Municipalities

- o S.13133 The Åland Government
- o S.13132 Joint municipal authorities
- o S. 13139 Other units of local government
- S.1314 Social security funds

The **private sector** includes the following sub-categories:

- o S.11 Non-financial corporations
- o S.12 Financial and insurance corporations
- o S.14 Households
- o S.15 Non-profit institutions serving households

The **other or unknown sector** includes the Classification of Sectors category:

- o S.2 Rest of the world

Public sector
Private sector

Classification of Sectors 2012

S.1 Total economy	S.11 Non-financial corporations	
	S.12 Financial and insurance corporations	
	S.13 General government	S.1311 Central government
		S.1313 Local government
		S.1314 Social security funds
S.2 Rest of the world	S.14 Households	S.141 Employers and own-account workers
	S.15 Non-profit institutions serving households	

From a survey made on the data for 2018 it can be estimated that the main category changes for around three per cent of employees. The number of employed persons in the private sector grows somewhat (2%) and that of employed persons in the public sector decreases by around four per cent. The changes are almost exclusively caused by that in the new classification enterprises owned by a municipality or joint municipal authority are classified under the private sector, while previously they were classified in the public sector.

More detailed information on the Classification of Sectors 2012 is available on [Statistics Finland's Classification of Sectors](#) website.