4 August 2017

Record-Breaking Employment in History of the Czech Republic

Employment and Unemployment in the Czech Republic according to the LFSS Results – Q2 2017

**Total employment in Q2 2017 increased by 68.8 thousand persons, year-on-year (y-o-y) and reached 5 197.3 thousand persons. It is the highest value recorded since the independent Czech Republic was established. The employment rate of the aged 15 - 64 years was 73.3%. The number of the unemployed according to the ILO methodology dropped by 51.0 thousand persons, y-o-y. The general unemployment rate of the aged 15 - 64 years declined by 1.0 percentage point (p.p.), y-o-y, compared to Q2 2016, and was 3.0%.**

### Employment

In Q2 2017 the seasonally adjusted **average number of employed persons** increased by 1.6 thousand persons, compared to Q1 2017.

The **number of persons** **in the main job** increased by 68.8 thousand persons (by 1.3%), y-o-y, to reach 5 197.3 thousand persons. The growth was manifested both in males (+ 37.1 thousand persons) and in females (+ 31.7 thousand persons). While the number of working persons aged under 40 years declined by 26.9 thousand persons, the number of working persons aged 40 - 54 years further increased by 68.2 thousand persons. The number of working persons aged 60+ years also increased markedly by 30.0 thousand persons, which are over two fifths of the increase in total employment.

Employment **in the secondary sector** of industry and construction increased by 39.0 thousand persons. The employment growth in the sector was caused by a high increase in the number of employees in manufacturing (by 30.1 thousand persons). The number of employees **in the tertiary sector** of services also grew (by 27.4 thousand persons). The number of employees year-on-year grew most in professional, scientific and technical activities (by 25.5 thousand persons) and in transportation and storage (by 14.4 thousand persons). **In the primary sector** in activities of agriculture, forestry and fishing the number of the working persons remained virtually unchanged (an increase by 1.8 thousand persons).

The changes to the structure of economic activities are simultaneously accompanied with changes in the structure of occupations of the working persons. The number of technicians and associate professionals, clerical support workers, and of plant and machine operators and assemblers grew year-on-year by 42.9, 32.7, and 17.0 thousand persons, respectively. Conversely, the number of managers and of service and sales workers fell by 23.1 thousand persons and 6.4 thousand persons, respectively.

Working persons are dominated by **employees**. Their number increased by 54.5 thousand persons to reach 4 298.5 thousand persons, year-on-year. The number of the **self-employed in the main job, including contributing family workers,** saw an increase by 14.3 thousand persons to reach 898.7 thousand persons, compared to Q2 2016.

The **number of working persons with educational attainment of** **tertiary education** grew by 43.4 thousand persons. The trends in the numbers of working persons in the largest groups of those with secondary education without A-level examination and with A-level examination were still moving in opposite directions. While the number of the employed with the secondary education without A-level examination declined by 32.3 thousand persons, the number of the employed with the secondary education with A-level examination grew by 47.6 thousand persons.

The **employment rate** (percentage of working persons in the age group 15 - 64 years) reached 73.3% and grew by 1.6 p.p. compared to Q2 2016. The employment rate increased almost identically in both the sexes (by 1.6 p.p. in males and by 1.5 p.p. in females).

### Unemployment

In Q2 2017 the seasonally adjusted **average number of unemployed persons according to the International Labour Organisation (ILO)** **methodology**[[1]](#footnote-1) decreased by 15.6 thousand persons compared to that in Q1 2017.

The total number of the unemployed declined by 51.0 thousand persons, y-o-y, and reached 158.8 thousand persons. Both the number of the unemployed females dropped by 20.0 thousand persons to 88.1 thousand persons and the number of the unemployed males fell by 31.0 thousand persons to 70.7 thousand persons. The positive development is, first of all, a result of a great decline in the **number of persons unemployed for one year and longer** by 32.0 thousand, y-o-y, and so the total number of them reached 59.2 thousand persons.

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) decreased by 1.0 p.p., compared to Q2 2016, to reach 3.0% in Q2 2017.

The unemployment rate declined year-on-year in persons of all levels of **educational attainment**. University graduates permanently show a low unemployment rate (1.3%) and the same can be seen for the persons having secondary education with A-level examination (2.2%). The unemployment rate also declined year-on-year in the large group of those having secondary education without A-level examination, including persons with apprenticeship certificates (by 0.9 p.p. to give 3.3%). A high unemployment rate (14.4%), although it significantly decreased by 6.5 p.p. y-o-y, still pertains in the group of persons with primary education.

### 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 2017 the number of such persons was 120.1 thousand persons, i.e. by 6.3 thousand less than in the same period of 2016. Majority of persons willing to work, however, is not able to start in a potential job immediately. Actually, there are mere 35.4 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 2017 and the prediction of the population development in Q2 2017.

End of data collection /

End of preliminary data processing: 20 July 2017 / 24 July 2017

*Related Internet-published document*: *250128-16 - “Employment and Unemployment in the Czech Republic as Measured by the Labour Force Sample Survey – Quarterly Data” with the finalised survey results will be available on the CZSO website by the end of Q1 2017. (*[Home](https://www.czso.cz/csu/czso/home) - [We publish](https://www.czso.cz/csu/czso/we-publish) - [Catalogue of Products](https://www.czso.cz/csu/czso/catalogue-of-products) - Employment and Unemployment*)*

Next News Release shall be published on: 3 November 2017

Annexes:

Table 1 Employed persons (status in the main 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” kept in the register of the labour offices of the Ministry of Labour and Social Affairs.* [↑](#footnote-ref-1)