

III. Characteristic of results – 2nd quarter 2008

Published results of the surveys characterize (in harmony with applied international methodical approaches) population living just in selected dwellings. Situation of persons living in other accommodation establishments (especially collective households) is not reflected in the survey results. Due to this fact it excludes 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 2nd quarter 2008 amounted to 5003.3 thousand persons, of which males and females accounted for 2855.1 thousand (57.1 %) and 2148.2 thousand (42.9 %) respectively. Year-on-year total employment was higher by 89.4 thousand. As a relative figure, the rise in the number of first job holders amounted to 1.8 %. At the same time the number of first job holders with the limited duration of working contract decreased - it was 341.0 thousand in the 2nd quarter of 2008 (of which 192.9 thousand females) - i.e. by 12.7 thousand less in total than in the 2nd quarter of 2007.

In the number of employed persons prevailed **employees** (4183.6 thousand); their number increased by 79.2 thousand year-on-year. The share of employees in total employment went up by 0.1 percentage points to 83.6 %. The number of **members of producers' cooperatives** decreased by 2.7 thousand to 11.7 thousand. The number of the **self-employed** reached 807.9 thousand, which was by 14.1 thousand more year-on-year. Compared to the 2nd quarter of 2007, the percentage of the whole entrepreneurial sector decreased by 0.1 percentage points to 16.1 % of the total employment). The number of **self-employed without employees** increased by 23.0 thousand to 601.0 thousand persons and the number of **contributing family workers** increased too (by 0.3 thousand to 30.0 thousand). The number of **self-employed with employees** decreased vice versa (by 9.1 thousand to 176.9 thousand persons).

Numbers of first job holders: by professional status

Professional status	All		Males		Females	
	Thous.	%	Thous.	%	Thous.	%
Employees	4183.6	83.6	2266.9	79.4	1916.7	89.2
Members of producers' coop.	11.7	0.2	7.4	0.3	4.3	0.2
Self-employed without employees	601.0	12.0	433.3	15.2	167.7	7.8
Self-employed with employees	176.9	3.5	138.6	4.9	38.3	1.8
Contributing family workers	30.0	0.6	9.0	0.3	21.0	1.0
All	5003.3	100.0	2855.1	100.0	2148.2	100.0

The employment decreased only in Karlovarský and Liberecký Regions. The employment increased notably in Středočeský (17.6 thousand), Hlavní město Praha (14.0 thousand) Moravskoslezský (13.7 thousand), and Plzeňský (10.5 thousand) Regions. A higher growth of the number of employees was recorded for Moravskoslezský (19.8 thousand), Hlavní město Praha (15.6 thousand), Královéhradecký (11.2 thousand), Ústecký (10.9 thousand) and Jihomoravský (10,6 thousand) Regions, while employees dropped in number primarily in Liberecký (-6.4 thousand), Karlovarský (-3.6 thousand) and Vysočina (-2.8 thousand) Regions.

However, when evaluating development in the status-in-employment structure one should take into account the fact that the released figures are measured in and related to the respondent's usual place of residence, but 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 (i.e. the number of persons working in Prague was higher than number of employed Prague residents by 116.3 thousand and reached 761.8 thousand). And it is the category of employees in Prague where the high commuting balance occurs mainly exclusively (108.2 thousand).

Vice versa the number of persons commuting from one region to another region exceeds the number of those commuting into one region from the others. This applies mainly to Středočeský Region (this negative balance reached -75.3 thousand largely in favour of Prague), Jihočeský (-9.3 thousand), Královéhradecký (-8.8 thousand), Moravskoslezský (-8.3 thousand) Regions. Negative balance of commuting to other regions varied from -0.6 thousand in Karlovarský Region to -7.1 thousand in Vysočina Region. Regional borders were crossed generally by employees (90.1 % of commuting).

**Increases/decreases in the number of first job holders: by professional status and region
(2nd quarter 2007 to 2nd quarter 2008, persons in thousand)**

CR total		Regions													
Thousands	%	Hl. m. Praha	Středočeský	Jihočeský	Plzeňský	Karlovarský	Ústecký	Liberecký	Královéhradecký	Pardubický	Vysočina	Jihomoravský	Olomoucký	Zlínský	Moravskoslezský
Total															
89.4	1.8	14.0	17.6	6.6	10.5	-0.4	10.3	-0.6	4.8	4.1	0.7	3.1	2.1	3.0	13.7
Employees incl. members of producers' cooperatives															
76.5	1.9	15.3	6.6	6.7	6.8	-3.6	11.0	-6.4	10.5	2.2	-3.5	9.6	3.4	-1.9	19.7
Self-employed without contributing family workers															
13.8	1.8	1.3	10.7	-1.2	3.6	3.0	-2.4	6.9	-5.2	2.3	4.4	-5.2	-2.8	4.9	-6.4

There are still rather large regional differences in the structure of employed persons by professional status. The share of employees ranges from 79.2 % in Hlavní město Praha Region up to 88.1 % in the Moravskoslezský and 86.5 % in the Olomoucký Regions. A relatively high proportion of members of producers' cooperatives - mainly agricultural ones - are in Vysočina Region (1.9 %), it

ranges from a statistically negligible figure in Karlovarský, Liberecký and Hlavní město Praha Regions to 0.4 % in Olomoucký and 0.3 % in Plzeňský Regions.

Large differences exist in the category of the self-employed. Hlavní město Praha Region has a high percentage of the self-employed (excl. family workers): 20.3 % of all first job holders living on the territory of the capital city. As for other regions, the percentage is rather high in Středočeský (18.6 %), Karlovarský (17.9 %), Liberecký (17.8 %) and Zlínský (17.4 %) Regions. In case of central Bohemia territory 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 Prague self-employed reside in these districts. The lowest shares of the self-employed are reported for the Moravskoslezský (11.4 %), Olomoucký (12.3 %) and Ústecký (12.4 %) 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 0.3 % in Zlínský and Pardubický Regions to 1.2 % in Středočeský Region.

In terms of employment of men and women there still remain high differences in the **industry structure of employed**. The highest employment of both sexes is in manufacturing, but their shares in other industries differ (see Annex table No. 304 for detailed classification of selected categories of CZ-NACE, which is compatible with NACE, Rev. 1.1; the table provides further 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	5003.3	100.0	2855.1	100.0	2148.2	100.0
including:						
Agriculture, hunting and forestry	162.0	3.2	110.4	3.9	51.6	2.4
Fishing	2.8	0.1	2.4	0.1	0.4	0.0
Mining and quarrying	56.4	1.1	49.3	1.7	7.1	0.3
Manufacturing	1432.0	28.6	915.6	32.1	516.5	24.0
Electricity, gas and water supply	78.2	1.6	61.3	2.1	16.9	0.8
Construction	464.5	9.3	424.8	14.9	39.7	1.8
Trade, rep. of mot.vehicles, pers.and househ.goods	633.9	12.7	298.4	10.5	335.5	15.6
Hotels and restaurants	174.6	3.5	79.3	2.8	95.3	4.4
Transport, storage and communication	374.4	7.5	268.1	9.4	106.3	4.9
Financial intermediation	118.6	2.4	45.6	1.6	73.1	3.4
Real estate, renting and business activities	362.0	7.2	198.6	7.0	163.4	7.6
Public administration, defence, compul.soc.security	332.1	6.6	173.4	6.1	158.6	7.4
Education	281.7	5.6	68.5	2.4	213.1	9.9
Health and social work	326.3	6.5	63.3	2.2	263.0	12.2
Other community, social and personal services	200.8	4.0	95.2	3.3	105.7	4.9

In the structure of employment by sector, workers in services (CZ-NACE G-Q), where worked 56.1 % 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 (56.2 % of employed persons are older than 45).

There are sizable differences uncovered, if the industrial structure of first job holders is compared between 2nd quarter 2007 and 2nd quarter 2008. Employment in the **primary sector** (agriculture, forestry, fishing) decreased by 15.8 thousand year-on-year to 164.7 thousand persons and made up only 3.3% of the total number of first (main) jobholders. On the other hand, the number of persons employed in the **secondary sector** (industry, construction) substantially increased by 63.0 thousand to 2 031.0 thousand (40.6% of total employment). Total increase in this sector considerably exceeded employment increase in the entire tertiary sector (42.8 thousand). **This growth was mainly affected by a year-on-year increase of 37.1 thousand in employment that occurred in**

'manufacturing'. The number of employed persons went up most in 'manufacture of other general purpose machinery' (+10.7 thousand), 'manufacture of basic iron and steel and of ferro-alloys' (+7.3 thousand), 'manufacture of electrical equipment n.e.c.' (+5.5 thousand) and 'manufacture of motor vehicles' (+5.4 thousand). The employment increase in construction (+21.4 thousand) was most marked in 'building of complete constructions or parts thereof; civil engineering' (+11.8 thousand) and 'building installation' (+6.9 thousand).¹

Employment in the **tertiary sector** (all divisions of services including transport) increased by 42.8 thousand to 2 807.3 thousand (56.1% of total employment), **but the numbers of the employed in individual divisions developed in a various way. Employment increased most** in 'wholesale and retail trade; repair of motor vehicles, motorcycles and personal and household goods' (+30.4 thousand), 'financial intermediation' (+17.6 thousand), 'real estate; renting and business activities' (+14.8 thousand) and 'transport, storage and communication' (+10.2 thousand).

The highest increase in the section 'wholesale and retail trade; repair of motor vehicles, motorcycles and personal and household goods' was recorded in 'wholesale of non-agricultural intermediate products, waste and scrap' (+8.1 thousand), 'other wholesale' (+5.4 thousand) and 'retail sale of food, beverages and tobacco in specialized stores' (+4.3 thousand). Employment in 'financial intermediation' grew the most in 'monetary intermediation' (+12.2 thousand). In the section 'real estate; renting and business activities' the growth was especially in the group 'miscellaneous business activities n.e.c.' (+4.5 thousand). Employment in the section 'transport, storage and communication' grew especially in 'telecommunications' (+5.1 thousand) and 'activities of other transport agencies' (+4.3 thousand).

On the other hand, employment dropped most year-on-year in the section 'health and social work' (-15.1 thousand), especially due to a decrease in the number of the employed in 'human health activities' (-21.7 thousand). Total drop of employment in 'education' by 13.6 thousand was most felt in 'secondary education' (-11.5 thousand) and 'pre-school and basic education' (-8.9 thousand). When interpreting the data, it is necessary to take into consideration that the discrepancies against the business statistics result among other things from the fact that the concept of employees in the LFSS is more general and is not directly related to registered number of employed persons.

**Increases/decreases in numbers of first job holders: by industry
(2nd quarter 2007 to 2nd quarter 2008)**

Industries	Decrease		Industries	Increase	
	Thous.	%		Thous.	%
Fishing	-0.3	-8.8	Manufacturing	37.1	2.7
Mining and quarrying	-0.5	-0.9	Trade, repair of motor vehicles and pers. and household goods	30.4	5.0
Hotels and restaurants	-6.0	-3.3	Construction	21.4	4.8
Education	-13.6	-4.6	Financial intermediation	17.6	17.4
Health and social work	-15.1	-4.4	Real estate, renting and business activities	14.8	4.3
Agriculture, hunting and forestry	-15.5	-8.8	Transport, storage and communication	10.2	2.8
			Electricity, gas and water supply	5.0	6.9
			Public administration, defence and compulsory social security	4.0	1.2
			Other community, social and personal service activities	1.3	0.6

¹ Note: When assessing the distribution of persons in employment by NACE activity, we should take into account the methodology of the LFSS which takes place in households only and not in collective accommodation establishments. The data on numbers of employed persons from the LFSS are then statistically corrected to be harmonised 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.

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 the increase/decrease in employment may strongly differ from values derived from other sources. This is apparent, e.g. in 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 it 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 public administration.

**Employees and self-employed - first job holders: by industry
(2nd quarter of 2008, persons in thousand)**

Industries	Total employment	Of which			
		Employees	Self-employed		
			Total	With employees	Without employees
TOTAL	5003.3	4183.6	777.9	176.9	601.0
of which:					
Agriculture, hunting and forestry	162.0	117.2	30.9	5.8	25.0
Fishing	2.8	2.1	0.6	-	0.6
Mining and quarrying	56.4	55.1	1.1	0.6	0.5
Manufacturing	1432.0	1325.5	101.9	27.7	74.2
Electricity, gas and water supply	78.2	73.6	4.6	1.2	3.3
Construction	464.5	281.9	177.9	31.3	146.6
Trade, rep. of mot.vehicles, pers., househ.goods	633.9	480.2	146.1	39.5	106.6
Hotels and restaurants	174.6	141.1	31.4	18.0	13.5
Transport, storage and communication	374.4	332.8	41.0	10.6	30.4
Financial intermediation	118.6	94.8	23.3	0.8	22.5
Real estate, renting and business activities	362.0	237.6	120.4	18.7	101.6
Publ.administration, defence, comp.soc.security	332.1	327.7	4.3	0.9	3.4
Education	281.7	269.9	11.7	2.1	9.6
Health and social work	326.3	302.6	21.8	12.7	9.1
Other community, social and personal services	200.8	139.7	59.8	6.7	53.0

Only a few industries reported significant numbers of **members of producers' cooperatives**. Their frequency further decreased to 9.5 thousand in agriculture. Number of **contributing family workers** is higher in industries of trade (7.0 thousand) and agriculture (4.4 thousand).

An **increase in the total number of self-employed including family workers by 14.1 thousand** was apparent mainly in the sections 'construction' (+15.5 thousand) and 'wholesale and

retail trade; repair of motor vehicles, motorcycles and personal and household goods' (+8.7 thousand). In 'construction', the highest year-on-year increase in the number of self-employed persons was in 'building of complete constructions or parts thereof; civil engineering' (+6.8 thousand) and in 'building installation' (+5.2 thousand). These self-employed are mainly own-account workers, i.e. self-employed persons without employees. In 'wholesale and retail trade; repair of motor vehicles, motorcycles and personal and household goods', the highest increase was in 'other wholesale'.

The development in the number of **employers (the self-employed with employees)** went down most of all in manufacturing (-4.1 thousand) and transport, storage and communication (-4.0 thousand). The increase in number of **own-account workers (the self-employed without employees)** was mainly due to higher numbers of such persons in wholesale and retail trade; repair of motor vehicles, motorcycles and personal and household goods (11.8 thousand) and in construction (10.0 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
(2nd quarter 2007 to 2nd quarter 2008)**

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	-1.6	-6.1	0.8	16.0
Manufacturing	2.2	3.0	-4.1	-12.9
Construction	10.0	7.3	4.4	16.1
Trade, repair of motor vehicles, person., househ. goods	11.8	12.4	-1.8	-4.4
Hotels and restaurants	-3.0	-18.2	1.6	9.6
Transport, storage and communication	-0.3	-0.9	-4.0	-27.5
Financial intermediation	-1.8	-7.3	0.1	13.5
Real estate, renting and business activities	1.3	1.3	-2.6	-12.4
Education	2.1	27.8	0.6	36.8
Health and social work	-1.9	-17.2	-1.9	-13.1
Other community, social and personal service activities	3.6	7.2	-2.5	-27.0

The share of the self-employed without contributing family workers constituted 38.3 % of all first job holders in industry in construction, in real estate 33.2 %, in other community, social and personal service activities 29.8 %, in wholesale and retail trade; repair of motor vehicles, motorcycles and personal and household goods 23.0 % and in financial intermediation 19.6 %. Their shares were low in public administration, defence and social compulsory security (1.3 %) and in mining and quarrying (2.0 %).

Typical for the Czech economy is the high percentage of employment in the secondary sector (industry + construction) employment. This percentage is the highest among all of the EU27 countries and only Slovakia is close to the Czech Republic. The same holds for 'manufacturing' where employment reached 29.0% of total employment in the Czech Republic in Q4 2007. In the Czech Republic the percentage in 'manufacturing' was by nearly 11 points higher than the EU27 average and by 12 points higher than the EU15 average. 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 (-14.5 p.p.) and in the EU27 as well (-11 p.p.). Below-the average percentages in the Czech Republic are recorded especially in the sections 'health and social work' and 'real estate, renting and business activities'.

In terms of NACE classification, the differences between EU member states are extraordinarily high. In the Czech Republic, for example, employment in 'manufacturing' is four times higher in comparison to employment in 'health and social work', but the situation in many countries, especially the northern ones, is quite different. In four countries, 'health and social work' employed more people than 'manufacturing' (Sweden, Denmark, the Netherlands and Luxembourg).

Structure of first (main) job holders aged 15-64 in selected EU states: by CZ-NACE section, Q4 2007 (in %)

Sectors of NE, CZ-NACE sections	EU27	CZ	DE	GR	FR	HU	NL	AT	PL	SK	FI	SE	UK
Q4 2007													
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	100.0
Agriculture, hunting, forestry; fishing	4.9	3.4	2.1	10.8	3.1	4.4	2.8	4.9	13.2	4.1	4.1	2.0	1.3
Industry and construction	27.8	40.8	29.9	22.9	23.4	32.6	19.1	27.2	31.7	39.5	25.8	21.7	21.9
Mining and quarrying	0.4	1.1	0.3	0.4	0.1	0.4	0.1	0.2	1.6	0.7	0.1	0.2	0.4
Manufacturing	18.2	29.0	22.2	12.5	15.6	22.4	12.5	17.6	21.1	26.8	18.0	14.5	12.6
Electricity, gas and water supply	0.9	1.5	0.9	1.0	0.7	1.5	0.5	0.8	1.5	1.8	0.6	0.5	0.7
Construction	8.3	9.3	6.5	9.0	7.0	8.3	6.0	8.6	7.5	10.2	7.1	6.5	8.1
Services	67.0	55.7	68.0	66.4	73.2	62.9	73.4	67.9	55.1	56.4	69.9	76.1	76.5
Wholesale and retail trade; repair of motor vehicles, motorcycles and personal and household goods	14.4	12.6	13.9	17.8	13.6	15.3	13.8	16.1	14.8	12.7	12.4	12.3	14.5
Hotels and restaurants	4.2	3.6	3.8	6.8	3.2	4.1	4.2	6.2	1.9	4.5	3.5	3.1	4.4
Transport, storage and communication	6.1	7.5	5.6	5.8	6.5	7.5	6.1	6.3	6.9	7.2	7.2	6.2	6.6
Financial intermediation	3.1	2.3	3.7	2.6	3.1	2.3	3.2	3.4	2.4	1.9	2.0	2.0	4.5
Real estate, renting and business activities	9.7	7.1	10.2	6.7	10.4	7.3	12.4	9.3	6.5	6.4	12.7	14.9	12.1
Public administration and defence; compulsory social security	7.2	6.6	7.4	8.6	10.3	6.9	6.6	6.9	6.3	6.8	4.9	5.6	7.1
Education	6.9	5.6	5.8	7.2	6.8	7.9	6.7	5.5	7.3	6.8	6.7	10.8	9.2
Health and social work	9.6	6.6	11.6	5.4	12.4	6.7	16.2	9.0	5.6	6.3	14.8	15.9	12.1
Other community, social and personal service activities	4.6	3.8	5.3	3.7	4.5	4.7	4.2	5.1	3.2	3.4	5.3	5.2	5.5

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-United Kingdom

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 ¹⁾	777.9	433.3	100.0	138.6	100.0	167.7	100.0	38.3	100.0
Construction	177.9	142.2	32.8	30.2	21.8	4.4	2.6	1.1	3.0
Trade, repair of motor veh. and pers. and househ. goods	146.1	72.2	16.7	29.8	21.5	34.4	20.5	9.7	25.3
Real estate, renting and business activities	120.4	56.0	12.9	13.4	9.6	45.6	27.2	5.4	14.0
Manufacturing	101.9	63.1	14.6	23.8	17.2	11.1	6.6	3.8	10.0
Other community, social and personal service activities	59.8	21.5	5.0	4.6	3.3	31.5	18.8	2.1	5.6
Transport, storage, communication	41.0	26.7	6.2	9.9	7.1	3.7	2.2	0.7	1.9
Agriculture, hunting, forestry	31.4	7.5	1.7	13.1	9.5	6.0	3.6	4.8	12.7
Hotels and restaurants	30.9	20.6	4.7	5.4	3.9	4.5	2.7	0.4	1.1
Health and social work	21.8	3.2	0.7	4.4	3.2	5.9	3.5	8.3	21.7

¹⁾ 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 248.1 thousand employed persons in their **part time employment**, 36.8 thousand were classified as **underemployed** (0.7 % of the total first job holders in the civil sector). Almost three quarters of part-time employed persons are females; and females are sharply prevailing in the group of the underemployed (76.4 %).

There were in total 87.7 thousand **second job holders** in the civil sector in the 2nd quarter. The frequency of these employed increased year-on-year by 9.4 thousand. The share of males made up 61.5 %. Unlike first job holders, working contracts with limited job tenure are much more represented here (23.8 %). The number of second job holders is high especially in Jihomoravský (13.3 thousand) and in Hlavní město Praha (12.2 thousand) Regions, in other regions is also higher in Středočeský Region (7.7 thousand).

Similarly, the structure of professional status of second job holders substantially differs from that of first job holders. Employees, who account for 38.1 % of all second job holders (33.4 thousand), increased by 5.3 thousand when compared to 2nd quarter 2007. The number of self-employed (incl. family workers) second job holders went up (by 4.4 thousand), but their share in second jobs is still high (61.8 %). The most numerous group by status are the male self-employed: a total of 37.5 thousand (including family workers), i.e. 69.6 % of male second job holders.

Prevailing majority of persons employed in the second job have employee status within the first/main job (total 69.1 thousand, i.e. 78.8 % of second jobs) or status of self-employed without employees (13.8 thousand, 15.7 %). Second jobs affect total employment manufacturing (8.2 thousand), other community, social and personal service activities (8.7 thousand), in education (10.0 thousand), in the industries of trade, repair of motor vehicles and personal and household goods (11.8 thousand) and especially real estate, renting and business activities (15.6 thousand), where they account for 4.3 % 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 nor recess. **Hours actually worked** in the reference period were fewer (39.7). First job holders working full time and part time worked **usually** 42.7 hours a week and 22.2 hours a week, respectively. The largest number of hours usually weekly worked of persons working full-time was shown in industry of construction (46.3 hours). The employed in fishing (45.5 hours), in hotels and restaurants (45.2 hours), in real estate, renting and business activities (44.8 hours), , in agriculture, hunting and forestry (44.1 hours) and in trade (43.6 hours) indicated an above-average number. **Actual** hours worked in **second jobs** stood at 13.6 hours per 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 professional status (2nd quarter 2008)

Professional status excl. persons not working 4 weeks or more	First job		Second job ¹⁾
	Full-time	Part-time	
Thousands of persons			
The employed, all	4737.9	248.1	87.7
Employees	3962.7	203.8	33.4
Members of producers' cooperatives	11.1	.	.
Self-employed (incl. family workers)	764.2	43.7	54.2
Average usually weekly worked hours			
The employed, all	42.7	22.2	13.6
Employees	41.3	22.6	13.1
Members of producers' cooperatives	41.0	.	.
Self-employed (incl. family workers)	49.4	20.1	13.8

¹⁾ Hours actually worked

There were 95.0% of persons working full time in their main job in the civil sector of the national economy. In total 248.1 thousand persons worked part-time in their main job, most of them were women (185.1 thousand).

The share of persons working full time in their main job is in the Czech Republic the fourth highest among EU27 member states. The proportion of full-time jobs is higher in Slovakia, Hungary and Bulgaria, but the total employment rate is 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 Q4 2007; women had the fifth highest share.

Especially women appear to have 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 (3/4 of working women aged 15-64 years!) and in the other five 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 and the length of active working life in particular in the Netherlands and in some of the other countries. The Netherlands is one of the few countries where the percentage of part-time jobs grew year-on-year, whereas in most of the other EU countries a shift towards full-time jobs is apparent

Share of persons working part-time in the total number of main jobs: EU countries, Q4 2007

Country	Q4 2007		
	Age group 15-64		
	Total	Men	Women
EU27	17.5	6.9	30.7
EU15	20.3	7.4	36.2
Belgium	21.7	7.3	39.4
Bulgaria	1.3	1.0	1.7
Czech Republic	4.3	1.7	7.9
Denmark	23.6	13.1	35.3
Germany	24.9	8.1	44.8
Estonia	7.5	3.7	11.5
Ireland	17.5	6.3	31.8
Greece	5.1	2.4	9.5
Spain	11.5	3.7	22.5
France	17.1	5.6	30.0
Italy	13.8	4.7	27.4
Cyprus	6.7	3.2	10.9
Latvia	5.6	4.3	6.9
Lithuania	7.7	6.6	8.9
Luxembourg	17.9	2.7	36.2
Hungary	3.9	2.6	5.5
Malta	10.8	3.5	25.2
Netherlands	46.6	22.6	75.2
Austria	22.1	6.4	41.0
Poland	8.4	5.6	11.9
Portugal	8.7	4.5	13.6
Romania	7.9	7.7	8.0
Slovenia	7.9	5.9	10.3
Slovakia	2.2	0.9	3.9
Finland	14.3	8.8	20.2
Sweden	24.4	10.7	39.8
United Kingdom	24.5	9.6	41.5

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 58.5 % (both sexes) and decreased by 0.2 percentage points in comparison with its level in the 2nd quarter 2007. This rate is high in the group of persons aged 30-44, where the percentage of economically inactive males is extremely low (2.9%) and the percentage of economically inactive females is 21.9 %. 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
(2nd quarter 2008)**

Sex	All	Age group			
		15-29	30-44	45-59	60+
Males	68.1	55.8	97.1	90.2	18.9
Females	49.4	40.6	78.1	77.5	6.5

Among the employed in the civil sector, 57.1 thousand persons (including 30.5 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 – 34.8 thousand). Besides the aspiration for better work conditions, the principal reasons given for seeking another/additional job was also uncertainty and fear for the loss of the existing job (6.3 thousand) or actual job was considered as a transitional job (6.9 thousand). The activity of the employed in seeking different or another job was comparatively the highest in Zlínský (2.4 %) and Královéhradecký (2.2 % of all first job holders in the civil sector) Regions.

III. B. Unemployment and economic inactivity

The number of **the unemployed** derived from the LFSS results stood at 220.1 thousand in the 2nd quarter 2008, including 117.9 thousand females (53.6 %), and decreased by 54.5 thousand below their number in the 2nd quarter 2007 (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 25-29 by 11.7 thousand, in age group 40-44 (by 9.8 thousand) and 50-54 (by 9.1 thousand). Unemployment decreased also in all other age groups (with the only 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 23.8 thousand and fall of unemployed men proved mainly in age group 25-29 (by 5.6 thousand). The number of unemployed women decreased in the same period totally by 30.7 thousand and this drop showed the most also in age group 40-44 (by 6.8 thousand).

The number of persons with basic education amounted to 65.8 thousand (i.e. 29.9 % of total unemployment), and the number of unemployed leavers from secondary schools without the General Certificate of Secondary Education was high (91.0 thousand, i.e. 41.3 % 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 29.0 % and 45.3 %, respectively (30.7 % and 38.0 %, respectively, among unemployed women), also persons with secondary education with GCE are strongly represented among unemployed women (27.6 % of unemployed women).

The number of unemployed with work experience who finished their last job before less than 8 years amounted to 167.6 thousand and decreased compared to the 2nd quarter 2007 by 41.6 thousand. According to the ascertained industrial breakdown the unemployed with experience of work had worked the most frequently in manufacturing (57.9 thousand), trade, repair of motor vehicles and personal and household goods (22.4 thousand), and in construction (16.1 thousand).

In light of the classification of occupations, more than three quarters of the unemployed were at work in the four following major groups of CZ-ISCO-88 classification: elementary occupations (39.6 thousand – 23.6 % of all unemployed persons with experience of employment), service workers and shop and market sales workers (32.8 thousand – 19.6 %), craft and related trades workers (31.6 thousand – 18.9 %), and plant and machine operators and assemblers (22.9 thousand – 13.7 %).

The number of **long-term unemployed** (one year and more) decreased by 37.9 thousand to 112.5 thousand and their percentage is close to half of all the unemployed (51.1%). The drop of long-term unemployment proved mostly in male age group 20-29 by 6.5 thousand, and in female age group 30-39 by 8.1 thousand and in age group 40-49 by 6.8 thousand. The number of persons unemployed for more than four years went down by 11.2 thousand to 40.9 thousand (18.6 % of the total unemployed).

**The unemployed: job seeking duration
(2nd quarter 2008, persons in thousands)**

All	Up to 3 months	3-6 months	6-12 months	1-2 years	2 years or more	Not identified
220.1	31.0	35.9	40.7	41.1	71.4	-

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 2nd quarter 2007, the general unemployment rate decreased by 1.0 percentage points to 4.3 %. It decreased mainly among the female population (by 1.3 percentage points to 5.3 %), while it dropped among the male population by 0.9 percentage points to 3.5 %.

According to the latest data released by Eurostat for Q4 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 showed itself in favourable comparison with the EU27 and the EU15 alike; in Q4 2007 the unemployment rate in the CR was lower than the EU15 average by 2.0 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 remains the highest across the European Union. Also Poland reports markedly higher unemployment, although it decreased considerably year-on-year. 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.

General unemployment rate in the EU member states: persons aged 15-64, Q4 2007

EU state	Q4 2007			%
	Total	Men	Women	
EU27	6.9	6.3	7.7	
EU15	6.9	6.2	7.7	
Belgium	7.1	6.4	8.0	
Bulgaria	6.2	5.7	6.7	
Czech Republic	4.9	3.7	6.4	
Denmark	3.2	3.0	3.4	
Germany	8.2	8.0	8.4	
Estonia	4.3	4.6	4.0	
Ireland	4.7	5.2	4.1	
Greece	8.2	5.3	12.4	
Spain	8.7	6.9	11.1	
France	7.6	7.1	8.2	
Italy	6.7	5.4	8.7	
Cyprus	3.6	3.1	4.2	
Latvia	5.4	5.5	5.3	
Lithuania	4.3	4.6	4.0	
Luxembourg	3.8	3.2	4.5	
Hungary	7.8	7.5	8.1	
Malta	6.2	5.8	7.1	
Netherlands	2.8	2.5	3.2	
Austria	4.1	3.6	4.6	
Poland	8.6	7.8	9.5	
Portugal	8.3	6.6	10.2	
Romania	6.4	7.5	5.2	
Slovenia	4.8	4.0	5.8	
Slovakia	10.4	9.0	12.3	
Finland	6.2	5.9	6.4	
Sweden	5.6	5.2	6.0	
United Kingdom	5.0	5.3	4.8	

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 work for one year and more in the total number of the unemployed was the sixth highest among all the EU countries in Q4 2007 (48.7% in the CR in comparison to 41.8% in the EU27 and 39.7% in the EU15). The highest proportions of the long-term unemployed were observed, besides Belgium, Bulgaria and Greece, in neighbouring Germany and especially in Slovakia where it reached over three quarters of all the unemployed.

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 in the EU.

Most of the unemployed (71.2 %) were both graduates from secondary schools without any GCE and 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 (1.4 %) and persons with secondary education with GCE (2.7 %). The high unemployment rate continued in the group of persons with elementary education (18.4 %). Average rate occurs in the group of persons with secondary education without leaving exam, mostly apprentices (4.3 %). 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
(2nd quarter 2008, thousand persons)**

Category	Number
I. Persons who conveyed registration by the labour offices	234.7
including:	
a) those who satisfy ILO conditions for inclusion among the unemployed	161.9
b) those not satisfy ILO conditions	72.8
due to:	
- they worked in reference week	10.0
- they did not seek a job during the last 4 weeks	49.3
- they are not available for work within 14 days	13.4
II. Unemployed meeting ILO conditions and not registered by the labour offices	58.2
III. All number of ILO unemployed (I.a + II.)	220.1
IV. Other persons not employed and not registered by the labour offices, who:	
- seek work or found it already but not available for work within 14 days	6.5
- not seek work but wish to work	174.1
of which: available for work within 14 days	30.6

In the reference period the number of job applicants actually registered by labour offices reached 311.9 thousand, (of which 289.8 thousand were available job applicants), which was a figure that differed by 77.2 thousand (55.1 thousand) from what was found by the sample survey (the number of registered job-seekers).

This discrepancy between the LFS unemployed and job applicants kept by the Ministry of Labour and Social Affairs has been appearing for a long time. One can assume that in addition to the different methodological definitions 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, were not seeking any job during last four weeks or did not meet all conditions for being classified among the unemployed) increased by 60.2 thousand year-on-year and reached 3708.1 thousand in 2nd quarter 2008. This category is primarily affected by numbers of the retired and of persons preparing for their future occupation. The number of secondary school pupils including vocational schools decreased by 2.7 thousand to 514.6 thousand. The number of university students including higher professional school students grew rapidly vice versa by 24.0 thousand to 306.5 thousand. The number of economically inactive normally retired persons not actively seeking job reached 1926.1 thousand, the number of persons in early retirement 41.0 thousand and the number of disability pensioners 269.5 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 55.6 % onto 56.0 %. The **total employment rate of persons aged 15-64** grew year-on-year by 0.6 percentage points to 66.6 %. The increase in the employment of men at working age amounted to 0.8 percentage points to 75.3 %, this indicator went up in women by 0.3 percentage points to 57.8 %. 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 55-64 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 above-the-average employment intensity in the EU. According to the latest complete data for Q4 2007 released by Eurostat, the employment rate of persons aged 15-64 in the Czech Republic was higher than the total for the EU27 and for the first time rose above the rate in the EU15. However, female employment rate in the Czech Republic is lower than in the EU15 and below the EU27 average.

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 77.4% in Q4 2007), on the other hand employment rate in some countries was below 60% (in Hungary 57.1% in Q4 2007). Compared to our neighbour countries, higher employment rates are in Austria and Germany and significantly lower in Poland and Slovakia.

Even bigger differences are in the employment rate of persons aged 55-64. In Malta, Poland, Luxembourg, Slovenia, Italy and Hungary it oscillated around 30%. A significant number of member states will thus have difficulty fulfilling 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 a lower female employment rate. The employment rate of women aged 55-64 is still below the EU15 as well as EU27 average. It is, however, assumable that in the following years this rate will rise especially as a consequence of adjusting the retirement age. This is confirmed by the rapid increase in the female employment rate in the age group 55-64 in the Czech Republic by two percentage points in the last year.

Employment rate in the EU member states: age groups 15-64 and 55-64, Q4 2007

%

EU state	Q4 2007					
	15-64 years			55-64 years		
	Total	Men	Women	Total	Men	Women
EU27	65.7	72.7	58.7	45.0	54.4	36.3
Belgium	62.7	68.8	56.5	35.2	43.0	27.4
Bulgaria	62.9	67.4	58.5	43.5	51.9	36.0
Czech Republic	66.5	75.5	57.4	46.5	60.4	33.7
Denmark	77.4	80.8	74.0	58.0	64.5	51.4
Germany	70.0	75.3	64.7	52.5	60.6	44.7
Estonia	69.1	73.4	65.1	58.9	62.5	56.2
Ireland	69.0	77.1	60.8	53.9	67.6	40.0
Greece	61.5	74.9	48.0	43.0	59.6	27.5
Spain	65.5	75.8	55.1	45.0	60.3	30.5
France	64.9	69.4	60.5	38.0	40.2	35.8
Italy	58.7	70.6	46.9	33.9	45.5	22.8
Cyprus	71.5	80.3	63.2	55.7	71.7	40.6
Latvia	70.3	74.7	66.3	60.2	69.7	53.1
Lithuania	64.4	67.4	61.5	51.9	59.1	46.5
Luxembourg	64.0	70.7	57.4	30.2	33.1	27.5
Hungary	57.1	63.6	50.8	32.2	40.7	25.4
Malta	55.7	73.4	37.7	30.0	47.0	14.3
Netherlands	76.4	82.4	70.3	51.4	62.0	40.7
Austria	71.3	78.5	64.3	38.9	49.8	28.6
Poland	58.1	64.9	51.5	30.6	42.5	20.2
Portugal	68.1	74.2	62.0	51.1	59.0	43.9
Romania	57.9	64.1	51.7	41.3	49.9	33.7
Slovenia	67.7	72.8	62.3	32.9	45.8	20.5
Slovakia	61.6	69.5	53.6	36.9	53.6	22.5
Finland	69.9	71.5	68.2	54.7	54.9	54.6
Sweden	74.0	76.3	71.6	70.2	73.4	66.9
United Kingdom	71.7	77.7	65.9	58.0	67.4	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. In the 2nd quarter of 2008, their number amounted to 191.9 thousand, which was by 22.8 thousand less year-on-year. Only minor part of them (36.6 thousand) was available for a potential employment before the end of two weeks following the reference week. A large number of these persons were found in age group up to 24 years (63.0 thousand), predominantly among students or apprentices. The relatively high number of people in the age group 25-34 (40.1 thousand) results from a high number of women on parental leave and housewives, who took interest in being employed. The number of persons who were not unemployed but were interested in job increased at the age of 50+: they were 16.1 thousand and 17.6 thousand in the age groups 50-54 and 55-59, respectively, in the age group 50-54 years it involved 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 28.7 thousand, old-age pensioners largely prevailing among persons interested in job.

Since the 1st 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.