3 February 2020

Share of entrepreneurs in the Czech Republic was the fourth highest in the European Union

Employment and Unemployment in the Czech Republic according to the Labour Force Sample Survey Results
Q4 2019

**Total employment in the Q4 2019 decreased by 21.6 thousand persons, year-on-year (y-o-y) and reached 5 304.7 thousand persons. The number of the unemployed, according to the International Labour Organisation (ILO) methodology, dropped by 1.8 thousand persons, y-o-y. The general unemployment rate of the aged 15**–**64 years stagnated at 2.1%, y-o-y.**

### Employment

In the Q4 2019, the seasonally adjusted **average number of employed persons** decreased by 4.6 thousand persons, compared to the Q3 2019.

The **number of working persons** decreased by 21.6 thousand persons, y-o-y, to 5 304.7 thousand persons (i.e. by 0.4%). The number of working males decreased by 6.8 thousand persons and the number of working females decreased by 14.8 thousand persons. The **number of employees** decreased by 5.6 thousand to 4 425.5 thousand. Concurrently, the **number of** **the self-employed** decreased by 15.8 thousand persons, mainly due to a drop in the **number of** **the self-employed with employees**.

The sample survey enables to compare differences in the status in employment of working persons across the EU28 countries. Within the EU, the Czech Republic still belongs to the countries with the highest **share of the number of the self-employed** (with employees and own-account workers) in the total employment. According to the last available results for the Q3 2019, the share of these working persons aged 15–64 years was 15.8%, which is the fourth highest value in the EU. A higher share was only in Greece, Italy, and Poland. Other countries, mainly Nordic ones, Germany, and Austria had much lower share of the self-employed. In the Czech Republic, a relatively small number of persons work as the self-employed with employees in their main job. As at the mentioned date, it was only 2.8% of the working persons in the CR, which was the fourth lowest value in the EU28 (the EU average was 3.8%). On the contrary, as for the share of own-account workers (the self-employed without employees), the CR is fifth within the EU28 (it was 13.8% in the CR, the EU average was 9.6%, and in the neighbouring country, Germany, it was only 4.5%).

According to data for the Q4 2019, development of employment in individual economic activities (CZ-NACE sections) in the Czech Republic was often contradictory[[1]](#footnote-1)). In the **secondary sector** of industry and construction, employment decreased, y-o-y (by 23.4 thousand), mainly due to a decrease in the number of working persons in manufacturing (by 34.8 thousand). In the **tertiary sector** of services, the total employment increased by 8.7 thousand persons. On one hand, the number of working persons decreased in the section of ‘wholesale and retail trade; repair of motor vehicles and motorcycles’, on the other hand, employment markedly increased in the ‘human health and social work activities’ and in the ‘transportation and storage’ sections. In the **primary sector**, the number of working persons decreased by 6.9 thousand persons, y-o-y.

The differences among the EU Member States in the structure of working persons by status in employment are reflected also in different **shares of the self-employed in individual economic activities (CZ-NACE sections)**. The share of entrepreneurs in the total employment in agriculture, forestry and fishing in the Czech Republic was the lowest of all the EU28 countries in the Q3 2019 (the EU average was 49.5%, in the CR it was 22.6%). Compared to other countries, the CR, on the other hand, has a high share of entrepreneurs in many industries (economic activities of the CZ-NACE) of the secondary and the tertiary sectors. The highest share of them in the CR was in the section of financial and insurance activities (the EU average was 9.1%, in the CR it was 25.9%). The second highest share of the self-employed in the CR was in the section of construction (the EU average was 25.5%, in the CR it was 40.4%). It was followed by the share in the section of information and communication (the EU average was 14.5%, in the CR it was 24.5%) and in the section of real estate activities (the EU average was 23.4%, in the CR it was 48.5%). The third highest share was in the section of professional, scientific and technical activities (the EU average was 29.7%, in the CR it was 45.4%) and in administrative and support service activities (the EU average was 12.2%, in the CR it was 20.3%).

The **employment rate** (percentage of working persons in the age group 15–64 years) decreased by 0.1 percentage point (p. p.), compared to the Q4 2018, to reach 75.3%. The male employment rate decreased by 0.1 p. p. to reach 82.1% and the female employment rate decreased also by 0.1 p. p. to 68.2%.

### Unemployment

The seasonally adjusted **average number of unemployed persons according to the ILO** **methodology**[[2]](#footnote-2)) stagnated in the Q4 2019, compared to that in the Q3 2019.

The total **number of the unemployed** decreased by 1.8 thousand persons, y-o-y, and reached 109.3 thousand persons. The number of the unemployed females dropped by 6.7 thousand persons to reach 56.4 thousand persons, while the number of the unemployed males increased by 4.9 thousand persons to reach 52.9 thousand persons. The **number of persons unemployed for one year and longer** decreased by 3.8 thousand persons, y-o-y, and reached 31.1 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) remained unchanged in the Q4 2019 compared to the Q4 2018 (2.1%).

### 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 that they would like to work. In the Q4 2019, the number of such persons was 99.9 thousand persons, i.e. by 1.8 thousand persons less than in the corresponding period of 2018. Majority of persons willing to work, however, is not able to start in a potential job immediately. Only 29.4 thousand of the persons are able to start in a job within a fortnight, at the latest.

*Notes:*

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*Data source: the 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 2019 and the prediction of the natural population change and net migration in 2019.*

*End of data collection: 20 January 2020*

*End of preliminary data processing: 23 January 2020*

*Related Internet-published document: 250129-19 - “Employment and Unemployment in the Czech Republic as Measured by the Labour Force Sample Survey – Quarterly Data” with the final survey results will be available on the CZSO website by the end of the Q1 2020. (*[*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 will be published on: 4 May 2020*

Annexes:

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

Chart 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 only persons living in private households. Data for persons living in collective accommodation establishments are not measured. These establishments, however, often give accommodation to foreign nationals.* [↑](#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)