5 November 2018

Employment in the Tertiary Sector Grew

Employment and Unemployment in the Czech Republic according to the Labour Force Sample Survey Results – Q3 2018

**Total employment in Q3 2018 increased by 44.1 thousand persons, year-on-year (y-o-y) and reached 5 301.4 thousand persons. On the contrary, the number of the unemployed, according to the International Labour Organisation (ILO) methodology, dropped by 22.6 thousand persons, y-o-y. The general unemployment rate of the aged 15**–**64 years declined by 0.4 percentage point (p.p.), y-o-y, and was 2.4%.**

### Employment

In Q3 2018 the seasonally adjusted **average number of employed persons** decreased by 2.3 thousand persons, compared to Q2 2018.

The **number of persons** **in the main job** increased by 44.1 thousand persons (by 0.8%), y-o-y, to reach 5 301.4 thousand persons. Both the number of employed males and the number of employed females grew by 14.2 thousand and 29.9 thousand, respectively. While the number of working persons aged up to 40 years declined by 49.7 thousand persons, the number of working persons aged 40–54 years increased by 53.7 thousand persons. The number of working persons aged 60+ years also increased markedly by 29.3 thousand persons.

A vast majority of persons **work full time** in their main job. Their number increased by 35.0 thousand persons compared to Q3 2017. The number of persons **working part time** grew by 9.3 thousand persons. The percentage of part-time job workers in the main job reached 7.5% of all working persons.

The total increase in the number of working persons was caused mainly by the growth in the **number of persons with the status of employee**. The number of employees grew by 37.9 thousand persons, y-o-y, to reach 4 398.2 thousand persons. The numbers of working persons in groups of other status in employment remained almost unchanged, y-o-y. Solely the number of **the self-employed with employees** saw a slight increase by 5.8 thousand persons.

The annual growth in employment was shown merely in the **tertiary sector** of services, by an increase by 78.3 thousand persons. Employment grew most in the economic activities section of ‘wholesale and retail trade; repair of motor vehicles and motorcycles‘. The preliminary results indicate that the number of working persons also grew significantly in ‘information and communication’ and in ‘accommodation and food service activities‘.

Employment in the **secondary sector** of industry and construction declined by 32.1 thousand persons. The number of working persons declined in majority of industrial activities, and the drop in employment in construction was even deeper.[[1]](#footnote-1)

The number of working persons in the **primary sector** remained virtually unchanged, decreased by 1.7 thousand persons.

The **number of working persons with tertiary educational attainment** increased by 21.6 thousand persons, which was the highest growth. This reflects essential changes to the structure of formal educational attainment of the population. The **number of working persons with secondary education with A-level examination** increased less, by 16.9 thousand persons, and the **number of working persons with vocational training certificates** grew by 8.7 thousand persons.

The **employment rate** (percentage of working persons in the age group 15–64 years) reached 75.0% and grew by 0.9 p.p. compared to Q3 2017. The male employment rate increased by 0.5 p.p. and the female employment rate increased by 1.2 p.p.

### Unemployment

The seasonally adjusted **average number of unemployed persons according to the ILO** **methodology****[[2]](#footnote-2)** increased by 4.3 thousand persons in Q3 2018 compared to that in Q2 2018.

The total **number of the unemployed** declined by 22.6 thousand persons, y-o-y, and reached 127.5 thousand persons. Both the number of the unemployed females dropped by 12.1 thousand persons to reach 71.1 thousand persons and the number of the unemployed males fell by 10.4 thousand persons to reach 56.4 thousand persons. The positive development is, first of all, a decline in the **number of persons unemployed for one year and longer** by 12.8 thousand, y-o-y, and so the total number of them reached 36.4 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 0.4 p.p., compared to Q3 2017, and attained 2.4% in Q3 2018.

**Viewed by region,** the unemployment rate, compared year-on-year, decreased virtually in all regions but the Ústecký Region, in which it increased by 0.9 p.p. to reach 3.9%. The Středočeský Region and Plzeňský Region saw stagnating unemployment rates. The Liberecký Region saw the deepest decline in the unemployment rate by 2.2 p.p, followed by Zlínský Region (by 1,8 p.p.) and the Jihočeský Region (by 1,1 p.p.). The highest unemployment rate still pertains in the Moravskoslezský Region (4.0%), followed by the Ústecký Region (3.9%), and the Karlovarský Region (3.0%). The Capital City of Prague and the Jihočeský Region and Pardubický Region have featured the lowest unemployment rates in the Czech Republic of 1.3%, 1.4%, and 1.4%, respectively, over a long term.

### 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 Q3 2018 the number of such persons was 110.3 thousand persons, i.e. by 10.9 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 32.6 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 private 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 Q3 2018.

End of data collection /

End of preliminary data processing: 22 October 2018 / 25 October 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 Q4 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: 4 February 2018

Annexes:

Table 1 Employed persons (status in the main job, absolute numbers, percentages, year-on-year increments, and indices)

Graph 1 The employed and the unemployed (absolute numbers)

1. *Data for the aforementioned economic activities sections may be affected by the applied methodology of the Labour Force Sample Survey. The survey covers merely persons living in private households. Data for persons living in collective accommodation establishments are not measured. These establishments, however, often give accommodation to aliens, who find their place on the labour market namely in the secondary sector of the national economy.* [↑](#footnote-ref-1)
2. *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-2)