

METHODOLOGICAL NOTES

The methodological notes give basic methodological information on data published both in the printed volume and on the enclosed CD. Tables in the publication are numbered within each chapter starting with number 1 and tables by region on the enclosed CD are numbered from 101 to keep them easy to follow. In the end there are links to more detailed data that can be obtained on the Internet.

1. BASIC CHARACTERISTIC

In long-term time series an emphasis is placed on the data are comparable in terms of the methodology applied. A number of changes, due to efforts of the Czech Statistical Service to keep methods and results of surveys comparable internationally, occurred over the whole period. The organizational structure of the national economy saw gradual changes, too. Therefore it was necessary to recalculate the time series of indicators according to the methodology and organizational structure of the latest year published (i.e. 2010) in order to be able to assess the long-term development in correct manner. All the value indicators are given at current prices because sufficient relevant data on price developments in neither the production area nor the consumption one to carry out conversions into constant prices have been available in the regional breakdown.

Concerning the territorial arrangement, all the data were converted to the valid territorial structure as at 31 December 2010. Wherever the data are surveyed in a sample survey and are only estimated by means of mathematical and statistical methods for lower territorial levels, the recalculation is more difficult and for a part of indicators is impossible at all. Due to the carried out conversions some data differ from those published before. In some cases the contents differ from data published in interregional and interdistrict comparisons in Chapter 26 and, as the case might be, from data given in other chapters as well.

If a conversion to a comparable methodology was not feasible, the fact is mentioned in methodological notes under respective tables or it is explained in the methodology sections of respective chapters. Therefore in this section we draw attention only to changes, which concerns the comparability of long-term time series.

Data on the **population** until 2000 followed the results of the Census as at 3 March 1991. Since 2001 they have already follow the final results of the Population and Housing Census as at 1 March 2001, on the basis of which demographic balances of this decade are being processed. Moreover, in accordance with international conventions, the data also include numbers of foreigners staying long-term in the country.

In the **labour market** comparability of data on the number of employees and average wages taken from business statistics is adverse affected by changes in the limits between larger enterprises (surveyed) and smaller ones (not surveyed). These changes are mostly reflected in the trend of the number of employees and, to a lesser extent, of the development of the average monthly wage. The set of reporting units developed as follows:

- 1995 - enterprises with 25+ employees incorporated, (in agriculture holdings with 1 000+ hectares of agricultural land, specialized agricultural holdings; in industry, trade, hotels and restaurants: enterprises with 100+ employees), all entities classified to financial intermediation, all entities classified to the non-business sphere, excluding the armed forces;
- 1997 to 2001 - enterprises with 20+ employees, incorporated and unincorporated, all entities classified to financial intermediation, all entities classified to the non-business sphere, excluding armed forces;
- 2002 to 2009 - all entities, including the units of the Ministry of the Interior of the CR and the Ministry of Defence of the CR not published before.

The methodology of calculation of the **registered unemployment rate** changed in the middle of 2004 since the numerator of the fraction contains available unemployed job applicants and the denominator was extended by the number of foreigners available for work.

Since 2002 entities, which holdings exceed specified co-called "threshold values", have been classified to **agriculture** in accordance with standards of the European Union. Smaller agricultural holdings have been classified to the household sector as "hobby activities" of the population and their extent at the regional level is impossible to determine with sufficient reliability. It is impossible to recalculate backward the time series to a comparable basis as well.

In **industry** the data referring to years since 1997 are the only comparable. They refer to enterprises with 100+ employees having their registered offices on the territory concerned. Since 1997 industrial activities sales have also been monitored instead of the former goods production (gross production). In **construction** the indicators published have changed. Nowadays, the long-term time series involves construction work by location of the construction site.

In **education** the secondary education cannot be clearly broken by individual types of schools any more (secondary technical schools, secondary vocational schools). In addition, all types of schools now cover pupils who were before independently reported by special schools.

In **health** the time series is comparable since 2000, when data on the health establishments falling under all ministries have been given (before 2000, only health establishments of the Ministry of Health of the CR are covered). Detached units of the health establishments are not covered (unlike in Chapter 26). Since 2007 the number of physicians includes also contractual workers.

In 2007 due to the amendment of the act significant changes in the structure (also in names) of respective social care facilities occurred in **social security**.

In **crime and accidents** older data cannot be published, as they are not available itemized by district and therefore it was impossible to recalculate data in the breakdown according to the new territorial structure of regions.

2. AREA AND CLIMATE

The opening table contains basic data on the **territory of regions and districts of the Czech Republic**. Data on areas of regions and districts as at 31 December 2010 have been derived from official data of the Czech Office for Surveying, Mapping and Cadastre in Prague.

The size structure of municipalities was processed according to the territorial-administrative arrangement as at 31 December 2010.

Climate is presented by basic meteorological data measured at weather stations located on the territory of the region. Data from the stations were taken over from the Czech Hydrometeorological Institute in Prague.

3. ENVIRONMENT

The environment comprises anything that creates natural conditions for the existence of organisms, including human beings, and is a prerequisite for their further evolution. Its compartments are especially air, water, rocks, soil, organisms, ecosystems, and energy.

The Act of the Czech National Council No. 114/1992 Sb., on nature conservation and landscape protection distinguishes six categories of specially protected areas as follows:

Large-size protected areas:

- National parks are large areas unique at the national or international scales, major parts of which are occupied by natural or nature-close ecosystems where species of flora and fauna, and abiotic nature are of extraordinary scientific and educational importance;
- Protected landscape areas are large areas with harmonically formed landscape, characteristic relief, significant shares of forest and permanent grassland natural ecosystems, high abundance of tree species, or, as the case may be, preserved monuments of historical settlements.

Small-size protected areas:

- National natural monuments are smaller natural formations (including those formed by human activity besides the forces of nature), deposits of minerals or habitats of endangered species on fragments of ecosystems of the national or international environmental, scientific, or aesthetic importance;
- National nature reserves are smaller areas where ecosystems important at the national or international levels of extraordinary natural value are bound to natural their relief with a typical geological structure;
- Natural monuments are areas defined similar way as the national natural monuments yet important at the regional level only;
- Natural reserves are smaller areas of concentrated natural value with represented ecosystems characteristic to and important for the given geographical area.

Environmental protection expenditure includes investment expenditure on the acquisition of tangible fixed assets and non-investment expenditure related to environmental protection activities. **Tangible fixed assets (TFA)** for environmental protection are the sum expended by reporting units on the TFA acquisition (by purchase or own activities) and the total value of the TFA acquired for free or by transfer according to relevant legislation or by a change from private use to business. The **non-investment expenditure** for environmental protection includes wages and salaries, payments for rent, energy and other material, and payments for services the main purpose of which is to protect the environment.

Economic benefits from environmental protection activities refer to revenues from sale of environmental protection services, revenues from sale of by-products that originated at activities related to environmental protection and savings from recycling and reuse of by-products generated due to environmental protection.

An **emission** shall mean a process in which pollutants of various states are introduced into the atmosphere. Emissions are given in kilograms per hour or in tonnes per year. Amounts of the given pollutants released into the air are listed in the **Register of Emissions and Air Pollution Sources (REZZO)**, which keeps records of the following types of pollution sources broken down by thermal output REZZO 1 (large stationary pollution sources), REZZO 2 (mid-sized stationary pollution sources), REZZO 3 (small stationary pollution sources), and REZZO 4 mobile pollution sources (especially road and motor vehicles, railway vehicles, boats, vessels, and aircraft).

Waste shall mean any movable thing which its owner disposes of or intends to dispose of or has the duty to dispose of and which is classified to a category of wastes enlisted in the Act No. 185/2001 Sb. on waste. **Hazardous waste** shall mean waste included in the List of Hazardous Wastes and any other waste exhibiting one or more hazardous characteristics enlisted in the Act on Waste.

Waste management shall mean the gathering, collecting, concentrating, purchase, sorting, transport, storage, treatment, use, and disposal of waste. The methods of waste management are divided into waste recovery (R codes), waste disposal (D codes), and other waste management operations (N codes).

The **municipal waste** shall mean all types of waste generated on the territory of a municipality in activities of natural persons, which is classified to Group 20 of the Catalogue of Waste, except for waste produced by legal or natural persons holding a business licence. In this publication the municipal waste also includes commercial waste composition

of which is similar to that of municipal waste and which is generated in non-production activities of legal or natural persons holding a business licence.

The **industry of water supply and sewerage systems** involves water management activities related to the administration and operation of water supply and sewerage collection systems that means with the providing for sufficient supply of quality drinking water and for removal of waste water and its treatment. **Public water supply systems and sewerage systems** include water supply systems and sewerage systems established and run in the public interest. The **water produced** includes both invoiced and non-invoiced water. The sum of data for invoiced and non-invoiced water may differ from amounts of the water produced for an amount of water taken from other organizations, or for water handed over to other organizations.

The **waste water treatment plant (WWTP)** shall mean premises and equipment serving for waste water treatment having the mechanical, biological, and/or further stage of treatment. Equipment used for coarse pre-treatment of waste water (racks, grit traps, oil traps, etc.), cesspools, sumps, and simple devices with a mechanical function, which are not monitored and operated regularly, are not considered to be waste water treatment plants.

The **WWTP capacity** refers to the design capacity (m^3/day). A higher capacity than the design one is given where implemented intensification measures have been approved by the water authority.

Data on how respective municipalities are equipped with technical infrastructure devices and instruments (water mains, sewerage systems, natural gas grids) were measured by an extraordinary supplement to the statistical questionnaire VI 1-01.

4. POPULATION

The data showing the size and structure of the population are derived from population censuses, which are followed by annual statistical balances of data on births, marriages, divorces, deaths, and migration. The data sources are statistical reports from registries unless otherwise stated.

All data refer to the resident population of the Czech Republic, irrespective of citizenship. Since 2001 the following are included: foreigners with asylum granted, foreigners with visa over 90 days and since 1 May 2004 also citizens of the European Union with temporary stay and citizens of third countries with long-term stay on the territory of the Czech Republic.

Mid-year population is the number of inhabitants of the given territory as balanced as at 1 July of the reference year. **Natural increase/decrease** of the population is the difference between live births and the total number of deaths. **Total increase** of the population is the sum of the natural increase and increase by migration. **Migration** is a change of permanent residence or long-term stay of a person over the borders of the given territory. The source of the data on migration is the Population Database Information System of the Ministry of the Interior of the CR.

A **live birth** - a foetus that after delivery shows at least one sign of life and its birth weight is 500g or more, or lower than 500g, if it survives 24 hours after delivery. A **stillbirth** - a foetus showing no sign of life and its birth weight is 1000g or more. As for the territory, a born child is included in the register according to the permanent residence of the mother at the delivery. **Total fertility rate** is the average number of children that would be born alive to a woman provided that age-specific fertility rates in a reference calendar year remain unchanged during her childbearing period (15-49 years of age).

The **abortion** is termination of pregnancy, which is classified by a physician (based on meeting of respective criteria) as an abortion. Data on abortions are taken over from data of the Institute of Health Information and Statistics of the CR (HIS). **Total abortion rate** is the average number of abortions that a woman would have provided that age-specific abortion rates recorded in a reference calendar year remain unchanged during her childbearing period (15-49 years of age).

Stillbirth rate is the number of stillbirths per 1 000 births in total. **Infant mortality rate** is the number of deaths among children under 1 year of age per 1 000 live births. **Neonatal mortality rate** is the number of deaths among children under 28 days of age per 1 000 live births.

Data on **deaths analysed by cause** are classified according to the 10th decennial revision of the International Statistical Classification of Diseases and Related Health Problems (ICD-10) in force since 1 January 1994.

Old age index is the ratio of the number of persons aged 65+ per 100 persons aged 0-14. **Life expectancy** shows the average number of years to be lived by an x-year-old individual, given the mortality conditions of the reference period from the mortality table. With regards to elimination of random deviations, an average for two-year periods is used for regions and for five-year periods for districts.

Marriages are included in a respective territory according to the place of residence of the groom. **Divorces** are monitored based on data provided by respective courts. They are broken down by territory according to the last common place of residence of the spouses.

Such a person is deemed to be a **foreigner** in the Czech Republic who has other than Czech citizenship or a person without citizenship and also a person having more than one citizenship, none of which is Czech.

In tables 4-11 and 4-12 the total number of foreigners includes foreigners with permanent residence, citizens of the EU/EEA and Switzerland and their dependants with temporary residence, citizens of "third countries" with long-term residence or visas for stay over 90 days. Data come from the records of the Directorate of Alien Police.

5. MACROECONOMIC INDICATORS

Regional accounts, the only source of regional macroeconomic indicators, are a regional analogy to national accounts. They result from annual national accounts compiled for the Czech Republic; as for the methodology they correspond to the European System of Accounts (ESA95) and consistently observe rules and recommendations valid for Member States of the European Union, which means that they are comparable to them - harmonized.

The Czech Statistical Office has made an extraordinary revision of the national accounts for the years 1995–2009 together with a preliminary version for 2010. The main reason for that was a transition to the new CZ-NACE classification. More detailed information on the results of the extraordinary revision of the national accounts can be found at the CZSO webpage: http://apl.czso.cz/pll/rocenka/rocenka.indexnu_en. In harmony with the ESA95 methodology indicators are surveyed by a **workplace method**, which means that indicators for enterprises are allocated to regions according to the real place of work of a unit. Gross value added for multi-regional organizations is allocated based on wages paid in individual regions. Indicators of household accounts are related to the place of **residence of the households**.

Gross domestic product (GDP) is a key indicator of the development of the economy. It is a set of values added of individual institutional sectors or individual industries in activities considered by the ESA95 to be productive (i.e. including both market and non-market services) and net taxes on products (it is thus expressed in purchaser prices). From the point of view of use, GDP is equal to the sum of final consumption (of households, government and non-profit institutions serving households), gross capital formation (fixed capital and balance of inventories and acquisitions less disposals of valuables) and the external trade balance.

Gross value added (GVA) is the sum of values added of individual industries (i.e. GDP excluding net taxes on products, which cannot be divided among individual industries). The industrial structure is arranged according to the CZ-NACE classification, which corresponds as for its content to the European NACE Rev. 2 classification.

Gross fixed capital formation (GFCF) includes the value of acquisition of both tangible and intangible fixed assets purchased, taken over free of charge or produced by own activities, deduced by the value of its sale and free transfers. What is also included is acquisition in the form of financial leasing. The target of the acquisition is always to use the fixed assets for productive activity including housing in the dwelling of its owner. What is not included are fixed assets worth less than CZK 20 thousand, consumer durables purchased by households for satisfaction of final consumption or acquisitions less disposals of valuables. Excluded is also equipment for military purposes (tanks and suchlike) and expenditure on research and development and the like.

Net disposable income of households is an amount that households can give to final consumption, savings in the form of financial assets and to accumulation of both tangible and intangible assets. Disposable income results from the creation and distribution of income and it is the balancing item of the secondary distribution of income account.

For the needs of the international comparison the selected **indicators are converted** to currency unit Euro, purchasing power standard and purchasing power consumption standards, namely according to the coefficients issued by the Statistical Office of the European Union - Eurostat.

Regional macroeconomic indicators are revised in harmony with the revisions of annual national accounts. Data on the year 2008 are based on the final version of annual national accounts for the year 2008, data on 2009 are based on the half-finalised version and data on 2010 are based on a preliminary version of annual national accounts.

External trade is after the accession of the Czech Republic to the European Union the sum of the intra-EU trade (i.e. trade with the EU Member States) and the trade with countries out of the EU. In the **regional breakdown, only data on exports** of goods of individual regions are published, because at imports, the precise place (region) of final use of goods is unknown in many cases. At determination of the region of the origin of exports the reporting units can choose also "unspecified" as one of the possibilities and thus the sum of individual regions is not equal to the value of exports for the entire Czech Republic. Data from export statistics are published in **FOB values** (it means own value of goods and direct trading costs associated with transport to the state border of the CR) and they are shown in **current prices**. The value in EUR is the sum of values in CZK converted by the average CZK exchange rate reported by the Czech National Bank. Goods are classified according to the Standard International Trade Classification - **SITC Rev. 4**.

6. LOCAL GOVERNMENT BUDGETS

The chapter contains selected data on revenue and expenditure of regions, municipalities and voluntary unions of municipalities. Data are taken over from the Ministry of Finance of the CR, which processes the necessary data from accounting and financial statements of individual territorial units.

Revenue and expenditure are after **consolidation**, i.e. after elimination of duplicities and entries, which are not a direct part of the financial performance.

7. PRICES

Consumer prices of selected price representatives are average consumer prices surveyed in the region in December of a reference year. Their arrangement in the table is based on the consumer basket structure (i.e. a set of selected kinds of goods and services paid for by the population including weights assigned to them) which has been valid since 2007.

Data on **prices of selected types of real estate** are derived from data of the Ministry of Finance of the Czech Republic. The data source is the real estate transfer tax returns, which owners (sellers) of real estate are bound to submit to the competent internal revenue offices by the end of the third calendar month following the month, in which the record of the property rights was entered into the Real Estate Register. Establishing of the database of price information at internal revenue offices was commenced by the processing of tax returns data for 1998 according to the Decree No. 279/1997 Sb. The database covers nationwide the entire population of transactions on the real estate market and is based on real (admitted) prices. Owing to additional recalculations of data from administrative sources the data for respective years published in the preceding yearbooks may not be compared.

Prices of selected coniferous raw timber assortments are given for the fourth quarter of 2010. Prices by region are surveyed only among owners of forests for timber deliveries within the Czech Republic. The survey covers prices of raw timber by six quality classes. The average price is a simple arithmetic mean of prices of individual business cases, which were concluded in the whole reference quarter.

Prices of agricultural products are measured in the network of selected agricultural producers. They are mostly nominal prices of selected agricultural products by main (specified) quality grades. The reported price is a simple arithmetic mean of prices of individual significant contracts, which were executed around the middle of the reference month.

8. LIVING CONDITIONS

Based on the membership in the European Union, the Czech Statistical Office carried out further EU-SILC (Statistics on Income and Living Conditions) sample survey in households called "**Living Conditions 2009**". The aim of the survey is to obtain on a long-term basis comparable data on social conditions of households, which are comparable also with other EU countries due to the survey unified methodology.

The survey applies the method of a four-year sample rotation; about a quarter of the observed households is replaced every year. The survey results are representative only up to the level of regions due to the sample size. **When interpreting and analysing the survey results it is necessary to keep in mind that they have some errors** (both sample and non-sample). More information (e.g. tables with 95% confidence intervals estimates, from which the interval, in which the real value of the estimated characteristic occur with 95% probability, is clearly seen) can be found, along with the detailed methodology, **in the source publication** "Household Income and Living Conditions 2010" on the webpages www.czso.cz, Section 3 – Labour and Social Statistics.

The survey included all persons, who in the reference period had their regular residence in the selected dwelling, including persons temporarily absent. This also held to foreign nationals and subtenants. The **private household** shall mean an individual or a group of persons who permanently live together and share expenditure on their needs. The **equivalent size** of household indicates the composition of households calculated by weights of consumption of respective household members (it reflects savings on costs of consumer durables and services serving to a higher number of the household members as household appliances, electricity, etc.). The OECD scale assigns the weight of 1.0 to the first adult in the household; any other adult (aged 14+ years) has 0.7; and any child (aged 0–13 years) has 0.5. The OECD-modified scale weights take more into account the household size (number of members) related savings and are defined as follows: the first adult in the household has 1.0; any other adult (aged 14+ years) has 0.5; and any child (aged 0–13 years) has 0.3.

Income of persons and income of households were surveyed always for the year before the survey. The **gross money income** includes all income from work (from employment or self-employment), social income, and all other kinds of regular and irregular income awarded to the household or its individual members. The **net money income** of the household was obtained by subtracting of appropriate health and social insurance contributions and income taxes. The total net income of the household includes income in kind comprising of consumption of own-account production and/or employee benefits in kind (e.g. contributions for board).

The **living minimum of the household** was calculated separately for each private household on the basis of its composition, age of children, and lawful living minimum amounts (since 2007 the data cannot be compared with those of previous years due to the new methodology introduced). The **income poverty line** was 60% of the median (i.e. the value in the middle of the income distribution) calculated from equivalised disposable income for persons. Lines for the **quintile distribution of households** by the net money income per person were calculated from the total for all households of the Czech Republic. Corresponding households and their members were categorized into five income groups determined this way for respective regions.

9. LABOUR MARKET

The source of information on the labour market surveyed in the households of respondents is the **Labour Force Sample Survey (LFSS)**. The methodology of indicators measured by the LFSS is in line with the definitions and recommendations of the International Labour Organisation (ILO). Thus the data may serve as a basis for direct international comparability of labour market characteristics in various countries. At the same time, the implementing methodology of Eurostat, which explains the contents of particular market characteristics, is adhered to.

The sample includes about 25 thousand dwellings on the territory of the entire Czech Republic (over 0.6% of all permanently occupied dwellings). The LFSS is conducted among respondents living in randomly sampled dwellings. All persons usually living in the sampled dwellings, irrespective of the type of their residence, are included in the LFSS. The

panel of chosen dwellings varies during the survey. Each quarter 20% of newly chosen dwellings are incorporated into the panel and after five quarters being on the panel they are dismissed from.

The decisive criterion for surveyed characteristics of every respondent is the respondent's actual activity on the labour market in the reference week. If a respondent stated that he/she had worked at least one hour in the reference week, he/she is strictly classified, according to the ILO methodology, as a person in employment.

All tables give average annual data for respective years.

Data are collected by sample methods and therefore **their accuracy is becoming lower as the sample size decreases.** The annual averages lower than 3 000 persons are considered as low reliability data and annual data for a number less than 500 persons are not published at all as their relative standard deviation is higher than 50% (represented by dots in tables). For all data obtained from the sample survey the 95% confidence interval can be constructed, i.e. the interval, in which the real value of the estimated indicator lies with the 95% probability. The interval size is affected by both frequency of the characteristic surveyed in respective region and the sample size in the region.

Data on the number of **employees and average gross monthly wages** are drawn from results of the processing of annual statistical questionnaires. Territorial breakdown of the data by region is obtained directly from the reporting units, including enterprises with up to 20 employees. It is carried out depending on the location of actual workplaces of employees, by the so-called **workplace method** (Tables 9-8 and 9-9). However, a more detailed territorial breakdown, for example, by districts, is impossible.

Data breakdown by industry for the years 2006–2009 have been **newly processed according to the CZ-NACE classification** (effective since 1 January 2008) and therefore data on employees and wages are for the time being marked as preliminary.

Since 2009 changes to methodology of surveys and presentation of results of the labour and wage statistics have occurred. Data published by **registered office of the reporting business** (so-called enterprise method) are newly shown **including enterprises with less than 20 employees** emphasising average wages of employees **recalculated to the full time employee equivalent** taking into account the work hours.

Data are classified to industries by principal activity of the whole enterprise (according to the CZ-NACE classification, which is comparable with international classifications).

Data in Table 9-105 are drawn from the results of the processing of quarterly statistical questionnaires and the territorial breakdown is carried out by head office of the reporting business - the so-called enterprise method. It means that even though a business has subordinated organizational units (plants, branches, shops, etc.) located in other region, it is classified as a whole to the region, in which it has its registered office. Data are shown both according to the original methodology and the new methodology as well.

The data shown in Tables 9-106 and 9-107 are for the **business sphere** taken over from the **Information System on Average Earnings (ISAE)** of the Ministry of Labour and Social Affairs of the CR; the system contains data from a sample survey in businesses with 10+ employees. Data for the **non-business sphere** are taken over from the **Information System on Salaries (ISS)** of the Ministry of Finance of the CR. These sources provide information on individual employees. The average wage is calculated from the paid working hours of the employee (unpaid absence, illness, etc. are not included) and therefore is not identical with the average wage from the business surveys of the CZSO, which is calculated from the registered number of employees (headcount) (Tables 9-8 and 9-9 or Tables 9-103 to 9-105).

The **wage median** is the value of the employee's wage in the middle of the wage distribution. This means that one half of wage values is below the median, while the other half is above it.

The data on the number and structure of unemployed **job applicants** and on the vacancies are taken from the Information System of the Ministry of Labour and Social Affairs of the CR (according to the records of labour offices).

Unemployed job applicants are citizens permanently residing in respective areas, who have no formal job or similar attachment to any employer, are not gainfully self-employed, and have asked the labour office to find a job for them.

Available unemployed job applicants are registered job applicants (including the EU and EEA citizens), ready to take a job immediately, when an appropriate one is offered, because there is no objective obstacle for them to become employed.

The **partly unemployed** are registered job applicants with additional earnings (coming from an activity based on employment or service relationship, if performed in shorter hours than a half of the determined working hours, or under contracts for work carried out outside contracts of employment provided that their monthly earnings or remunerations per month do not exceed a half of the minimum wage).

The **registered unemployment rate according to the methodology valid until 30 June 2004** is the ratio (expressed as percentage) of the number of the unemployed job applicants in the numerator (as at the end of the reference period) and the available labour force (i.e. the employed measured by the LFSS and unemployed job applicants) in the denominator. The **registered unemployment rate according to the methodology valid since 1 July 2004** is the ratio of the number of available unemployed job applicants in the numerator and the sum of the number of the employed measured by the LFSS plus the number of working foreigners registered at the labour offices or foreigners with valid work permits or trade licences plus the number of available unemployed job applicants (moving annual average) in the denominator.

Data for **employed foreigners** are based on the records of:

the **Ministry of Labour and Social Affairs of the CR**, Employment Services Administration, which, from labour offices collects, data on:

- valid work permits of foreigners;
- the number of pieces of information on commencement of employment by the EU/EEA and Switzerland citizens (citizens of the EU/EEA, Switzerland and their family members have free access to the CR's labour market since the CR accession to the European Union, they do not need a work permit, they are only a part of the duty to inform, when the employer has the duty to inform in writing about they have commenced the work, at the latest on the day of these persons' commencement, the relevant local labour office);
- the number of pieces of information on commencement of work of foreigners with permanent residence from other countries (foreigners with permanent residence also do not need work permit, there is only the duty to inform bound for them); and

the **Ministry of Industry and Trade of the CR**:

- data on the number of foreigners with valid trade licences.

Conditions of employing foreigners are set in the Act No. 435/2004 Sb. on employment. Conditions for the self-employment of foreigners (foreigners can run a business in the Czech Republic the same way as the citizens of the CR if they fulfil conditions determined by law) is set in the Act No. 455/1991 Sb. on trades and crafts.

10. ORGANIZATIONAL STATISTICS

The **Business Register** is a source of information for organizational statistics. The Business Register is accessible to the public and is made and administered by the Czech Statistical Office pursuant to the Act No. 89/1995 Sb., on the State Statistical Service, as amended.

The Business Register keeps records of **legal persons** incl. organizational units of the state **and natural persons** with the status of entrepreneur. **Legal persons** include associations of natural or legal persons, intentional purposeful poolings of property i.e. foundations, territorial self-governing units and other entities as determined by law. **Business companies and partnerships** include general commercial partnerships, limited liability companies, limited partnerships, joint-stock companies, and since 2010 also European economic interest groupings and European companies (Societas Europaea). **Natural persons** include private entrepreneurs who are in business under the Trade Act, unincorporated agricultural entrepreneurs and natural persons carrying out other business activities governed by special regulations.

Classification by **principal activity** corresponds to sections of **Classification of Economic Activities (CZ-NACE)**.

The Business Register is regularly **updated** with data coming from statistical surveys, company register, trade licence offices and administrative sources. An entity reporting economic activity according to the information from statistical surveys or administrative sources is considered to be an **enterprise-type statistical unit**.

11. AGRICULTURE

The data are mostly sample surveyed and respondents are businesses engaged in the agricultural primary production recorded in the statistical **Farm Register**. The **results** found **are grossed-up to the whole agricultural sector** (excluding own-account production of the population). The reporting unit in the agricultural statistics is an entity with agriculture as principal activity complying with at least one of **threshold values** (for instance, at least 1 hectare of utilised agricultural land or a minimum of 1 head of cattle reared, etc.).

The **agricultural output** of the region is measured in the so-called regional economic accounts for agriculture, which represent the overall final production of agricultural industry of the given regions in terms of value.

The **utilised agricultural land** shall mean land utilised for the agricultural production and also land, which has been and shall be utilised for agriculture, yet temporarily is not in such usage.

Areas under crops, measured by their censuses taken as at 31 May, shall mean the spring production area, i.e. arable land areas, areas under crops in orchards and gardens, and areas of permanent grasslands temporarily ploughed and used for sowing, which are to be harvested in the reference year. Areas under crops do not include the item of "set-aside arable land", i.e. fallows and arable land, which is not sown or planted for various reasons.

The **harvest** represents the total quantity of a crop (excluding seeds and planting stock), harvested at standard moisture and purity, including inferior portions of the crop that can be used as livestock fodder. The **per hectare yield** is the ratio of harvest to the production area. The **production area** is equal to the areas under crops, except for grain maize, green maize, maize for silage, and permanent grasslands areas. The number of fruit trees and bushes and the **fruit** harvest are measured by means of questionnaires on final harvests of crops as at the end of the year.

The number of livestock is given according to livestock censuses. **Cows** and **sows** are breeding dams calved or farrowed, respectively, at least once. **Poultry** includes hens and cocks, geese and ganders, ducks and drakes, turkey hens and cocks (including young ones). Since 2010 the number of eggs laid by hens has been measured for hens kept in production rearing facilities (laying hens).

The **meat production** includes data from all slaughterhouse operations in the Czech Republic. It is given in the carcass weight, which is the weight of carcasses processed in slaughters as defined in regulations of the Council of the European Union. Forced slaughters are counted in the carcass weight providing that the meat is used for human consumption. The live weight is calculated from the carcass weight. The average live weight of pigs for slaughter excludes sows and boars.

The regular part of this chapter is added with certain results of the Vineyards Survey 2009 and the Structural Survey on Agriculture and Methods of Agricultural Production 2010.

12. FORESTRY

Forestry includes incorporated businesses with 20+ employees and having forestry as their principal activity and furthermore businesses managing forest land areas of 200 hectares and more.

Afforestation/reforestation shall mean the artificial afforestation, i.e. planting and sowing of forests (the natural forest regeneration is excluded). **Removals of roundwood** also include the so-called self-production felling. The wood volume is counted irrespective of what kind of thinning or felling it has been acquired from and includes salvage felling as well. The **salvage felling** includes data on salvage felling and disasters of all types. The wood volume processed in a given year is counted in.

Cleanings are treatments of young stands. **Thinnings** refer to intentional silvicultural measures in premature stands.

The chapter also contains data on **gamekeeping and hunting**. Data published are data for reporting units covered by the ministerial statistical surveys of the Ministry of Agriculture of the CR and the Ministry of Environment of the CR.

13. INDUSTRY

The statistics of industry includes data from enterprises principal activity of which is industry. Data are measured by the **enterprise method**, i.e. for enterprises having their registered office on the relevant territory, including their establishments, plants, and units located in other regions. A 100% survey is applied to get data from enterprises with 100+ employees.

Sales of own goods and services incidental to industry to external users include only sales from the sale of products and services according to the CZ-CPA 05-39, i.e. sales adjusted by non-industrial activities of an enterprise. Trade, transmission, distribution, and supply of energy also belong to services incidental to industry. Revenue from such service is the difference between purchased and sold (delivered) energy. Sales (revenues) include revenues from sale of own tangible and intangible output valued at current prices. The sales (revenues) exclude VAT, excise duty, and customs duty.

The registered **number of employees** (headcount) includes all permanent, seasonal, and temporary employees who have a contract of employment with an employer and receive **wage** from the employer for their work done.

The **average monthly gross wage** per employee in industry is based on the wage bill (gross) (i.e. without deductions imposed by law or agreed upon with the employee), to be paid in the given period. The wage bill does not include funds paid from the other personnel expenses account.

14. ENERGY

Information on the **fuel and energy consumption** is measured in all industries of the national economy for incorporated enterprises.

Data on the fuel and energy consumption are observed in the group of enterprises with 20-99 employees only at selected enterprises (the share of the sample differs by industry) and in the group of enterprises with 100+ employees for all enterprises.

The **consumption** of individual **types of fuel** includes production and non-production consumption, including input and operating consumption in electricity and heat production processes and in fuel upgrading processes, including consumption of diesel oil and gasoline for intra-enterprise transport.

Consumption of electricity also includes own consumption for the production of electricity.

15. CONSTRUCTION, HOUSING CONSTRUCTION

Construction by the **registered office** of the **enterprise** includes data on construction enterprises having their registered offices on the area concerned and having 50+ employees. **Construction by construction site** includes data for construction enterprises with 20+ employees. The **construction enterprise** shall mean an enterprise with construction as principal activity (it corresponds with divisions 41, 42, and 43 of the CZ-NACE).

Construction work refers to work done on construction, reconstruction, extension, renovation, repair and maintenance of permanent or temporary buildings and structures. It also includes assembly work on construction structures and the value of built-in material and structures. **General construction work (GCW)** represents the volume of construction work performed by the unit workers, which are in its registered number of employees (headcount) plus productive work of apprentices and the volume of construction work carried out to its own tangible fixed assets. **Construction work "S" (according to delivery contracts)** represents the total value of outputs from construction activity of the reporting unit (including built-in material) performed on the basis of a delivery contract for the final user (developer), including the value of subcontracts for construction work received from other contractors in order to fulfil the delivery contract for the final user. The **public ordering party** (party placing an order for a public project) shall mean a legal person which, in accordance with valid regulations on financial management, utilises, in full or in part, public resources for funding of public projects (public work).

Building permit means the building permit issued according to Section 115 of the Construction Act with binding terms and conditions for the implementation and usage of the construction. **Building notification** means the permit for simple constructions pursuant to Section 104 paragraph 2 a) to d) of the Construction Act. The **approximate value of constructions** involves total costs, including technologies (at current prices) incurred for the preparation, implementation, and putting of the construction into operation. **Environmental protection structures** mean constructions for protection of water, soil, and climate, for air pollution control, nature conservation, for environmentally friendly waste management, and to reduce environmental impacts of physical factors.

Data on **housing construction** include construction of new dwellings on the given territory by means of all types of construction activities. The **dwelling** shall mean one room or a set of rooms designed for living by the planning and building control authority decisions and can serve the purpose as independent dwelling units. **Dwellings started** are since 2006 dwellings in buildings which construction was permitted in the reference period by building permits have been granted. Since 2007 these shall mean dwellings construction of which commenced on the basis of building permit granted or building notifications. It does not matter whether they were completed in the reference period or not. **Dwellings completed** are dwellings, for which the competent planning and building control authorities issued approvals pursuant to the Construction Act, as amended by the end of the reference period.

The **living floor area of the dwelling** is the floor area of habitable rooms. The **habitable room** is a directly natural light illuminated and ventilated room of at least 8 m² of floor area, which can be sufficiently heated, directly or indirectly, and which is designed and equipped for the year-round dwelling. The living floor area includes neither areas of **ancillary rooms** (as an entrance hall, for instance) nor **facilities** (as a toilet and bathroom, for instance). The **useful floor area of the dwelling** means the area of all habitable and ancillary rooms, including facilities of the dwelling.

16. TOURISM

Tourism statistics includes data on capacity and outputs of collective tourist accommodation establishments and also data from sample survey among households on travel behaviour of residents. Besides data by region and district, also data on tourist areas and tourist regions are published. These areas were officially determined by the Czech Tourism agency in 2005.

Collective accommodation establishments mean establishments with at least five rooms or ten beds that on a regular (or irregular) basis provide tourists (including children) with temporary accommodation for the purpose of vacations, trip, spa treatment, business trip, training, course, congress, symposium, stay of children at schools in nature, summer and winter children camps. They are divided by category determining the type of accommodation establishment and the class defining requirements for the equipment, level, and range of services connected with the accommodation. The collective accommodation establishments include hotels, boarding houses, hostels, holiday dwellings, camp-sites, and other accommodation establishments.

Bed places in accommodation establishments mean all permanent beds used for the overnight rest of guests (excluding extra beds). **Places for tents and caravans** mean the number of places for tents, caravans, and campers.

Guests in an accommodation establishment are all persons (including children and excluding owners and operating personnel of the accommodation establishment) who have used services of the accommodation establishment for their temporary stay. Persons, who use an accommodation establishment for a temporary stay for the purpose of employment or full-time studies, are not included. The length of a temporary stay shall not exceed 1 year for the guest to be taken as a tourist. A person with a permanent stay in the Czech Republic is considered a **resident**. It can therefore be a citizen of the Czech Republic as well as a foreign citizen permanently living in the Czech Republic. A **non-resident** is hence a person, who permanently lives in other country (including citizens of the Czech Republic permanently living abroad).

The **average length of stay** is by one day longer than the average number of overnight stays. The **net occupancy rate of bed places** gives the net occupancy rate of permanent beds that were really available to guests. The calculation is based on the average number of available beds and the number of operating days of the accommodation establishment. The **occupancy rate of rooms** gives the net occupancy rate of rooms. The calculation is based on the number of implemented room-days (i.e. the total number of days, for which the room was occupied by at least one guest) and the total number of room-days.

The **Tourism Sample Survey (TSS)** carried out in the Czech Republic monthly is the source of data on long and short foreign as well domestic trips (yet data on foreign trips are not sufficiently representative at the regional level). The survey is based on a two-stage random sample in a sample of dwellings of sampled census districts. Members of a household are asked about trips they made in the last three months for the purpose of spending leisure time and recreation or a business trip out of their usual environment (permanent or temporary residence, workplace, school, etc.). Before 2009, data were surveyed at one randomly selected household member aged 15+ years, in 2009 among all household members aged 15+ years, and since 2010 involvement of all household members is surveyed regardless of their age. The data ascertained in this manner are then grossed up to the whole population using mathematical and statistical methods.

A **long trip** means a trip taken for the purpose of spending leisure time and recreation, in which the person stayed over night at least four times in succession out of their usual environment. A **short trip** means a trip taken for the purpose of spending leisure time and recreation, in which the person stayed over night, at least once, but no more than three times in succession, out of their usual environment (weekend stays included).

Expenditure on short and long trips include expenditure on the trip, on accommodation out of the trip (incl. board included in the price of accommodation), on meals out of the trip, expenditure on transport out of the trip, purchase of

goods in shops, and other expenditure. The total expenditure excludes purchases of merchandise, capital investments, cash handed over to relatives during the trip, which is not a payment for tourist goods and services, presents for institutions, etc.

17. TRANSPORT

The data on transport are taken from external sources – the Ministry of Transport of the CR (outputs of freight transport by road, public bus transport, and rail transport), Railway Infrastructure Administration (length of railway lines), Road and Motorway Directorate of the CR (length of the road network), and the Ministry of the Interior of the CR (Central Register of Motor Vehicles).

The length of operated **railway lines** is the length of continuous rail tracks. It does not include other transport, marshalling, and handling tracks. The **road network** includes the overall length of roads of classes I, II, and III; including their sections in cities and municipalities, which are incorporated into the road network. The **numbers of motor vehicles** are taken over from the Central Register of Motor Vehicles updated according to the registers of municipal authorities of municipalities with extended powers. There are only road motor vehicles having valid license plates as at 31 December.

18. INFORMATION AND COMMUNICATION TECHNOLOGIES

The term of **information and communication technologies (hereinafter as ICT)** generally refers to technologies, systems, activities, and processes that participate in the imaging, processing, storage, and transmitting of information and data in an electronic form.

Since 2003 the Czech Statistical Office (CZSO) has been monitoring the penetration of selected information technologies **in households and among individuals**. The survey is carried out as personal interview of a sample of approx. 10 000 individuals aged 16+ years. Results thereof are then grossed up to the whole population of the Czech Republic. As for data on households, current state is surveyed (since 2005 it has been for the second quarter of the reference year); data on individuals are for the last three months of the survey period. In order to have more representative data sets the data breakdowns by region are published as three-year moving averages.

Individuals using a personal computer and/or the Internet are persons, who have used a personal computer and/or the Internet at least once in the last three months.

Data on **broadband Internet subscriptions** are based on data sources of the Czech telecommunication Office. Broadband Internet subscriptions include ADSL connections, connections via cable TV modem (CATV), fixed wireless connections (WiFi and FWA), and connections via mobile phone networks (EDGE, CDMA, or UMTS) with the nominal transmission speed of 256 kbit/s and higher.

The data on the **ICT usage in the public administration** are as at 31 December of the respective year. The population contains all government ministries, offices and institutions, regions, and municipalities (including city parts of the Capital City of Prague). It is 100% survey. The data on information technologies accessible to the public **in libraries** come from sources of the National Information and Consulting Centre for Culture (NIPOS). Data on equipment and usage of information technologies by **health establishments** in the Czech Republic are taken from the annual report, which is developed by the Institute of Health Information and Statistics of the Czech Republic (IHIS) in cooperation with the Ministry of Health of the Czech Republic and the Czech Statistical Office. Data on **information technology equipment of schools** in the Czech Republic come from the Institute for Information on Education (IIE), which collects data via the Internet at majority of the basic, secondary, and higher professional schools.

The Labour Force Sample Survey (LFSS) is used as the data source for **statistics on IT professionals**, in which basic reporting units are individuals and households. If the figure is smaller than 3 000 persons data are considered to be of low reliability.

Data on **wages of IT professionals** come from results of the **structural statistics on wages of employees**, which is published by the Czech Statistical Office in cooperation with the Ministry of Labour and Social Affairs of the CR. Data on wages are not grossed up yet describe only the sample surveyed covering roughly 1.7 million of employed persons.

University students (ISCED levels 5A and 6) specialised in informatics are defined according to the International Standard Classification of Education (ISCED 97) in the narrow defined field of education No. 48 Computing. Data were acquired from data sources in the database SIMS of the Institute on Information in Education.

Goods in the field of information and communication technologies (hereinafter as the **ICT goods**) is defined as follows: "ICT products must primarily be intended to fulfil or enable the function of information processing and communication by electronic means, including transmission and display." (OECD 2009). Data for exports and imports of the ICT goods come from data outcomes of the external trade statistics (database of external trade statistics of the CZSO).

19. SCIENCE AND RESEARCH

The terms **research and development (R&D)** in the Czech Republic are defined in the Act on R&D Support from Public Funds. **R&D** is defined as systematic creative work conducted for the purpose of broadening of existing knowledge (including knowledge of humans, culture, and society), obtaining new pieces of knowledge or application of pieces of knowledge in practice using methods allowing their confirmation, addition, or refutation.

Reporting units in the R&D statistical survey are all legal and natural persons conducting R&D on the territory of the Czech Republic as their principal (Industrial Classification of Economic Activities 73; since 2008 CZ-NACE 72 – places of research) or secondary economic activity, irrespective of the number of their personnel, sector, or CZ-NACE activity they are active in.

The **regional breakdown of data** by region has been available since 2001 and is processed by the location of the R&D workplace of respective reporting unit. Estimates of data for districts were created by locations of the economic entities and addresses of R&D workplaces in 2010. The registered office (seat) of a business may not be identical with the workplace address (location where R&D is performed).

R&D personnel by occupation are:

- **researchers:** professionals engaged in or managing projects that include the concept or generation of new pieces of knowledge, products, processes, methods, and systems;
- **technicians and equivalent staff** (hereinafter as “technicians”) who participate in R&D activities by performing scientific and technical tasks, applying concepts and operating methods (usually under the supervision of researchers);
- **other research and development personnel** participating or involved in R&D activities (as craftsmen, secretaries, and clerks).

The **registered number of employees (headcount) as at 31 December** refers to registered number of active R&D personnel employed (full or part-time) at the end of the reference year irrespective of time devoted to research and development activities. Mainly in the high education and partially also in government sector, big amount of persons working in R&D, especially researchers, works for more entities and therefore in these sectors the indicator is overestimated and does not show the real number of persons working in R&D. The **average registered number of employees adjusted as full-time equivalent (FTE) devoted to research and development activities** brings information about real time devoted to research and development activities. One FTE is equal to one year of work fully devoted to R&D full time of an employee fully dedicated to R&D activities.

Expenditure on research and development represents total expenditure (current and capital expenditure) dedicated to own research and development carried out within the reporting unit or the economic sector irrespective of the source of funds. Expenditure incurred outside the reporting unit (external expenditure on R&D) is included in the total expenditure only on condition that it directly serves to support own R&D (e.g., purchase of supplies for R&D). Data on the state support of research and development result from information contained in the R&D Information System (secretariat of the R&D Council) and in the closing account of the state budget of the CR for the area of R&D (Ministry of Finance of the CR).

Data on **patents** were processed on the basis of data sources of the Industrial Property Office of the Czech Republic (IPO CR), which is responsible for the patent protection in the Czech Republic. The patent data are classified according to the methodology of the **OECD Patent Statistics Manual** (OECD, Paris, 2009).

The data source for **the number of scientists and engineers** is the Labour Force Sample Survey (LFSS), in which basic reporting units are individuals and households. Data in tables are annual averages. If the figure is smaller than 3 000 persons data are considered to be of low reliability. In 2010, there was a change in methodology and therefore data for 2010 are not fully comparable with those of previous years.

Data on **wages** of scientists and engineers are from results of the structural statistics on wages of employees published by the Czech Statistical Office in cooperation with the Ministry of Labour and Social Affairs of the CR. The amount of average monthly gross wage of scientists and engineers given here relates solely to the survey sample (approx. 1.7 million employed persons) that means the data are not grossed up.

Higher education students (ISCED levels 5A and 6) in the fields of **science** (life sciences, physical sciences, mathematics and statistics, computing) and **engineering, manufacturing and construction** (engineering and engineering trades, manufacturing and processing, architecture and building) are defined in the International Standard Classification of Education - ISCED 97 (ISCED broad groups 4 and 5).

High-tech goods are goods produced mainly in technology intensive operations. At the same time, development of such products is accompanied by high costs either for innovation and/or for research and development. For the needs of external trade statistics, high-tech goods are defined by the Standard International Trade Classification (SITC); they are broken down by nine groups (electronics -telecommunications, electrical machinery, pharmacy, chemistry, aerospace, non-electrical machinery, scientific instruments, computers - office machines, and armament).

20. EDUCATION

Data on **education** are taken from the database of the Institute for Information on Education, which is the workplace for the education statistics under the Ministry of Education, Youth and Sports of the CR. Tables include all schools enlisted in the register of schools and school facilities regardless their founder. Teachers (including directors and their deputies, educational consultants, and professional training teachers) are given as full-time equivalent employees.

The **International Standard Classification of Education** (ISCED) was developed and issued by UNESCO as early as 1976 to be used as a tool appropriate for collecting, processing, and disseminating of the education statistics both in

respective countries and on the international scale. The last revision of the ISCED was carried out in 1997. The classification uses 7 levels of education (0 to 6), which can be each broken further internally to groups from A to C.

Nursery schools provide pre-school education. Data on nursery schools include both "common" nursery schools and also schools that are especially established for children with special educational needs (hereinafter as the SEN).

Basic schools, including schools for pupils with special educational needs, provide basic education, which is compulsory for all able children.

Secondary schools, including schools for pupils with special educational needs, are dedicated for obtaining secondary education. This type of education is provided at schools teaching in programmes of grammar schools and of technical education at secondary schools (includes programmes of secondary technical schools, secondary vocational schools, vocational schools, and practical schools). Programmes of technical education include also follow-up courses, which are given separately.

Another type of schools is **conservatories**, including conservatories for pupils with handicap, where pupils can earn either secondary education with A-level examination, or higher professional education at conservatoire. Students get also educated in higher professional education programmes at **higher professional schools**.

Data on all the aforementioned types of schools are **published for a school year** and refer to the state as at **30 September of the reference year**.

Universities offer bachelor, master, follow-up master, and doctoral study programmes. Because the number of students studying simultaneously at multiple universities or faculties has been increasing, the numbers of students refer to the headcount (each student is counted only once). The total number may not agree with the sums for respective universities, forms of education, or programme types, respectively.

Data on public and private **universities** are taken from the Union Information from Students' Registers (Sdružené informace matrik studentů – SIMS). The numbers of universities and students are as at **31 December 2010** and the numbers of graduates are given for the whole calendar year. The central database is continuously completed and updated; the data published in this Statistical Yearbook refer to the state of processing as at 25 January 2011.

Breakdown by the form of study

- secondary education and higher professional education as full-time or other forms, i.e. evening classes, extramural, distance, or combined forms of education;
- universities offer programmes of full-time, distance, or combined forms of education.

21. HEALTH

Selected data on health are taken over from source materials of the Institute of Health Information and Statistics of the Czech Republic (IHIS CR) founded by the Ministry of Health of the Czech Republic. The data are for **ministries in total**.

Data on the numbers of **physicians, including dentists** (full-time equivalent workers), are calculated as the sum of all full-time and part-time jobs of individual physicians of the health establishments converted according to the full number of working hours per week laid down for a given establishment or workplace. Since 2007 the numbers of physicians, including dentists, have been given involving contractual workers as well.

Contractual workers are workers working in a given health establishment on the basis of:

- a **contract** for work other than works described in their contract of employment (employees working on the basis of a contract on services, employees working on the basis of a contract for work); and
- a **contract** for work (according to the Civil Code or the Commercial Code).

Bed stock of hospitals and its use demonstrates selected indicators of the bed stock use, of the back-up by physicians and paramedics with professional qualifications, on medical staff workload, as well as information on movements of hospitalised patients.

Data on **incapacity for work due to disease or injury** are processed by the CZSO. The reporting unit is all enterprises having 25+ employees (sickness-insured persons). Data on enterprises having smaller number of employees and on the self-employed without employees are taken from the Czech Social Security Administration.

Average percentage of incapacity for work per year is calculated as the ratio of the number of calendar days of incapacity for work due to disease or injury to the average number of the sickness-insured employees, multiplied by the number of calendar days in a year.

22. SOCIAL SECURITY

The state statistical service utilises outcomes of information systems of the Czech Social Security Administration (sickness insurance benefits, recipients of pensions, and the average amounts of pensions) and of the Ministry of Labour and Social Affairs of the CR (social services – establishments, users, and expenditure, retirement homes, state social support benefits, recipients of old-age pension by its amount, IDs of the handicapped).

The **social security scheme** includes pension insurance, sickness insurance, state social support benefits, and social care. The pension insurance scheme provides old-age, disability, widows', widowers', and orphans' pensions. Before 2009 disability pensions were provided as full and partial ones. Effective since 1 January 2010 full disability pensions

were partly transformed into disability pensions, third level and partly were subdivided into disability pensions of first level and second level depending on percentage of the working ability reduction of the insured person due to long-term adverse condition. Furthermore, since 2010 disability pensions paid on the day when 65 years of age is reached are converted into old-age pensions on that day. Old-age pensions are given in as a single pension, that is not combined with widow's or widower's pension.

The **sickness insurance** system of benefits comprises four **benefits**, namely sickness benefit, care benefit, maternity benefit, and pregnancy and maternity compensation benefit. Sickness insurance benefits are provided per calendar day of a given period of time. The sickness insurance of the self-employed without employees is voluntary. The self-employed without employees are entitled to two of the benefits only – the sickness benefit and the maternity benefit. Job applicants are not sickness insured, but they are paid the maternity benefit from sickness insurance. Tables relating to sickness and pension insurance do not include data concerning the armed forces of the Ministry of Defence of the CR, the Ministry of the Interior of the CR, and the Ministry of Justice of the CR.

The figures on the **state social support benefits** paid include family income tested benefits, i.e. child allowance, social allowance, and housing allowance; and non-income-tested benefits (benefit eligibility is not limited by the family income amount) as parental allowance, foster care benefits, birth grant, and funeral grant.

Government utilises the **social care scheme** to help citizens whose living needs are not sufficiently covered by their income from work activities, by means of pension security or sickness insurance benefits, or potentially by other income, and to assist citizens who need help due to their condition or old age. The social care scheme includes in particular care for people with severe health disability. The scheme provides benefits in cash or kind, and cultural and recreational care. In context of the adoption of the Act No. 108/2006 Sb. on social services, as amended, in 2007 a change was carried out to classification of **social services** provided and the Register of Social Service Providers was established. Before 2007 the data were collected for respective social service establishments when the establishment reported detailed figures solely on the prevailing type of the social service provided and merely additional information on other provided social services. Since 2008 a different methodology approach has been applied consisting in the observation of data on each registered social service in a separate statistical report. This approach has enabled to obtain more detailed and precise data on the registered social services provided. For this reason, some data for the years from 2007 to 2009 are not comparable with the data for the previous years and, moreover, the data for 2007 cannot be compared to those for the following years. Data on capacity of social service establishments are based on actual allocation of the services provided.

23. CULTURE

Data on public libraries and historical monuments used for cultural purposes are taken over from the National Information and Consulting Centre for Culture (NIPOS), established by the Ministry of Culture of the CR, and capture the state as at 31 December or the total for a given calendar year.

Public libraries shall mean the National Library of the CR and Moravian Library, which are directly managed by the Ministry of Culture of the CR, then regional scientific libraries, established by regional authorities, and furthermore libraries established by municipalities and towns. For all the types of libraries, the indicator "Loans, total" refers to loans of all library items and other documents used in-house and outside the library. The **library item** shall mean each separate volume of a book, a complete volume or several issues of a periodical bound or inserted into a folder, each separate map, a graphic sheet, a gramophone record, etc. Other documents include, for instance, magnetic tapes, microfilm rolls, photocopies, microfiches, etc.

Historical monuments used for cultural purposes include castles, chateaux, monasteries, cloisters, and other historical monuments accessible to visitors for an admission fee and are not managed by a museum or a gallery. The data given refer to all these facilities, irrespective of their founder.

24. CRIME AND ACCIDENTS

The presented data on crime and traffic accidents were compiled from sources of the Police Presidium of the CR.

The data on ascertained and cleared-up **criminal offences** include also criminal offences at railway and criminal offences registered by the Alien Police Service. Cleared-up criminal offences include criminal offences committed and cleared up in the reference year.

General crime includes crimes of violence, sexual crimes, property crimes, frauds, embezzlements, other property crimes, and other criminal offences. Economic crime includes mainly criminal offences in business and financial relations.

Traffic accidents encompass all accidents reported to the Police of the Czech Republic; since 2009 rules for their reporting have been changed. The numbers of killed, seriously injured and lightly injured refer to the state within 24 hours after the accident. Physical damage includes damage to vehicles, their cargos, or to roads and their equipment.

Data on **fires** and main reasons for interventions of fire and rescue service units were compiled from information prepared by the Fire and Rescue Service of the Czech Republic.

25. CAPITAL CITY OF PRAGUE, CITY SECTIONS

According to Act No. 131/2000 Coll., of 13 April 2000, on the Capital City of Prague, Prague is the capital of the Czech Republic, region and municipality.

Generally binding Decree No. 55/2000 Coll., of the Capital City of Prague, by which the Statute of the Capital City of Prague is issued, splits the city into 57 city sections. City sections are administered by their councils headed by boards and mayors. Their decisions are carried out by offices of city sections. At the same time, the Statute commits with effect from 1 July 2001 carrying out of the delegated competences to 22 city sections.

This chapter includes data from the previous chapters broken down further into 57 city sections, governed by the same methodology.

In the tables, city sections are ranked according to their belonging to the 22 administrative districts. **Since 1.11.2007 city section Prague-Čakovice belongs to city section Prague 18 that carries out public administration for it instead of Prague 19 in previous years.**

This chapter also shows:

Key data on the financial performance of the Capital City of Prague for 2010. Prague City Hall is the source of data.

Money income and expenditure of households in 2008 to 2010. Data can be found in tables 26-21 to 26-23.

HOUSEHOLD INCOMES AND EXPENDITURES

Data on household incomes and expenditures were obtained from results of Household Budget Survey (HBS), which shows expenditure and consumption of private households. This survey provides information on consumption of households and its structure or on impacts of certain factors (e.g. price movements, situation in the market) on expenditure structure and consumption customs of households.

The reporting households of the HBS are selected by purposive quota sampling. The sampling unit and reporting unit for the survey is a private household. The group of household derived from the economic activity of the head of household and his/her economic status in employment has become a basic sampling attribute.

For three most important groups of households the following sample criteria are used:

- net money income per household member and number of dependent children for households of employees and households of the self-employed;
- pension per household member and number of members (in one-member households also the sex of the person) for households without economically active members.

Reporting sample of households was chosen so that its composition by selected sampling attributes corresponds to the household structure in the CR. The quota frames were the results of the Living Conditions survey (carried out as the national module of EU-SILC surveys). Each household keeps records of income and expenditure for all household members. Since 1999 for classification of consumption expenditure in the HBS the CZ-COICOP "Classification of individual consumption by purpose" has been used.

In comparison to the previous year, the changes were made in structure and contents of the tables. Data in tables relates to all households included into HBS (the data related to households of employees in previous issues). The table on purchase and consumption was eliminated (due to low information capability).

26. TERRITORIAL COMPARISONS

Based on the Constitutional Act No. 347/1997 Sb., on the Establishment of Higher Territorial Self-Governing Units of 3 December 1997, the Czech Republic was subdivided into 14 regions on 1 January 2000. The Czech Statistical Office introduced the **Classification of Territorial Statistical Units (CZ-NUTS)** according to this Act and the Decision of the Government of the Czech Republic No. 707/1998, and Section 19, paragraph 1 of the Act No. 89/1995 Sb. on the State Statistical Service, and following an agreement with the Statistical Office of the European Communities (Eurostat).

The NUTS (La Nomenclature des Unités Territoriales Statistiques) classification constitutes a fundamental systematic tool for the needs of statistics, analyses, and needs of providing of statistical information to the European Union. It is used for the statistical monitoring and analyses of social and economic conditions in the regions, as well as for the preparation, implementation, and evaluation of regional policies. At the level of NUTS 2 it is, in particular, used for the drawing finances from the so-called Structural Funds of the EU.

Effective since 1 January 2008 the Classification of Territorial Statistical Units (CZ-NUTS) was updated by the Communication of the CZSO No. 201/2007 Sb. At present the Classification has four levels of NUTS, which are characterized by population and area. At lower levels so-called "Local Administrative Units" (LAU) have been introduced. The EU legislation instruments, however, do not introduce the LAU system.

NUTS 0 refers to **the state of the Czech Republic**

NUTS 1 refers to **the territory of the Czech Republic**

NUTS 2 refers to **areas (cohesion regions)**, i.e. to 8 groupings of regions

NUTS 3 refers to **14 regions**, i.e. to **higher territorial self-governing units - HTSU**

LAU 1 refers to **districts**, i.e. to 76 districts and Hl. m. Praha in total

LAU 2 refers to **municipalities**, i.e. to 6 250 municipalities (Hl. m. Praha is one unit)

Overview of NUTS2 areas and NUTS3 regions:

Praha	- Hl. m. Praha Region (<i>Capital City of Prague</i>)
Střední Čechy	- Středočeský Region
Jihozápad	- Jihočeský and Plzeňský Regions
Severozápad	- Karlovarský and Ústecký Regions
Severovýchod	- Liberecký, Královéhradecký, and Pardubický Regions
Jižní Morava	- Kraj Vysočina and Jihomoravský Regions
Střední Morava	- Olomoucký and Zlínský Regions
Moravskoslezsko	- Moravskoslezský Region