4. LABOUR AND EARNINGS

The Labour Force Sample Survey (LFSS) is a source of information on the labour market. The information is obtained by surveys among respondents´ households. The methodology of indicators measured by the LFSS is in line with the definitions and recommendations of the International Labour Office (ILO) and enables international comparability of labour market characteristics.

The labour force includes all persons who are aged 15+ and are employed or unemployed.

The employed include all persons aged 15+ (usually living on the surveyed territory), who worked at least 1 hour during the reference week for a wage, salary or other remuneration, or who had a formal job attachment while not being at work. Whether their working activity is permanent, temporary, seasonal or occasional, or their job is the only (main) or second (additional), or whether they are single or multiple jobholders, or whether they are studying at the same time or receiving some pension makes no difference.

According to international methodology, the employed include:
- persons working in their own or family company,
- regular and temporary members of the armed forces including those on compulsory community service,
- persons on maternity leave, who were working before.

According to international methodology, the employed exclude:
- persons on maternity leave, who were not working before and persons on additional child-care (parental) leave – they are classified as the unemployed or economically inactive according to whether they fulfil the ILO conditions or not.

According to the above-mentioned definition, e.g. apprentices, students, homemakers and other persons engaged above all in other than economic activities and were working in the reference period for at least 1 hour for salary or remuneration or had a formal job attachment are taken for the employed.

Distinguished between are all employed persons in the **national economy** and persons employed in the **civilian sector** (excluding members of armed forces).

The paid employed are all persons with a formal job attachment, irrespective of whether they work in the reference   week or not. The formal job attachment is an employment contract (work contract, appointment or election by the (current legislation), work execution agreement and working activity agreement and, as the case may be, other contractual relations outside the domain of labour law (e.g., contracts over copyright).

Working pensioners are persons the usual status of whom corresponds to the situation of persons receiving a pension and at the same time fulfilling the criterion for inclusion in employed in the reference period.

The unemployed are all persons who are aged 15 or more and who concurrently meet all three of the following conditions in the reference period:
- are out of work - i.e. during the reference week they do not work not a single 1 hour for a salary or other remuneration not have a job attachment while not being at work.
- are actively seeking employment. "Actively" implies the registration with a public employment office or a private employment agency, seeking employment by applying to the employer directly, studying advertisements in newspapers and journals, taking steps to establish one's own business, applying for work permit or licence, and the like,
- are ready to take up a job - i.e. they are available to carry out paid employment or self-employment immediately or within two weeks. Besides them, persons who are not seeking employment, because they have already found one, but they should start work later (within three months as the latest), are classified as unemployed by Eurostat definition.

Persons not fulfilling at least one of the three conditions above are classified to the category of the employed or the economically inactive.

General unemployment rate (ILO) is an indicator calculated from LFSS results and complying with international definitions and recommendations. It is derived as the unemployed/total labour force percentage.

The long-term unemployed are persons, who were in the reference week unemployed for more than one year.

Long-term unemployment rate – it is derived as the long-term unemployed/sum of the employed and long-term unemployed.

Employment rate is the share of the employed in the total number of persons aged 15+.

Participation rate is derived according to ILO and Eurostat methodology. It is the share of total labour force in the total number of persons aged 15+.

Distinction of territories to **cities and countryside** was made on the basis of the number of permanently inhabited flats in a municipality. Municipalities with the number of permanently inhabited flats higher than 800 are included in cities.

Results in Tables 4-34, 4-35 and 4-36 are taken over from the publication Structure of Earnings Survey 2011 (code of the publication is 3109-12, CZSO) based on Information System on Average Earnings, which is made by the Ministry of Labour and Social Affairs of the CR and Information System on Salary, which is made by the Ministry of Finance of the CR.
Since 2011 results has been covering the whole population of employees in the Czech Republic, by a sampling method, because, as a novelty, employees of enterprises with less than 10 employees and also employees of non-profit institutions and those of the self-employed are involved. This change means the statistical data representativeness has been improved. Results for the previous years were not grossed-up to the whole national economy and do not cover namely enterprise with less than 10 employees and thus the results may not be compared in the whole time series. Data for 2010 were recalculated according to the new methodology.

Registered job applicants are citizens residing in the respective area, who have no formal job or similar attachment to an organization, who are not gainfully self-employed, and who have asked a labour office to find a job for them.

Registered unemployment rate is the ratio of registered job applicants to the labour force available (i.e. the employed + registered job applicants).

Data on economic activities are broken down by section of the Classification of Economic Activities (CZ-NACE) valid from 1 January 2008. It corresponds to the international classification NACE Rev. 2.

The breakdown by occupation was developed according to the new version of the Classification of Occupations of the CZ-ISCO (effective since 1 January 2011).

Status in employment – it is classified by the CZ-ICSE, which corresponds to the ICSE-93 (International Classification of Status in Employment).

Nonformal education – a form of education, in which a respondent participates in courses, in which he or she obtains new knowledge and skills. A necessary condition for inclusion in these courses is always participation of a professional lecturer or a teacher.

Commuting to and from work – data on the amount of commuting cannot be directly compared to the Population and Housing Census results, because data obtained from the LFSS apply only to persons usually living in flats and not in accommodation establishments.

GPG – Gender Pay Gap: Relative difference in the average or median wage for men and women (related to the median wage for men). It is expressed in percent. The size of GPG in some of the categories does not necessarily mean discrimination. In most cases the difference can be explained by the influence of other factors, which have a different structure for men and women (apart from education this involves, for example, sectors, occupations, number of hours worked etc.).

Numerical data in absolute terms are given in thousands. Differences between the data for a whole and a sum of partial data in the annexed tables result from the fact that the total is not a sum of rounded off partial data but the rounded total data. Both absolute and relative data in all text and annexed tables and in the text are calculated from non-rounded numbers.

"Not identified" in the tables comprises refused answers, answers "do not know" and any other case of an unidentified answer of the respondent. Where more answers to the question asked are possible, the data are classified, in principle, according to the main variant of the answer.

It should be borne in mind in using the tables that sample methods were employed to acquire the information and, therefore, the accuracy decreases as the sample diminishes.

Note: In the LFSS publications (Labour Market in the CR, Employment and Unemployment in the CR as Measured by the Labour Force Sample Survey – quarterly data, annual averages) data provided are structured in more details - by age, education, region, etc. You can find these publications on the CZSO website at:

www.czso.cz/csu/edicniplan.nsf/aktual/ep-3#31.