

III. Characteristics of the results – fourth quarter of 2008

The presented results of the survey characterize (in compliance with the applied international methodical approaches) the population living in sampled dwellings. The situation of persons living in other accommodation establishments (especially collective accommodation facilities) is not reflected. This fact excludes to a certain extent some groups of persons from the survey (for example foreigners at temporary housing facilities, church persons in seminars, etc.).

III. A. *Employment*

The number of first job holders in Q4 2008 was 5033.5 thousand, of which men and women made up 2886.8 thousand (57.4%) and 2146.7 thousand (42.6%) respectively. Total employment was up by 66.3 thousand y-o-y. The number of first job holders grew by 1.3%. At the same time, the number of first job holders with time-limited work contract decreased to 333.8 thousand in Q4 2008 (of which 189.5 thousand women), i.e. by 19.3 thousand fewer in total than in Q4 2007.

The prevailing part of employed persons is **employees** (4208.1 thousand); their number increased by 52.9 thousand y-o-y. The share of employees in total employment went down by 0.1 percentage points to 83.6%. The number of **members of producer cooperatives** dropped by 0.9 thousand to 12.3 thousand. The number of the **self-employed** reached 812.8 thousand, which was by 14.3 thousand more y-o-y. The percentage of the entire self-employment sector remained at the level of Q4V 2007 (16.1% of total employment). The number of **self-employed persons without employees** went down by 5.6 thousand to 591.5 thousand. The number of **self-employed persons with employees** increased by 13.1 thousand to 186.1 thousand; the number of **family workers** rose (by 6.8 thousand to 35.2 thousand).

Numbers of first job holders: by status in employment

Status in employment	Total		Men		Women	
	Thous.	%	Thous.	%	Thous.	%
Employees	4208.1	83.6	2297.2	79.6	1910.9	89.0
Members of producer cooperatives	12.3	0.2	8.4	0.3	3.9	0.2
Self-employed without employees	591.5	11.8	427.3	14.8	164.3	7.7
Self-employed with employees	186.1	3.7	142.3	4.9	43.9	2.0
Family workers	35.2	0.7	11.6	0.4	23.6	1.1
T o t a l	5033,5	100,0	2886,8	100.0	2146.7	100.0

Employment decreased in five regions, especially in the Královéhradecký (-5.6 thousand) and Vysočina (-5.2 thousand) Regions. Employment grew in the Středočeský (+19.7 thousand), Hl. m. Praha (+18.4 thousand), Moravskoslezský (+15.8 thousand) and Ústecký (+11.3 thousand) Regions. Large growth in employees was registered in the Středočeský (+17.9 thousand), Moravskoslezský (+17.3 thousand), Hl. m. Praha (+14.1 thousand), Pardubický (+12.9 thousand) and Ústecký (+12.5 thousand) Regions.

However, when assessing development in the structure of status in employment, we should bear in mind that the data released relate to the respondent's usual place of residence and not to the region where he/she works. In the Hl. m. Praha Region, for example, there are much more people working than those residing and at the same time working (i.e. the number of persons working in the Hl. m. Praha Region exceeded the number of employed Prague residents by 121.7 thousand and reached 773.4 thousand). And the high commuting balance in the Hl. m. Praha Region occurs predominantly in the category of employees (114.8 thousand).

Vice versa, the number of commuters leaving one region to work in another exceeding the number of commuters coming to work in a region is typical of the Středočeský (commuting balance reached -72.6 thousand, largely in favour of the Hl. m. Praha Region), Moravskoslezský (-11.5 thousand), Olomoucký (-9.2 thousand), Vysočina (-10.3 thousand), Jihočeský and Plzeňský (both -8.3 thousand) Regions. The passive balance of commuting in other regions varied from -2.0 thousand in the Zlínský Region to -6.6 thousand in the Pardubický Region. The regional borders were crossed mostly by employees (91.0% of all commuting).

**Increases/decreases in the number of first job holders: by status in employment and region
(Q4 2007 to Q4 2008, thousand persons)**

CR total		Regions													
Thousands	%	Hl. m. Praha	Středočeský	Jihočeský	Plzeňský	Karlovarský	Ústecký	Liberecký	Královéhradecký	Pardubický	Vysočina	Jihomoravský	Olomoucký	Zlínský	Moravskoslezský
Total															
66.3	1.3	18.4	19.7	0.6	4.3	2.2	11.3	-2.1	-5.6	6.8	-5.2	6.8	-3.3	-3.5	15.8
Employees incl. members of producer cooperatives															
52.1	1.2	14.1	18.3	5.1	-2.7	3.2	12.2	1.1	-2.3	12.6	-8.2	-1.7	-11.3	-6.2	18.0
Self-employed without family workers															
7.5	1.0	5.6	-0.9	-4.6	6.3	-1.6	-2.0	-3.1	-2.9	-5.3	2.8	7.6	7.1	1.9	-3.4

There are still rather large regional differences in the structure of employed persons by their status in employment. The share of employees ranges from 79.0% in the Hl. m. Praha Region to 87.3% in the Ústecký and Moravskoslezský Regions. A relatively high proportion of members of producer cooperatives – mainly agricultural ones – is in the Vysočina Region (2.1%); in the other regions the proportion ranges from the statistically negligible figures in the Karlovarský, Liberecký, Zlínský and Hl. m. Praha Regions to 0.5% in the Olomoucký Region.

There are large differences in the category of the self-employed. A high percentage of the self-employed (without family workers) is in the Hl. m. Praha Region: 20.5% of all first job holders living in the capital city. As for the other regions, the percentage is high in the Středočeský (18.1%), Zlínský (17.6%), Jihomoravský and Královéhradecký (both 16.1%) Regions. In the Středočeský Region, a fact comes to the light that the former districts of Praha-východ and Praha-západ have a significantly active migration balance with the Hl. m. Praha Region and a certain part of the Prague self-employed reside in the above regions. The lowest shares of the self-employed are reported in the Ústecký (11.6%), Moravskoslezský (12.0%) and Pardubický (12.6%) Regions. The number of family workers exceeds the number of members of producer cooperatives and their shares in total employment in the region range from 0.3% in the Královéhradecký and Pardubický Regions to 1.2% in the Středočeský Region.

In view of male and female employment, there are still high differences in the **employment structure by CZ-NACE section**. Both genders are mostly employed in manufacturing, but their shares in other CZ-NACE sections differ (see Annex, Table 304, for more detailed breakdown of selected sections of CZ-NACE, which is compatible with NACE, Rev. 1.1; that table gives more details especially for manufacturing and wholesale and retail trade).

Structure of first job holders in the Czech Republic: by CZ-NACE section and gender

CZ-NACE sections	Total		Men		Women	
	Thous.	%	Thous.	%	Thous.	%
TOTAL	5033.5	100.0	2886.8	100.0	2146.7	100.0
including:						
Agriculture, hunting and forestry	161.1	3.2	112.4	3.9	48.6	2.3
Fishing	2.1	0.0	1.8	0.1	0.3	0.0
Mining and quarrying	56.0	1.1	48.4	1.7	7.6	0.4
Manufacturing	1421.6	28.2	922.1	31.9	499.5	23.3
Electricity, gas and water supply	82.7	1.6	63.8	2.2	18.9	0.9
Construction	466.8	9.3	425.4	14.7	41.4	1.9
Trade, rep. of mot.vehicles, pers.and househ.goods	648.0	12.9	308.1	10.7	339.9	15.8
Hotels and restaurants	175.2	3.5	82.0	2.8	93.2	4.3
Transport, storage and communication	377.3	7.5	273.2	9.5	104.0	4.8
Financial intermediation	112.6	2.2	42.5	1.5	70.1	3.3
Real estate, renting and business activities	377.9	7.5	209.7	7.3	168.2	7.8
Public administration, defence, compul.soc.security	326.3	6.5	169.0	5.9	157.2	7.3
Education	286.7	5.7	68.5	2.4	218.2	10.2
Health and social work	331.2	6.6	61.7	2.1	269.5	12.6
Other community, social and personal services	204.9	4.1	97.0	3.4	107.8	5.0

In the structure of employment by sector, employment in services (CZ-NACE G-Q), where 56.5% of all the employed worked, dominate sharply. In contrast, employment in the primary sector (CZ-NACE A, B) is on a permanent fall; the shares of older age groups in agriculture are substantially higher than in other sectors (nearly 55% of employed persons are older than 45).

There are sizable changes if the structure of first job holders is compared between Q4 2007 and Q4 2008. Employment in the **primary sector** (agriculture, forestry, fishing) further decreased (-9.2 thousand y-o-y) to 163.1 thousand persons and made up only 3.2% of the total number of first job holders. While the number of persons employed in the **secondary sector** (industry, construction) increased by 12.3 thousand to 2 027.2 thousand (40.3% of total employment), the increase was significantly lower in comparison to the preceding quarters.

The trend of employment in individual CZ-NACE sections of the sector changed considerably. **After the period of a sharp growth the number of persons employed in manufacturing dropped by 8.9 thousand y-o-y in Q4 2008.** Y-o-y employment decreases occurred in many economic activities,

the most in CZ-NACE groups treatment and coating of metals; general mechanical engineering (-11.6 thousand), manufacture of other fabricated metal products (-6.3 thousand) manufacture of other food products (-5.4 thousand) and manufacture of other products of wood; manufacture of articles of cork, straw and plaiting materials (-5.3 thousand). A y-o-y employment increase of 8.8 thousand in total in groups manufacture of parts and accessories for motor vehicles and their engines and manufacture of motor vehicles was due to an unusually high employment growth in the first three quarters of 2008. Compared to Q3 2008, employment in these two CZ-NACE groups fell. High employment increases in the secondary sector were recorded in section electricity, gas and water supply (+9.7 thousand), of which the highest in group production and distribution of electricity (+4.9 thousand), and in section construction (+9.8 thousand), of which the highest in group building of complete constructions or parts thereof; civil engineering (+14.7 thousand).¹

Employment in the **tertiary sector** (all divisions of services including transport) increased markedly (+63.5 thousand) to 2 843.0 thousand (56.5% of total employment). **Employment increased the most** in sections wholesale and retail trade; repair of motor vehicles, motorcycles and personal and household goods (+24.7 thousand), real estate; renting and business activities (+14.3 thousand), other community, social and personal service activities (+13.7 thousand) and transport, storage and communication (+8.7 thousand).

**Increase/decrease in numbers of first job holders: by CZ-NACE section
(Q4 2007 to Q4 2008)**

CZ-NACE sections	Decreases		CZ-NACE sections	Increases	
	Thous.	%		Thous.	%
Manufacturing	-8.9	-0.6	Trade, repair of motor vehicles and personal and household goods	24.7	4.0
Agriculture, hunting and forestry	-8.4	-5.0	Real estate, renting and business activities	14.3	3.9
Health and social work	-1.0	-0.3	Other community, social and personal service activities	13.7	7.2
Hotels and restaurants	-0.9	-0.5	Construction	9.8	2.1
Fishing	-0.8	-27.3	Electricity, gas and water supply	9.7	13.3
			Transport, storage and communication	8.7	2.4
			Education	2.4	0.8
			Mining and quarrying	1.8	3.3
			Financial intermediation	1.1	1.0
			Public administration, defence and compulsory social security	0.4	0.1

The highest employment increase in section trade, repair of motor vehicles and personal and household goods was recorded in group sale of motor vehicles (+8.1 thousand); in section real estate, renting and business activities in group real estate activities on a fee or contract basis (+6.1 thousand); in section other community, social and personal service activities in group other service activities (+4.5 thousand) under which hairdressing and other beauty treatment is classified. In section transport, storage and communication the highest employment increase was registered in group

¹ Note: When assessing the distribution of persons in employment by NACE activity, we should take into account the methodology of the LFSS which is carried out only in households and not in collective accommodation establishments. The data on numbers of employed persons from the LFSS are then statistically corrected to be in harmony with data on employment of foreigners in a given NACE activity. According to available data from the Ministry of Labour and Social Affairs and the Ministry of Industry and Trade, the numbers of foreigners working in manufacturing, construction, wholesale and retail trade; repair of motor vehicles, motorcycles and personal and household goods, real estate, renting and business activities are on the rapid increase; an overwhelming majority of these foreigners do not live in households.

telecommunications (+7.6 thousand), and a considerable employment decrease in transport via railways (-14.4 thousand).

Employment in other sections of the sector of services was roughly at the level of previous year, the highest employment decrease was observed in group human health activities (-6.8 thousand).

The ranking of CZ-NACE sections according to increase/decrease in the number of persons carrying out the activity changes from quarter to quarter. Bearing this in mind, we should stress the fact that increases/decreases in employment may strongly differ from values derived from other sources. This is apparent, e.g., in the case of employment trends in public administration, where the differences compared to figures of non-business statistics are caused, among other things, by the fact that the LFSS idea of employment is more general in nature (see the Introduction) and it is not directly related to so-called registered numbers of persons.

Employees represent a decisive part of employed persons in all CZ-NACE activities of the national economy. However, the proportion of this category is variable when viewed in general, which results from the nature and concentration of activities carried out in individual CZ-NACE activities, from the requested level and field of education of employed persons, and from a variety of other aspects. An extraordinarily high proportion of employees is found in classical industrial CZ-NACE activities in the above-the-average size of companies and also in some CZ-NACE activities of the tertiary sector (primarily education and health service) where also specific professional qualifications are sought. A high share of employees is in organisations which concentrate on the execution of public administration.

**Employees and the self-employed – first job holders: by CZ-NACE section
(Q4 2008, persons in thousand)**

CZ-NACE sections	Total employment	Incl.			
		Employees	Self-employed (without family workers)		
			Total	With employees	Without employees
TOTAL	5033.5	4208.1	777.7	186.1	591.5
incl.:					
Agriculture, hunting and forestry	161.1	115.2	32.5	4.5	28.0
Fishing	2.1	1.9	-	-	.
Mining and quarrying	56.0	55.1	0.8	.	.
Manufacturing	1421.6	1311.4	104.4	31.1	73.3
Electricity, gas and water supply	82.7	77.9	4.9	0.9	4.0
Construction	466.8	295.1	167.5	30.1	137.4
Trade, rep. of mot.vehicles, pers., househ.goods	648.0	490.2	147.6	45.2	102.4
Hotels and restaurants	175.2	138.3	33.2	19.8	13.4
Transport, storage and communication	377.3	332.8	42.4	13.5	28.8
Financial intermediation	112.6	90.2	22.0	1.4	20.6
Real estate, renting and business activities	377.9	249.5	125.0	18.9	106.2
Publ.administration, defence, comp.soc.security	326.3	322.5	3.6	1.0	2.6
Education	286.7	275.7	10.9	1.4	9.6
Health and social work	331.2	305.6	23.2	12.5	10.7
Other community, social and personal services	204.9	145.3	58.1	5.3	52.8

Only a few CZ-NACE sections reported significant numbers of **members of producer cooperatives**. Their number further decreased in agriculture (to 9.9 thousand). High numbers of **family workers** are in wholesale and retail trade, repair of motor vehicles and personal and household goods (9.7 thousand).

The total number of the self-employed including family workers rose by 14.3 thousand y-o-y. The number of the self-employed grew in hotels and restaurants (+5.4 thousand) and in health and social work (+3.4 thousand). In the section hotels and restaurants the self-employment (incl. family workers) increased in group restaurants (+4.7 thousand) and in section health and social work in group human health activities (+1.4 thousand). Outside these sections, the number of the self-employed grew significantly in real estate activities on a fee or contract basis (+3.6 thousand). The data on absolute and relative increase/decrease in the numbers of the self-employed without employees and with employees in selected CZ-NACE sections are presented in the following table.

Increase/decrease in numbers of the self-employed: by selected CZ-NACE section (Q4 2007 to Q4 2008)

Selected CZ-NACE sections	Increases/decreases in number of self-employed			
	Without employees (own-account workers)		With employees (employers)	
	Thous.	%	Thous.	%
Agriculture, hunting and forestry	1.6	6.1	-2.8	-38.3
Manufacturing	-1.5	-2.1	3.6	13.0
Construction	-5.2	-3.6	1.9	6.9
Trade, repair of motor vehicles, person., househ. goods	-1.8	-1.7	4.0	9.7
Hotels and restaurants	-1.4	-9.6	4.7	30.9
Transport, storage and communication	0.1	0.3	1.7	14.5
Financial intermediation	-1.6	-7.1	0.3	25.2
Real estate, renting and business activities	2.7	2.6	-1.0	-5.1
Education	0.4	4.4	-0.1	-6.1
Health and social work	1.8	20.3	0.5	4.4
Other community, social and personal service activities	-0.4	-0.7	-0.2	-3.6

The share of the self-employed without family workers reached 35.9% of all first job holders in construction, 33.1% in real estate, renting and business activities, 28.4% in other community, social and personal service activities, 22.8% in wholesale and retail trade; repair of motor vehicles, motorcycles and personal and household goods, and 19.5% in financial intermediation. Their shares were low in public administration and defence; compulsory social security (1.1%) and in mining and quarrying (1.4%).

An employment increase was recorded only among people with higher levels of education. While the number of employed persons with basic education dropped by 7.9 thousand and the largest group of those with secondary education without *maturita* examination (mostly secondary vocational school graduates) decreased by 18.7 thousand, the number of employed persons with *maturita* examination rose by 16.9 thousand and employed university graduates grew by as much as 75.6 thousand. Increase in employed university graduates was thus considerably higher than increase in total employment. We should note in this context that a large part of jobs where basic or lower secondary education is required is filled by foreigners who mostly do not live in dwellings and are not covered by the LFSS.

Typical of the Czech economy is a high percentage of employment in the secondary sector (industry + construction). This percentage is the highest among all of the EU27 countries and only Slovakia is close to the percentage. The underlying reason is extraordinary high employment in manufacturing in both countries. On the other hand, the **Czech Republic's structure of employment by NACE activity is distinguished by a significantly lower percentage in services** than in the EU15 and in the EU27. Below-the-average percentages are recorded in the Czech Republic especially in the sections health and social work and real estate, renting and business activities.

In terms of the NACE classification, differences between EU member states are extraordinarily high. In the Czech Republic, for example, employment in manufacturing is 4.5 times as high as employment in health and social work; in many countries, especially in the northern ones, the situation is quite different. In four countries, health and social work employed more people than entire manufacturing (the United Kingdom, Denmark, the Netherlands and Luxembourg).

The comparability of employment shares between EU countries in 2008 is rather complicated due to the introduction of the NACE Rev. 2 classification, which replaces NACE Rev. 1.1. Many of the EU countries have not available data according to NACE Rev. 1.1 for 2008 and the changes in employment structure in the Czech Republic are not directly comparable with the EU27 total. Despite that, the table below shows data for Q3 2008, documenting considerable differences in employment shares between EU countries. These differences are causing problems to be dealt with in the next years.

Structure of first job holders aged 15–64 in selected EU countries: by CZ-NACE section, Q3 2008 (in %)

Sectors of NE, CZ-NACE sections	CZ	DE	FR	IT	HU	NL	AT	PT	RO	SK	FI	UK
Q3 2008												
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Incl.:												
Agriculture, hunting, forestry; fishing	3.3	2.0	3.0	3.7	4.4	2.7	5.0	7.6	26.5	4.0	4.3	1.3
Industry and construction	41.0	30.1	23.2	30.0	32.4	18.8	26.7	30.9	32.6	39.1	26.2	21.5
Mining and quarrying	1.1	0.3	0.1	0.1	0.3	0.1	0.3	0.4	1.1	0.6	0.2	0.4
Manufacturing	29.1	22.3	15.0	20.8	22.6	12.1	17.3	18.5	21.1	26.1	17.6	12.0
Electricity, gas and water supply	1.5	0.9	0.8	0.6	1.4	0.5	0.7	0.7	1.7	1.7	0.7	0.7
Construction	9.3	6.6	7.3	8.5	8.0	6.1	8.4	11.4	8.7	10.6	7.7	8.4
Services	55.6	67.8	71.9	66.2	63.2	72.9	68.4	61.5	40.9	56.9	69.0	76.8
Incl.:												
Wholesale and retail trade; repair of motor vehicles, motorcycles and personal and household goods	12.5	13.5	13.0	15.0	15.1	13.6	16.5	15.1	12.7	12.0	12.4	14.7
Hotels and restaurants	3.6	3.8	3.5	5.3	4.3	4.0	6.4	6.5	1.8	4.4	3.6	4.3
Transport, storage and communication	7.5	5.5	6.2	5.7	7.3	6.1	5.8	4.6	5.7	7.3	6.9	6.8
Financial intermediation	2.3	3.5	3.0	2.8	2.5	3.0	3.5	2.0	1.2	2.5	2.0	4.4
Real estate, renting and business activities	7.3	10.7	10.6	10.8	7.9	12.6	9.7	6.9	3.3	6.4	12.3	12.0
Public administration and defence; compulsory social security	6.5	7.4	10.1	6.3	7.2	6.7	6.9	6.6	5.2	7.2	4.6	7.1
Education	5.4	5.9	6.6	6.1	7.7	6.5	5.5	6.8	4.3	6.6	6.2	8.9
Health and social work	6.5	11.4	12.3	7.1	6.5	16.2	8.8	6.2	4.3	6.4	15.1	12.4
Other community, social and personal service activities	4.0	5.4	4.3	5.0	4.6	4.3	4.8	3.1	2.1	3.9	5.6	5.7

Source: Eurostat

The calculations by CZSO are based on absolute data for individual EU countries. As CZ-NACE Rev. 1.1 was replaced by CZ-NACE Rev. 2, some cases of employment were not retrospectively reclassified by more detailed items of NACE Rev. 1.1. The database of Eurostat did not have data on the structure of employment broken down by NACE Rev. 2 for seven countries in total and by NACE Rev. 1.1 for five countries.

CZ-Czech Republic, DE-Germany, FR-France, IT-Italy, HU-Hungary, NL-Netherlands, AT-Austria, PT-Portugal, RO-Romania, SK-Slovakia, FI-Finland, UK-United Kingdom

The total number of self-employed men exceeds the total number of self-employed women 2.7 times (2.6 times in the group of the self-employed without employees and 3.2 times in the group of the self-employed with employees). In addition to the general prevalence of the number of the male self-employed over the female self-employed, there are differences in the structure by CZ-NACE section of this category between both genders. The markedly higher number of the male self-employed than the female self-employed remains distinct in most of the CZ-NACE sections, particularly in construction,

manufacturing, and wholesale and retail trade, repair of motor vehicles and personal and household goods. On the other hand, there are more female self-employed than the male ones in other community, social and personal service activities, in health and social work and in education.

Self-employed: by selected CZ-NACE section and gender

Selected CZ-NACE sections ¹⁾	Total Thous.	Male self-employed				Female self-employed			
		Without employees		With employees		Without employees		With employees	
		Thous.	%	Thous.	%	Thous.	%	Thous.	%
TOTAL	777.7	427.3	100.0	142.3	100.0	164.3	100.0	43.9	100.0
Construction	167.5	133.5	31.3	28.9	20.3	3.8	2.3	1.2	2.8
Trade, repair of motor veh. and pers. and househ. goods	147.6	71.6	16.8	32.6	22.9	30.8	18.7	12.5	28.6
Real estate, renting and business activities	125.0	58.3	13.6	13.7	9.7	47.9	29.2	5.1	11.7
Manufacturing	104.4	62.4	14.6	26.7	18.7	10.9	6.7	4.5	10.2
Other community, social and personal service activities	58.1	21.3	5.0	3.9	2.7	31.5	19.2	1.5	3.3
Transport, storage, communication	42.4	25.2	5.9	11.4	8.0	3.7	2.2	2.1	4.9
Hotels and restaurants	33.2	7.7	1.8	14.4	10.1	5.7	3.5	5.4	12.3
Agriculture, hunting, forestry	32.5	23.6	5.5	3.9	2.7	4.5	2.7	.	1.2
Health and social work	23.2	3.9	0.9	3.9	2.8	6.8	4.2	8.6	19.5

¹⁾ In descending order by total of the self-employed of both genders in CZ-NACE section

In the **civil sector of the national economy**, there were 95.0% of persons working **full time** in their first jobs. From the total of 251.6 thousand employed persons in **part time employment**, 39.2 thousand were classified as **underemployed** (0.8% of the total of first job holders in the civil sector). Almost three quarters of part-time employed persons are women, and women are sharply prevailing in the group of the underemployed (75.0%).

There were in total 91.3 thousand **second job holders** in the civil sector in Q4 2008. The number of these employed increased by 8.0 thousand y-o-y. The share of men made up 62.8%. Unlike first job holders, time-limited work contracts are much more represented here (21.2%). The number of second job holders is high especially in the Jihomoravský (16.0 thousand) and Hl. m. Praha (12.3 thousand) Regions.

Similarly, the structure of status in employment of second job holders substantially differs from that of first job holders. Employees, who made up 37.5% of all second job holders (34.2 thousand), increased by 3.6 thousand when compared to Q4 2007. The number of self-employed (incl. family workers) second job holders went up by 4.5 thousand and their share in all second jobs holders is still high (62.3%). The most numerous group by status are the male self-employed (a total of 40.7 thousand incl. family workers, i.e. 71.0% of male second job holders).

Prevailing majority of persons employed in second jobs have the employee status of first job holder (total 70.8 thousand, i.e. 77.5% of second jobs) or status of self-employed without employees (15.9 thousand, 17.4%). Second jobs affect total employment in other community, social and personal service activities (9.0 thousand), manufacturing (9.2 thousand), education (9.8 thousand), wholesale and retail trade, repair of motor vehicles and personal and household goods (12.3 thousand), and

especially in real estate, renting and business activities (17.9 thousand) where they made up 4.7% of first job holders in the CZ-NACE section. We should respect the big difference in the average hours of work in the first and second jobs.

Average **usual hours of work per week of first job holders** in the civil sector stood at 41.6. The number of these hours represents an average number of hours normally worked by a person in a week including the regular overtime, disregarding whether or not paid, but do not cover the time spent on commuting from home to work and back nor recess. **Hours actually worked** in the reference period were fewer (38.0). First job holders working full time and part time worked **usually** 42.7 hours a week and 22.1 hours a week, respectively. The largest number of hours usually weekly worked of persons working full-time was recorded in construction (46.3 hours), fishing (45.3 hours) and hotels and restaurants (44.9 hours). Above-the-average numbers of hours were reported by persons employed in real estate, renting and business activities (44.6 hours), agriculture, hunting and forestry (43.9 hours), transport, storage and communication (44.0 hours), and wholesale and retail trade, repair of motor vehicles, motorcycles and personal and household goods (43.8 hours). **Actual** hours worked in **second jobs** stood at 13.0 hours in the reference week.

When responding to the survey, the self-employed mention that their activity consumes a considerable amount of time. On average, their hours worked per week exceed those of employees working full time by a fifth. The share of second jobs in the total scope of work executed is shown in the following table, where also the numbers of persons are given on top of average usual hours of work a week.

Average usually weekly worked hours and numbers of persons employed in civil sector of national economy: by status in employment (Q4 2008)

Status in employment (excl. persons not working 4 weeks or more)	First job		Second job ¹⁾
	Full-time	Part-time	
Thousands of persons			
Employed, total	4766.9	251.6	91.3
Employees	3987.5	205.8	34.2
Members of producer cooperatives	11.7	.	.
Self-employed (incl. family workers)	767.6	45.2	56.9
Average usually weekly worked hours			
Employed, total	42.7	22.1	13.0
Employees	41.3	22.6	12.7
Members of producer cooperatives	40.8	25.7	4.0
Self-employed (incl. family workers)	49.1	20.2	13.2

¹⁾ Hours actually worked

The share of persons working full time in their first job is in the Czech Republic the third highest among the EU27 member states. The proportion of full-time jobs is higher in Slovakia and Bulgaria, but the total employment rate is below the average in either country. The share of men working full time in the Czech Republic was the highest among the EU27 countries in Q3 2008; the share of women working full time was the fifth highest.

Especially women show an extraordinary high differentiation of the share of full-time jobs in employment in individual EU countries. In many countries of the EU15 high numbers of women use the opportunity to work part time, particularly in the Netherlands (three quarters of working women aged 15-64) and in other four countries their share exceeded 40% of the total female employment. The opportunity to work part time is one of the social aspects, which in the long term affects the fertility

rate and the length of active working life in particular in the Netherlands and in some of the other countries. It is the frequently used opportunity to work part time that considerably increases the working activity of persons around sixty years of age.

Share of persons working part-time in total of first jobs: EU countries, Q3 2008

Country	Q3 2008		
	Age group 15-64		
	Total	Men	Women
EU27	17.3	6.9	30.1
EU15	20.1	7.5	35.6
Belgium	22.1	7.6	39.8
Bulgaria	2.0	1.8	2.3
Czech Republic	4.2	1.6	7.6
Denmark	23.4	12.5	35.7
Germany	24.9	8.2	44.7
Estonia	6.0	2.4	9.7
Ireland	18.0	7.5	31.2
Greece	5.2	2.4	9.5
Spain	11.3	3.9	21.4
France	16.3	5.4	28.6
Italy	13.9	4.7	27.5
Cyprus	6.5	3.3	10.5
Latvia	5.2	3.5	7.0
Lithuania	6.3	4.1	8.5
Luxembourg	18.7	2.5	40.8
Hungary	4.4	3.2	5.7
Malta	11.5	3.7	26.7
Netherlands	46.5	22.5	74.9
Austria	21.9	6.5	40.3
Poland	7.6	5.0	10.7
Portugal	8.6	4.0	13.9
Romania	9.3	8.4	10.4
Slovenia	7.8	5.6	10.4
Slovakia	3.0	1.9	4.5
Finland	11.4	7.1	16.1
Sweden	24.6	11.1	39.6
United Kingdom	24.0	9.8	40.5

Source: Eurostat

Participation rate (economic activity rate), which is the ratio of the employed plus the unemployed to all persons aged 15 and over, stood at 58.6% (in total for both genders) and decreased by 0.2 percentage points in comparison to Q4 2007. This rate is high in the age group 30-44 where the percentage of economically inactive men is extremely low (3.2%) and the percentage of economically inactive women is 22.6%. Low participation rate is typical of the youngest age group 15-29, as these persons are often still in systematic schooling or training for their future occupation. More detailed data on trends of participation rate by five-year age groups are shown in Annex, Table 508.

**Participation rate: by age and gender
(Q4 2008)**

Gender	Total	Age group			
		15-29	30-44	45-59	60+
Men	68.4	57.2	96.8	90.3	19.4
Women	49.4	41.6	77.4	77.8	6.4

Among the employed in the civil sector, 60.7 thousand persons (including 27.7 thousand men) were seeking another or second job in the reference period; they are mostly persons wishing to have better working conditions (higher earnings, better working time, commuting conditions, quality of work – 30.0 thousand). Besides the desire for better work conditions, among the principal reasons for seeking another or second job were also uncertainty and fear for the loss of existing job (16.7 thousand) or existing job was considered as a transitional one (6.1 thousand). Activity of the employed in seeking another or second job was comparatively the highest in the Královéhradecký (2.5% of all first job holders in the civil sector) and Zlínský (2.6%) Regions.

III. B. *Unemployment and economic inactivity*

The number of **the unemployed** derived from the LFSS stood at 230.7 thousand in Q4 2008 (including 128.9 thousand women, i.e. 55.9%), which was down by 22.1 thousand on Q4 2007 (included are persons who have found a job and who are available for work in two weeks).

Unemployment decreases were apparent mainly in the age groups 25-29 (-5.0 thousand), 40-44 (-4.8 thousand) and 50-54 (-7.3 thousand). Except for the age group 20-24, unemployment fell also in all the other working age groups. The number of unemployed men remains lower than the number of unemployed women. Under the total y-o-y decrease in total unemployment by 22.1 thousand, male unemployment dropped by 7.4 thousand, most markedly in the age group 55-59 (-2.9 thousand). Female unemployment decreased by 14.7 thousand in total over the same period and the decrease was most marked in the age group 50-54 (-4.9 thousand).

The number of persons with basic education amounted to 68.3 thousand (i.e. 29.6% of total unemployment); high was the number of unemployed graduates from secondary schools without *maturita* examination (90.9 thousand, i.e. 39.4% of all the unemployed). Taking account of educational attainment, the structure of unemployed men is somewhat different from that of unemployed women. While in male unemployment are dominating men with basic (29.5%) and secondary education without *maturita* examination (44.9%), in female unemployment are highly represented, besides women with basic (29.7%) and secondary education (35.1%), also women with full secondary education with *maturita* examination (29.9% of all unemployed women).

The number of unemployed persons with work experience who finished their last job before less than eight years was 169.0 thousand (down by 15.4 thousand compared to Q4 2007). Broken down by CZ-NACE section (where identified), unemployed persons with work experience had worked mostly in manufacturing (60.5 thousand), wholesale and retail trade, repair of motor vehicles and personal and household goods (22.5 thousand), and construction (17.7 thousand).

According to the classification of occupations, nearly three quarters of the unemployed worked in the following four major groups of the CZ-ISCO-88 classification: elementary occupations (40.7 thousand; i.e. 24.1% of all unemployed persons with work experience), service workers and shop and market sales workers (27.9 thousand; 16.5%), craft and related trades workers (32.2 thousand; 19.1%), and plant and machine operators and assemblers (25.5 thousand; 15.1%).

The number of the **long-term unemployed** (one year and more) decreased by 15.4 thousand to 107.4 thousand and their percentage is below half the total unemployment (46.6%). The drop of long-term unemployment was most apparent in the male age group 50-59 (-3.4 thousand), and in the female age group 30-39 (-8.6 thousand). The number of persons unemployed for more than four years dropped by 15.7 thousand to 33.8 thousand (14.7% of total unemployment).

**Unemployed persons: job seeking duration
(Q4 2008, persons in thousands)**

All	Up to 3 months	3-6 months	6-12 months	1-2 years	2 years or more	Not identified
230.7	45.7	34.3	43.5	42.1	65.2	-

The growth of total employment and decrease of unemployment resulted in a relatively high decrease of general unemployment rate of persons aged 15-64 (ILO). In comparison to Q4 2007, the general unemployment rate decreased by 0.5 percentage points to 4.4%. It decreased both among the female population (by 0.7 percentage points to 5.7%) and among the male population (by 0.3 percentage points to 3.4%).

According to the latest data released by Eurostat for Q3 2008, the general unemployment rate in the Czech Republic was markedly lower than in the EU27; besides the relatively low male unemployment rate, also the female unemployment rate in the Czech Republic was below the EU27 average. The unemployment rate in the Czech Republic was below the EU15 average.

In comparison with the neighbouring countries, the rate of unemployment in the Czech Republic is higher than in Austria but markedly lower than in Slovakia where it is one of the highest across the European Union. Also Poland reports a markedly higher unemployment rate, despite a considerable y-o-y decrease. The unemployment rate in the Czech Republic is noticeably lower also in comparison with Germany, mainly due to the long-term unfavourable situation in the new federal states. We should bear in mind that this information is for Q3 2008, i.e. before implications of the economic recession became apparent.

General unemployment rate in the EU member states: persons aged 15-64, Q3 2008

EU country	Q32008		
	Total	Men	Women
EU27	6.9	6.4	7.4
EU15	7.0	6.5	7.6
Belgium	7.8	7.2	8.4
Bulgaria	5.2	5.1	5.3
Czech Republic	4.3	3.3	5.7
Denmark	3.4	2.9	4.0
Germany	7.2	6.9	7.6
Estonia	6.3	7.0	5.6
Ireland	6.8	7.7	5.7
Greece	7.3	4.8	10.9
Spain	11.4	10.4	12.7
France	7.2	6.7	7.8
Italy	6.2	5.0	7.9
Cyprus	3.7	3.2	4.3
Latvia	7.5	7.7	7.2
Lithuania	6.0	6.1	6.0
Luxembourg	5.0	3.9	6.5
Hungary	7.8	7.5	8.1
Malta	5.8	5.7	6.1
Netherlands	2.4	2.2	2.7
Austria	3.8	3.5	4.1
Poland	6.7	5.7	7.9
Portugal	8.2	6.9	9.6
Romania	5.7	6.4	4.8
Slovenia	4.2	3.9	4.4
Slovakia	8.9	7.7	10.4
Finland	5.6	5.0	6.2
Sweden	5.7	5.4	6.1
United Kingdom	6.1	6.6	5.6

Source: Eurostat

Compared with other countries, an unfavourable aspect of unemployment in the Czech Republic is a persistent high percentage of the long-term unemployed. The proportion of persons out of work for one year and more in total number of the unemployed was the fifth highest among all the EU countries in Q3 2008 (48.6% in the CR in comparison to 36.2% in the EU27 and 35.2% in the EU15). The highest proportions of the long-term unemployed were observed, besides Bulgaria and Greece, in Germany and especially in Slovakia where it reached nearly two thirds of all the unemployed. The high percentage of the long-term unemployed in these countries represents a chronic problem hitting not only the elderly unemployed.

Most of the unemployed (69.0%) were people with secondary education without *maturita* examination and people with basic education. This resulted in a considerable differentiation of unemployment rates calculated for individual levels of education; the lowest level of unemployment is steadily recorded for university graduates (1.7%) and persons with secondary education with *maturita* examination (2.9%). The high unemployment rate continued in the group of persons with basic education (19.2%); the figure for people with secondary education without *maturita* examination, mostly with apprenticeship education, was 4.3%. To test the reliability of the sample survey, the CZSO carries out regular analyses and comparisons of the LFSS data with the data of the labour offices. To this end, below is the breakdown of the category of unemployed persons and category of registered job applicants by LFSS results.

**Breakdowns of registered job applicants and unemployed persons as measured by the LFSS
(Q4 2008, thousand persons)**

Category	Number
I. Persons who declared they are registered by labour office	234.1
a) Those meeting ILO conditions for being classified as unemployed	165.6
b) Those not meeting ILO conditions	68.5
For:	
- they worked in the reference week	11.0
- they did not seek a job during last 4 weeks	45.2
- they are not available for work within 14 days	12.2
II. Unemployed meeting ILO conditions and not registered by labour office	65.2
III. Total number of unemployed by ILO (I.a + II.)	230.7
IV. Other persons not employed and not registered by the labour office who are	
- seeking a job or having a job already but not available for work within 14 days	10.3
- not seeking a job but wishing to work	158.3
- available for work within 14 days	30.8

In the reference period the number of job applicants registered by the labour offices reached 321.8 thousand (of which 302.9 thousand were available job applicants); the comparable indicator measured by the LFSS (number of registered job applicants) differed by 87.7 thousand, or by 68.8 thousand.

The discrepancy between unemployed persons according to the LFSS and job applicants according to the Ministry of Labour and Social Affairs has been for a long time. It is assumable that, besides different methodological definitions of indicators, it is affected by the following factors:

- The CZSO included the question on usual economic activity status already in 1993. This question preceded the questions relating to the reference week and thus, to a certain extent, it influenced the respondents' answers concerning their actual economic activity in the reference period. Eurostat included the question on usual economic activity status in 1998 but it followed the questions relating to the reference week. From 1 January 2002 the LFSS questionnaire is fully harmonised with that of Eurostat, including the order of questions asked. Now the priority question relates to **respondents' economic activity in the reference week**. If respondents say they **worked at least 1 hour** in the reference week, ILO strictly classifies them as persons in employment. The current structure of the questionnaire causes that the answer YES concerning employment in the reference week affects, in a certain measure, the following answers concerning usual economic activity status and especially concerning registration by the labour office.

In order to keep anonymity and voluntary participation in the LFSS, the CZSO has no possibility to compare individual data with other sources, for example with the registration by the labour offices. The trend of discrepancy between the numbers of persons registered by the labour offices and the numbers of job applicants measured by the LFSS makes us think that the questionnaire adjustment resulted in a decrease in numbers of unemployed persons in the LFSS ranging between 30 and 50 thousand.

The relatively high non-response rate is caused by the high share of unoccupied dwellings in the sample and mainly by resolute refusals to cooperate. Based on the structure of answers withheld

during repeated visits we can assume that social structure of households that refused to cooperate partly differs from social structure of interviewed households and the group of the unemployed refusing to communicate is over-represented among them. The discrepancies in unemployment data between both sources are a commonplace also in the other EU member states and in candidate countries. We should note that some of the EU member states do not officially disseminate both unemployment rates.

The number of **economically inactive persons** aged 15 and over (according to LFSS methodology they are persons who had no job, were not seeking a job during last four weeks or did not meet all conditions for being classified as the unemployed) increased by 55.8 thousand y-o-y and reached 3713.6 thousand in Q4 2008. This category is primarily affected by numbers of the retired and persons in systematic schooling or training for their future occupation. The number of secondary school pupils including vocational school pupils decreased by 15.6 thousand to 516.9 thousand. The number of university students including higher professional school students grew rapidly by 18.0 thousand to 317.8 thousand. The number of economically inactive persons in regular retirement not actively seeking job reached 1947.9 thousand, the number of persons in early retirement 46.1 thousand and the number of disability pensioners 271.9 thousand. These data cannot accurately correspond to the statistics on pupils and students compiled by the Ministry of Education Youth and Sports of the CR or to the numbers of pensioners on the records of the Ministry of Labour and Social Affairs of the CR because the pupils, students or pensioners who fulfilled the criterion of being classified as persons in employment or unemployed persons in the reference week are not recorded as economically inactive.

The fall in the number of the unemployed and decreases in the employed and economically inactive persons resulted in a y-o-y growth of **employment rate of persons aged 15 and over** (the share of main-job holders in the number of residents aged 15 and over) from 55.8% to 56.1%. The **total employment rate in the age group 15-64** grew by 0.3 percentage points y-o-y and reached 66.8%. The increase in the employment of men at working age was 0.3 percentage points to 75.8%, the same indicator for women went up by 0.3 percentage points as well to 57.7%. This employment rate is on the one hand reduced by increasing numbers of university students, and on the other hand increased by a noticeable growth of employment rates in the age groups 35-44 and 50-64.

The meetings of the European Council in Lisbon in 2000 and Stockholm in 2001 set the goals for the employment rate in the EU countries up to 2010. The total employment rate should reach at least 70%, female employment rate at least 60% and elderly employment rate (age group 55-64) at least 50%.

Compared with other countries, the Czech Republic is among the EU countries with above-the-average employment intensity. According to the latest complete data for Q3 2008 released by Eurostat, employment rate in the age group 15-64 in the Czech Republic was above the EU27 total. However, female employment rate in the Czech Republic is still below the EU27 average.

Differences in employment rates between EU countries are considerable, not only in the age group 15-64 in total, but also in male and female employment components. There is a high employment rate in the northern countries and in the United Kingdom (e.g., 78.6% in Denmark in Q3 2008) on the one hand, on the other hand it was below 60% in some EU countries (e.g., 57.3% in Hungary in Q3 2008 and 56.1% in Malta). Compared to the neighbouring countries, higher employment rates are in Austria and Germany and significantly lower in Poland and Slovakia.

Even bigger differences are between employment rates in the age group 55-64. In Malta, Poland, Slovenia and Hungary, for example, they were slightly above 30%. Many EU member states will thus have difficulty fulfilling the Lisbon strategy. Twelve member countries have already exceeded the required 50% rate; all the northern and Baltic countries are among them.

Reaching 50% employment rate in the age group 55-64 may be complicated for the Czech Republic owing to the low female employment rate. The employment rate of women aged 55-64 is still below the EU15 and EU27 averages. It is, however, assumable that this female employment rate will rise in the following years especially in consequence of adjustments to retirement conditions. This is confirmed by a y-o-y increase in the male employment rate in the age group 55-64 in the Czech

Republic by 1.8 percentage points; the corresponding female employment rate was up by only 0.4 p.p. and grew much slower than the EU27 average (by %1 p.p.).

Employment rates in the EU member states: age groups 15-64 and 55-64, Q3 2008

%

EU country	Q3 2008					
	Age group 15-64			Age group 55-64		
	Total	Men	Women	Total	Men	Women
EU27	66.4	73.3	59.5	46.0	55.4	37.2
Belgium	62.6	68.5	56.6	35.6	43.3	28.1
Bulgaria	65.0	69.6	60.4	47.3	57.4	38.5
Czech Republic	66.7	75.7	57.6	47.5	62.3	33.9
Denmark	78.6	82.8	74.4	56.7	64.5	49.1
Germany	71.3	76.8	65.7	54.2	62.3	46.3
Estonia	70.4	73.6	67.5	61.9	64.8	59.7
Ireland	68.0	75.4	60.7	53.8	65.9	41.6
Greece	62.2	75.3	49.1	42.8	59.1	27.6
Spain	64.5	73.6	55.1	45.6	61.1	31.0
France	65.7	70.4	61.0	38.3	40.6	36.2
Italy	59.0	70.7	47.2	34.9	46.0	24.4
Cyprus	71.0	80.0	62.4	55.1	72.2	38.8
Latvia	69.0	72.9	65.4	59.9	64.5	56.5
Lithuania	65.0	67.5	62.7	53.7	58.9	49.8
Luxembourg	64.3	73.3	55.1	36.0	42.3	29.6
Hungary	57.3	63.9	51.0	32.0	39.2	26.1
Malta	56.1	73.0	38.6	29.7	49.1	10.8
Netherlands	77.5	83.5	71.5	53.5	64.4	42.5
Austria	72.8	79.5	66.3	41.2	51.3	31.7
Poland	60.0	67.2	53.0	32.0	44.6	21.1
Portugal	68.1	73.9	62.5	51.2	58.9	44.4
Romania	60.5	66.7	54.3	45.9	55.0	37.9
Slovenia	70.1	74.4	65.5	33.4	45.4	21.8
Slovakia	63.1	70.8	55.4	40.8	58.4	25.5
Finland	72.1	74.6	69.6	57.0	57.7	56.4
Sweden	75.7	78.2	73.2	70.3	73.5	67.1
United Kingdom	71.5	77.4	65.8	57.8	67.1	48.8

Source: Eurostat

In the framework of full harmonization of the national LFSS questionnaire with the EU questionnaire, the survey also covers **persons who have no job, do not actively seek a job and thus do not meet the ILO conditions for being classified as unemployed** but they declare they want to work. In Q4 2008 their number amounted to 178.0 thousand, which was by 19.8 thousand fewer y-o-y. Only a part of them (38.7 thousand) were available for work within two weeks. A large number of these persons were found in the age group below 25 years (44.8 thousand), they are predominantly students or apprentices. The relatively high number of people in the age group 25-34 (37.9 thousand in total) results from a high number of women on parental leave and housewives who are interested in having a job. Those interested in being employed are on the increase in the age group 50 and over. They were 14.5 thousand and 15.9 thousand in the age groups 50-54 and 55-59 respectively, mostly people on disability or partial disability pension. The number of persons interested in job in the age group 60 and over was 30.5 thousand, old-age pensioners largely prevailing.

Since Q1 2006 Annex Table 109 has been attached, which compares economic activity status of the respondents at the moment of the survey with that one year ago. The data on economic activity status

one year ago do not fully correspond with the data on economic activity status published a year ago. This is due to the fact that usual economic activity status one year ago is compared with the current economic activity status in the reference week and, on top of that, some persons who said one year ago they were unemployed declared in the reference year they had been in work or economically inactive one year ago.