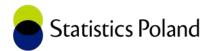
28.06.2021



Information regarding the labour market in the first quarter of 2021 (preliminary data)

Results of the LFS survey in the first quarter 2021.

Since the first quarter of 2021, the base of the LFS methodology have been definitions regarding employed, unemployed and economically inactive persons included in the Resolution concerning statistics of work, employment and labour underutilization. The resolution was worked out at the Nineteenth International Conference of Labour Statisticians in Geneva (19th ICLS) and recommended by the International Labour Organization (ILO) for the use in all countries of the world (until 2020 inclusively, the LFS base had constituted provisions of the Thirteenth ICLS of 1982).

In the European Union, the implementation of the provisions of the above-mentioned Resolution was achieved through passing new legal acts. Since 2021 onwards, the EU-LFS has been one of the key surveys included in the framework regulation for social statistics (i.e. IESS FR). Accompanying the IESS FR implementing regulations regarding the domain of labour market specify the range of the core survey and module surveys, describe the survey organisation and define in a detailed way particular populations specified according to the status of persons on the labour market. The object of the LFS survey still remains the situation within the scope of economic activity of population, i.e. the fact of performing work, being unemployed or economically inactive during the reference week, albeit these definitions have been revised (more information is included in the attached methodological notes).

Following the implementation into the LFS of the above-mentioned changes, the LFS data for the first quarter of 2021 cannot be currently compared with the previous periods. The work concerning assessment of the effect of the survey reorganisation and the impact on possible breaks in time series have been recently carried out by Statistics Poland.

57.3%Activity rate of persons aged 15-89 years

The results of the labour force survey (LFS) presenting the average data for the quarter indicate that in the first quarter of 2021, economically active persons accounted for 57.3% of the population aged 15 - 89 years.

Economic activity of the population aged 15 - 89 years by the LFS¹

In the first quarter of 2021, the number of economically active population aged 15 – 89 years comprised 17120 thousand persons, of which: 16433 thousand constituted employed persons, while 687 thousand – the unemployed. The population of economically inactive persons at the same age group amounted to 12778 thousand persons.

The share of economically active persons in the total number of persons aged 15 - 89 years was higher among men and accounted for 65.8%, while in the population of women this percentage was at the level of 49.4% (the respective figures for persons at working age² comprised 82.8% and 74.0%). The corresponding indicators for urban and rural areas respectively accounted for 57.3% and 57.1%.

In the first quarter of 2021, the indicator defining the ratio of the number of not working persons (the unemployed aged 15-74 years and economically inactive aged 15 - 89 years) to the number of employed persons (aged 15 - 89 years) comprised 819, which means that there were 819 jobless persons per 1000 employed persons.

Economic activity of men at working age was highe than economic activity of women at the working age

¹ It concerns persons in individual households. The basic information concerning the population covered by the survey and the applied definitions are available in the methodological notes in the annexe at the end of the publication.

² 18-59 years for women, 18-64 years for men.

55.0%
Employment rate
Of persons aged 15-89 years

In the first quarter of 2021, employed persons accounted for 55.0% of the population aged 15-89 years. As regards sex, employment rate was decidedly higher in the population of men – it stayed at the level of 63.1%, while among women, it accounted for 47.5% (respective figures for persons at the working age were 79.3% and 71.0%).

Employed persons aged 15 - 89 years by the LFS

In the analysed period, the population of employed persons aged 15 - 89 years comprised 16433 thousand persons. The dominant among them were men, who constituted 55.0% (i.e. 9040 thousand) of this population. While, as regards the place of residence, the predominance of urban residents was evident (59.8%, i.e. 9823 thousand).

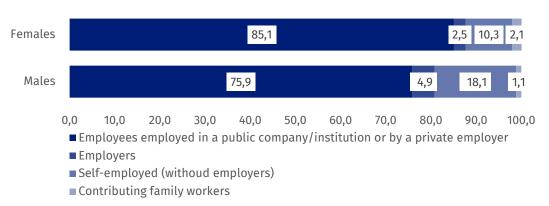
In the first quarter of 2021, 15348 thousand persons performed full-time work, while 1085 thousand worked part-time. The average number of hours worked in the reference week in the main job amounted to 39.3 hours.

Among all employed persons, the largest group constituted employees employed in a public company/institution or by a private employer - 80.0% (i.e. 13151 thousand). The share of self-employed persons was 18.5% (i.e. 3030 thousand), while contributing family workers accounted for 1.5% (i.e. 252 thousand).

A decided majority of employees employed in a public company/institution or by a private employer performed their work on the basis of a contract for unlimited duration (83.8%, i.e. 11022 thousand).

As regards the kind of activity, most persons performed their work within the scope of activity connected with manufacturing (3240 thousand), wholesale and retail trade; repair of motor vehicles (2222 thousand), agriculture, forestry, hunting and fishing (1430 thousand), construction (1326 thousand) and education (1296 thousand).

Chart 1. Structure of employed women and men aged 15 - 89 years by employment status in the main job in the first quarter of 2021 (in %)



In the first quarter of 2021, 994 thousand persons have a job but were not performing work in the reference week, which accounted for 6.0% of the total number of the employed. Among these persons, 235 thousand (i.e. 23.6%) indicated that it was directly related to the COVID-19 pandemic. Within the scope of this population, 34.0% (i.e. 80 thousand) constituted persons who declared their own illness as the reason for not performing work in the reference week. An equally large group (34.0%, i.e. 80 thousand) constituted persons who indicated a break in the establishment activity directly connected with the pandemic.

The impact of the COVID-19 pandemic was still observed in the data regarding the place of performing work. In the first quarter of 2021, the number of persons performing their work usually or sometimes at home comprised 3224 thousand, which accounted for 19.6% of the total number of the employed. Among this population, 2003 thousand persons (i.e. 62.1%) worked at home because of the situation connected to the COVID-19 pandemic. In the first quarter of 2021, 2422 thousand persons (which accounted for 14.7% of the total of the employed), carried out their work-related responsibilities in a form of remote work (the place of performing work is not considered here) among whom 89.7% worked in this form because of the COVID-19 pandemic.

Most employed persons performed their work-related responsibilities full-time

Almost every seventh person performed work in a form of remote work, for a decided majority such work organisation was directly connected with the pandemic



In the first quarter of 2021, unemployed persons accounted for 4.0% of the economically active population aged 15 – 89 years. Similar intensity of unemployment was observed in the population of men, as well as women (respectively 4.1% and 4.0%). Among both urban and rural residents it stayed at the same level (4.0%)

Unemployed persons aged 15-74 years by the LFS

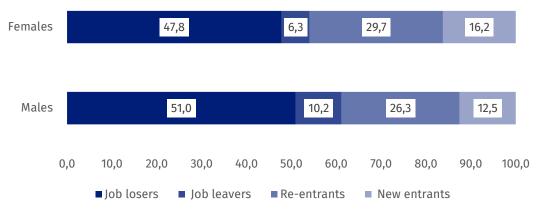
In the first quarter of 2021, the population of unemployed persons aged 15 – 74 years comprised 687 thousand persons. A majority of this population constituted men (55.7%, i.e. 383 thousand). While, as regards the place of residence, urban residents evidently prevailed (59.8%, i.e. 411 thousand).

The highest intensity of unemployment in groups specified according to age, was observed among the youngest age groups (aged 15-24 years) for whom unemployment rate comprised 14.0%. Among persons aged 25-34 years unemployment intensity stayed at the level of 4.4%, 35-44 years – 3.4%, 45-89 years – 2.7%. Among persons at working age (18-59/64 years) unemployment rate accounted for 4.1%.

As regards the level of education, the highest unemployment rate was observed among persons with the lowest qualifications — in the group of persons with lower secondary (gimnazjum) education and below this indicator stayed at the level 10.5%. Then, unemployment was the lowest among persons with tertiary education (2.2%).

Almost a half of the unemployed population constituted persons who lost a job (49.6%, i.e. 341 thousand). The share of persons re-entering employment after a break accounted for 27.8% (191 thousand), the share of persons taking up their first job accounted for 14.1% (97 thousand), whereas the number of persons who resigned from work was the lowest - 8.5% (58 thousand).

Chart 2. Structure of unemployed persons by the category of the source of unemployment and sex in the first quarter of 2021 (in %)



In the first quarter of 2021, among 520 thousand unemployed persons previously in employment, 142 thousand (27.3%) declared the situation caused by the COVID-19 pandemic as the reason for termination of the last performed work. Of this group, 81 thousand persons (i.e. 57.0%) declared liquidation of an establishment or a work position, 30 thousand (i.e. 21.1%) termination of work for limited duration/casual/seasonal one, while 16 thousand (i.e. 11.3%) declared termination for other reasons.

In the analysed period, the average duration of a job search comprised 7.4 months. Persons who were seeking a job for the longest period were the ones aged 45 – 54 years (9.6 months) and aged 55 – 74 years (8.6 months); the shortest job search duration was observed for the youngest persons, in the age group 15 – 19 years (4.1 months) and 20 – 24 years (5.8 months)

To the greatest extent, unemployment affected persons with the lowest level of education

Over ¼ of unemployed persons previously working indicated that they lost a job or stopped working due to the pandemic

42.7%

The share of economically inactive persons in the total number of the population aged 15 – 89 years

In the first quarter of 2021, economically inactive persons accounted for 42.7% of the total number of the population aged 15 - 89 years. The percentage was decidedly lower in the population of men (34.2%) than among women (50.6%). Whereas, the share was at a similar level among urban (42.7%) and rural residents (42.9%).

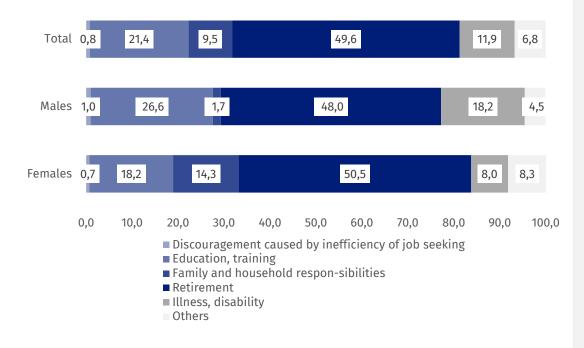
Economically inactive persons aged 15 - 89 years by the LFS

In the first quarter of 2021, the population of economically inactive persons aged 15-89 years comprised 12778 thousand – women constituted over a half of this group (61.7%, i.e. 7878 thousand). As regards the place of residence, more economically inactive persons lived in urban areas (59.6%, i.e. 7614 thousand).

The economically inactive population is a specific one in respect to the labour market resources, as its scope includes persons who have not entered the labour market yet (including the majority of the youth still participating in education), persons who have definitely left the labour market or will never enter the labour market (some retirees, pensioners, persons maintaining themselves from other sources than work), but also persons who entered the labour market, then partially deactivated and who will want to re-enter the labour market after a break.

From 2021, the reasons for inactivity are determined for the population of people aged 15-74, which in the first quarter of 2021 amounted to 10562 thousand. Retirees constituted the vast majority of them (49.6%), while the second largest group were students (21.4%). Whereas, in the case of economically inactive persons at the working age (4443 thousand), the most often reasons for inactivity were: education and training (29.1%), illness and disability (23.7%), family responsibilities (21.6%) and retirement (10.1%).

Chart 3. Structure of economically inactive persons aged 15-74 years by sex and selected reasons for inactivity in the first quarter of 2021 (in %)



When quoting the data from the Statistics Poland, please do include information: "Data source Statistics Poland", while in case of publishing the calculations done with the use of the data published by Statistics Poland, please do include information: "Own elaboration based on the Statistics Poland data".

Education and training were the most often reason for economic inactivity of persons at working age

Annexe

Methodological notes

Since the first quarter of 2021, the base of the LFS methodology have been definitions regarding employed, unemployed and economically inactive persons in accordance with the Resolution concerning statistics of work, employment and labour underutilization, adopted in 2013 by the Nineteenth International Conference of Labour Statisticians in Geneva (ICLS) and recommended by the International Labour Organization (ILO)³ for the use in all countries. In order to ensure comparability within the European Union the implementation of the new resolution provisions in the European labour force survey (Labour Force Survey/LFS), in Poland conducted as BAEL (Badanie Ekonomicznej Aktywności Ludności - the Survey on Economic Activity of Population), was carried out through framework regulation for social statistics (IESS FR), i.e. Regulation of European Parliament and Council (EU) 2019/1700 of 10 October 20194 and its implementing acts. Definitions regarding economic activity were introduced by the implementing Regulation of the Commission (EU) 2019/2240 of 16 December 2019 5 defining a precise implementing definition for particular populations specified according to their labour market status. The survey object still remains the situation within the scope of economic activity of population, i.e. the fact of performing work, being unemployed or economically inactive during the reference week.

Since the first quarter of 2021 onwards, methodological changes have been introduced to the Labour Force Survey (they were more thoroughly described in the note <u>Information of the Statistics Poland regarding the changes introduced from 2021 onwards into Badanie Ekonomicznej Aktywności Ludnosci GUS (the Polish equivalent of the European survey on the labour force –Labour Force Survey.</u>

The introduced changes concern mainly:

- definition of employed persons (which in consequence has also an impact on the population of non-working persons, i.e. the unemployed and economically inactive persons and also affects their interrelations described by indicators),
- methodology of defining particular labour market populations of the employed, unemployed and economically inactive (mainly adjustment of the contents and order of questions to the requirements of new legal acts and placing them in a questionnaire),
- subjective range of the survey the core part of the survey covers persons aged 15-89 years (until the fourth quarter of 2020 they were persons aged 15 years and more), for other household members, i.e. persons aged below 15 years and over 89 years, there is only collected information concerning the general characteristic of a household, hence the analysis on the labour market situation was limited to persons aged 15-89 years,
- objective range of the survey (partial exchange of variables targeted at better adjustment of obtained information to current needs of the data users).

Definition of employed population was changed, i.a. through:

- introduction of the upper age threshold for an employed person (15-89 years),
- taking into account (including into the employed population):
 - ✓ unpaid family workers performing work for family members not belonging to their own households (conducting economic activity outside agriculture or private agricultural farm),
 - ✓ persons performing some of their work off-season,
 - ✓ simplification of the hitherto criteria of classification of persons staying on parental leave among the employed (currently all persons on parental leave are included among the employed),
- excluding from the population of the employed:

³ The new resolution, labelled a milestone of international labour statistics, replaced the hitherto obligatory Resolution concerning statistics of the economically active population, employment, unemployment and underemployment, adopted on the 13th ICLS in 1982, which was in force for 30 years (with introduced in the so-called "meantime" only minor amendments), more information to be found on the website: https://ilostat.ilo.org/about/standards/icls/

⁴ The complete text of the Regulation is available on the website: https://eur-lex.europa.eu/search.html?scope=EURLEX&text=2019%2F1700&lang=pl&type=quick&qid=1607068184285

⁵ The complete text of the Regulation is available on the website: https://eur-lex.europa.eu/search.html?scope=EURLEX&text=2019%2F2240&lang=pl&type=quick&qid=1607068403345

✓ self-employed persons employed in private agriculture (on farms owned by natural persons) who allocate the effects of their work exclusively or mainly for own consumption and simultaneously do not have any other job.

Therefore, the LFS data since the first quarter of 2021 onwards, cannot be compared with the previous periods. The work regarding the complete assessment of the impact of the introduced changes on the obtained results will be finished in the fourth quarter of 2021; in the case of finding the breaks in time series, the main indicators compiled on the basis of the LFS will be recalculated beginning from the first quarter of 2009.

Basic definitions applied in the Labour Force Survey (obligatory in 2021):

Economically active population (or labour force) includes all persons aged 15-89 years who are considered as employed or unemployed in accordance with the definitions presented below.

Activity rate total was calculated as the ratio of the economically active to the total number of the population aged 15-89 years.

Employed persons are all persons aged 15-89 years who during the reference week:

- performed for at least one hour any work generating pay or income, i.e. were employed in a public company/institution or by a private employer, worked on their own (or leased) agricultural farm, or conducted their own economic activity outside agriculture, assisted (without pay) in work on family agricultural farm or in conducting family economic activity outside agriculture,
- $\sqrt{}$ had work but did not perform it:
 - due to sickness, vacation, parenthood related leave (maternity leave, childcare leave, paternity leave or parental leave), working time arrangement (work system or compensation for overtime hours), training related to the performed work;
 - due to a seasonal character of work if they still regularly performed off-season their work or business conducting related tasks and responsibilities (with the exception of legal or administrative obligations);
 - for other reasons if the expected period of absence from work does not exceed 3 months.

In accordance with the international standards, among employed persons are also included apprentices who entered into occupational training or occupational preparation contract with a private or public employer if they received remuneration.

The following persons are not included among the employed: voluntary workers or trainees not receiving any pay, persons employed in private agriculture (on farms owned by natural persons) who produce agricultural products exclusively or mainly for their own use and simultaneously do not have any other job.

Employed persons by the category of **status in employment** (in accordance with the International Classification of Status in Employment ICSE-93):

- a self-employed person a person who conducts his/her own economic activity of which:
 - employer a person who conducts his/her own economic activity and employs at least one employee.
 - self-employed person without employees a person who conducts his/her own economic activity and does not employ any employees,
- an employee a person employed in a public entity or by a private employer (on the base
 of employment contract or civil law contract); among this category there are also included
 persons performing outwork or apprentices with whom employers or natural persons
 signed a contract for occupational training or training for a particular job if they receive
 any pay,
- a contributing family member a person who without agreed upon remuneration assists in conducting family economic activity.

Among **self-employed persons** are also included agents in all agency systems.

The main job – is determined on the basis of the respondent's subjective assessment. In case of any doubts, as the main job is considered the one which takes more time. If the respondent's jobs take the same amount of time, the main job is the one which generates higher income.

Employment rate total was calculated as the ratio of the employed to the total number of the population aged 15-89 years.

<u>Unemployed persons</u> – persons aged 15-74 years who simultaneously meet the three conditions:

- $\sqrt{}$ in the reference week were not employed (according to the above definition of this population),
- were actively seeking a job, i.e. undertook particular actions targeted at finding work during the 4 weeks (including the reference week as the last one),
- $\sqrt{}$ were ready (available) to start work during the two weeks following the reference week.

Among unemployed persons were also include persons who did not seek work because they had already found a job and were waiting to start work during the period no longer than 3 months and they were available to take up this work.

Unemployed persons may be classified into one of the four categories:

- unemployed persons who **lost a job**, i.e. persons who left their last job not on their own initiative and immediately (i.e. within three months) started seeking a job.
- unemployed persons who resigned from work, i.e. persons who left work on their own initiative and immediately started seeking a job,
- unemployed persons who return to work after a break during which they were not seeking a job for at least 3 months,
- unemployed persons who have never worked and are seeking their first job.

Unemployment rate total was calculated as the ratio of the unemployed to the economically active population (aged 15-89 years).

<u>Economically inactive population</u>, i.e. the population staying outside the labour force, are all persons aged 15-89 years who were not classified as employed or unemployed persons, i.e. persons who in the reference week:

- $\sqrt{}$ did not work, neither had a job nor were seeking work,
- √ did not work, were seeking a job, albeit not in an active way or were actively seeking work but were not ready (available) to start work within the two weeks following the reference week.
- $\sqrt{}$ neither worked nor were seeking work, as they had already found a job and were waiting to start work during the period:
 - longer than 3 months,
 - up to 3 months, albeit they were not available for this work.

Economic age groups – additional division was introduced irrespective of detailed age aggregations:

- pre-working age men and women aged 15-17 years,
- working age men aged 18-64 years and women aged 18-59 years; this group was additionally divided into economic age groups:
 - mobile (18-44 years for men and women),
 - non-mobile (45-64 years men and 45-59 years women),
- post-working age men aged 65-89 years and women aged 60-89 years.

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Related publications

Methodological report. Labour Force Survey (methodology obligatory until 2020 inclusive)

<u>labour Force Survey in Poland - quarterly publication (the fourth quarter 2020, publication for the first quarter of 2021 will be published at the end of August 2021)</u>

Other publications containing the results of these surveys: stat.gov.pl → Topics → Labour Market

Topics available in databases

<u>Topics - Labour Market</u> <u>Strateg</u> → Topics → Labour Market

<u>Local Data Bank</u> → labour Market