

15. INDUSTRY

The statistics of industry by economic activity includes enterprises principal (prevailing) activity of which is industry, i.e. that which is according to the Classification of Economic Activities (CZ-NACE) included in sections B (Mining and quarrying), C (Manufacturing), D (Electricity, gas, steam and air conditioning supply), and E (Water supply; sewerage, waste management and remediation activities). A more detailed breakdown of the CZ-NACE includes 34 divisions.

The first reference period for the processing of data according to the CZ-NACE classification was January 2009 in the case of the short-term (monthly and quarterly) statistics or the year 2008 in the case of the annual structural business statistics. The basic data according to the new CZ-NACE classification were recalculated back to the year 2000 (for the short-term statistics) or to 2005 (for the structural business statistics).

During the data processing according to the CZ-NACE for most indicators and their basic breakdown a new system of estimations for the non-surveyed part of the population has been created, also for the short-term statistics, which previously covered the population of enterprises starting from a certain size threshold. Thus, where not explicitly stated otherwise, all results published in this chapter represent the entire population of industrial enterprises irrespective of their size.

Notes on Tables

Tables 15-1, 15-2, 15-5, and 15-6 Basic indicators of industry

The data in Tables 15-1 and 15-2 are taken from **quarterly** statistical forms (reports) processing with the exception of the industrial production index. These results have to be taken for preliminary as they result from a survey with a limited size of the samples, a higher share of estimates, and a limited scope of surveyed indicators. Tables 15-5 and 15-6, on the other hand, contain data taken from the processing of annual statistical forms (reports), which provide a more detailed set of final data that are, however, available with a bigger delay.

The **average registered number of employees** encompasses all categories of permanent, seasonal, and temporary employees contracted for work by the employer. The **number of employed persons** includes besides registered employees also persons working under various contracts for work and working owners of enterprises and co-operating household members providing that work for the given enterprise is their main job.

The **average gross monthly wage** per employee includes all incomes from employment (basic wages and salaries, personal bonuses and other bonuses, rewards, company profit sharing, and wage compensations) charged to be paid to registered employees in compliance with relevant regulations on wages and salaries.

Sales of goods and services are revenues from sales of own tangible and intangible output to external users.

Sales of goods for resale are revenues from sales of goods for resale, i.e. products bought to be resold in an unchanged state.

Outputs, incl. trade margin include sales of own goods and services, trade margin (the difference between revenues from the goods sold and costs of goods sold), change in inventories of own production, and capitalization of material, goods, services, and fixed assets.

Consumed materials, energy, and services – consumed purchases (the value of consumed material and energies) and costs of services (external services, costs of representation, and low-value intangible property not considered by the accounting unit to be fixed assets). Before the year 2015, the indicator called “production consumption” corresponded to this indicator as for its contents.

The **value added** is the difference between outputs, including the trade margin, and consumed materials, energy, and services.

The **economic result (profit/loss)** is the difference between total revenues and total expenses in the reference period. It takes the form of a profit (a positive economic result) or a loss (a negative economic result).

Values of assets, liabilities, and their components (in Table 15-5 Assets, total and Equity) show balances on balance sheet accounts as at 31 December. The content of indicators corresponds to the chart of accounts for entrepreneurs.

The **acquisition of fixed assets** refers to total expenses outlaid by reporting units on the acquisition of fixed assets (by purchase, through own activity, by acquisition of intellectual property rights). Things that are put in use become fixed assets. Putting in use implies the provision of all technical functions required for the use and the meeting of all obligations laid down by legal regulations such as building regulations, environmental regulations, fire regulations, occupational safety regulations, and public health regulations (sanitary requirements). The indicator does not include assets acquired free of charge and includes assets acquired for financial leasing.

Tables 15-3 and 15-4 Industrial production index

The **industrial production index** measures own output of industrial economic activities as well as industry in total adjusted for price effects. It is a basic indicator of the industrial short-term statistics.

When calculating the index, in a large part, revenues from sales of own goods and services deflated to constant prices are used. In the case of selected economic activities the production volumes of products-representatives are used to characterize the development of the industry. The index is primarily calculated as a monthly fixed base index to the average month of the base period, which is currently the year 2015. The calculation starts at the level of the CZ-NACE two-digit divisions. Weights derived from the structure of the value added in the base year are used for higher-level aggregations (up to sections, Main Industrial Groupings, and industry in total). The fixed base indices provide the basis for year-on-year indices and accumulations over time, if any (quarterly, semi-annual, and annual). In compliance with regulations of Eurostat, the industrial production index covers sections B, C, D (excluding 35.3 group) of the CZ-NACE.

In January 2018, the base period for short-term statistics routinely changed; it influenced also the industrial production index. Along with the change of the base period in base indices (that are newly compared to the average of the year 2015 instead of the average of the year 2010), also the weighting scheme of the year 2015 started to be used. With the new weights, a retrospective recalculation was made back to the year 2014, which entailed a revision of base indices and year-on-year indices. Historical data before the year 2010 were connected to the newly recalculated time series via conversion bridges by the annual overlap method. Results published in this chapter thus differ from the data published in the Statistical Yearbook of the Czech Republic 2017.

Table 15-7 Production of selected goods

The production of selected goods includes the entire production of a given item of goods or of an aggregate thereof, as defined by the respective code. It is an indicator of gross turnover, which also includes the volume of production passed over within the enterprise for further processing or for inclusion in inventories. The content of the mentioned selected goods is specified by the CZ-PRODCOM nomenclature based on the Classification of Products by Activity (CZ-CPA). Table 15-7 contains aggregates of CZ-PRODCOM codes created specifically for the purposes of the Statistical Yearbook of the CR. A specific annual survey, which includes only enterprises the principal (prevailing) activity of which is industry with 20+ employees or with significant annual turnover, is the data source. Data for the most recent period are always preliminary.

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Further information can be found on the website of the Czech Statistical Office at:

- www.czso.cz/csu/czso/industry_energy_ekon