3 November 2017

Record-Breaking Employment in History of the Czech Republic Continued

Employment and Unemployment in the Czech Republic according to the LFSS Results – Q3 2017

**Total employment in Q3 2017 increased by 105.5 thousand persons, year-on-year (y-o-y) and reached 5 257.3 thousand persons. It is the highest value recorded since the independent Czech Republic was established. The employment rate of the aged 15**–**64 years was 74.1%. The number of the unemployed according to the ILO methodology dropped by 63.0 thousand persons, y-o-y. The general unemployment rate of the aged 15**–**64 years declined by 1.2 percentage point (p.p.), y-o-y, compared to Q3 2016, and was 2.8%.**

### Employment

In Q3 2017 the seasonally adjusted **average number of employed persons** increased by 52.2 thousand persons, compared to Q2 2017.

The **number of persons** **in the main job** increased by 105.5 thousand persons (by 2.0%),
y-o-y, to reach 5 257.3 thousand persons. The growth was manifested both in males (+ 43.8 thousand persons) and in females (+ 61.7 thousand persons). While the number of working persons aged under 40 years declined by 14.6 thousand persons, the number of working persons aged 40–54 years further increased by 80.6 thousand persons. The number of working persons aged 60+ years also increased markedly by 37.0 thousand persons.

The total increase in the number of the employed was caused, first of all, by an increase in the number of persons in the **employee** position. The number of employees increased by 92.1 thousand persons to reach 4 360.3 thousand persons. The number of the **self-employed in the main job, including contributing family workers,** saw an increase by 13.6 thousand persons to reach 896.9 thousand persons, compared to Q3 2016.

The increase in employment continuing from previous quarters was demonstrated mostly in **the tertiary sector** of services. The sector number of employees year-on-year grew by 61.2 thousand persons mostly due to a great increases in transportation and storage (by 24.8 thousand persons) and in human health and social work activities (by 21.7 thousand persons). Employment in **the secondary sector** of industry and construction increased by 46.1 thousand persons, especially in manufacturing (by 36.1 thousand persons). In **the primary sector,** in activities of agriculture, forestry and fishing the number of the working persons remained virtually unchanged.

The changes to the structure of economic activities are simultaneously accompanied with changes in the structure of occupations of the working persons followed according to the national version of the International Standard Classification of Occupations 2008 (CZ-ISCO-08). The number of technicians and associate professionals, clerical support workers, and of plant and machine operators and assemblers grew year-on-year by 71.8, 39.5, and 30.6 thousand persons, respectively. Conversely, the number of managers and of service and sales workers fell by 20.5 thousand persons and by 14.8 thousand persons, respectively.

The **number of working persons with educational attainment of** **tertiary education** grew by 52.8 thousand. The trends in the numbers of working persons in the largest groups of those with secondary education without A-level examination and with A-level examination were still moving in opposite directions. While the number of the employed with the secondary education without A-level examination declined by 25.4 thousand persons, the number of the employed with the secondary education with A-level examination grew by 54.9 thousand persons.

The **employment rate** (percentage of working persons in the age group 15–64 years) reached 74.1% and grew by 1.9 p.p. compared to Q3 2016. The employment rate increased mostly in females (by 1.7 p.p. in males and by 2.2 p.p. in females).

### Unemployment

In Q3 2017 the seasonally adjusted **average number of unemployed persons according to the International Labour Organisation (ILO)** **methodology**[[1]](#footnote-1) decreased by 14.1 thousand persons compared to that in Q2 2017.

The total number of the unemployed declined by 63.0 thousand persons, y-o-y, and reached 150.1 thousand persons. Both the number of the unemployed females dropped by 31.8 thousand persons to 83.2 thousand persons, and the number of the unemployed males fell by 31.1 thousand persons to 66.8 thousand persons. The positive development is, first of all, a result of a decline in the **number of persons unemployed for one year and longer** by 34.6 thousand, y-o-y, and so the total number of them reached 49.2 thousand persons.

The **general unemployment rate according to the ILO definition** in the age group
15–64 years (the share of the unemployed in the labour force, i.e. the sum of the employed and the unemployed) decreased by 1.2 p.p., compared to Q3 2016, to reach 2.8% in Q3 2017.

If viewed by region the unemployment rate, compared year-on-year, significantly decreased in four regions. The higher drops were recorded for the Karlovarský Region (by 2.8 p. p. to 3.1%), Královéhradecký Region (by 2.3 p. b. to 2.4%), Moravskoslezský Region (by 2.0 p. b. to 4.5%), and the Plzeňský Region (by 1.9 p. b. to 1.5%). The Plzeňský Region featured the lowest unemployment rate in the Czech Republic in Q3 2017 at all.

The unemployment rate declined year-on-year in persons of all levels of **educational attainment**. University graduates permanently show a low unemployment rate (1.8%) and the same can be seen for the persons having secondary education with A-level examination (1.9%). The unemployment rate also declined year-on-year in the large group of those having secondary education without A-level examination, including persons with apprenticeship certificates (by 0.9 p.p. to give 3.2%). A high unemployment rate (11.3%), although it significantly decreased by 9.0 p.p. y-o-y, still pertains in the group of persons with primary education.

### Inactivity

In the sample survey, data are collected also on **persons, who do not work and do not seek a job in an active manner, and thus do not comply with the ILO conditions for the unemployed**, yet they state they would like to be working. In Q3 2017 the number of such persons was 121.3 thousand persons, i.e. by 8.4 thousand less than in the same period of 2016. Majority of persons willing to work, however, is not able to start in a potential job immediately. Actually, there are mere 39.5 thousand persons able to start in a job within a fortnight, at the latest.

Notes:

Responsible head at the CZSO: Dalibor Holý, phone: +420 274052694,
e-mail: dalibor.holy@czso.cz

Contact person: Marta Petráňová, phone: +420 274054357,
e-mail: marta.petranova@czso.cz

Authors of the analysis: Marta Petráňová, Jan Kočka

Data source: CZSO, Labour Force Sample Survey (LFSS) conducted in selected dwelling households; collective accommodation establishments are not included in the survey. The LFSS results have been grossed up to the total population of the Czech Republic using data of the population statistics as at 1 January 2017 and the prediction of the population development in Q3 2017.

End of data collection /

End of preliminary data processing: 19 October 2017 / 25 October 2017

*Related Internet-published document*: *250128-16 - “Employment and Unemployment in the Czech Republic as Measured by the Labour Force Sample Survey – Quarterly Data” with the finalised survey results will be available on the CZSO website by the end of Q3 2017. (*[Home](https://www.czso.cz/csu/czso/home) - [We publish](https://www.czso.cz/csu/czso/we-publish) - [Catalogue of Products](https://www.czso.cz/csu/czso/catalogue-of-products) - Employment and Unemployment*)*

Next News Release shall be published on: 2 February 2018

Annexes:

Table 1 Employed persons (status in the main job, absolute numbers, shares, year-on-year increments, and indices)

Graph 1 The employed and the unemployed (absolute numbers)

1. *1) The ILO methodology defines* ***the unemployed*** *as all persons above a specified age who during the reference period were without a job, did not work an hour for pay, and were in an active manner seeking job they would be able to join within two weeks at the latest. This methodology is uniform for all EU Member States and produces internationally comparable data. It should be noted that the definition of “the unemployed” by the ILO differs from the definition of “job applicants” kept in the register of the labour offices of the Ministry of Labour and Social Affairs.* [↑](#footnote-ref-1)