3 February 2014

Economic Activity Rate of the Czech Republic Population Has Been Further Growing

Employment and unemployment in the Czech Republic according to the LFSS results – Q4 2013

**The total employment in Q4 2013 increased by 41.1 thousand persons compared to the same period of 2012; the employment rate of the aged 15-64 years reached 68.3% and grew by 1.2 percentage point (p.p.), year-on-year (y-o-y). The number of the unemployed according to the ILO methodology dropped by 24.1 thousand persons, y-o-y; the number of the long-term unemployed decreased by 12.0 thousand persons. The general unemployment rate of the aged 15-64 years declined by 0.4 p.p. year-on-year and was 6.8%.**

### Employment

In Q4 2013 the seasonally adjusted **average number of employed persons** increased by 7.9 thousand persons, compared to Q3 2013.

The **number of employed persons** increased by 41.1 thousand (i.e. by 0.8%), y-o-y, to 4 957.7 thousand while the increase was contributed by persons in the position of employees. The number of the **self-employed in the main job, including family workers,** in total fell by 12.0 thousand to 890.4 thousand persons compared to Q4 2012 and their share decreased to 18.0%. Compared to Q4 2012, the number of the **employees, including members of producer cooperatives,** grew by 53.1 thousand to 4 067.3 thousand and their share was 82.0% of the total employment.

The growth in the total employment was demonstrated mostly in the tertiary sector of services yet newly in the secondary sector as well. In Q4 2013 the number of the employed in the **secondary sector** increased by 11.4 thousand (it was 1 874.1 thousand persons in total) and the **tertiary sector** saw an increase even by 42.0 thousand persons (it was 2 939.2 thousand persons in total), year-on-year. On the contrary, the number of persons working in the **primary sector** significantly decreased by 12.2 thousand persons (it was 144.3 thousand persons in total).

The **employment rate** (percentage of the employed in the age group 15‑64 years) reached 68.3% (the highest level since Q1 1998) and grew by 1.2 p.p. compared to Q4 2012. The male employment rate increased by 1.2 p.p. to 76.1% and the female employment rate grew by 1.3 p.p. to 60.2%.

The increase in the employment rate has been still significant and if summarised it is already the three-year continuous increase in the employment rate in the group of 15‑64 years of age year-on-year. On the other hand, compared to the average of 2012 the number of hours worked in the national economy decreased roughly by 1%, mainly due to an increase in the number of part-time employment contracts (increase by 15%) and in the number of definite period employment contracts (increase by 11%).

### Unemployment

The seasonally adjusted **average number of unemployed persons according to the International Labour Organisation (ILO)** **methodology[[1]](#footnote-1)** decreased by 12.0 thousand persons in comparison to Q3 2013.

The **number of unemployed persons** reached 355.4 thousand (of which 189.4 thousand females) and the total number of the unemployed dropped by 24.1 thousand persons, year-on-year. The decline in unemployment was manifested more in the male population (by 16.1 thousand persons), than in the female population (by 8.0 thousand persons).

The decrement of the **number of persons unemployed for one year and longer** was 12.0 thousand and the total number of them reached 150.1 thousand persons. The share of the long-term unemployed in the total number of unemployed persons attained 42.2%.

The **general unemployment rate according to the ILO definition** in the age group 15-64 years (the share of the unemployed in the labour force, i.e. the sum of the employed and the unemployed) attained 6.8% in Q4 2013 and decreased by 0.4 p.p.. If broken down by educational attainment, university graduates permanently show a low unemployment rate (3.0%) and the same can be seen for the persons having secondary education with A-level examination (5.4%). A high unemployment rate pertains in the group of persons with basic education (23.0%), and an above average unemployment rate stays also in the large group of those having secondary education without A-level examination, including persons with apprenticeship certificates (7.8%).

Similarly as in the previous quarters, economic activities of the Czech Republic population have been still growing especially due to the increased employment. **The level of the economic activity rate of persons aged 15-64 years** (ratio of the employed and the unemployed in this age group) reached, in Q4 2013, the highest value (73.3%) in history of the Czech Republic. The LFSS results have been released in a comparable form since 1993.

### Inactivity

In the sample survey, data are collected also on **persons, who do not work and do not seek a job in an active manner, and thus do not comply with the ILO conditions for the unemployed**, yet they state they would like to be working. In Q4 2013 the number of such persons was 139.3 thousand, i.e. by 15.3 thousand lower than in the same period of 2012. Majority of persons willing to work, however, is not able to start in a potential job immediately. There are 65.7 thousand persons able to start in a job within a fortnight, at the latest.

Notes:

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Data source: CZSO, Labour Force Sample Survey (LFSS) conducted in selected dwelling households; collective accommodation establishments are not included in the survey. The LFSS results have been grossed up to the total population of the Czech Republic using data of the population statistics as at 1 January 2013 and the prediction of the population development in 2013. The results grossed up to the total population of the Czech Republic are based on results of the 2011 Population and Housing Census.

End of data collection /

End of preliminary data processing: 13 January 2014 / 20 January 2014

Related Internet-published document: e-3101-13 - “Employment and Unemployment in the Czech Republic as Measured by the Labour Force Sample Survey” (<http://www.czso.cz/csu/edicniplan.nsf/aktual/ep-3#31>) with the finalised survey results will be available on the CZSO website by the end of Q1 2014.

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Annexes:

Table 1 Employed persons (position in the main (one) job, absolute numbers, shares, year-on-year increments, and indices)

Graph 1 The employed and the unemployed (absolute numbers)

1. *1) The ILO methodology defines* ***the unemployed*** *as all persons above a specified age who during the reference period were: - without work, that is, were not in paid employment or self-employment during the reference period; - currently available for work, that is, were available for paid employment or self-employment during the reference period; and - seeking work, that is, had taken specific steps in a specified recent period to seek paid employment or self-employment. The specific steps may include registration at a public or private employment exchange; application to employers; checking at worksites, farms, factory gates, market or other assembly places; placing or answering newspaper advertisements; seeking assistance of friends or relatives; looking for land, building, machinery or equipment to establish own enterprise; arranging for financial resources; applying for permits and licences, etc. This methodology is uniform for all EU Member States and produces internationally comparable data. It should be noted that the definition of “the unemployed” by the ILO differs from the definition of “job applicants” registered by the labour offices of the Ministry of Labour and Social Affairs of the CR.* [↑](#footnote-ref-1)