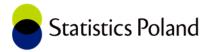
24.08.2021



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

**Results of the Labour Force Survey (LFS)** 

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 (ICLS) and recommended by the International Labour Organization (ILO) for the use in all countries of the world (until the end of 2020, 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 force 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 (the valid definitions are included in the methodological notes attached to the Information regarding the labour market in the first quarter of 2021). <sup>1</sup>

Due to the implementation into the LFS of the above-mentioned changes, the LFS data for the first and second 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.

**57.6%**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 second quarter of 2021, economically active persons accounted for 57.6% of the population aged 15-89 years. The rate increased compared to the first quarter of 2021 by 0.3 percentage point.

2021, the activity rate for persons aged 15-89 years increased among women by 0.7 percentage point, while among men it stayed at the same level

Compared to the first quarter

## Economic activity of the population aged 15-89 years by the LFS<sup>2</sup>

In the second quarter of 2021, the number of economically active population aged 15–89 years comprised 17203 thousand persons, of which: 16597 thousand constituted employed persons, while 606 thousand – the unemployed. The population of economically inactive persons at the same age group amounted to 12651 thousand persons.

Compared to the first quarter of 2021, the number of economically active persons increased by 83 thousand, i.e. by 0.5%, while the number of economically inactive persons decreased by 127 thousand, i.e. by 1.0%.

In the second quarter of 2021, 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 50.1% (the respective figures for

Economic activity of men was higher than economic activity of women, for both: persons aged 15-89 years and persons at the working age

¹ https://stat.gov.pl/en/topics/labour-market/working-unemployed-economically-inactive-by-lfs/information-regarding-the-labour-market-in-the-first-quarter-of-2021-preliminary-data,8,39.html

<sup>&</sup>lt;sup>2</sup> It concerns persons in individual households. The basic information regarding the population covered by the survey and the applied definitions is available in the methodological notes attached to the Information regarding the labour market in the first quarter of 2021.

persons at working age<sup>3</sup> are 82.8% and 75.1%). The corresponding indicators for urban and rural areas respectively accounted for 58.0% and 57.0% (at the working age: 81.8% and 75.6%).

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) decreased compared to the previous period. In the second quarter of 2021, there were 799 jobless persons aged 15-89 years per 1000 employed persons (in the first quarter of 2021 there were 819 persons).

55.6%

Employment rate of persons aged 15-89 years

In the second quarter of 2021, employed persons accounted for 55.6% of the population aged 15-89 years. Compared to the first quarter of 2021, the rate increased by 0.6 percentage point. Employment rate was decidedly higher in the population of men – it stayed at the level of 63.4%, while among women, it accounted for 48.4% (respective figures for persons at the working age were 79.8% and 72.3%).

Compared to the first quarter of 2021, employment rate of persons aged 15-89 years increased among women by 0.9 percentage point, while among men by 0.3 percentage point

### Employed persons aged 15-89 years by the LFS

In the analysed period, the population of employed persons aged 15-89 years comprised 16597 thousand persons and increased compared to the previous quarter by 164 thousand, i.e. by 1,0%. The dominant among the employed were men, who constituted 54.7% (i.e. 9073 thousand) of this population. While regarding the place of residence, the share of employed urban residents was 60.1% (i.e. 9978 thousand persons).

As regards sex, the number of employed persons increased over the quarter to a greater amount among women (a growth by 131 thousand, i.e. by 1.8%) than among men (a growth by 33 thousand, i.e. by 0.4%).

In respect to the place of residence, a growth in the number of employed persons concerned urban areas – over the quarter it constituted 1.6% (155 thousand persons). Compared to the previous quarter, among rural residents the employed population stayed at similar level.

In the second quarter of 2021, 15541 thousand persons performed full-time work, while 1056 thousand worked part-time. Compared to the first quarter of 2021, the number of persons employed full-time increased – by 193 thousand, i.e. by 1.3%, while the number of persons employed part-time decreased – by 29 thousand, i.e. by 2.7%. The average number of hours worked in the reference week in the main job amounted to 39.3 hours – similarly to the first quarter of 2021.

Over the quarter, the share of employees employed in public firms/institutions or by a private employer in the total number of employed persons increased – by 0.5 percentage point to the level of 80.5% (13361 thousand). While the share of self-employed persons slightly decreased – a drop by 0.2 percentage point to 18.3% (3035 thousand), as well as the share of contributing family members – a drop by 0.3 percentage point to 1.2%, (201 thousand).

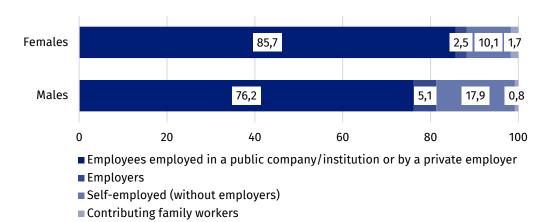
A decided majority of employees employed in public firms/institution or by a private employer performed their work on the basis of a contract for unlimited duration (84.5%, i.e. 11293 thousand). Over the quarter, this share increased by 0.7 percentage point.

As regards the kind of activity of the main job, in the second quarter of 2021, the number of employed persons increased as compared to the previous quarter mainly in wholesale and retail trade; repair of motor vehicles including motorcycles (by 110 thousand), public administration and defence, compulsory social security (by 52 thousand) and administrative and support service activities (by 37 thousand). Whereas, the highest decline concerned the number of persons employed in agriculture, forestry and fishing (by 65 thousand) and manufacturing (by 37 thousand).

An increase in the number of employed persons compared to the previous quarter concerned persons employed full-time

<sup>&</sup>lt;sup>3</sup> 18-59 years for women, 18-64 years for men.

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



In the second quarter of 2021, 839 thousand persons had a job but were not performing work in the reference week, which accounted for 5.1% of the total number of the employed (the respective population in the previous quarter comprised 994 thousand, i.e. 6.0%). Among these persons, 134 thousand (i.e. 16.0%) indicated that it was directly related to the COVID-19 pandemic (in the previous quarter it was 235 thousand persons, which accounted for 23.6%). Within this group the highest share - 41.0% (i.e. 55 thousand) constituted persons who indicated a break in establishment activity directly connected with the pandemic (in the first quarter of 2021 it was 80 thousand, i.e. 34.0%). A smaller group, also compared with the previous quarter, constituted persons who declared their own illness as the reason for not performing work in the reference week – 37 thousand, i.e. 27.6%, (in the previous quarter – 80 thousand, i.e. 34.0%) and persons who declared "other reasons" which also includes absences caused by childcare – 36 thousand, i.e. 26.9% (in first quarter of 2021 – 50 thousand, i.e. 21.3%).

The impact of the COVID-19 pandemic was still observed in the data regarding the place of performing work. In the second quarter of 2021, the number of persons performing their work usually or sometimes at home comprised 2802 thousand, which accounted for 16.9% of the total number of the employed (in the first quarter of 2021, the respective figure was 3224, i.e. 19.6%). Among this population, 1499 thousand persons (i.e. 53.5%) worked at home because of the situation caused by the COVID-19 pandemic (in the first quarter of 2021 it was 2003 thousand, i.e. 62.1%). In the second quarter of 2021, 1831 thousand persons (which accounted for 11.0% 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 86.0% worked in this form because of the COVID-19 pandemic (in the first quarter of 2021, it was 2422 thousand, i.e. 14.7% of all employed persons, of whom 89.7% due to the pandemic).

3.5%
Unemployment rate

In the second quarter of 2021, unemployed persons accounted for 3.5% of economically active population aged 15-89 years. The same value of the indicator was recorded regarding division by sex, as well as the place of residence (urban-rural areas). The intensity of unemployment decreased as compared to the first quarter of 2021 by 0.5 percentage point.

#### **Unemployed persons by the LFS**

In the second quarter of 2021, the population of unemployed persons aged 15–74 years comprised 606 thousand and it decreased as compared to the first quarter of 2021 by 81 thousand, i.e. by 11.8%. A majority of this population were men 55.0%, i.e. 333 thousand. Regarding the place of residence, urban residents constituted 60.6%, i.e. 367 thousand.

Compared to the previous quarter, the number of unemployed persons decreased to a greater extent among men (a drop by 50 thousand, i.e. by 13.1%) than among women (a drop by 31 thousand, i.e. 10.2%).

Every ninth employed person performed work in a remote form, for a decided majority, such organisation of work was directly connected to the pandemic

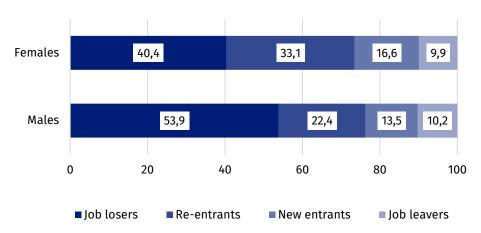
Unemployment rate by the LFS decreased as compared to the previous quarter to a similar extent in both: the female population, as well as in the male one (respectively by 0.5 percentage point and by 0.6 percentage point) When analysing this group in respect to the place of residence, a drop in the number of the unemployed as compared to the first quarter of 2021 concerned both: urban as well as rural residents (in urban areas – a drop by 44 thousand, i.e. 10.7%, in rural areas - by 38 thousand, i.e. 13.7%).

Unemployment rate decreased over the quarter in all analysed below age groups. Still the highest unemployment is observed among the youngest persons (aged 15-24 years), for whom unemployment rate was 13.3%. Among persons aged 25-34 years, the intensity of unemployment stayed at the level of 3.9%, 35-44 years – 2.8%, 45-89 years – 2.4%. Among persons at the working age (18-59/64 years) unemployment rate comprised 3.7%.

A drop in unemployment rate was also observed in most groups specified regarding the level of education: among persons with tertiary education (by 0.5 percentage point to 1.7%), general secondary (by 0.9 percentage point to 5.3%), basic vocational or basic sectoral vocational (by 0.7 percentage point to 4.1%) and lower secondary, primary, incomplete primary and without school education (by 2.7 percentage point to 7.8%). Among persons with post-secondary and vocational secondary education unemployment rate comprised 4.1%, i.e. similar to the one observed in the first quarter 2021 (4.0%).

Almost a half of the unemployed population constituted persons who lost a job (47.9%, i.e. 290 thousand). The share of persons re-entering employment after a break accounted for 27.2% (165 thousand), the share of persons taking up their first job accounted for 14.9% (90 thousand), whereas the number of persons who resigned from work was the lowest - 10.1% (61 thousand).

Chart 2. Structure of unemployed persons by the source of inflow to unemployment and sex in the second quarter of 2021 (in %)



In the second quarter of 2021, among 466 thousand unemployed persons previously working, 110 thousand (23.6%) declared the situation caused by the COVID-19 pandemic as a direct reason for termination of the last performed work (in the previous quarter it was 142 thousand, i.e. 27.3%). Among this group, 68 thousand persons (i.e. 61.8%) indicated liquidation of an establishment or a work position, 21 thousand (i.e. 19.1%) termination of temporary duration/casual/seasonal work, while 10 thousand (i.e. 9.1%) termination for other reasons.

In the presented period, the average duration of job search comprised 8.1 months (in the previous quarter it was 7.4 months). The longest job search was observed for persons aged 45 – 54 years (9.7 months) and aged 35 – 44 years and 55 – 74 years (8.6 months in each group), while the youngest persons in the age group 15 – 19 years and 20 – 24 years were seeking work for the shortest duration (respectively 4.6 months and 6.5 months).

Still the highest intensity of unemployment is observed among young persons aged 15-24 years

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

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

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

In the second quarter of 2021, economically inactive persons accounted for 42.4% of the total number of population aged 15-89 years (by 0.3 percentage point less than in the previous quarter). The percentage was decidedly lower in the population of men (34.2%) than among women (49.9%). Whereas, the share was at a similar level among urban (42.0%), as well as rural residents (43.0%).

The percentage of economically inactive persons decreased as compared to the previous quarter in the female population by 0.7 percentage point, while among men it stayed at the same level

# Economically inactive persons aged 15-89 years by the LFS

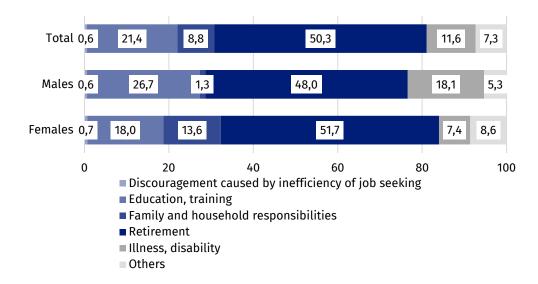
In the second quarter of 2021, the population of economically inactive persons aged 15-89 years comprised 12651 thousand (over a half of this group constituted women - 61.3%, i.e. 7757 thousand) and reached the level lower than in the first quarter of 2021 (a drop by 127 thousand, i.e. by 1.0%). As regards the place of residence, urban residents accounted for 59.1% of this population (i.e. 7480 thousand).

Over the quarter, a drop in the number of this group was observed mainly among women (by 121 thousand, i.e. by 1.5%), while among men, the number of economically inactive persons practically did not change. As regards the place of residence, a decrease in the economically inactive population occurred among urban residents (by 134 thousand, i.e. by 1.8%), among rural residents it stayed at a level similar to the first quarter of 2021 r.

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.

In the second quarter of 2021, a half of the economically inactive population aged 15-74 years, which comprised 10474 thousand persons (the reason for inactivity was determined for this age group) constituted retirees (50.2%), while the second largest group were students (21.4%). Whereas, in the case of economically inactive persons at the working age (4329 thousand), the most often reasons for inactivity were: education and training (29.1%), illness and disability (23.7%), family responsibilities (20.2%) and retirement (9.8%).

Chart 3. Structure of economically inactive persons aged 15-74 years by sex and reasons for inactivity in the second 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".

A drop in the number of the economically inactive as compared to previous quarter concerned the female population Prepared by:

Labour Market Department Director Agnieszka Zgierska Office: tel. (+48 22) 608 30 15 Issued by:

The Spokesperson for the President of the Statistics Poland Karolina Banaszek

Mobile: (+48) 695 255 011

**Press Office** 

Office: tel. (+48 22) 608 34 91, 608 38 04 e-mail: obslugaprasowa@stat.gov.pl

www.stat.gov.pl





## **Related publications**

Methodological report. Labour Force Survey (the methodology valid until the end of 2020)

<u>labour Force Survey in Poland - quarterly publication (the fourth quarter of 2020, the publication for the first quarter of 2021 will be available on 30 August 2021)</u>

Other publications containing the results of LFS and its module surveys conducted by the end of 2020: stat.gov.pl  $\rightarrow$  Topics  $\rightarrow$  Labour Market

## Topics available in databases

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