4 May 2018

Elder Working Persons Compensate the Decline in Working Persons Aged up to Forty Years

Employment and Unemployment in the Czech Republic according to the LFSS Results – Q1 2018

**Total employment in Q1 2018 increased by 89.0 thousand persons, year-on-year (y-o-y) and reached 5 258.2 thousand persons. The employment rate of the aged 15**–**64 years was 74.2%. The number of the unemployed, according to the ILO methodology, dropped by 54.9 thousand persons, y-o-y. The general unemployment rate of the aged 15**–**64 years declined by 1.1 percentage point (p.p.), y-o-y, compared to Q1 2017, and was 2.4%.**

### Employment

In Q1 2018 the seasonally adjusted **average number of employed persons** increased by 31.8 thousand persons, compared to Q4 2017.

The **number of persons** **in the main job** increased by 89.0 thousand persons (by 1.7%), y-o-y, to reach 5 258.2 thousand persons. Both the number of employed males and the number of employed females grew by 44.3 thousand and 44.7 thousand, respectively. While the number of working persons aged up to 40 years declined by 36.6 thousand persons, the number of working persons aged 40–54 years increased by 70.4 thousand persons. The number of working persons aged 60+ years also increased markedly by 46.8 thousand persons.

The overall increase in the number of the employed was caused, first of all, by the growth in the number of persons with employment status of **employees**. Their number increased by 89.9 thousand persons to reach 4 366.9 thousand persons, year-on-year. On the contrary, the total number of the **self-employed in the main job, including contributing family workers,** saw a decline by 1.2 thousand persons to attain 890.9 thousand persons, compared to Q1 2017. The decline in the number of the self-employed was manifested in the group of the self-employed with employees, i.e. employers, with a fall by 3.1 thousand persons and the number of the self-employed without employees, i.e. the own-account workers, rose solely by 1.8 thousand persons.

The overall ageing of the population reflects in the group of working persons as well. The tendency is more pronounced in the self-employed than in employees. More detailed data shall be given in an analysis performed by the Czech Statistical Office and called “Young Self-Employed Are on the Decrease, Self-Employed Seniors Are on the Rise”, which shall be published on 9 May 2018.

As in the past quarters, the continuing growth in employment was significant namely in the **tertiary sector** of services, this time by an increase by 81.9 thousand persons. The number of working persons in the **primary sector** section of agriculture and forestry grew by 5.0 thousand persons. Employment in the **secondary sector** of industry and construction increased by mere 3.1 thousand persons as a result of a reduction of employment in construction.

The changes to the structure of economic activities are simultaneously accompanied with changes in the structure of occupations of the working persons according to the national version of the International Standard Classification of Occupations 2008 (CZ-ISCO-08). The numbers of service and sales workers, technicians and associate professionals, and working persons in the main group of plant and machine operators and assemblers grew markedly. The main group of professionals saw the highest growth.

The **number of working persons with tertiary educational attainment** increased by 50.0 thousand persons. Development in the numbers of working persons in the largest groups of those with secondary education without A-level examination and with A-level examination was still contradictory. While the number of working persons with secondary education without A-level examination fell by 5.6 thousand persons, the number of working persons with secondary education with A-level examination grew by 36.7 thousand persons.

The **employment rate** (percentage of working persons in the age group 15–64 years) reached 74.2% and grew by 1.4 p.p. compared to Q1 2017. The male employment rate increased by 1.2 p.p. and the female employment rate increased by 1.5 p.p.

### Unemployment

The seasonally adjusted **average number of unemployed persons according to the International Labour Organisation (ILO)** **methodology**[[1]](#footnote-1) decreased by 4.8 thousand persons in Q1 2018 compared to that in Q4 2017.

The total number of the unemployed declined by 54.9 thousand persons, y-o-y, and reached 129.8 thousand persons. Both the number of the unemployed females dropped by 30.6 thousand persons to reach 71.4 thousand persons and the number of the unemployed males fell by 24.2 thousand persons to reach 58.4 thousand persons. The positive development is a result of a great decline in the **number of persons unemployed for one year and longer** by 27.8 thousand, y-o-y, and so the total number of them reached 40.9 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 1.1 p.p., compared to Q1 2017, and dropped to 2.4% in Q1 2018.

If viewed by region the unemployment rate, compared year-on-year, decreased virtually in all regions. The only region with stagnating unemployment rate was the Královéhradecký Region. The highest unemployment rate was recorded for the Moravskoslezský Region (3.9%), followed by the Ústí nad Labem Region (3.4%). The Jihočeský Region featured the lowest unemployment rate in the Czech Republic of 1.5%, followed by the Plzeňský Region with 1.6% and the Capital City of Prague having 1.7%.

The unemployment rate declined year-on-year in all levels of **educational attainment**. University graduates permanently show a low unemployment rate (1.2%) and the same can be seen for the persons having secondary education with A-level examination (1.8%). 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 to reach 2.8%.

### 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 Q1 2018 the number of such persons was 113.5 thousand persons, i.e. by 19.6 thousand less than in the same period of 2017. Majority of persons willing to work, however, is not able to start in a potential job immediately. Actually, there are mere 34.6 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 2018 and the prediction of the population development in Q1 2018.

End of data collection /

End of preliminary data processing: 24 April 2018 / 27 April 2018

*Related Internet-published document*: *250128-18 - “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 2018. (*[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 August 2018

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)