3 August 2015

Good News from the Labour Market

Employment and Unemployment in the Czech Republic according to the LFSS Results – Q2 2015

**Total employment in Q2 2015 increased by 82.1 thousand persons compared to the same period of 2014; the employment rate of the aged 15**–**64 years reached 70.2% and grew by 1.5 percentage point (p.p.), year-on-year (y-o-y). The number of the unemployed according to the ILO methodology dropped by 56.8 thousand persons, y-o-y; the number of the long-term unemployed decreased by 15.4 thousand persons. The general unemployment rate of the aged 15**–**64 years declined by 1.1 p.p. y-o-y and was 5.0%.**

### Employment

In Q2 2015 the seasonally adjusted **average number of employed persons** increased by 15.2 thousand persons, compared to Q1 2015.

The **number of employed persons** increased by 82.1 thousand (i.e. by 1.7%), y-o-y, to 5 044.3 thousand. The number of the **self-employed in the main job, including family workers,** in total fell by 15.1 thousand to 883.0 thousand persons compared to Q2 2014 and their share was 17.5%. On the contrary, compared to Q2 2014, the number of the **employees, including members of producer cooperatives**, significantly increased by 97.2 thousand to 4 161.3 thousand and their share was 82.5% of total employment.

A growth in total employment was in a significant manner demonstrated in the **secondary sector** by 32.5 thousand persons more compared to the previous year and thus the number of working persons in the sector was 1 923.2 thousand in total. In the **tertiary secto**r of services the number of working persons grew by 32.7 thousand persons and the total number of working persons was 2 970.6 thousand compared to the previous year. Surprisingly, the number of persons working in the **primary sector** increased by 16.5 thousand persons as well; there were 149.9 thousand persons employed in the sector in total.

The **employment rate** (percentage of the employed in the age group 15–64 years) reached 70.2% and grew by 1.5 p.p. compared to Q2 2014. The male employment rate increased by 0.9 p.p. to 77.8% and the female employment rate grew even by 2.1 p.p. to 62.3%.

When compared year-on-year there was still an important increase in employment and the employment rate of the aged 15–64 years exceeded the level of 70% for the first time in history of this measurement since 1993. Improved conditions on the labour market reflected mostly in a dynamic growth of the female employment rate, which has nothing to compare in the measurement history as well.

### Unemployment

The seasonally adjusted **average number of unemployed persons according to the International Labour Organisation (ILO)** **methodology[[1]](#footnote-1)** decreased by significant 26.0 thousand persons in comparison to Q1 2015.

The **number of unemployed persons** reached 261.8 thousand (of which 139.1 thousand females) and the total number of the unemployed dropped by 56.8 thousand persons, y-o-y. The decline in unemployment was manifested more in the female population (by 31.5 thousand persons) than in the male population (by 25.3 thousand persons).

The **number of persons unemployed for one year and longer** declined by 15.4 thousand,
y-o-y and the total number of them reached 122.2 thousand persons. The share of the long‑term unemployed in the total number of unemployed persons attained 46.7%.

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 5.0% in Q2 2015 and decreased by 1.1 p.p. compared to the previous year. If broken down by educational attainment, university graduates permanently show a low unemployment rate (2.2%) and the same can be seen for the persons having secondary education with A-level examination (3.7%). A high unemployment rate pertains in the group of persons with primary education (21.9%), yet, on the other hand an unemployment rate substantially declined in the large group of those having secondary education without A-level examination, including persons with apprenticeship certificates (5.7%).

The unemployment rate of persons aged 15–64 years has been significantly decreasing for over a longer term. Looking back in history it was at a lower value in time of the peak of economic boom in a short period between Q4 2007 and Q4 2008; before that it was lower as far in the past as in 1996.

### 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 Q2 2015 the number of such persons was 141.4 thousand, i.e. by 4.3 thousand lower than in the same period of 2014. Majority of persons willing to work, however, is not able to start in a potential job immediately. There are 52.4 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 2015 and the prediction of the population development in the first half of 2015. 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: 16 July 2015 / 23 July 2015

Related Internet-published document: 250128-15 - “Employment and Unemployment in the Czech Republic as Measured by the Labour Force Sample Survey – Quarterly Data” ([Catalogue of Products - Catalogue 2014](https://www.czso.cz/csu/czso/catalogue-of-products)) with the finalised survey results will be available on the CZSO website by the end of Q3 2015.

Next News Release shall be published on: 3 November 2015

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 a job, did not work an hour for pay, and were in an active manner seeking job they would be able to join within two weeks at the latest. 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)