

III. Characteristic of results – 4th quarter 2006

Published results of surveys characterize (in harmony with applied international methodical approaches) the population living just in selected dwellings. Situation of persons living in other accommodation establishments (especially collective households) is not reflected in the survey results. That fact excludes therefore to a certain extent some categories of persons from the surveys (for example foreign citizens in temporary housing facilities, church persons in seminaries etc.).

III. A. Employment

The number of first job holders in the 4th quarter of 2006 amounted to 4861.7 thousand persons, of which males and females accounted for 2765.6 thousand (56.9 %) and 2096.1 thousand (43.1 %), respectively. Year-on-year total employment was higher by 58.0 thousand. As a relative figure, the rise in the number of first job holders amounted to 1.2 %. At the same time the number of first job holders with the limited duration of working contract decreased - it was 350.4 thousand in all in the 4th quarter of 2006 (of which 186.1 thousand females) - i.e. by 3.8 thousand less in total than in the 4th quarter of 2005.

Prevailing in the number of employed persons were **employees** (4057.7 thousand); their number increased by 31.3 thousand year-on-year. However the share of employees in total employment dropped by 0.4 percentage points to 83.5 %. The number of **members of producers' cooperatives** decreased by 3.4 thousand onto 14.9 thousand. The number of the **self-employed** reached 788.4 thousand, which was by 29.6 thousand more year-on-year. Compared to the 4th quarter of 2005, the percentage of the whole entrepreneurial sphere rose by 0.4 percentage points to 16.2 % of total employment). The number of **self-employed without employees** increased by 4.4 thousand onto 552.2 thousand persons. The number of **self-employed with employees** increased more (by 26.7 thousand onto 203.5 thousand persons). On the other hand the number of **contributing family workers** decreased (by 1.6 thousand onto 32.7 thousand).

Numbers of first job holders: by professional status

Professional status	All		Males		Females	
	Thous.	%	Thous.	%	Thous.	%
Employees	4057.7	83.5	2193.9	79.3	1863.8	88.9
Members of producers' coop.	14.9	0.3	10.4	0.4	4.5	0.2
Self-employed without employees	552.2	11.4	396.6	14.3	155.7	7.4
Self-employed with employees	203.5	4.2	157.0	5.7	46.4	2.2
Contributing family workers	32.7	0.7	7.0	0.3	25.7	1.2
All	4861.7	100.0	2765.6	100.0	2096.1	100.0

Three regions (NUTS 3) out of fourteen saw lower employment: most in the Liberecký Region (-6.6 thousand). On the other hand, employment increased notably in the Středočeský (18.8 thousand), Olomoucký (10.4 thousand), Zlínský (9.7 thousand) and Královéhradecký (5.6 thousand) Regions. A higher growth of the number of employees was recorded for the Středočeský (22.9 thousand), Zlínský (10.6 thousand), Vysočina (10.1 thousand) and Olomoucký (8.4 thousand) Regions, while employees dropped in number primarily in the Liberecký Region (-9.4 thousand).

However, when evaluating developments in the status-in-employment structure, one should take account of the fact that the released figures are measured in and related to the respondent's usual place of residence and not to the region where he/she works. There are much more people working in the capital city of Prague than the number of those usually living and working there (The number of working in Prague was higher than number of employed Prague residents by 117.5 thousand and reached 746.7 thousand.). And it is the category of employees in Prague where the high commuting balance occurs mainly exclusively (110.4 thousand).

Vice versa, the number of persons commuting from the region to other regions exceeds the number of those commuting into the region from the others mainly for Středočeský Region (this negative balance reached -64.1 thousand, largely in favour of Prague), for Ústecký (-16.0 thousand), for Vysočina (-10.5 thousand) and for Moravskoslezský (-10.3 thousand) Regions. Negative balance of commuting for other regions varied from -1.9 thousand in Karlovarský Region to -7.0 thousand in Olomoucký Region. The regional borders were crossed generally by employees (91.7 % of interregional commuting).

**Increases/decreases in the number of first job holders: by professional status and region
(4th quarter 2005 to 4th quarter 2006, persons in thousand)**

CR total		Regions													
Thousands	%	Hl. m. Praha	Středočeský	Jihočeský	Píseňský	Karlovarský	Ústecký	Liberecký	Královéhradecký	Pardubický	Vysočina	Jihomoravský	Olomoucký	Zlínský	Moravskoslezský
Total															
58.0	1.2	5.6	18.8	3.7	1.7	-1.9	0.1	-6.6	5.6	-2.1	4.4	5.4	10.4	9.7	3.3
Employees, incl. members of producers' cooperatives															
27.9	0.7	-5.7	22.5	-2.0	3.6	-5.4	1.3	-9.4	0.1	0.1	8.0	0.2	7.9	11.1	-4.5
Self-employed															
31.1	4.3	7.4	-2.0	5.4	-1.0	3.3	-1.5	3.2	5.0	-2.3	-3.6	6.8	3.9	-1.1	7.6

There are still rather large regional differences in the structure of employed persons by professional status. The share of employees ranges from 78.1 % in Hlavní město Praha Region up to 86.5 % in the Moravskoslezský and 87.0 % in the Pardubický Regions. A relatively high proportion of members of producers' cooperatives, mainly agricultural ones, is in the Vysočina Region (1.8 %), it ranges from a statistically negligible figure in the Karlovarský, Liberecký, Moravskoslezský and Hlavní město Praha Regions to 0.7 % in the Královéhradecký Region.

Large differences exist in the category of the self-employed. The Hlavní město Praha Region has a high percentage of the self-employed (excl. family workers): 20.9 % of all first job holders living on the territory of the capital city. As for the other regions, the percentage is rather high in the Královéhradecký and Liberecký (both 16.7 %), Karlovarský (16.4 %) and Středočeský (16.1 %) Regions. In case of middle Bohemia there proves a fact that former districts of Praha-východ and Praha-západ have a significant active migration balance with Prague and a certain part of the Praha self-employed reside in these districts. The lowest shares of the self-employed are reported for the Vysočina (12.1 %), Pardubický (12.7 %) and Ústecký (12.8 %) Regions. The number of contributing family workers exceeds the number of members of producers' cooperatives and their share on total employment in regions ranges from 0.2 % in Zlínský Region to 1.1 % in Středočeský Region.

In terms of employment of men and women there still remain the high differences in **industry structure of employed**. The two sexes have the highest employment in manufacturing, but their shares in the other industries differ (see Annex table No. 304 for a rather detailed breakdown of sections of CZ-NACE, which is compatible with NACE, Rev. 1.1; the table provides greater detail on manufacturing and trade branches).

Structure of first job holders in the Czech Republic: by CZ-NACE category, by sex

Industries	All		Males		Females	
	Thous.	%	Thous.	%	Thous.	%
TOTAL	4861.7	100.0	2765.6	100.0	2096.1	100.0
including:						
Agriculture, hunting and forestry	172.8	3.6	120.0	4.3	52.7	2.5
Fishing	3.5	0.1	2.9	0.1	.	.
Mining and quarrying	58.0	1.2	51.0	1.8	7.0	0.3
Manufacturing	1369.7	28.2	862.2	31.2	507.5	24.2
Electricity, gas and water supply	76.1	1.6	60.8	2.2	15.3	0.7
Construction	437.8	9.0	403.2	14.6	34.6	1.7
Trade, rep. of mot.vehicles, pers.and househ.goods	613.7	12.6	282.4	10.2	331.3	15.8
Hotels and restaurants	185.9	3.8	83.5	3.0	102.5	4.9
Transport, storage and communication	363.1	7.5	263.6	9.5	99.5	4.7
Financial intermediation	94.4	1.9	34.0	1.2	60.4	2.9
Real estate, renting and business activities	329.4	6.8	190.4	6.9	139.0	6.6
Public administration, defence, compul.soc.security	329.5	6.8	169.6	6.1	159.9	7.6
Education	286.0	5.9	74.6	2.7	211.4	10.1
Health and social work	339.2	7.0	68.1	2.5	271.1	12.9
Other community, social and personal services	197.8	4.1	98.2	3.5	99.7	4.8

In the structure of employment by sector, workers in services (CZ-NACE G-Q), where already worked 56.4 % of all employed, dominate sharply. On the contrary in primary sector (CZ-NACE A, B) the employment permanently falls; the shares of older age groups in agriculture are substantially higher than in other sectors (almost 55 % of employed persons are older than 45).

Sizable differences are uncovered, if the industrial structure of first job holders is compared between 4th quarter 2005 and 4th quarter 2006. Employment in the **primary sector** (agriculture, forestry, fishing) decreased to 176.2 thousand persons and accounted for only 3.6 % of the total number of first (main) job holders. The number of persons employed in the **secondary sector** (industry, construction) increased by 39.2 thousand year-on-year to 1941.6 thousand (39.9 % of total

employment). This growth was mainly affected by the year-on-year increase of 50.6 thousand in employment that occurred in manufacturing. The number of employed persons went up most in manufacture of parts and accessories for motor vehicles and their engines (27.2 thousand), treatment and coating of metals; general mechanical engineering (9.7 thousand), manufacture of plastic (8.5 thousand) and manufacture of electronic valves and tubes and other electronic components (7.2 thousand). Decrease in the number of employed in construction by 19.7 thousand showed itself most in building completion and building of complete constructions or parts thereof.

Employment in the **tertiary sector** (all divisions of services including transport) increased by 27.3 thousand to 2743.1 thousand (56.4 % of total employment), but it developed in the individual divisions in an opposing way. Employment increased most in real estate, renting and business activities (25.2 thousand), health and social work (16.5 thousand), and other community, social and personal service activities (8.2 thousand). Within the industry of real estate, renting and business activities the growth showed mostly in the section of investigation and security activities, in legal, accounting and book-keeping activities, market research and public opinion polling, and in other computer related activities. In health and social work employment increased the most in social work activities and within the section of other community, social and personal service activities the number of employees increased mainly in the section of sewage and refuse disposal, sanitation and similar activities.

On the other hand, employment dropped most year-on-year in education (-20.4 thousand), mainly in preprimary and primary education. Employment dropped also in public administration and defence, compulsory social security (-10.3 thousand), most in provision of services to the community as a whole.

**Increases/decreases in numbers of first job holders: by industry
(4th quarter 2005 to 4th quarter 2006)**

Industries	Decrease		Industries	Increase	
	Thous.	%		Thous.	%
Education	-20.4	-6.7	Manufacturing	50.6	3.8
Construction	-19.7	-4.3	Real estate, renting and business activities	25.2	8.3
Public administration, defence and compulsory social security	-10.3	-3.0	Health and social work	16.5	5.1
Agriculture, hunting and forestry	-6.6	-3.7	Other community, social and personal service activities	8.2	4.3
Financial intermediation	-3.8	-3.9	Transport, storage and communication	6.3	1.8
Fishing	-0.9	-21.4	Mining and quarrying	5.8	11.1
			Hotels and restaurants	4.9	2.7
			Electricity, gas and water supply	2.6	3.5
			Trade, repair of motor vehicles and pers. and household goods	1.6	0.3

The ranking of industries according to an increase/decrease in the number of persons carrying out the activity changes from one quarter to another. With this in mind one should stress the fact that an increase/decrease in employment may strongly differ from values derived from other

sources. This is apparent, e.g., in the case of employment trends in public administration, where the differences compared to figures of business statistics stem among others from the fact that the LFSS idea of employment is more general in nature (see Introduction) and is not directly related to the so-called registered numbers of persons.

The number of **employees** represents a decisive part of occupied persons in all industries of the national economy. However, the proportion of this category is variable when viewed in general, which results from the nature and concentration of activities carried out in the industries, from the requested level and branch of education of employed persons, and from a variety of other aspects. An extraordinary proportion of employees is found for classical industrial branches with an above-the-average size of companies and also for some industries of tertiary sphere (primarily education and health service), where specific professional qualifications are also called for. The share of employees is naturally big in the organizations which concentrate on function of the public administration.

Employees and self-employed - first job holders: by industry
(4th quarter of 2006, persons in thousand)

Industries	Total employment	Of which			
		Employees	Self-employed		
			Total	With employees	Without employees
TOTAL	4861.7	4057.7	755.7	203.5	552.2
of which:					
Agriculture, hunting and forestry	172.8	125.7	31.7	3.9	27.8
Fishing	3.5	2.7	0.8	-	0.8
Mining and quarrying	58.0	57.0	1.0	.	.
Manufacturing	1369.7	1260.9	102.1	33.6	68.5
Electricity, gas and water supply	76.1	72.1	3.7	1.0	2.7
Construction	437.8	284.0	151.4	30.0	121.5
Trade, rep. of mot.vehicles, pers., househ.goods	613.7	466.1	136.9	44.5	92.5
Hotels and restaurants	185.9	145.7	36.5	20.8	15.7
Transport, storage and communication	363.1	313.1	48.2	15.3	32.9
Financial intermediation	94.4	70.4	23.3	1.4	21.9
Real estate, renting and business activities	329.4	209.6	115.5	21.2	94.4
Publ.administration, defence, comp.soc.security	329.5	324.1	5.3	3.1	2.2
Education	286.0	275.0	10.8	2.5	8.3
Health and social work	339.2	307.2	30.7	17.6	13.1
Other community, social and personal services	197.8	140.4	56.6	8.2	48.4

Only a few industries reported significant numbers of **members of producers' cooperatives**. Their frequency further decreased to 12.6 thousand in agriculture. Their number dropped to 0.8 thousand in manufacturing. Number of **contributing family workers** is higher in industries of trade (10.0 thousand) and manufacturing (5.9 thousand).

An **increase in the total number of self-employed** by 29.6 thousand showed itself mainly in the section of real estate, renting and business activities (13.7 thousand). Year-on-year increase in the number of self-employed persons, including contributing family workers was the highest in legal,

accounting, book-keeping and auditing activities, tax consultancy, market research and public opinion polling, business and management consultancy, holdings (5.4 thousand), in advertising and within the section of miscellaneous business activities n.e.c. In manufacturing (11.6 thousand) the number of self-employed increased in manufacture of furniture and in transport, storage and communication in the section of other land transport. Compared to 4th quarter 2005 the number of self-employed markedly increased also in human health activities.

The development in the number of **employers (the self-employed with employees)** went up most of all in transport, storage and communication (5.0 thousand) and manufacturing (4.5 thousand). The increase in **own-account workers (the self-employed without employees)** was mainly due to higher numbers of such persons in real estate, renting and business activities (10.0 thousand) and in manufacturing (6.9 thousand). In following table there are figures on the level of absolute and relative increase (decrease) in number of self-employed with and without employees in selected categories of economic activities.

**Increases/decreases in numbers of the self-employed: by CZ-NACE activity
(4th quarter 2005 to 4th quarter 2006)**

Selected CZ-NACE activities	Increases/decreases in the number of self-employed			
	Without employees (own-account workers)		With employees (employers)	
	Thous.	%	Thous.	%
Agriculture, hunting and forestry	0.0	-0.1	0.2	6.4
Manufacturing	6.9	11.2	4.5	15.7
Construction	-12.9	-9.6	3.7	13.9
Trade, repair of motor vehicles, person., househ. goods	-5.6	-5.8	1.2	2.7
Hotels and restaurants	2.1	15.7	2.5	13.7
Transport, storage and communication	-0.4	-1.1	5.0	48.3
Financial intermediation	3.0	15.8	-0.4	-21.5
Real estate, renting and business activities	10.0	11.9	3.4	19.3
Education	1.2	16.4	0.2	10.0
Health and social work	2.2	20.2	2.2	14.0
Other community, social and personal service activities	0.1	0.3	2.2	37.3

The share of the self-employed without contributing family workers constituted 35.1 % of all first job holders in industry in real estate, renting and business activities, 34.6 % in construction, 33.7 % in extra-territorial organizations and bodies, 28.6 % in other community, social and personal service activities, and 24.7 % in financial intermediation. Their shares were low in public administration, defence and social compulsory security (1.6 %) and in mining and quarrying (1.8 %).

For the CR's economy a high share of employment in the secondary sector (industry + construction) is typical. This share is the highest among all of the EU25 countries and the closest are only shares of this sector in total employment in Slovakia. Similarly, in manufacturing its share in the CR reached 28.4 % of total employment in 2nd quarter 2006. This is the highest value among all EU states and the CR surpassed also Slovenia. In the CR, the share of manufacturing was by

approximately 10 % higher than in the EU25 and by 11 % points higher than in the EU15. On the other hand, our branch structure of employment is distinguished by a significantly lower representation of services than in the EU15 (-13 % points), but also in the EU25 (-12 % points). Below the average representation has mainly real estate, renting and business activities and health and social work. In the following table, there are data on the branch structure of selected EU states in 2nd quarter 2006, for which the Eurostat published last complete results.

Structure of 15-64 years old persons with one of main job by CZ-NACE section in 2nd quarter 2006 (%)

Sectors of NE, CZ-NACE sections	EU25	CZ	DE	GR	FR	HU	NL	AT	PL	SK	FI	SE	UK
2nd quarter 2006													
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
of which:													
Agriculture, hunting, forestry, fishing	4.4	3.8	2.1	11.3	3.8	4.7	3.0	5.2	15.1	4.5	4.6	2.0	1.2
Industry	27.5	40.2	30.0	22.3	24.3	32.4	19.6	28.3	30.4	38.8	25.8	22.1	22.1
Mining and quarrying	0.4	1.2	0.3	0.4	0.1	0.4	0.1	0.3	1.7	0.7	0.2	0.2	0.4
Manufacturing	18.2	28.4	22.2	12.8	16.4	21.9	12.8	18.7	21.0	26.4	18.2	15.1	13.0
Electricity, gas and water supply	0.9	1.6	0.8	0.9	0.9	1.7	0.5	0.8	1.5	1.9	0.8	0.6	0.6
Construction	8.0	9.1	6.6	8.2	6.9	8.3	6.1	8.6	6.2	9.8	6.7	6.2	8.1
Services	67.8	55.9	67.9	66.4	71.7	62.9	73.2	66.5	54.4	56.6	69.5	75.7	76.5
of which:													
Trade, repair of motor vehicles and personal and household goods	14.4	12.8	14.0	17.8	13.2	14.8	14.4	15.4	14.5	12.6	12.5	12.3	14.5
Hotels and restaurants	4.3	4.0	3.7	6.7	3.6	4.2	4.1	6.2	1.9	4.5	3.1	3.1	4.3
Transport, storage and communication	6.1	7.5	5.5	6.4	6.1	7.6	6.1	6.4	6.2	6.7	7.4	6.3	6.7
Financial intermediation	3.1	1.9	3.5	2.6	3.1	2.0	3.4	3.3	2.2	2.2	2.0	1.9	4.4
Real estate, renting and business activities	9.6	6.5	10.1	6.4	10.4	7.2	11.9	8.8	5.7	5.6	11.6	13.9	11.4
Public administration, defence, compulsory social security	7.3	6.8	7.8	8.7	9.3	7.4	6.8	6.6	6.3	7.0	4.6	5.6	7.2
Education	7.2	5.8	5.8	7.5	7.0	8.3	6.9	5.7	7.9	7.3	6.8	10.9	9.4
Health and social work, veterinary activities	9.9	6.7	11.2	5.1	12.1	6.9	15.5	9.1	5.9	6.8	15.4	16.0	12.5
Other community, social and personal service activities	4.8	3.9	5.8	3.4	4.4	4.5	4.0	4.6	3.8	3.8	5.7	5.5	5.6

CZ-Czech Republic, DE-Germany, FR-France, HU-Hungary, NL-Netherlands, AT-Austria, PL-Poland, SK-Slovakia, FI-Finland, GR-Greece, SE-Sweden, UK-Great Britain

The total number of first job male entrepreneurs exceeds the total number of first job female entrepreneurs 2.7 times (2.5 times in the group of self-employed without employees and 3.4 times in the group of self-employed with employees). In addition to the general prevalence of the number of the male self-employed over that of the female self-employed, there are differences in the industrial structure of this category between both sexes. The markedly higher number of male self-employed persons over female self-employed persons is distinct in most of the industries, particularly in

construction, manufacturing and trade, repair of motor vehicles and personal and household goods. On the other hand, there are more female entrepreneurs than male ones in other community, social and personal service activities and in health and social work.

Self-employed: by CZ-NACE activity, by sex

Selected industries	All Thous.	Male self-employed				Female self-employed			
		Without employees		With employees		Without employees		With employees	
		Thous.	%	Thous.	%	Thous.	%	Thous.	%
TOTAL including ¹⁾	755.7	396.6	100.0	157.0	100.0	155.7	100.0	46.4	100.0
Construction	151.4	119.0	30.0	29.1	18.5	2.5	1.6	0.8	1.8
Trade, repair of motor veh. and pers. and househ. goods	136.9	61.0	15.4	32.3	20.6	31.4	20.2	12.1	26.2
Real estate, renting and business activities	115.5	54.4	13.7	17.5	11.2	40.0	25.7	3.6	7.8
Manufacturing	102.1	55.9	14.1	28.6	18.2	12.6	8.1	5.0	10.8
Other community, social and personal service activities	56.6	17.1	4.3	5.0	3.2	31.3	20.1	3.2	6.9
Transport, storage, communication	48.2	29.4	7.4	13.1	8.3	3.4	2.2	2.2	4.8
Hotels and restaurants	36.5	8.8	2.2	15.6	9.9	7.0	4.5	5.2	11.2
Agriculture, hunting, forestry	31.7	24.4	6.2	3.4	2.2	3.4	2.2	.	.
Health and social work	30.7	6.9	1.7	6.8	4.3	6.2	4.0	10.8	23.2

¹⁾ Sequence by the number of the self-employed of both sexes in the industries

In the **civil sector of the national economy**, there were 95.0 % of persons working **full time** in their first jobs. Of the total of 239.9 thousand employed persons in their **part time employment**, 42.3 thousand were classified as **underemployed** (0.9 % of the total first job holders in the civil sector). Three quarters of part-time employed persons are females; and females are sharply prevailing in the group of the underemployed (78.7 %).

There were in total 97.0 thousand **second job holders** in the civil sector in the 4th quarter. The frequency of these employed dropped year-on-year by 17.3 thousand. The share of males made up 59.8 %. Unlike first job holders, working contracts with limited job tenure are much more represented here (20.8 %). The number of second job holders is high especially in Hlavní město Praha (15.2 thousand), in other regions overtops the level of 9 thousand in the Jihomoravský (9.2 thousand) and Středočeský (9.0 thousand) Regions.

Similarly, the structure of professional status of second job holders substantially differs from that of first job holders. Employees, who account for 36.0 % of all second job holders (35.0 thousand), fell by 10.5 thousand when compared to 4th quarter 2005. The number self-employed (incl. family workers) second job holders went down (by 7.2 thousand), but their share in all second jobs is still high (63.6 %). The most numerous status group are the male self-employed: a total of 41.5 thousand (including family workers), i.e. 71.5 % of male second job holders.

Prevailing majority of persons employed in the second job have employee status within the first/main job (total 79.3 thousand, i.e. 81.7 % of second jobs) or status of self-employed without employees (12.2 thousand, 12.6 %).

Second jobs affect total employment in the industries of trade, repair of motor vehicles and personal and household goods (10.1 thousand), other community, social and personal service activities (9.4 thousand), education (9.3 thousand), and especially real estate, renting and business activities (19.4 thousand), where they account for 5.9 % of first job holders in industry. One should respect the big difference in the average hours of work in the first and second jobs.

Average **usual hours of work per week** of **first job holders** in the civil sector stood at 41.8. The number of these hours represents an average number of hours normally worked by a person in week including the regular overtime disregarding whether they are paid but do not cover the time spent on commuting from home to work and back and recess. **Hours actually worked** in the reference period were fewer (38.4). First job holders working full time and part time worked **usually** 42.8 hours a week and 22.8 hours a week, respectively. The largest number of hours usually weekly worked of persons working full-time was shown in industries of extra-territorial organizations and bodies (48.0 hours), where the employment is very low though. Employed in construction (45.9 hours), in hotels and restaurants (45.8 hours) and in real estate, renting and business activities (44.8 hours) indicated an above-average number. **Actual** hours worked in **second jobs** stood at 13.5 hours in the reference week.

When responding to the survey, the self-employed mention that their activity consumes a considerable amount of time. On average, their hours worked per week exceeds those of employees working full time by more than a fifth.

The share of second jobs in the total scope of work executed is shown in the following table, where also the numbers of persons are given on top of average usual hours of work a week.

**Average usually weekly worked hours and numbers of persons employed in civil sector
of national economy: by professional status (4th quarter 2006)**

Professional status excl. persons not working 4 weeks or more	First job		Second job ¹⁾
	Full-time	Part-time	
Thousands of persons			
The employed, all	4605.0	239.9	97.0
Employees	3845.4	195.9	35.0
Members of producers' cooperatives	13.9	1.0	.
Self-employed (incl. family workers)	745.1	43.0	61.7
Average usually weekly worked hours			
The employed, all	42.8	22.8	13.5
Employees	41.4	23.3	13.3
Members of producers' cooperatives	41.3	22.7	26.0
Self-employed (incl. family workers)	50.1	20.3	13.6

¹⁾ Hours actually worked

Participation rate (rate of economic activity), which is the ratio of the employed plus the unemployed to all persons aged 15+ stood at 59.1 % (both sexes) and decreased by 0.4 percentage points in comparison with its level in the 4th quarter of 2005. This rate is high in the group of persons aged 30-44, where the percentage of economically inactive males is extremely low (2.9 %) and the percentage of economically inactive females is 19.0 %. The low rate of economic activity is characteristic for the youngest age group of 15-29, as these persons are often still preparing for their occupation. The detailed data on the trend of economic activity by age groups are shown in table no. 508.

**Participation rate: by age and sex
(4th quarter 2006)**

Sex	All	Age group			
		15-29	30-44	45-59	60+
Males	68.5	59.1	97.1	89.3	16.6
Females	50.3	43.1	81.0	75.7	5.4

Among the employed in the civil sector, 79.4 thousand persons (including 38.0 thousand males) were seeking another or additional job in the reference period; it mostly includes persons wishing to have better working condition (higher pay, better working time, commute, quality of work – 46.1 thousand). The principal reasons given for seeking another/additional job were besides the aspiration for better work conditions also uncertainty and fear for the loss of the existing job (12.0 thousand). The activity of the employed in seeking different or another job was comparatively the highest in the Zlínský (3.1 %) and Olomoucký (2.9 % of all first job holders in the civil sector) Regions.

III. B. *Unemployment and economic inactivity*

The number of **the unemployed** derived from LFSS results stood at 339.3 thousand in the 4th quarter 2006, including 185.2 thousand females (54.6 %), and decreased by 65.5 thousand below their number in the 4th quarter 2005 (included are persons who have found their job but they are able to start a job in two weeks). Unemployment increased only in age group 60+ (by insignificant 0.5 thousand).

The decrease in unemployment proved notably in age group 25-29 by 15.6 thousand. Unemployment decreased with the exception of this group also in the wide group of people between 15 and 59 years of age. The number of unemployed men remains lower than number of unemployed women. Simultaneously with the total year-on-year decrease of total unemployment the unemployment of men dropped by 21.3 thousand and fall of unemployed men proved mainly in age group 15-19 (by 6.0 thousand). The number of unemployed women decreased in the same period totally by 44.2 thousand and this drop showed the most in age group 25-29 (by 12.6 thousand).

The number of persons with basic education amounted to 84.4 thousand (i.e. 24.9 % of total unemployment), and the number of unemployed leavers from secondary schools without the General Certificate of Secondary Education was high (157.0 thousand, i.e. 46.3 % of the total unemployed). Taking account of educational attainment, the structure of unemployed men is somewhat different from that of unemployed women. While unemployed with primary education and leavers from secondary schools without the GCE dominate among unemployed men with 23.6 % and 52.2 %, respectively (25.9 % and 41.4 %, respectively, among unemployed women), also persons with secondary education with GCE are strongly represented among unemployed women (30.1 % of unemployed women).

The number of unemployed with work experience, who finished their last job before less than 8 years, amounted to 252.0 thousand and decreased compared to the 4th quarter 2005 by 47.5 thousand. According to the ascertained industrial breakdown the unemployed with experience of work had worked the most frequently in manufacturing (87.8 thousand), trade, repair of motor vehicles and personal and household goods (43.2 thousand), and in construction (20.9 thousand).

In light of the classification of occupations, more than three quarters of the unemployed were at work in the four following major groups of CZ-ISCO-88 classification: elementary occupations (54.6 thousand - 21.7 % of all unemployed persons with experience of employment), craft and related trades workers (50.9 thousand - 20.2 %), service workers and shop and market sales workers (48.2 thousand - 19.1 %) and plant and machine operators and assemblers (36.7 thousand - 14.6 %).

The number of **long-term unemployed** (one year and more) decreased by 31.0 thousand to 185.1 thousand, but their share in the total unemployed still exceeds one half (54.5 %). The drop of long-term unemployment proved mostly in women in age group 20-29 years by 4.0 thousand, and in men also in age group 20-29 by 8.8 thousand. The number of persons unemployed for more than four years went down by 0.9 thousand to 58.2 thousand (17.2 % of the total unemployed).

The unemployed: job seeking duration (4th quarter 2006, persons in thousands)

All	Up to 3 months	3-6 months	6-12 months	1-2 years	2 years or more	Not identified
339.3	46.5	42.8	64.9	65.4	119.7	-

The growth of total employment and the decrease in the number of the unemployed resulted in a relatively high decrease of general unemployment rate of persons aged 15-64 (ILO). In comparison to 4th quarter 2005, the general unemployment rate decreased by 1.3 percentage points to 6.6 %. It decreased mainly among the female population (by 1.8 percentage points to 8.2 %), while it dropped among the men population by 0.8 percentage points to 5.3 %. According to the latest complete results of the Eurostat for 2nd quarter 2006 the general unemployment rate in the Czech Republic was lower than in the EU25, when with a relatively low unemployment level of men the level of unemployment of women in the CR was also below the average of the EU25. The big decrease of unemployment during the last year in the Czech Republic had a positive effect in both of the comparisons with the EU25 and EU15 countries when in 2nd quarter 2006 the unemployment rate in the CR was lower than the average of the EU15.

Compared to the neighbour states, the level of unemployment is higher than in Austria but markedly lower than in Poland and Slovakia, where it is still extremely high and the highest throughout the Union. Our unemployment level is lower also in comparison with Germany mainly due to an unfavourable situation in the long run in the federal states in the regions of former DDR.

General unemployment rate of persons aged 15-64 in the EU member states in 2nd quarter 2006

Country	2 nd quarter 2006		
	Total	Men	Women
EU-25	8.3	7.7	9.1
EU-15	7.8	7.2	8.5
Belgium	8.4	7.8	9.0
Czech Republic	7.1	5.7	8.9
Denmark	4.0	3.4	4.6
Germany	10.4	10.5	10.1
Estonia	6.3	6.2	6.5
Ireland	4.4	4.6	4.1
Greece	8.9	5.7	13.5
Spain	8.6	6.4	11.6
France	8.8	8.2	9.6
Italy	6.6	5.3	8.5
Cyprus	4.2	3.5	5.0
Latvia	7.4	8.4	6.4
Lithuania	5.7	5.5	5.8
Luxemburg	4.5	3.5	5.8
Hungary	7.2	6.9	7.7
Malta	7.8	6.6	10.2
Netherlands	3.9	3.6	4.2
Austria	4.8	4.3	5.3
Poland	14.3	13.6	15.0
Portugal	7.7	6.8	8.7
Slovenia	6.0	5.2	6.9
Slovakia	13.6	12.4	15.1
Finland	9.0	8.9	9.2
Sweden	8.1	7.9	8.4
United Kingdom	5.4	5.8	4.9

Source: Eurostat

Most of the unemployed (71.2 %) were graduates from secondary schools without GCE or people with basic education. This fact also resulted in considerable differentiation of the rate of unemployment calculated for individual levels of education; the lowest level of unemployment is recorded steadily for university graduates (1.8 %) and persons with secondary education with GCE (4.4 %). The high unemployment rate continued in the group of persons with elementary education (22.5 %). Above-average rate occurs also in the group of persons with secondary education without leaving exam, mostly apprentices (7.2 %).

To verify the reliability of the sample survey, CZSO regularly analyses and compares LFSS figures and indicators with those based on the registration of labour offices. For this purpose, a breakdown of the categories of unemployed persons and all registered job applicants according to the results of the LFSS can be found below.

**Breakdown of registered job applicants and the unemployed as identified by the LFSS
(4th quarter 2006, thousand persons)**

Category	Number
I. Persons who conveyed registration by the labour offices	373.8
including:	
a) those who satisfy ILO conditions for inclusion among the unemployed	261.0
b) those not satisfy ILO conditions	112.8
due to:	
- they worked in reference week	44.3
- they did not seek a job during the last 4 weeks	55.6
- they are not available for work within 14 days	13.0
II. Unemployed meeting ILO conditions and not registered by the labour offices	78.4
III. All number of ILO unemployed (I.a + II.)	339.3
IV. Other persons not employed and not registered by the labour offices, who:	
- seek work or found it already but not available for work within 14 days	9.0
- not seek work but wish to work	220.6
of which: available for work within 14 days	53.4

In the period in question the number of job applicants actually registered by labour offices reached 441.2 thousand, which was a figure which differed by 67.4 thousand from what was found by the sample survey (the number of registered job-seekers). However, this difference has been significantly decreasing in comparison to the previous years due to legislation allowing gainful activity of registered job applicants limited to a certain extent.

This discrepancy between LFS unemployed and job applicants kept by the Ministry of Labour and Social Affairs, CR has been appearing for a long time. One can assume that beside the different methodological definition of indicators it is also influenced by other factors:

- The CZSO included the question on so called main status (means usual economic status) already in 1993. This question preceded the questions relating to reference week and thus influenced the answers of respondents on their real economic activity in reference period to some extent. Eurostat inserted the question on main status into its standard in 1998 as

coming after the questions relating to the reference week. From 1 January 2002 the LFS questionnaire was fully harmonised with Eurostat's standard including the order of asking the questions to the respondents. Now the priority is the question on **economic activity of respondent in the reference week**. If the respondent stated that **worked at least 1 hour** in the reference week, s/he is strictly classified as person in employment according to the ILO methodology. The current form of questionnaire authorizes to the assumption that positive answer on employment in the reference week influences following answers on the questions on main status and especially the registration in Labour Offices to some extent. Recently there is clearly an identical development of both unemployment rates.

Regarding the need of keeping the anonymous data and optionality of participation in the LFSS, the CZSO has no possibility to compare the surveyed data with other sources, e.g. with the evidence of Labour Offices. From the trend of difference between the number of persons registered by Labour Offices and the number of this persons measured by LFSS is possible to judge that influence of change in questionnaire content proved in reduction of the unemployed persons in LFSS in range from 30 to 50 thousand.

- Relatively higher **rate of non-response** is caused by high share of empty flats in sample and mainly categorical refusals of cooperation. On the base of structure rejected answers during repeated visits one must assume that social structure of households, which refused the cooperation, can partly differ from the structure of interviewed households and the group of unemployed who refuse to communicate within the sample survey can be over-represented among them. Thanks to more intensive contact of LFS field-workers with respondents' households the total non-response decreased in last quarters.

The difference in data on unemployment between both sources is usual also in other Member States and Candidate Countries of EU. At the same time it is necessary to remark that some Member States of EU do not disseminate both unemployment rates officially.

The number of **economically inactive persons** aged 15+ (according to the LFSS methodology they are persons who had no job and were not seeking a job during last four weeks or did not meet all conditions for being classified among the unemployed) increased by 61.3 thousand year-on-year and reached 3595.0 thousand in 4th quarter 2006. This category is primarily affected by numbers of the retired and of persons preparing for their future occupation. The number of basic school pupils decreased by 8.4 thousand; the number of secondary school pupils including vocational schools increased by 22.4 thousand to 525.9 thousand. The number of university students including higher professional school students grew by 4.4 thousand to 274.0 thousand. The number of economically inactive normally retired persons not actively seeking job reached 1849.6 thousand, the number of persons in early retirement 61.5 thousand and the number of disability pensioners 252.7 thousand. These figures cannot accurately correspond to the statistics on pupils and students compiled by the Ministry of Education Youth and Sports of the CR or to the numbers of pensioners on the records of the Ministry of Labour and Social Affairs of the CR because the pupils, students or pensioners who fulfilled the criterion of being classified among persons in employment or unemployed persons in the reference week are not reported as economically inactive.

The decrease in the number of the unemployed and the rise of the employed and the economically inactive persons proved in the growth of **employment rate of persons aged 15 and more** (share of main-job holders in number of persons usually living aged to 15 and more years) year-on-year from 54.9 % onto 55.3 %. The **total employment rate of persons aged 15-64** grew year-on-year by 0.5 percentage points to 65.6 %. The increase in the employment of men at working age amounted to 0.6 percentage points to 74.2 %, this indicator went up in women by 0.3 percentage points to 57.0 %. On one hand this employment rate is reduced by the increase in persons studying at secondary schools and on universities and pushed up by the employment of persons aged 30-44 and persons at pre-retirement and retirement age 60-64 on the other hand.

Compared internationally, the Czech Republic is among the countries with the above-the-average employment intensity in the EU. According to the latest complete data for 2nd quarter 2006 released by the Eurostat, the employment rate of persons aged 15-64 in the Czech Republic was

higher than the total for EU25 and came closer to the level in the EU15. Nevertheless, differences in employment rates are considerable, not only if we compare the whole age group 15-64, but also in the male and female components of employment. On the one hand, there is a high level of employment in the northern countries and the United Kingdom (e.g. in Denmark it was 76.9 % in 2nd quarter 2006), on the other hand in many countries the level of employment was lower than 60 % (in Poland it reached only 53.9 % in 2nd quarter 2006). Compared to our neighbour states, higher level of employment is in Austria and slightly higher also in Germany, level of employment in Poland and also in Slovakia is, however, significantly lower. Very low unemployment rate is also in Hungary. In the following table, there are apart from data for 2nd quarter 2006 also data for 3rd quarter 2006 (a qualified estimate was made for some of the countries).

Employment rate for the age group 15-64 in the EU member states in 2nd quarter 2006 and 3rd quarter 2006

Country	2 nd quarter 2006			3 rd quarter 2006			%
	Total	Men	Women	Total	Men	Women	
EU-25	64.6	71.9	57.3	:	:	:	
EU-15	65.9	73.4	58.5	:	:	:	
Belgium	60.4	67.0	53.6	:	:	:	
Czech Republic	65.3	73.6	56.8	65.4	73.9	56.8	
Denmark	76.9	80.6	73.2	78.2	82.1	74.1	
Germany	67.0	72.5	61.4	67.7	73.5	61.8	
Estonia	68.8	71.3	66.4	67.9	71.2	64.9	
Ireland	68.1	77.3	58.8	:	:	:	
Greece	61.0	74.6	47.5	61.5	75.0	48.1	
Spain	64.7	76.0	53.2	65.2	76.7	53.4	
France	63.0	68.5	57.7	:	:	:	
Italy	58.9	71.1	46.7	:	:	:	
Cyprus	69.5	79.6	59.8	70.4	80.7	60.8	
Latvia	65.5	68.2	62.9	:	:	:	
Lithuania	63.7	66.4	61.1	64.2	66.7	61.8	
Luxemburg	63.6	73.3	53.7	:	:	:	
Hungary	57.3	63.9	51.1	:	:	:	
Malta	54.3	73.9	34.5	:	:	:	
Netherlands	74.2	80.8	67.5	74.7	81.3	67.9	
Austria	70.0	77.0	63.0	71.9	79.1	64.7	
Poland	53.9	60.2	47.8	:	:	:	
Portugal	68.1	74.0	62.4	68.2	74.3	62.2	
Slovenia	67.1	70.8	63.3	67.2	72.1	62.1	
Slovakia	59.3	66.9	51.6	59.9	67.5	52.4	
Finland	69.9	71.7	68.1	:	:	:	
Sweden	73.1	75.5	70.6	74.7	77.0	72.3	
United Kingdom	71.3	77.0	65.8	:	:	:	

Source: Eurostat

Measured in the framework of full harmonization of the national LFSS questionnaire with the EU standard are also data on persons who do not have any job and are not seeking a job in an active way and do not thus meet the ILO conditions for being considered as unemployed, but declare their willingness to work. These economically inactive persons are a potential labour reserve. In the 4th quarter of 2006, their number amounted to 244.1 thousand, which was by 18.6 thousand less year-

on-year. A large number of these persons were found in age group up to 24 years (79.3 thousand), predominantly among students or apprentices. The relatively high number of people in the age group 25-34 (46.1 thousand) results from a high number of women on another parental leave or housewives who take interest in being employed. The number of persons who cannot register as unemployed but seek a job through Labour Offices increases at the age of 50+: they were 15.1 thousand and 27.6 thousand in the age groups 50-54 and 55-59, respectively, in the age group 50-54 years it involves mainly the retired due to disability, in the age group 55-59 years the persons in regular and early retirement and persons retired due to disability. The age group 60+ was represented by 43.8 thousand, old-age pensioners largely prevailing among persons interested in job.

Since the 1st quarter 2006 a Table Nr. 109 has been attached, in which the activity status of respondents is compared between reference week and situation one year ago. Data of respondents' activity status before one year are not necessarily correspondent with data of activity status recorded and published a year ago. Reason for this is comparison of usual activity status a year ago with current activity status in reference week and furthermore some persons had indicated unemployment one year ago, but in reference week recalled their status as inactivity or working.