

### III. Characteristic of results – 4<sup>th</sup> quarter 2007

Published results of surveys characterize (in harmony with applied international methodical approaches) the population living just in selected dwellings. Situation of persons living in other accommodation establishments (especially collective households) is not reflected in the survey results. That fact excludes therefore to a certain extent some categories of persons from the surveys (for example foreign citizens in temporary housing facilities, church persons in seminaries etc.).

#### III. A. *Employment*

**The number of first job holders** in the 4<sup>th</sup> quarter of 2007 amounted to 4967.2 thousand persons, of which males and females accounted for 2840.5 thousand (57.2 %) and 2126.7 thousand (42.8 %), respectively. Year-on-year total employment was higher by 105.5 thousand. As a relative figure, the rise in the number of first job holders amounted to 2.2 %. At the same time the number of first job holders with the limited duration of working contract increased - it was 358.1 thousand in all in the 4<sup>th</sup> quarter of 2007 (of which 193.6 thousand females) - i.e. by 2.6 thousand more in total than in the 4<sup>th</sup> quarter of 2006.

Prevailing in the number of employed persons were **employees** (4155.2 thousand); their number increased by 97.5 thousand year-on-year. The share of employees in total employment went up by 0,2 percentage points to 83.7 %. The number of **members of producers' cooperatives** decreased by 1.8 thousand onto 13.2 thousand. The number of the **self-employed** reached 798.5 thousand, which was by 10.1 thousand more year-on-year. Compared to the 4<sup>th</sup> quarter of 2006, the percentage of the whole entrepreneurial sector decreased by 0,1 percentage points to 16.1 % of total employment). The number of **self-employed without employees** increased by 44.9 thousand onto 597.1 thousand persons. The number of **self-employed with employees** decreased vice versa (by 30.4 thousand onto 173.0 thousand persons). The number of **contributing family workers** decreased too (by 4.4 thousand onto 28.4 thousand).

#### Numbers of first job holders: by professional status

Professional status	All		Males		Females	
	Thous.	%	Thous.	%	Thous.	%
Employees	4155.2	83.7	2255.7	79.4	1899.5	89.3
Members of producers' coop.	13.2	0.3	8.3	0.3	4.9	0.2
Self-employed without employees	597.1	12.0	433.2	15.2	164.0	7.7
Self-employed with employees	173.0	3.5	135.8	4.8	37.2	1.8
Contributing family workers	28.4	0.6	7.2	0.3	21.2	1.0
All	4967.2	100.0	2840.5	100.0	2126.7	100.0

Employment decreased in none of the regions. Employment increased notably in the Moravskoslezský (19.7 thousand), Středočeský (15.7 thousand), Jihomoravský (12.0 thousand) and Zlínský (10.0 thousand) Regions. A higher growth of the number of employees was recorded for the Moravskoslezský (18.6 thousand), Jihomoravský (18.1 thousand), Olomoucký (13.7 thousand) and Hlavní město Praha (8.9 thousand) Regions, while employees dropped in number primarily in the Pardubický Region (-4.2 thousand).

However, when evaluating developments in the status-in-employment structure, one should take account of the fact that the released figures are measured in and related to the respondent's usual place of residence and not to the region where he/she works. There are much more people working in the capital city of Prague than the number of those usually living and working there (The number of working in Prague was higher than number of employed Prague residents by 104.9 thousand and reached 738.2 thousand). And it is the category of employees in Prague where the high commuting balance occurs mainly exclusively (95.3 thousand).

Vice versa, the number of persons commuting from the region to other regions exceeds the number of those commuting into the region from the others mainly for Středočeský Region (this negative balance reached -62.8 thousand, largely in favour of Prague), for Moravskoslezský (-11.2 thousand), for Jihočeský (-10.4 thousand) and for Královéhradecký (-8.9 thousand) Regions. Negative balance of commuting for other regions varied from -0.3 thousand in Zlínský Region to -8.5 thousand in Vysočina Region. The regional borders were crossed generally by employees (91.8 % of commuting).

**Increases/decreases in the number of first job holders: by professional status and region  
(4<sup>th</sup> quarter 2006 to 4<sup>th</sup> quarter 2007, persons in thousand)**

CR total		Regions													
Thousands	%	Hl. m. Praha	Středočeský	Jihočeský	Plzeňský	Karlovarský	Ústecký	Liberecký	Královéhradecký	Pardubický	Vysočina	Jihomoravský	Olomoucký	Zlínský	Moravskoslezský
Total															
105.5	2.2	4.0	15.7	7.7	2.8	2.9	0.2	7.0	5.7	3.3	8.4	12.0	6.2	10.0	19.7
Employees, incl. members of producers' cooperatives															
95.8	2.4	8.7	-1.8	7.8	7.4	2.2	1.8	7.3	5.5	-3.7	6.7	16.7	13.3	5.1	18.8
Self-employed without contributing family workers															
14.4	1.9	-3.2	18.9	-0.1	-4.5	0.4	-1.1	-0.1	1.2	6.4	1.4	-4.0	-7.8	5.0	2.0

There are still rather large regional differences in the structure of employed persons by professional status. The share of employees ranges from 79.1 % in Hlavní město Praha Region up to 86.7 % in the Moravskoslezský and 87.4 % in the Olomoucký Regions. A relatively high proportion of members of producers' cooperatives, mainly agricultural ones, is in the Vysočina Region (2.1 %), it ranges from a statistically negligible figure in the Karlovarský, Liberecký and Hlavní město Praha Regions to 0.4 % in the Jihočeský Region.

Large differences exist in the category of the self-employed. The Hlavní město Praha Region has a high percentage of the self-employed (excl. family workers): 20.2 % of all first job holders living on the territory of the capital city. As for the other regions, the percentage is rather high in the Středočeský (18.8 %), Královéhradecký (16.8 %), Zlínský (16.7 %) and Karlovarský (16.3 %) Regions. In case of middle Bohemia there proves a fact that former districts of Praha-východ and Praha-západ have a significant active migration balance with Prague and a certain part of the Praha self-employed reside in these districts. The lowest shares of the self-employed are reported for the Olomoucký (11.7 %), Vysočina (12.3 %) and Ústecký (12.5 %) Regions. The number of contributing family workers exceeds the number of members of producers' cooperatives and their share on total employment in regions ranges from 0.2 % in Zlínský Region to 0.9 % in Středočeský Region.

In terms of employment of men and women there still remain the high differences in **industry structure of employed**. The two sexes have the highest employment in manufacturing, but their shares in the other industries differ (see Annex table No. 304 for a rather detailed breakdown of sections of CZ-NACE, which is compatible with NACE, Rev. 1.1; the table provides greater detail on manufacturing and trade branches).

#### Structure of first job holders in the Czech Republic: by CZ-NACE category, by sex

Industries	All		Males		Females	
	Thous.	%	Thous.	%	Thous.	%
TOTAL	4967.2	100.0	2840.5	100.0	2126.7	100.0
including:						
Agriculture, hunting and forestry	169.5	3.4	117.7	4.1	51.8	2.4
Fishing	2.9	0.1	2.5	0.1	.	.
Mining and quarrying	54.2	1.1	47.7	1.7	6.5	0.3
Manufacturing	1430.5	28.8	911.0	32.1	519.6	24.4
Electricity, gas and water supply	73.0	1.5	59.6	2.1	13.4	0.6
Construction	457.1	9.2	419.0	14.8	38.1	1.8
Trade, rep. of mot.vehicles, pers.and househ.goods	623.3	12.5	297.0	10.5	326.4	15.3
Hotels and restaurants	176.1	3.5	78.9	2.8	97.2	4.6
Transport, storage and communication	368.5	7.4	266.9	9.4	101.7	4.8
Financial intermediation	111.5	2.2	42.6	1.5	69.0	3.2
Real estate, renting and business activities	363.6	7.3	204.6	7.2	159.0	7.5
Public administration, defence, compul.soc.security	325.9	6.6	165.7	5.8	160.2	7.5
Education	284.4	5.7	69.9	2.5	214.4	10.1
Health and social work	332.2	6.7	64.9	2.3	267.4	12.6
Other community, social and personal services	191.2	3.8	91.6	3.2	99.6	4.7

In the structure of employment by sector, workers in services (CZ-NACE G-Q), where worked 56.0 % of all employed, dominate sharply. On the contrary in primary sector (CZ-NACE A, B) the employment permanently falls; the shares of older age groups in agriculture are substantially higher than in other sectors (more than 55 % of employed persons are older than 45).

Sizable differences are uncovered, if the industrial structure of first job holders is compared between 4th quarter 2006 and 4th quarter 2007. Employment in the **primary sector** (agriculture, forestry, fishing) decreased to 172.3 thousand persons and accounted for only 3.5 % of the total number of first (main) job holders. The number of persons employed in the **secondary sector** (industry, construction) increased by 73.3 thousand year-on-year to 2014.8 thousand (40.6 % of total employment). This growth was mainly affected by the year-on-year increase of 60.7 thousand in

employment that occurred in manufacturing. The number of employed persons went up most in manufacture of other metal products (9.7 thousand), manufacture of electrical equipment n.e.c. (9.7 thousand), manufacture of motor vehicles (7.9 thousand), manufacture of basic iron and steel and of ferro-alloys (6.5 thousand) and manufacture of other special purpose machinery (5.9 thousand). The employment increase in construction (19.3 thousand) was most marked in building installation (13.9 thousand) and building completion (8.4 thousand).

Employment in the **tertiary sector** (all divisions of services including transport) increased by 36.7 thousand to 2 779.8 thousand (56.0% of total employment), but it developed in the individual divisions in a different way. Employment increased most in real estate; renting and business activities (34.2 thousand), financial intermediation (17.1 thousand), wholesale and retail trade; repair of motor vehicles, motorcycles and personal and household goods (9.6 thousand) and transport, storage and communication (5.5 thousand).

Within the section real estate; renting and business activities the growth was especially in the groups software consultancy and supply (5.8 thousand), industrial cleaning (5.0 thousand) and miscellaneous business activities n.e.c. In financial intermediation employment grew the most in monetary intermediation. Within the category wholesale and retail trade; repair of motor vehicles, motorcycles and personal and household goods the number of employed persons increased mainly in retail sale in non-specialised stores. In the section transport, storage and communication employment grew the most in cargo handling and storage.

On the other hand, employment dropped most year-on-year in hotels and restaurants (-9.7 thousand), the most in restaurants. Employment decrease in health and social work was due to lower employment in human health activities.

**Increases/decreases in numbers of first job holders: by industry**  
**(4<sup>th</sup> quarter 2006 to 4<sup>th</sup> quarter 2007)**

Industries	Decrease		Industries	Increase	
	Thous.	%		Thous.	%
Hotels and restaurants	-9.7	-5.2	Manufacturing	60.7	4.4
Health and social work	-7.0	-2.1	Real estate, renting and business activities	34.2	10.4
Other community, social and personal service activities	-6.7	-3.4	Construction	19.3	4.4
Mining and quarrying	-3.8	-6.6	Financial intermediation	17.1	18.1
Public administration, defence and compulsory social security	-3.5	-1.1	Trade, repair of motor vehicles and pers. and household goods	9.6	1.6
Agriculture, hunting and forestry	-3.3	-1.9	Transport, storage and communication	5.5	1.5
Electricity, gas and water supply	-3.1	-4.0			
Education	-1.7	-0.6			
Fishing	-0.6	-18.0			

The ranking of industries according to an increase/decrease in the number of persons carrying out the activity changes from one quarter to another. With this in mind one should stress the fact that an increase/decrease 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 stem among others from the fact that the LFSS idea of employment is more general in nature (see Introduction) and is not directly related to the so-called registered numbers of persons.

The number of **employees** represents a decisive part of occupied persons in all industries 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 the industries, from the requested level and branch of education of employed persons, and from a variety of other aspects. An extraordinary proportion of employees is found for classical industrial branches with an above-the-average size of companies and also for some industries of tertiary sphere (primarily education and health service), where specific professional qualifications are also called for. The share of employees is naturally big in the organizations which concentrate on function of the public administration.

**Employees and self-employed - first job holders: by industry**  
(4<sup>th</sup> quarter of 2007, persons in thousand)

Industries	Total employment	Of which			
		Employees	Self-employed		
			Total	With employees	Without employees
TOTAL	4967.2	4155.2	770.1	173.0	597.1
of which:					
Agriculture, hunting and forestry	169.5	122.2	33.7	7.2	26.4
Fishing	2.9	2.5	.	-	.
Mining and quarrying	54.2	52.4	1.5	.	1.0
Manufacturing	1430.5	1322.2	102.4	27.5	74.9
Electricity, gas and water supply	73.0	69.3	3.7	.	3.0
Construction	457.1	283.2	170.7	28.2	142.5
Trade, rep. of mot.vehicles, pers., househ.goods	623.3	468.6	145.3	41.2	104.2
Hotels and restaurants	176.1	144.6	30.0	15.1	14.9
Transport, storage and communication	368.5	327.3	40.6	11.8	28.8
Financial intermediation	111.5	88.1	23.3	1.1	22.2
Real estate, renting and business activities	363.6	236.3	123.4	19.9	103.5
Publ.administration, defence, comp.soc.security	325.9	321.6	4.3	0.8	3.4
Education	284.4	273.7	10.6	1.5	9.2
Health and social work	332.2	309.9	20.9	11.9	8.9
Other community, social and personal services	191.2	131.1	58.7	5.5	53.2

Only a few industries reported significant numbers of **members of producers' cooperatives**. Their frequency further decreased to 10.4 thousand in agriculture. Their number went up slightly to 1.0 thousand in manufacturing. Number of **contributing family workers** is higher in industries of trade (8.7 thousand) and manufacturing (4.9 thousand).

An **increase in the total number of self-employed** by 10.2 thousand showed itself mainly in the sections construction (20.4 thousand) and real estate, renting and business activities (7.8 thousand). Year-on-year increase in the number of self-employed persons, including family workers

was the highest in building completion and building installation. They are own-account workers, i.e. the self-employed without employees. In the section real estate, renting and business activities total increase resulted from a higher number of self-employed in legal, accounting, book-keeping and auditing activities; tax consultancy; market research and public opinion polling; business and management consultancy; holdings and in real estate activities on a fee or contract basis. The number of self-employed increased markedly also in wholesale and retail trade; repair of motor vehicles, motorcycles and personal and household goods, the most in other retail sale of new goods in specialised stores.

The development in the number of **employers (the self-employed with employees)** went down most of all in manufacturing (by 6.1 thousand) and in hotels and restaurants (by 5.7 thousand). The increase in **own-account workers (the self-employed without employees)** was mainly due to higher numbers of such persons in construction (21.1 thousand) and in wholesale and retail trade; repair of motor vehicles, motorcycles and personal and household goods (11.7 thousand). In following table there are figures on the level of absolute and relative increase (decrease) in number of self-employed with and without employees in selected categories of economic activities.

**Increases/decreases in numbers of the self-employed: by CZ-NACE activity  
(4<sup>th</sup> quarter 2006 to 4<sup>th</sup> quarter 2007)**

Selected CZ-NACE activities	Increases/decreases in the number of self-employed			
	Without employees (own-account workers)		With employees (employers)	
	Thous.	%	Thous.	%
Agriculture, hunting and forestry	-1.4	-5.0	3.3	86.4
Manufacturing	6.3	9.3	-6.1	-18.0
Construction	21.1	17.4	-1.8	-6.0
Trade, repair of motor vehicles, person., househ. goods	11.7	12.6	-3.3	-7.4
Hotels and restaurants	-0.9	-5.5	-5.7	-27.5
Transport, storage and communication	-4.1	-12.5	-3.5	-22.8
Financial intermediation	0.3	1.2	-0.3	-19.6
Real estate, renting and business activities	9.1	9.7	-1.3	-6.1
Education	0.8	9.6	-1.0	-39.8
Health and social work	-4.2	-32.1	-5.6	-32.0
Other community, social and personal service activities	4.8	9.9	-2.7	-32.6

The share of the self-employed without contributing family workers constituted 37.3 % of all first job holders in industry in construction, 33.9 % in real estate, in other community, social and personal service activities 30.7 %, in wholesale and retail trade; repair of motor vehicles, motorcycles and personal and household goods 23.3 % and in financial intermediation 20.9 %. Their shares were low in public administration, defence and social compulsory security (1.3 %) and in mining and quarrying (2.9 %).

**For the Czech economy is typical a high share of secondary sector** (industry + construction) **employment**. This share is the highest among all of the EU27 countries and close to the Czech Republic is only Slovakia. Similarly, in manufacturing the share reached 28.6 % of total employment in the Czech Republic in Q2 2007. This was the highest figure among all EU states. In the CR, manufacturing had by 10 p.p. higher share in total employment than it had in the EU27 and by over 11 p.p. higher than in the EU15. On the other hand, the **Czech Republic's structure of employment by NACE activity is distinguished by a significantly lower proportion of services**

than in the EU15 (-14 p.p.) and in the EU27 as well (-11 p.p.). In the CR, lower than average employment proportion is mainly in real estate, renting and business activities, health and social work, wholesale and retail trade; repair of motor vehicles, motorcycles and personal and household goods, financial intermediation and education. The following table shows data on the structure of selected EU states in Q2 2007, for which Eurostat published the latest complete results.

**Structure of 15-64 years old persons with one or main job by CZ-NACE section  
in selected EU states in 2<sup>nd</sup> quarter 2007**

Sectors of NE, CZ-NACE sections	EU27	CZ	DE	GR	FR	HU	NL	AT	PL	SK	FI	SE	UK
2 <sup>nd</sup> quarter 2007													
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
of which:													
<b>Agriculture, hunting, forestry, fishing</b>	<b>5.2</b>	<b>3.7</b>	<b>2.2</b>	<b>10.8</b>	<b>3.5</b>	<b>4.6</b>	<b>2.8</b>	<b>5.3</b>	<b>14.5</b>	<b>4.2</b>	<b>4.4</b>	<b>2.1</b>	<b>1.2</b>
<b>Industry</b>	<b>27.9</b>	<b>40.3</b>	<b>30.0</b>	<b>22.7</b>	<b>23.1</b>	<b>32.9</b>	<b>19.3</b>	<b>27.7</b>	<b>30.9</b>	<b>39.6</b>	<b>25.8</b>	<b>21.8</b>	<b>22.3</b>
Mining and quarrying	0.4	1.2	0.3	0.4	0.1	0.4	0.1	0.2	1.7	0.7	0.2	0.2	0.5
Manufacturing	18.3	28.6	22.1	12.5	15.4	22.4	12.7	18.2	21.1	27.1	18.0	14.7	12.9
Electricity, gas and water supply	0.9	1.5	0.9	0.9	0.8	1.6	0.5	0.8	1.4	1.7	0.6	0.6	0.7
Construction	8.2	9.1	6.7	8.8	6.8	8.5	6.0	8.4	6.8	10.1	6.9	6.3	8.2
<b>Services</b>	<b>66.6</b>	<b>56.0</b>	<b>67.8</b>	<b>66.5</b>	<b>73.2</b>	<b>62.4</b>	<b>73.3</b>	<b>67.1</b>	<b>54.5</b>	<b>56.2</b>	<b>69.6</b>	<b>75.7</b>	<b>76.1</b>
of which:													
Trade, repair of motor vehicles and personal and household goods	14.4	12.3	13.9	17.8	14.0	15.0	14.1	16.2	15.1	12.9	12.8	12.0	14.2
Hotels and restaurants	4.3	3.7	3.8	7.0	3.6	4.1	4.3	6.3	2.0	4.3	3.3	3.3	4.4
Transport, storage and communication	6.1	7.5	5.7	6.0	6.0	7.6	6.1	6.1	6.0	7.0	6.8	6.2	6.7
Financial intermediation	3.0	2.1	3.4	2.5	3.3	2.1	3.3	3.4	2.5	1.9	2.0	2.0	4.4
Real estate, renting and business activities	9.5	6.9	10.3	6.5	10.4	7.2	11.9	8.9	6.0	6.0	12.3	14.5	11.9
Public administration, defence, compulsory social security	7.1	6.7	7.7	8.8	10.0	6.9	6.8	6.9	6.1	6.6	4.5	5.8	7.1
Education	7.0	5.9	5.9	7.4	6.9	8.0	6.7	5.4	7.5	7.0	6.6	10.9	9.2
Health and social work, veterinary activities	9.5	6.9	11.4	5.3	12.2	6.7	15.7	8.5	5.8	6.6	15.1	16.1	12.1
Other community, social and personal service activities	4.6	4.0	5.3	3.6	4.5	4.6	4.2	5.0	3.5	3.5	5.8	5.1	5.7

Source: Eurostat

CZ-Czech Republic, DE-Germany, GR-Greece, FR-France, HU-Hungary, NL-Netherlands, AT-Austria, PL-Poland, SK-Slovakia, FI-Finland, SE-Sweden, UK-Great Britain

The total number of first job male entrepreneurs exceeds the total number of first job female entrepreneurs 2.8 times (2.6 times in the group of self-employed without employees and 3.6 times in the group of self-employed with employees). In addition to the general prevalence of the number of the male self-employed over that of the female self-employed, there are differences in the industrial structure of this category between both sexes. The markedly higher number of male self-employed persons over female self-employed persons is distinct in most of the industries, particularly in construction, manufacturing and trade, repair of motor vehicles and personal and household goods. On the other hand, there are more female entrepreneurs than male ones in other community, social and personal service activities and in health and social work.

### Self-employed: by CZ-NACE activity, by sex

Selected industries	All Thous.	Male self-employed				Female self-employed			
		Without employees		With employees		Without employees		With employees	
		Thous.	%	Thous.	%	Thous.	%	Thous.	%
TOTAL including <sup>1)</sup>	770.1	433.2	100.0	135.8	100.0	164.0	100.0	37.2	100.0
Construction	170.7	138.5	32.0	26.4	19.4	4.0	2.5	1.8	4.8
Trade, repair of motor veh. and pers. and househ. goods	145.3	69.9	16.1	30.1	22.1	34.2	20.9	11.1	29.8
Real estate, renting and business activities	123.4	61.3	14.2	14.5	10.7	42.2	25.7	5.4	14.4
Manufacturing	102.4	62.1	14.3	24.1	17.8	12.7	7.8	3.4	9.2
Other community, social and personal service activities	58.7	20.5	4.7	3.4	2.5	32.7	19.9	2.2	5.8
Transport, storage, communication	40.6	25.2	5.8	11.7	8.6	3.6	2.2	.	.
Agriculture, hunting, forestry	33.7	22.8	5.3	6.9	5.1	3.6	2.2	.	0.9
Hotels and restaurants	30.0	7.7	1.8	11.3	8.3	7.1	4.4	3.8	10.3
Health and social work	20.9	3.3	0.8	4.0	2.9	5.6	3.4	8.0	21.5

<sup>1)</sup> Sequence by the number of the self-employed of both sexes in the industries

In the **civil sector of the national economy**, there were 95.0 % of persons working **full time** in their first jobs. Of the total of 247.3 thousand employed persons in their **part time employment**, 39.5 thousand were classified as **underemployed** (0.8 % of the total first job holders in the civil sector). Three quarters of part-time employed persons are females; and females are sharply prevailing in the group of the underemployed (75.7 %).

There were in total 83.3 thousand **second job holders** in the civil sector in the 4<sup>th</sup> quarter. The frequency of these employed dropped year-on-year by 13.8 thousand. The share of males made up 64.9 %. Unlike first job holders, working contracts with limited job tenure are much more represented here (21.7 %). The number of second job holders is high especially in Hlavní město Praha Region (11.0 thousand), in other regions is higher also in the Jihomoravský (9.2 thousand) and Středočeský (8.8 thousand) Regions.

Similarly, the structure of professional status of second job holders substantially differs from that of first job holders. Employees, who account for 36.7 % of all second job holders (30.6 thousand), fell by 4.4 thousand when compared to 4<sup>th</sup> quarter 2006. The number self-employed (incl. family workers) second job holders went down (by 9.3 thousand), but their share in all second jobs is still high (62.9 %). The most numerous status group are the male self-employed: a total of 37.7 thousand (including family workers), i.e. 69.7 % of male second job holders.

Prevailing majority of persons employed in the second job have employee status within the first/main job (total 64.6 thousand, i.e. 77.6 % of second jobs) or status of self-employed without employees (13.5 thousand, 16.2 %). Second jobs affect total employment manufacturing (8.4 thousand), other community, social and personal service activities (8.2 thousand), in education (7.7 thousand), in the industries of trade, repair of motor vehicles and personal and household goods (11.2 thousand) and especially real estate, renting and business activities (16.6 thousand), where they account for 4.6 % of first job holders in industry. One 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 41.7. The number of these hours represents an average number of hours normally worked by a person in week including the regular overtime disregarding whether they are paid but do not cover the time spent on commuting from home to work and back and recess. **Hours actually worked** in the reference period were fewer (38.3). First job holders working full time and part time worked **usually** 42.7 hours a week and 22.0 hours a week, respectively. The largest number of hours usually weekly worked of persons working full-time was shown in industry of construction (45.9 hours). Employed in hotels and restaurants (45.0 hours), real estate, renting and business activities (44.5 hours), in agriculture, hunting and forestry (44.3 hours) and in transport, storage and communication (44.1 hours) indicated an above-average number. **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 exceeds those of employees working full time by more than 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 professional status (4<sup>th</sup> quarter 2007)**

Professional status excl. persons not working 4 weeks or more	First job		Second job <sup>1)</sup>
	Full-time	Part-time	
Thousands of persons			
The employed, all	4704.8	247.3	83.3
Employees	3941.8	198.6	30.6
Members of producers´ cooperatives	12.6	.	.
Self-employed (incl. family workers)	750.4	47.9	52.4
Average usually weekly worked hours			
The employed, all	42.7	22.0	13.0
Employees	41.3	22.4	12.8
Members of producers´ cooperatives	41.0	.	.
Self-employed (incl. family workers)	50.0	20.2	12.9

<sup>1)</sup> Hours actually worked

The share of persons working full time in their main job is in the Czech Republic the fourth highest among all EU27 member states. Proportion of full-time jobs is higher in Slovakia, Hungary and Bulgaria, the total employment rate is however below the average in all of the three countries. The share of men working full time in the CR was the third highest among the EU27 countries in Q2 2007, women had the fifth highest share.

Especially women appear to have an extraordinary high differentiation of the shares of full-time jobs in employment in individual EU countries. In many countries of the EU15 high number of women uses the opportunity to work part time, particularly in the Netherlands (3/4 of working women

aged 15-64 years!) and in the other six countries their share came close or 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 in particular in the Netherlands and in some of the other countries.

**Share of persons working part-time in the total number of main jobs in the EU countries  
in 2<sup>nd</sup> quarter 2007**

Country	2 <sup>nd</sup> quarter 2007			%
	Total	Men	Women	
EU 27	17.7	7.0	30.9	
EU 15	20.4	7.5	36.5	
Belgium	22.5	7.1	41.8	
Bulgaria	1.7	1.3	2.1	
<b>Czech Republic</b>	<b>4.4</b>	<b>1.7</b>	<b>8.1</b>	
Denmark	23.6	12.5	36.1	
Germany	25.6	8.6	45.8	
Estonia	7.0	4.0	10.0	
Ireland	17.6	6.4	32.3	
Greece	5.5	2.5	10.3	
Spain	11.8	4.1	22.9	
France	17.2	5.5	30.4	
Italy	13.3	4.6	26.5	
Cyprus	6.1	2.7	10.1	
Latvia	6.4	4.9	7.9	
Lithuania	7.9	5.9	9.8	
Luxembourg	17.9	2.2	39.7	
Hungary	3.8	2.5	5.5	
Malta	10.9	3.8	25.3	
Netherlands	46.3	22.7	74.7	
Austria	22.0	6.3	41.0	
Poland	8.5	6.0	11.6	
Portugal	8.9	4.8	13.7	
Romania	8.6	8.2	9.0	
Slovenia	8.8	7.1	10.8	
Slovakia	2.6	1.0	4.5	
Finland	13.0	8.1	18.2	
Sweden	24.3	10.4	39.8	
United Kingdom	24.5	9.3	41.8	

Source: Eurostat

**Participation rate** (rate of economic activity), which is the ratio of the employed plus the unemployed to all persons aged 15+ stood at 58.8 % (both sexes) and decreased by 0.3 percentage points in comparison with its level in the 4<sup>th</sup> quarter of 2006. This rate is high in the group of persons aged 30-44, where the percentage of economically inactive males is extremely low (3.0 %) and the

percentage of economically inactive females is 21.4 %. The low rate of economic activity is characteristic for the youngest age group of 15-29, as these persons are often still preparing for their occupation. The detailed data on the trend of economic activity by age groups are shown in table no. 508.

**Participation rate: by age and sex  
(4<sup>th</sup> quarter 2007)**

Sex	All	Age group			
		15-29	30-44	45-59	60+
Males	68.5	58.3	97.0	89.4	18.8
Females	49.7	42.3	78.6	76.3	6.4

Among the employed in the civil sector, 58.6 thousand persons (including 30.9 thousand males) were seeking another or additional job in the reference period; it mostly includes persons wishing to have better working condition (higher pay, better working time, commute, quality of work – 35.8 thousand). The principal reasons given for seeking another/additional job was besides the aspiration for better work conditions also uncertainty and fear for the loss of the existing job (6.6 thousand). The activity of the employed in seeking different or another job was comparatively the highest in the Zlínský (2.7 %) and Královéhradecký (2.3 % of all first job holders in the civil sector) Regions.

### **III. B. *Unemployment and economic inactivity***

The number of **the unemployed** derived from LFSS results stood at 252.8 thousand in the 4<sup>th</sup> quarter 2007, including 143.6 thousand females (56.8 %), and decreased by 86.5 thousand below their number in the 4<sup>th</sup> quarter 2006 (included are persons who have found their job but they are able to start a job in two weeks).

The decrease in unemployment proved notably in age group 20-24 by 22.1 thousand. Unemployment decreased also in all other age groups (with the exception of persons aged 60-64). The number of unemployed men remains lower than number of unemployed women. Simultaneously with the total year-on-year decrease of total unemployment the unemployment of men dropped by 44.9 thousand and fall of unemployed men proved mainly in age group 20-24 (by 10.4 thousand). The number of unemployed women decreased in the same period totally by 41.6 thousand and this drop showed the most also in age group 20-24 (by 11.6 thousand).

The number of persons with basic education amounted to 71.8 thousand (i.e. 28.4 % of total unemployment), and the number of unemployed leavers from secondary schools without the General Certificate of Secondary Education was high (108.9 thousand, i.e. 43.1 % of the total unemployed). Taking account of educational attainment, the structure of unemployed men is somewhat different from that of unemployed women. While unemployed with primary education and leavers from secondary schools without the GCE dominate among unemployed men with 28.6 % and 45.9 %, respectively (28.2 % and 40,9 %, respectively, among unemployed women), also persons with

secondary education with GCE are strongly represented among unemployed women (26.1 % of unemployed women).

The number of unemployed with work experience, who finished their last job before less than 8 years, amounted to 184.4 thousand and decreased compared to the 4<sup>th</sup> quarter 2006 by 67.6 thousand. According to the ascertained industrial breakdown the unemployed with experience of work had worked the most frequently in manufacturing (58.8 thousand), trade, repair of motor vehicles and personal and household goods (29.9 thousand), and in construction (15.0 thousand).

In light of the classification of occupations, almost three quarters of the unemployed were at work in the four following major groups of CZ-ISCO-88 classification: elementary occupations (43.4 thousand – 23.5 % of all unemployed persons with experience of employment), craft and related trades workers (35.0 thousand - 19.0 %), service workers and shop and market sales workers (34.7 thousand – 18.8 %) and plant and machine operators and assemblers (23.6 thousand - 12.8 %).

The number of **long-term unemployed** (one year and more) decreased by 62.3 thousand to 122.8 thousand and their share does not already overreach one half of the total number of the unemployed (48.6 %). The drop of long-term unemployment proved mostly in men in age group 20-29 years by 10.0 thousand, and in women also in age group 40-49 by 11.3 thousand. The number of persons unemployed for more than four years went down by 8.7 thousand to 49.5 thousand (19.6 % of the total unemployed).

**The unemployed: job seeking duration  
(4<sup>th</sup> quarter 2007, persons in thousands)**

All	Up to 3 months	3-6 months	6-12 months	1-2 years	2 years or more	Not identified
252.8	43.1	36.9	50.1	40.5	82.3	-

**The growth of total employment and the decrease in the number of the unemployed resulted in a relatively high decrease of general unemployment rate of persons aged 15-64 (ILO).** In comparison to 4<sup>th</sup> quarter 2006, the general unemployment rate decreased by 1.7 percentage points to 4.9 %. It decreased mainly among the female population (by 1.8 percentage points to 6.4 %), while it dropped among the male population by 1.6 percentage points to 3.7 %.

According to the latest data released by Eurostat for Q2 2007, 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 CR was below the EU27 average. The big decrease of unemployment in the Czech Republic resulted in favourable comparison with the EU27 and the EU15 alike when in Q2 2007 the unemployment rate in the CR was lower than the EU15 average by 1.6 percentage points.

In comparison to the neighbour states, the rate of unemployment in the CR is higher than in Austria but markedly lower than in Slovakia where it is the highest across the European Union and in Poland. Unemployment rate in the CR is noticeably lower also in comparison with Germany mainly due to an unfavourable situation in the long run in the federal states of former East Germany.

# General unemployment rate of persons aged 15-64 in the EU member states in 2<sup>nd</sup> quarter 2007

Country	2 <sup>nd</sup> quarter 2007		
	Total	Men	Women
EU 27	7.1	6.5	7.8
EU 15	6.9	6.3	7.8
Belgium	7.7	6.7	8.8
Bulgaria	6.9	6.8	6.9
<b>Czech Republic</b>	<b>5.3</b>	<b>4.4</b>	<b>6.6</b>
Denmark	3.6	3.3	4.1
Germany	8.6	8.5	8.8
Estonia	5.2	6.0	4.5
Ireland	4.6	4.9	4.3
Greece	8.2	5.0	12.8
Spain	8.0	6.1	10.5
France	7.8	7.2	8.4
Italy	5.8	4.6	7.5
Cyprus	3.5	3.3	3.6
Latvia	6.1	6.4	5.9
Lithuania	4.2	4.1	4.2
Luxembourg	3.9	4.1	3.5
Hungary	7.0	6.9	7.2
Malta	6.7	5.7	8.7
Netherlands	3.2	2.8	3.7
Austria	4.5	3.9	5.1
Poland	9.7	9.3	10.2
Portugal	8.4	6.9	10.0
Romania	6.8	7.6	5.8
Slovenia	4.7	3.7	5.9
Slovakia	11.2	10.0	12.7
Finland	7.8	7.5	8.1
Sweden	7.0	6.5	7.5
United Kingdom	5.2	5.5	4.9

Source: Eurostat

**In terms of international comparison, an unfavourable aspect of unemployment in the Czech Republic is persistent high percentage of the long-term unemployed.** The proportion of persons out of employment for one year and more in the total number of the unemployed was the fourth highest among all the EU countries in Q2 2007 (54.8% in the CR in comparison to 43.7% in the EU27 and 40.9% in the EU15). The highest proportions of the long-term unemployed were observed, besides Bulgaria, in neighbouring Germany and especially Slovakia where it reached three quarters of all unemployed persons. The high percentage of long-term unemployment in the above countries represents a chronic problem relating not only the elderly unemployed; in the young and middle age group 25-49 the proportion of long-term unemployed persons was the highest within the EU and in the Czech Republic the second highest next to Slovakia.

Most of the unemployed (71.5 %) were graduates from secondary schools without GCE or people with basic education. This fact also resulted in considerable differentiation of the rate of unemployment calculated for individual levels of education; the lowest level of unemployment is recorded steadily for university graduates (1.8 %) and persons with secondary education with GCE (3.0 %). The high unemployment rate continued in the group of persons with elementary education (19.6 %). Above-average rate occurs also in the group of persons with secondary education without

leaving exam, mostly apprentices (5.1 %). To verify the reliability of the sample survey, CZSO regularly analyses and compares LFSS figures and indicators with those based on the registration of labour offices. For this purpose, a breakdown of the categories of unemployed persons and all registered job applicants according to the results of the LFSS can be found below.

**Breakdown of registered job applicants and the unemployed as identified by the LFSS  
(4<sup>th</sup> quarter 2007, thousand persons)**

Category	Number
<b>I. Persons who conveyed registration by the labour offices</b>	<b>270.2</b>
including:	
a) those who satisfy ILO conditions for inclusion among the unemployed	193.5
b) those not satisfy ILO conditions	76.8
due to:	
- they worked in reference week	10.4
- they did not seek a job during the last 4 weeks	53.1
- they are not available for work within 14 days	13.4
<b>II. Unemployed meeting ILO conditions and not registered by the labour offices</b>	<b>59.4</b>
<b>III. All number of ILO unemployed (I.a + II.)</b>	<b>252.8</b>
<b>IV. Other persons not employed and not registered by the labour offices, who:</b>	
- seek work or found it already but not available for work within 14 days	4.5
- not seek work but wish to work	176.7
of which: available for work within 14 days	32.3

In the period in question the number of job applicants actually registered by labour offices reached 350.1 thousand, (of which 323.1 thousand were available job applicants), which was a figure which differed by 79.9 thousand (52.8 thousand) from what was found by the sample survey (the number of registered job-seekers).

This discrepancy between LFS unemployed and job applicants kept by the Ministry of Labour and Social Affairs, CR has been appearing for a long time. One can assume that beside the different methodological definition of indicators it is also influenced by other factors:

- The CZSO included the question on so called main status (means usual economic status) already in 1993. This question preceded the questions relating to reference week and thus influenced the answers of respondents on their real economic activity in reference period to some extent. Eurostat inserted the question on main status into its standard in 1998 as coming after the questions relating to the reference week. From 1 January 2002 the LFS questionnaire was fully harmonised with Eurostat's standard including the order of asking the questions to the respondents. Now the priority is the question on **economic activity of respondent in the reference week**. If the respondent stated that **worked at least 1 hour** in the reference week, s/he is strictly classified as person in employment according to the ILO methodology. The current form of questionnaire authorizes to the assumption that positive answer on employment in the reference week influences following answers on the questions on main status and especially the registration in Labour Offices to some extent.

Regarding the need of keeping the anonymous data and optionality of participation in the LFSS, the CZSO has no possibility to compare individual data with other sources, e.g. with the evidence of Labour Offices. From the trend of difference between the number of persons registered by Labour Offices and the number of this persons measured by LFSS is possible to

judge that influence of change in questionnaire content proved in reduction of the unemployed persons in LFSS in range from 30 to 50 thousand.

- Relatively higher **rate of non-response** is caused by high share of empty flats in sample and mainly categorical refusals of cooperation. On the base of structure rejected answers during repeated visits one must assume that social structure of households, which refused the cooperation, can partly differ from the structure of interviewed households and the group of unemployed who refuse to communicate within the sample survey can be over-represented among them.

The difference in data on unemployment between both sources is usual also in other Member States and Candidate Countries of EU. At the same time it is necessary to remark that some Member States of EU do not disseminate both unemployment rates officially.

The number of **economically inactive persons** aged 15+ (according to the LFSS methodology they are persons who had no job and were not seeking a job during last four weeks or did not meet all conditions for being classified among the unemployed) increased by 62.8 thousand year-on-year and reached 3657.8 thousand in 4<sup>th</sup> quarter 2007. This category is primarily affected by numbers of the retired and of persons preparing for their future occupation. The number of basic school pupils decreased by 12.7 thousand; the number of secondary school pupils including vocational schools increased by 6.7 thousand to 532.5 thousand. The number of university students including higher professional school students grew rapidly vice versa by 25.9 thousand to 299.8 thousand. The number of economically inactive normally retired persons not actively seeking job reached 1932.3 thousand, the number of persons in early retirement 44.8 thousand and the number of disability pensioners 261.3 thousand. These figures 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 among persons in employment or unemployed persons in the reference week are not reported as economically inactive.

The decrease in the number of the unemployed and the rise of the employed and the economically inactive persons proved in the growth of **employment rate of persons aged 15 and more** (share of main-job holders in number of persons usually living aged to 15 and more years) year-on-year from 55.3 % onto 56.0 %. The **total employment rate of persons aged 15-64** grew year-on-year by 0.9 percentage points to 66.5 %. The increase in the employment of men at working age amounted to 1.3 percentage points to 75.5 %, this indicator went up in women by 0.5 percentage points to 57.4 %. On one hand this employment rate is reduced by the increase in persons studying on universities and pushed up by the employment of persons aged 30-44 and 60-64 on the other hand.

**Concrete aims for the employment rate in the EU countries until 2010 were determined in the meetings of the European Council in Lisbon in 2000 and Stockholm in 2001.** 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 internationally, the Czech Republic is among the countries with the above-the-average employment intensity in the EU. According to the latest complete data for Q2 2007 released by Eurostat, the employment rate of persons aged 15-64 in the Czech Republic was higher than the total for the EU27 but lower than the rate in the EU15. Lower employment rate than in EU15 and EU27 was in the group of women.

**Differences in employment rates between EU countries are considerable, not only if we compare the whole age group 15-64,** but also in the male and female components of employment. On the one hand there is a high employment rate in the northern countries and the United Kingdom (e.g. in Denmark it was 77.3% in Q2 2007), on the other hand employment rate in many countries was below 60% (in Poland only 56.8% in Q2 2007). Compared to our neighbour states, higher employment rate is in Austria and Germany and significantly lower in Poland and Slovakia. Very low unemployment rate is also in Hungary.

**Even bigger differences are in the employment rate of persons aged 55-64.** In Malta and Poland it did not even reach 30% and this rate was only closely exceeded by Luxembourg, Slovenia,

Slovakia, Italy, Hungary and Belgium. Thus a significant number of member states will have problems with the fulfilment of the Lisbon strategy. Twelve member countries already exceeded the required 50% rate; among them are all the northern and Baltic countries.

Reaching at least 50% employment rate among people aged 55-64 will be complicated for the Czech Republic owing to the low female employment rate. The employment rate of women aged 55-64 is lower than not only the average of the EU15 but also the EU27. It is, however, possible to assume that in the following years this rate is going to rise also as a consequence of adjusting the retirement age.

#### Employment rate for the age group 15-64 and 55-64 in the EU member states in 2<sup>nd</sup> quarter 2007

Country	2 <sup>nd</sup> quarter 2007					
	15-64 years			55-64 years		
	Total	Men	Women	Total	Men	Women
EU 27	65.4	72.5	58.3	44.9	54.0	36.3
EU 15	66.9	74.2	59.6	46.8	55.4	38.6
Belgium	61.6	68.2	54.9	33.8	41.0	26.8
Bulgaria	61.6	65.5	57.7	42.7	51.9	34.5
<b>Czech Republic</b>	<b>66.0</b>	<b>74.5</b>	<b>57.5</b>	<b>45.8</b>	<b>58.7</b>	<b>33.9</b>
Denmark	77.3	81.3	73.3	58.7	64.6	52.9
Germany	69.1	74.4	63.7	52.0	60.1	44.2
Estonia	69.7	73.2	66.4	62.8	60.0	64.9
Ireland	68.9	77.2	60.3	54.0	68.1	39.8
Greece	61.5	74.9	48.1	42.1	58.6	26.8
Spain	65.8	76.6	54.8	44.8	60.0	30.4
France	64.6	69.3	59.9	39.1	41.1	37.2
Italy	58.9	71.1	46.8	34.0	45.0	23.6
Cyprus	71.2	80.1	62.7	56.8	73.3	41.3
Latvia	67.6	71.5	64.0	55.2	60.3	51.4
Lithuania	65.4	68.2	62.7	53.9	60.7	48.8
Luxembourg	63.0	72.4	53.5	34.3	42.2	25.9
Hungary	57.6	64.4	51.0	33.7	41.8	27.2
Malta	55.7	74.3	36.8	27.6	46.0	10.7
Netherlands	76.0	82.3	69.6	51.0	61.6	40.2
Austria	71.5	78.9	64.2	39.2	51.1	28.0
Poland	56.8	63.4	50.4	29.2	41.5	18.5
Portugal	67.6	73.6	61.7	50.3	57.7	43.6
Romania	59.6	65.6	53.6	41.5	50.5	33.7
Slovenia	68.3	73.2	63.3	34.9	46.5	23.6
Slovakia	60.4	67.9	52.9	35.1	51.6	21.1
Finland	71.3	73.4	69.2	55.4	55.6	55.2
Sweden	74.3	76.7	71.9	69.9	72.8	67.0
United Kingdom	71.1	77.1	65.2	57.4	66.1	49.0

Source: Eurostat

Measured in the framework of full harmonization of the national LFSS questionnaire with the EU standard are also data on **persons who do not have any job and are not seeking a job in an active way and do not thus meet the ILO conditions for being considered as unemployed, but declare their willingness to work**. Only minor part of them (39.4 thousand) was available for a potential employment before the end of the two weeks following the reference week. In the 4<sup>th</sup> quarter of 2007, their number amounted to 197.8 thousand, which was by 46.3 thousand less year-on-year. A



large number of these persons were found in age group up to 24 years (66.7 thousand), predominantly among students or apprentices. The relatively high number of people in the age group 25-34 (38.1 thousand) results from a high number of women on parental leave or housewives who take interest in being employed. The number of persons who were not unemployed but were interested in job increases at the age of 50+: they were 17.3 thousand and 16.9 thousand in the age groups 50-54 and 55-59, respectively, in the age group 50-54 years it involves mainly the retired due to disability, in the age group 55-59 years the persons retired due to disability and the persons in regular retirement. The age group 60+ was represented by 29.7 thousand, old-age pensioners largely prevailing among persons interested in job.

Since the 1<sup>st</sup> quarter 2006 a Table Nr. 109 has been attached, in which the activity status of respondents is compared between reference week and situation one year ago. Data of respondents' activity status before one year do not fully correspond with data of activity status recorded and published a year ago. Reason for this is comparison of usual activity status a year ago with current activity status in reference week and furthermore some persons had indicated unemployment one year ago, but in reference week recalled their status as inactivity or working.