3 November 2014

Employment on the Rise Already for Four Years

Employment and Unemployment in the Czech Republic according to the LFSS Results – Q3 2014

**Total employment in Q3 2014 increased by 41.3 thousand persons compared to the same period of 2013; the employment rate of the aged 15-64 years reached 69.3% and grew by 1.3 percentage point (p.p.), year-on-year (y-o-y). The number of the unemployed according to the ILO methodology dropped by 56.9 thousand persons, y-o-y; the number of the long-term unemployed decreased by 24.9 thousand persons. The general unemployment rate of the aged 15-64 years declined by 1.1 p.p. y-o-y and was 6.0%.**

### Employment

In Q3 2014 the seasonally adjusted **average number of employed persons** increased by 20.8 thousand persons, compared to Q2 2014.

The **number of employed persons** increased by 41.3 thousand (i.e. by 0.8%), y-o-y, to 4 994.9 thousand. The number of the **self-employed in the main job, including family workers,** in total grew by negligible 0.7 thousand to 890.0 thousand persons compared to Q3 2013 and their share was 17.8%. Compared to Q3 2013, the number of the **employees, including members of producer cooperatives**, conversely significantly increased by 40.7 thousand to 4 104.9 thousand and their share was 82.2% of total employment.

A growth in total employment was demonstrated in a most important manner in **the secondary sector** by 44.1 thousand persons compared to the previous year and thus the number of working persons was 1 901.9 thousand in total. In the **tertiary secto**r of services the number of working persons grew by 7.9 thousand persons and the total number of working persons was 2 953.9 thousand compared to the previous year. Conversely, the number of persons working in the **primary sector** decreased by 10.5 thousand persons; it was 139.0 thousand persons in total.

The **employment rate** (percentage of the employed in the age group 15‑64 years) reached 69.3% and grew by 1.3 p.p. compared to Q3 2013. The male employment rate increased by 1.5 p.p. to 77.6% and the female employment rate grew by 1.1 p.p. to 60.8%.

An important increase in employment in Q3 2014 just boosted the already four-year growth in the employment rate in the group of 15‑64 years of age, year-on-year. In Q3 2010 the employment rate was 65.4% that is by 3.9 p.p. lower than that in Q3 2014.

### Unemployment

The seasonally adjusted **average number of unemployed persons according to the International Labour Organisation (ILO)** **methodology[[1]](#footnote-1)** decreased by 15.4 thousand persons in comparison to Q2 2014.

The **number of unemployed persons** reached 312.7 thousand (of which 170.9 thousand females) and the total number of the unemployed dropped by 56.9 thousand persons, y-o-y. The decline in unemployment was manifested a bit more in the male population (by 30.7 thousand persons) than in the female population (by 26.2 thousand persons).

The **number of persons unemployed for one year and longer** declined by 24.9 thousand   
y-o-y and the total number of them reached 136.5 thousand persons. The share of the long-term unemployed in the total number of unemployed persons attained 43.7%.

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 6.0% in Q3 2014 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 (3.3%) and the same can be seen for the persons having secondary education with A-level examination (4.6%). A high unemployment rate pertains in the group of persons with basic education (21.2%), and an above average unemployment rate stays also in the large group of those having secondary education without A-level examination, including persons with apprenticeship certificates (6.7%).

The continuous increase in employment has also been accompanied by a significant decline in unemployment. This way better labour market conditions copy the trend of economic recovery in the Czech Republic.

### 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 2014 the number of such persons was 129.0 thousand, i.e. by 9.8 thousand lower than in the same period of 2013. Majority of persons willing to work, however, is not able to start in a potential job immediately. There are 50.4 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 2014 and the prediction of the population development in the first three quarters of 2014. 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 October 2014 / 23 October 2014

Related Internet-published document: 250128-14 - “Employment and Unemployment in the Czech Republic as Measured by the Labour Force Sample Survey – Quarterly Data” (<http://www.czso.cz/csu/edicniplan.nsf/aktual/ep-3#31>) with the finalised survey results will be available on the CZSO website by the end of Q4 2014.

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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)