

EMPLOYMENT & LABOUR MARKET

Helgi's Pocket Guide

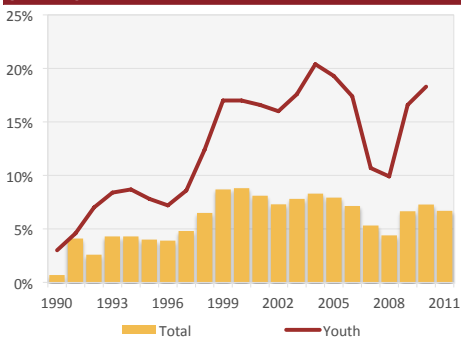
December 2012

Czech Republic

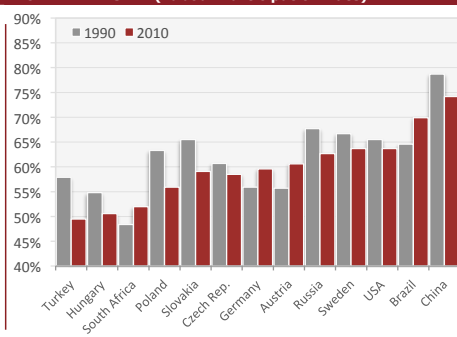
CZECH EMPLOYMENT AT A GLANCE					
Unemployment Rate	1990	1995	2000	2005	2010
Long-Term Unemployed (As Of Unemployed)		31.2%	48.8%	53.6%	43.3%
Average Duration Of Unemployment (months)		21.2	21.3	16.0	
Firing Costs (Weeks Of Wages)		22.0	22.0	22.0	
Youth Unemployment (As Of Total Labour Force Ages 15-24)	4.6%	7.8%	17.0%	19.3%	18.3%
Labour Force (mil)	4.91	5.14	5.17	5.17	5.29
Labour Participation Rate (As Of Total Population Ages 15+)	60.7%	61.4%	60.4%	59.4%	58.5%
Average Weekly Hours Actually Worked Per Worker	35.8	36.6	35.1	34.1	
Gross Average Monthly Wage (Current USD)	349	374	847	1,289	
Gross Average Monthly Wage (As Of German Level)	12.4%	17.3%	26.9%	35.8%	
Part-Time Employed (As Of Total Workforce)	3.4%	3.2%	3.3%	4.3%	
Self-Employed (As Of Total Workforce)	13.9%	16.1%	16.5%	17.7%	
Female Legislators, Senior Officials & Managers (Of Total)	26.8%	24.1%	29.6%	27.7%	



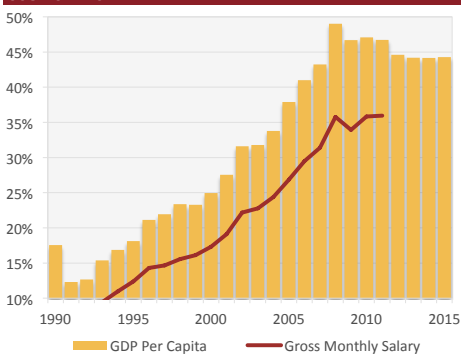
UNEMPLOYMENT



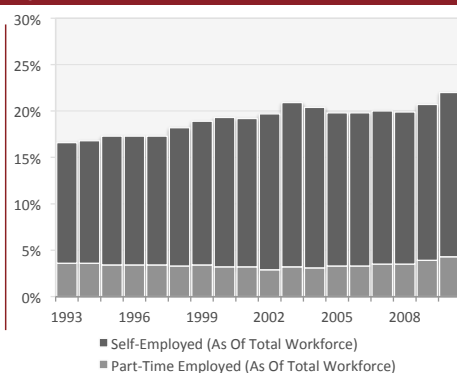
WORK INTENSITY (Labour Participation Rate)



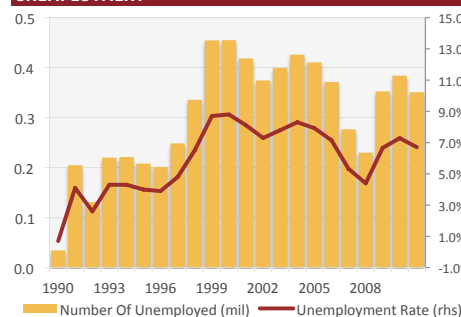
COST OF WORK



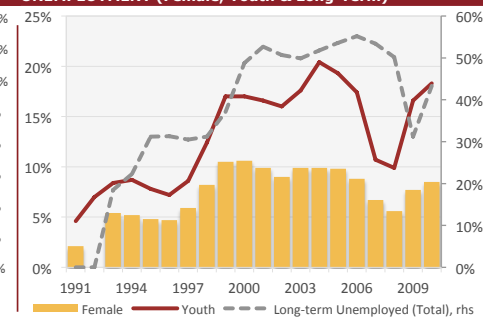
WORK FLEXIBILITY



UNEMPLOYMENT

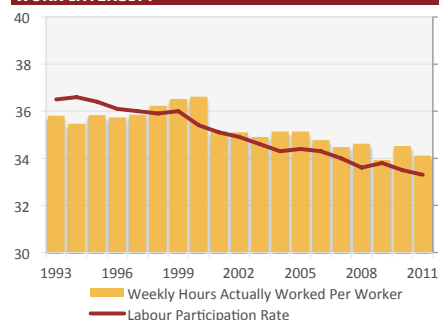


UNEMPLOYMENT (Female, Youth & Long-Term)

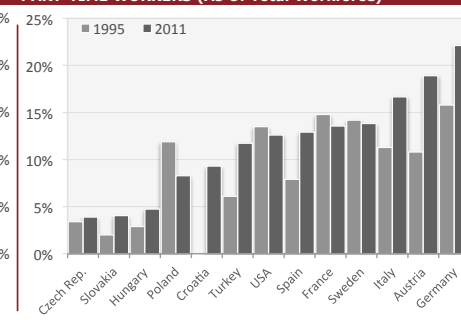


The Czech unemployment rate reached 8.6% at the end of 2011, or 0.51 mil people were looking for a job. Despite being a smaller headache than in the rest of the EU, the structure of unemployment remains a problem, especially among youngsters, those aged 50+ years old or in certain regions where unemployment is easily twice the nationwide level. Additionally, the proportion of long-term unemployed to the total has exceeded half of the total number of unemployed.

WORK INTENSITY

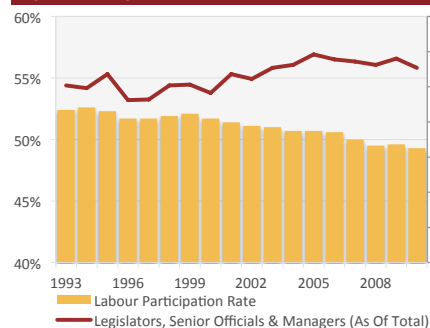


PART-TIME WORKERS (As Of Total Workforce)

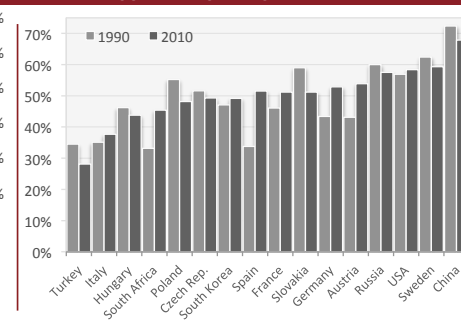


Czechs work hard in nominal terms, but are still far from working efficiently. They spend a lot of time at work compared to other EU countries while a lot of their work (compared to total population), at least within the CEE region. Having said that, they work less and there are fewer workers there than a decade ago. One difference compared to the better parts of Western Europe is a lack of part-time work - fewer than 4% of Czechs work part-time, compared to over 20% in Germany.

WOMEN AT WORK



FEMALE LABOUR PARTICIPATION RATE

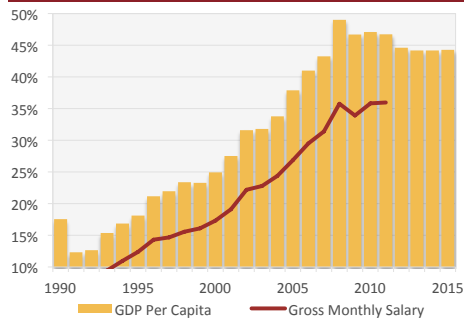


The Czech Republic still wastes women's potential as relatively few of them work (or can work, given the circumstances). Unlike a number of Western European countries, where women's work is actively supported (through the tax system, part-time job support, or kindergartens, for example), the Czech system offers little of that. What is most worrying, however, is that it has been getting worse over the last decade.

Source: World Bank, National Statistical Office, United Nations, OECD, Helgi Analytics calculation

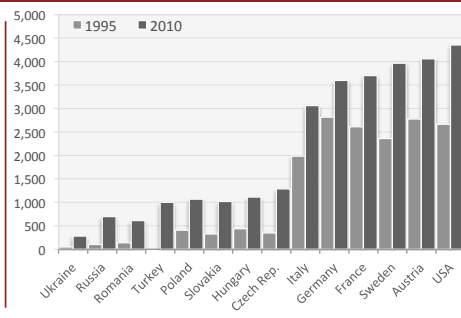
Source: World Bank, National Statistical Office, United Nations, OECD, Helgi Analytics calculation

COST OF WORK

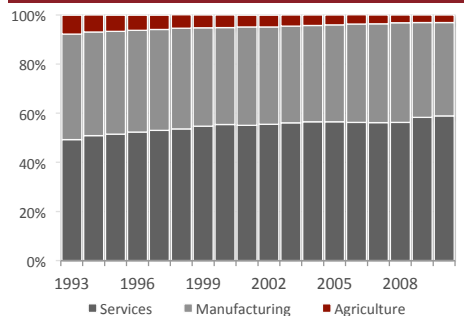


The average Czech salary has increased six-fold since 1993 in USD terms and amounted to USD 1,407 at the end of 2011. Although this belongs among the highest levels of compensation within Central and Eastern Europe (and is nearly twice as much as what Romanians earn), it still represents only 36% of the German average. Central Europeans work hard in terms of time spent at work, though low productivity remains the biggest obstacle to earning higher wages.

GROSS MONTHLY WAGE (USD)

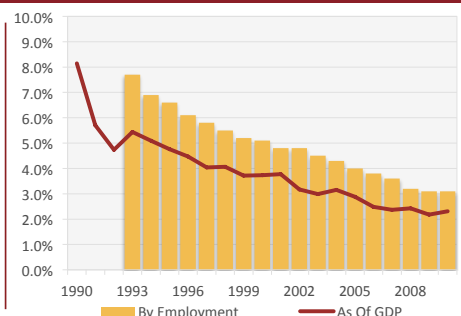


STRUCTURE OF EMPLOYMENT

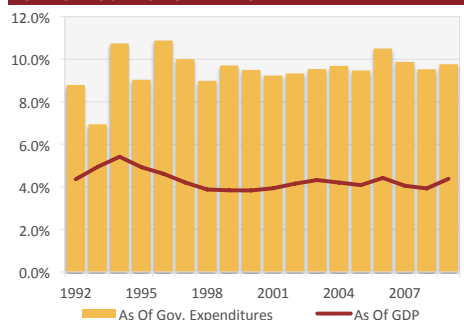


Services have been gradually taking over jobs from agriculture and manufacturing. Compared to 1990, for example, services employ a third more people, or nearly 60% of the total workforce. The proportion of people working in the agricultural sector, once a dominant part of the economy, has already dropped to below 3% of the total workforce.

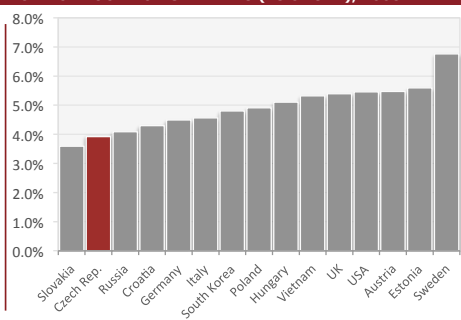
AGRICULTURE



PUBLIC EDUCATION SPENDING



PUBLIC EDUCATION SPENDING (As Of GDP), 2008



Education is key to long-term economic growth. It is, however, one of the headaches in Czech society. Although benefiting from the solid past (Czech students are still ranked highly within Europe), the trend is clearly negative, as the quality of the students is declining compared to the past and within the world. The whole system is under-funded as the Czechs spend less than 4% of GDP on education, one of the lowest shares within Europe.

Source: World Bank, National Statistical Office, United Nations, OECD, Helgi Analytics calculation

POPULATION		2003	2004	2005	2006	2007	2008	2009	2010	2011
Population	mil	10.21	10.22	10.25	10.29	10.38	10.47	10.51	10.53	10.50
Population (As % Of World Population)	%	0.16%	0.16%	0.16%	0.16%	0.16%	0.16%	0.15%	0.15%	0.15%
Persons Per Household	persons	2.49	2.49	2.49	2.49	2.46	2.42	2.41	2.38	2.35
Share Of Population (0-14 Years Of Age)	%	15.6%	15.2%	14.9%	14.7%	14.4%	14.2%	14.1%	14.0%	14.1%
Share Of Population (15-64 Years Of Age)	%	70.5%	70.8%	71.0%	71.2%	71.4%	71.5%	71.4%	71.1%	70.7%
Share Of Population (65+ Years Of Age)	%	13.9%	14.0%	14.0%	14.1%	14.2%	14.3%	14.5%	14.8%	15.2%
Median Age	years	38.2	38.4	38.7	38.8	39.0	39.1	39.3	39.4	39.6
Old Age Dependency Ratio	%	19.7%	19.7%	19.8%	19.8%	19.9%	20.1%	20.4%	20.9%	21.5%
Youth Dependency Ratio	%	22.1%	21.5%	21.0%	20.6%	20.2%	19.8%	19.7%	19.7%	19.9%
Life Expectancy, both sexes	years	75.2	75.7	75.9	76.5	76.7	77.0	77.1	77.4	77.4
Life Expectancy At 65, both sexes	years	15.7	16.1	16.3	16.8	17.0	17.3	17.2	17.4	17.4
Total Fertility Rate	children	1.18	1.23	1.28	1.33	1.44	1.50	1.49	1.49	
Urban Population	mil	7.5	7.5	7.5	7.6	7.6	7.7	7.7	7.7	7.8
Urban Population As Of Total	%	73.8%	73.8%	73.7%	73.7%	73.6%	73.6%	73.5%	73.5%	73.4%
Population In Largest City (As Of Total Population)	%	11.5%	11.3%	11.3%	11.3%	11.2%	11.1%	11.0%	11.0%	

EMPLOYMENT		2003	2004	2005	2006	2007	2008	2009	2010	2011
Labour Force	mil	5.14	5.13	5.17	5.20	5.22	5.24	5.30	5.29	
Labour Force To Population	%	50.3%	50.2%	50.4%	50.5%	50.3%	50.1%	50.4%	50.2%	
Labour Participation Rate	%	59.6%	59.3%	59.4%	59.3%	59.0%	58.6%	58.8%	58.5%	
Labour Participation Rate (Female)	%	51.0%	50.7%	50.7%	50.6%	50.0%	49.5%	49.6%	49.3%	
Labour Participation Rate (Male)	%	68.8%	68.5%	68.8%	68.6%	68.5%	68.4%	68.4%	68.2%	
Female To Male Labour Participation Rate	%	74.1%	74.0%	73.7%	73.8%	73.0%	72.4%	72.5%	72.3%	
Unemployment Rate	%	7.8%	8.3%	7.9%	7.1%	5.3%	4.4%	6.7%	7.3%	6.7%
Long-Term Unemployed (As Of Total Unemployed)	%	49.9%	51.8%	53.6%	55.2%	53.4%	50.2%	31.2%	43.3%	
Unemployment Rate (Female)	%	9.9%	9.9%	9.8%	8.8%	6.7%	5.6%	7.7%	8.5%	
Unemployment Rate (Male)	%	6.1%	7.0%	6.5%	5.8%	4.2%	3.5%	5.8%	6.4%	
Unemployment (Youth Male)	%	16.6%	21.1%	19.4%	16.6%	10.6%	9.8%	16.6%	18.3%	
Unemployment (Youth Female)	%	18.8%	19.5%	19.1%	18.6%	11.0%	9.9%	16.7%	18.5%	
Average Duration Of Unemployment	months	20.0	21.1	21.3	22.3	22.7	21.2	13.9	16.0	
Gross Average Monthly Wage (Current USD)	USD	638	759	847	951	1,124	1,405	1,256	1,289	1,407
Monthly Minimum Wage (Current USD)	USD	220	261	300	335	394	470	420	419	
Minimum Wage (As % Of Gross Wage)	%	34.4%	34.3%	35.4%	35.2%	35.1%	33.4%	33.4%	32.5%	
Gender Pay Gap (As % Of Monthly Earnings)	%	25.4%	25.1%	24.9%	24.6%	24.8%	26.0%	0.0%	0.0%	
Average Annual Hours Actually Worked Per Worker	hours	1,815	1,827	1,827	1,808	1,793	1,800	1,764	1,795	1,774
Self-Employed (As Of Total Workforce)	%	17.7%	17.3%	16.5%	16.5%	16.5%	16.4%	16.8%	17.7%	
Self-Employed, Female (As Of Female Workforce)	%	12.0%	11.4%	10.7%	11.0%	10.8%	10.8%	11.4%	12.2%	
Self-Employed, Male (As Of Male Workforce)	%	22.1%	21.9%	20.8%	20.6%	20.7%	20.5%	20.8%	21.9%	
Part-Time Employed (As % Of Total Workforce)	%	3.2%	3.1%	3.3%	3.3%	3.5%	3.5%	3.9%	4.3%	3.9%
Part-Time Employment, Female (As Of Total Female Employment)	%	5.3%	5.2%	5.5%	5.6%	5.9%	5.8%	6.2%	7.0%	
Part-Time Employment, Male (As Of Total Male Employment)	%	1.6%	1.5%	1.6%	1.6%	1.7%	1.7%	2.1%	2.3%	
Employment In Agriculture (As Of Total Workforce)	%	4.5%	4.3%	4.0%	3.8%	3.6%	3.2%	3.1%	3.1%	
Employment In Industry (As Of Total Workforce)	%	39.4%	39.2%	39.5%	40.0%	40.2%	40.5%	38.6%	38.0%	
Employment In Services (As % Of Total Workforce)	%	56.1%	56.5%	56.5%	56.3%	56.2%	56.3%	58.3%	58.9%	
Firing Costs (Weeks Of Wages)	weeks	22.0	22.0	22.0	22.0	22.0	22.0	22.0	22.0	
Managerial Positions (As Of Total Workforce)	%	5.7%	4.7%	5.5%	5.3%	5.1%	5.3%	5.2%	5.0%	
Female Legislators, Senior Officials & Managers (As Of Total)	%	27.7%	28.1%	29.6%	28.9%	28.6%	28.1%	29.0%	27.7%	
Proportion Of Seats Held By Women In National Parliaments	%	17.0%	17.0%	17.0%	15.5%	15.5%	15.5%	15.5%	22.0%	22.0%
Vulnerable Employment, Total (As % Of Total Employment)	%	13.0%	12.8%	12.3%	12.1%	12.4%	12.5%	13.0%	14.1%	

Source: Source: World Bank, National Statistical Office, United Nations, OECD, Helgi Analytics calculation. For more details, description and explanation of particular indicators, please, visit www.helgilibrary.com

MACROECONOMIC ROUND-UP		2003	2004	2005	2006	2007	2008	2009	2010	2011
GDP	USD bil	95.3	114.0	130.1	148.3	180.5	225.4	197.2	198.9	217.0
GDP Growth	%	3.8%	4.7%	6.8%	7.0%	5.7%	3.1%	-4.5%	2.5%	1.9%
GDP Per Capita	USD	9,336	11,157	12,706	14,446	17,467	21,627	18,806	18,910	20,579
Industrial Production Growth	%	1.6%	10.4%	3.9%	8.3%	10.6%	-1.8%	-13.6%	10.3%	6.9%
Retail Sales Growth	%									
Government Budget Balance (As % Of GDP)	%	-4.9%	-3.2%	-3.7%	-2.4%	-0.7%	-2.2%	-5.8%	-4.8%	-3.1%
Public Debt (As % Of GDP)	%	20%	29%	28%	28%	28%	29%	34%	38%	41%
Unemployment Rate	%	7.8%	8.3%	7.9%	7.1%	5.3%	4.4%	6.7%	7.3%	6.7%
Gross Average Monthly Wage	USD	638	759	847	951	1,124	1,405	1,256	1,289	1,407
Foreign Debt (As % Of GDP)	%	37%	40%	36%	39%	42%	37%	45%	48%	
Imports (As % Of GDP)	%	60%	62%	62%	64%	66%	62%	55%	63%	69%
Exports (As % Of GDP)	%	59%	63%	64%	67%	68%	64%	59%	67%	73%
Current Account Balance (As % Of GDP)	%	-6.3%	-5.2%	-1.3%	-2.5%	-4.4%	-2.1%	-2.5%	-3.8%	-3.0%
Foreign Exchange Reserves (Including Gold)	USD bil	27.0	28.5	29.6	31.5	34.9	37.0	41.6	42.5	40.3
Foreign Exchange Reserves (As % Of Imports)	%	47%	40%	37%	33%	29%	26%	38%	34%	27%
Foreign Direct Investments	USD bil	2.0	5.0	11.6	5.5	10.6	6.6	2.9	6.1	5.4
Foreign Direct Investments (As % Of GDP)	%	2.1%	4.4%	8.9%	3.7%	5.9%	2.9%	1.5%	3.1%	2.5%
Foreign Direct Investments (As % Of CA Deficit)	%	33%	83%	704%	149%	134%	137%	59%	80%	84%
Workers' Remittances, Received (As % Of GDP)	%	0.5%	0.7%	1.1%	1.1%	1.1%	0.9%	1.0%	1.0%	0.8%
Portfolio Investments (As % Of GDP)	%	-1.2%	1.7%	-2.6%	-0.8%	-1.5%	0.0%	4.4%	3.9%	0.2%
Development Assistance (As % Of GDP)	%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

INFLATION, FOREX & INTEREST RATES		2003	2004	2005	2006	2007	2008	2009	2010	2011
Inflation, CPI (Average)	%	0.1%	2.8%	1.8%	2.5%	2.9%	6.4%	1.0%	1.5%	1.9%
Long-Term Interest Rate (10-Year Gov. Bond Yield)	%	4.1%	4.8%	3.5%	3.8%	4.3%	4.6%	4.8%	3.9%	3.7%
Short-Term Interbank Interest Rate (3-Month)	%	2.3%	2.4%	2.0%	2.3%	3.1%	4.0%	2.2%	1.3%	1.2%
Interest Spread To US\$, 10-Year Gov. Bond	%	0.1%	0.5%	-0.7%	-1.0%	-0.3%	1.0%	1.6%	0.7%	0.9%
Interest Spread To US\$, 3M IBOR	%	1.1%	0.8%	-1.5%	-2.9%	-2.2%	0.8%	1.3%	0.8%	0.8%
FX Rate To USD (Average)	per USD	28.2	25.7	23.9	22.6	20.3	17.0	19.1	19.1	17.7
FX Rate To EUR (Average)	per EUR	31.8	31.9	29.8	28.3	27.8	25.0	26.4	25.3	24.6

Source: National Statistical Office, National Central Bank, World Bank, Eurostat, United Nations. For more details, description and explanation of particular indicators, please, visit www.helgilibrary.com

ABOUT HELGI ANALYTICS

Helgi Analytics is a consulting company based in the Czech Republic. The company mainly provides consultancy in the area of financial services and real estate and focuses primarrily on the region of Central and Eastern Europe.

Helgi Analytics also runs a web application called Helgi Library, which is a database/library offering data and analyses on more than 95% of the world's economy and population. The Library aims to bring interesting statistical data and analyses to a wide audience under affordable conditions. If you wish to get more details, please visit www.helgilibrary.com or contact us at info@helgianalytics.com.

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