

Preface

The Czech Statistical Office is hereby publishing an overview of retrospective data from the area of labour statistics.

The data originate from surveys taken in businesses or from administrative sources. Depending on the number of employees, the survey taken in businesses is either of an exhaustive or sample type. In case of the latter, grossing up to universe covers all active units included in the Business Register.

This publication shows trends in the most significant indicators broken down by economic activity and territory (region). Industrial Classification of Economic Activities, CZ-NACE, corresponds to the NACE rev. 1.1. Classification of Territorial Statistical Units, CZ-NUTS, complies with Regulation of the European Parliament and of the Council on the establishment of a common classification of territorial units for statistics (NUTS).

Workers comprise employees registered by businesses, **private entrepreneurs and contributing family workers** (main job holders only). The **registered number of employees** includes persons under employment contracts and members of cooperatives having employment contracts, too; it excludes females on maternity leave, persons on parental leave, apprentices, persons engaged by companies under contracts for work outside employment, persons in public office (deputies, senators, full-time councillors at all levels), judges, etc. The numbers of workers and employees include, in compliance with the methodology in force, foreigners legally working in the Czech Republic.

Starting from 1998, the **numbers of workers** are taken from the results of CZSO annual statistical reports. Data for earlier years of the 1990's are drawn on from the results of quarterly statistical reports adjusted by annual surveys data (plus, for some years, by expert estimates for businesses not included in the sample). Included in the data are also numbers of judges (from administrative sources). Since 2005 the numbers of private entrepreneurs and contributing family workers, for which economic activity within the firm is their main job, have been reported more precisely. The time series is thus not fully comparable.

The **average gross monthly wage** is the ratio of wages, excluding other personnel expenses, per employee per month. Included in the wages are basic wages and salaries, payments additional to wage or salary, direct remuneration and bonuses, remuneration for being on call to work, and other wage or salary components charged to be paid to employees in a given period. This applies to gross wages, i.e. before reduction by comprehensive health insurance and social insurance premiums, advance income tax of actual persons, and other statutory deductions or deductions agreed with the employee.

To ascertain the activity and size of the businesses, available administrative sources were used for the annual statistical surveys since 2002 and quarterly surveys since 2003, which led to adjustments to the values of indicators published before. The same approach was used to refine the results from the processing of the annual reports for the years 2000 and 2001.

The data on the number of employees and their average gross monthly wages in Tables 13 to 16 and Tables 20 to 23 are gathered from quarterly reports (excl. businesses under threshold - see the description below) and cover all employees registered by businesses classified to:

- a) the business sphere
 - with 25+ employees from 1990 (with 100+ employees in industry, trade, hotels and restaurants in 1995 and 1996),
 - with 20+ employees since 1997, incl. employees of unincorporated entrepreneurs,
 - irrespective of the number of employees in financial intermediation;
- b) the non-business sphere, i.e. employees of government departments, of organisations fully or partially funded from state budget or local budgets, and of non-profit institutions (e.g. public beneficial institutions, health insurance companies, etc.).

The data in Tables 24 and 25 result from structural statistics on wages of employees. The data on wages have been calculated by different methodology and this is why these results cannot be compared to those from a regular statistical survey on wages. The data cover the sample of employees with 1 700 paid hours or more in 1996-2000 and 1 592 hours or more in 2001, which

roughly corresponds to full-time employees who worked with the reporting unit for a large part of the year and were not on the sick list for a long time. (The different number of paid hours results from an amendment to the Code of Labour concerning the counting of lunch break into hours worked; therefore, the comparability of the time series is not disturbed for this reason.) Until 2001, no grossing up to universe was made. Since 2002, the wages have been calculated in relation to the employee's paid hours and grossed up to the national economy. For that reason, the time series of the data in Tables 24 and 25 was terminated by the year 2001 and the new one (Table 24.1 and 25.1) starting from 2002 was begun.

Median, i.e. the wage of employee in the middle of the group, is used for comparison instead of average wage. More detailed information from the sample surveys on wages of employees, incl. the methodology and sample size, can be found in the CZSO publications "Structure of Earnings Survey for [the given year]". The classification of occupations was governed by CZ-ISCO-88.

The data in Table 26 cover the employer's costs of recruiting and training employees, paying wages, and providing social needs of employees. The survey is carried out in businesses of all industries irrespective of the number of employees – employees of unincorporated entrepreneurs (natural persons) are not included.

The data in Tables 27 and 28 are based on sources of the Ministry of Labour and Social Affairs of the Czech Republic. In July 2004, the Ministry made a methodological amendment to the calculation of registered unemployment rate. The amendment consisted in including some groups of persons in both the numerator and the denominator differently than before. Unlike the original methodology, which used in the numerator the number of all job applicants registered by the labour offices, the numerator of the amended methodology includes the number of available job applicants (including citizens of the EU and the EEA). The available job applicants are registered unemployed persons with no objective obstacle to take up a job and are ready to immediately report to work when offered an appropriate job. The denominator in the new methodology including labour force (in the original methodology: the number of the employed from LFSS + the number of all job applicants) is expanded by the number of employed citizens of the EU (EEA) + the number of employed foreigners from third countries, who have valid work permit or trade licence; the number of all job applicants is replaced with the number of available job applicants. For the reasons of comparison, data in the Table 27 are provided according to both concepts for all months of year 2004.

Tables in this publications are split into two parts: Part A includes tables listing data on the number of workers, employees and on their wages in the civil sector of the national economy, whereas Part B gives tables with data on the number of workers and employees and includes data on the number of workers, employees and their wages in the national economy. Moreover, Part B includes data for part of the Ministry of Defence of the CR and the Ministry of the Interior of the CR – i.e. data on organisations without own legal personality coming under these ministries (which employ civil employees and regular members of the armed forces and the police of the CR). The data have been converted in their time series, beginning with the year 1993. The numbering of the tables in Part B corresponds to the numbering of the tables in Part A (e.g. Table B1 'Average number of all persons employed in the national economy: by CZ-NACE activity' corresponds with 'Table A1 'Average number of all persons employed in the civil sector of the national economy: by CZ-NACE activity'. This applies to Tables 1 to 23, 26 respectively.

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Dalibor Holý

Director of Labour Market Statistics Department

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