

Labour Market Developments in the Czech Republic

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Abbreviations used (Czech version in brackets)

ALMP (APZ)	Active Labour Market Policy
CR (ČR)	Czech Republic
CSO (ČSÚ)	Czech Statistical Office
CSSA (ČSSZ)	Czech Social Security Administration
DLO (ÚP)	District Labour Office
ESA (SSZ)	Employment Services Administration
EU	European Union
LFS (VŠPS)	Labour Force Survey
LLL	Life Long Learning
LTU	Long Term Unemployment
LRP	Lisbon Reform Programme
MoS (MŠMT)	Ministry of Education, Youth and Sport
MoL (MPSV)	Ministry of Labour and Social Affairs
MoF (MF ČR)	Ministry of Finance
RILSA (VÚPSV)	Research Institute for Labour and Social Affairs at the MoL

EXECUTIVE SUMMARY

- In the first quarter of 2007, the Czech economy grew at a robust pace of 6.1%, keeping up with the 2006 annual growth rate of 6.4%.
- The sustained strong economic performance allowed ILO unemployment to reach a nine-year low of 5.4% in the second quarter of 2007. Czech unemployment is thus now below both the EU-27 and the EU-15 average. Registered Czech unemployment continues to surpass ILO unemployment by over a percentage point.
- Given that the majority (55%) of the remaining ILO unemployed are long-term unemployed with low labour force attachment, the low unemployment levels triggered much public discussion of lacking manpower and wage growth pressures.
- The government coalition parties continue to negotiate last-minute tax-rate changes in the government's fiscal reform plan, introduced in our April report. The plan should be the first step in further and more substantial reforms to follow. It consists mainly of tax changes while crucial pension and mandatory expenditures reforms are not addressed. The reform package will enter the parliamentary decision process in the coming days. It is impossible to predict its eventual approved content in the evenly divided Lower House.
- The fate of the reform is likely to affect the tenure of the government coalition (including its current efforts to improve incentives in tertiary education and to start measuring the effectiveness of active labour market policies) and, in particular, of the current Minister of Finance, who continues to claim that he will step down should the reform's tax cuts lead to a budget deficit of more than 3% of GDP.
- The legislative process in the Czech Republic thus continues to be characterized by last-minute ad-hoc and often erratic changes in key economic legislation introduced during the approval process in the parliament or shortly before submission of key reforms to the parliament.
- There are several new initial policy proposals being announced by the MoL.

1 Introduction

The first major legislative effort of the new Czech government will finally enter the Lower House of the Parliament during the third quarter of 2007, i.e., during the second half of the first year in office of the government. The government continues to tie its survival to the passage of its fiscal reform plan in the Parliament. The reform, which we introduced in the April report, is explicitly motivated by the unstable development of public finances. Public finances are deteriorating steadily thanks to both locked-in increasing mandatory expenditures and the increases in spending adopted by all parties during the pre-election months of 2006. One may therefore think of the reform as being an integral part of the 2008 government budget. Should the government fail to secure a budget with a deficit of under 3% of GDP, the current Minister of Finance, who appears to have the strongest economics credentials within the government, is likely to step down.

Although there are several positive developments to report on in terms of the performance of the Czech labour market, we are unfortunately still unable to give a detailed and definitive account of the new government's policies. We would like to discuss the proposed reform package, which we linked to the Integrated Employment Guidelines for 2005-2008 in our last report. However, the government coalition parties continue to re-negotiate the terms of the reform and it appears highly likely that last-minute changes will be introduced on the parliament floor during the legislative approval process.

2 Update on Economic and Labour Market Trends²

Aggregate Developments

In the first quarter of 2007, the Czech economy grew at a robust pace of 6.1%, keeping up with the 2006 annual growth rate of 6.4%. The most recent growth predictions estimate the 2007 annual growth at around 6%, which would be twice the expected EU average. Such high predicted growth rate is backed up by the strong economic performance of the Euro zone and by record-breaking growth in spending of Czech households. High household spending reflects the increasing employment, which reached its highest level since 1998 in the second quarter of 2007, and which includes an ever growing number of foreign workers.

² A table providing key economic and labour market indicators is attached at the end of the report.

According to the latest quarterly (July) macroeconomic prediction of the MoF, the Czech economy is above its potential output now and it is expected to close the gap and slow down to about 5% growth rate in 2008. Similar predictions of strong growth are implied by confidence indicators. In the second quarter, aggregate confidence has been hovering somewhat under its (recent) all time maximum.³

Inflation

Compared to 2006, the rate of price-level increase slowed down. Annual inflation as of May 2007 stood at 2.4 percent, thanks in part to slow increases in administratively set prices. Inflation currently represents the main short-run source of potential macroeconomic problems. The low recent unemployment levels (see below) imply significant wage pressure,⁴ which could combine with the growth of energy prices. The CNB is therefore expected to raise its key interest rates. The size of public finance deficits depends on the fate of the proposed fiscal reform and is hard to predict. (In absence of reforms, mandatory expenditures will likely exceed total public revenues by 2009.) While the latest MoF prediction of 2007 inflation is low at 2.3 percent, some analysts predict higher rates of price-level growth, especially if the planned increase in VAT is enacted.

Wage Developments

Annual (nominal) wage growth stood at 6.4% in 2006. Relative to the pace of output and productivity growth, wage growth was thus moderate in the Czech Republic, thanks in part to the presence of foreign workers willing to work for very low wages. However, the average wage grew by 7.8 % nominally (6.2 % real) year-on-year in the first quarter of 2007, signalling strong upward wage movement. Wage growth is expected to exceed 8% at the end of 2007. Most of the newspapers (and TV news) ran a series of articles on lack of manpower and increasing wages, affecting wage growth expectations.

Employment

According to LFS statistics, Czech total employment level reached its highest level since 1998 in the second quarter of 2007. This positive development reflects the strong economic growth; it stems from both declining unemployment and rapidly

³ Since January, the Czech aggregate indicator of confidence has been harmonized with EU methodology.

⁴ The recent MoF prediction expects unit labour costs to increase by 3.5 % in 2007, which is expected to increase the growth of GDP deflator.

increasing size of foreign labour force.⁵ The number of foreign workers now reaches 270 thousand; up from 150 thousand in 1999.⁶

The sources of growing employment need to be considered when evaluating the progress the country has made in terms of Guideline No. 17 on full employment. While unemployment rates are shrinking (see details below), the decline is not substantial among long-term unemployed. On the other hand, employment rates of those aged 55-64 are supported by improved labour market conditions.

Based on 2nd quarter LFS statistics, the Czech employment rate grew annually by 0.7 of a percentage point and reached 66 percent. The Czech employment rate is now above EU-27 average, but still below EU-15 average, thanks to lower employment rates of (older) women. On the other hand, accounting for the high share of full time female workers, the Czech Republic features unusually high female full-time-equivalent employment rates.

Looking at the structure of employment, the primary sector of the economy (agriculture) continues to decline as it now covers less than 4 percent of employment. On the other hand, comparing the second quarters of 2007 and 2006, employment grew in the secondary sector (manufacturing, construction), which now covers staggering 40 percent of the total Czech employment—the EU-27 high. Manufacturing alone covers almost 30 percent of employment, 11 percentage points above EU-15 average and 10 percent above EU-27 average.

Meanwhile, FDI boom culminates in the Northern Moravia region, which has long been adversely affected by its inherited heavy industrial structure. In our previous reports, we stressed the decision of Hyundai to locate a new large automobile plant in the region. The construction of the plant already began. Furthermore, future suppliers for both Hyundai and the existing Kia car plant in a nearby Slovak district of Zilina are now building additional factories in Northern Moravia. However, many analysts predict that FDI inflow will slow down thanks to growing wages and opening opportunities further east.

The incidence of part-time employment remains extraordinarily low in the Czech Republic. The share of Czech employed men working full time is third highest among EU-27 countries while for women this share is fifth highest (Guideline no. 21). The low part-time rates for women (due presumably to some administrative

⁵ As mentioned in our last report, growing employment also stems from the fact that two unusually large age cohorts are now in their prime employment years.

⁶ There is much more room for foreign employment as the total number of foreigners living in the country is now only about 350 thousand, i.e., close to 3.5% of the total population.

barriers, but also to welfare traps) are certainly of policy concern. On the other hand, it remains to be seen whether part-time employment is an interesting option for currently unemployed women and whether currently full-time female employees would like to switch to part-time contracts.

Activity and Unemployment Rates

Not only has Czech employment grown, the number of economically inactive has also increased, thanks to a growing participation in education, maternity leaves, and a growing number of pensioners (reflecting the ageing of the population). Recently, the CSO released a statistical report focusing on labour market behaviour of older workers; the report is based on a special added module of the LFS survey.⁷ The major finding is that the differences between participation rates of older men and women are huge. While the employment rate of older Czech men is well above EU averages, just opposite holds for older Czech women. There seems to be strong work disincentive generated by the existing notion of statutory retirement age, which in the case of women is a function of the number of children raised. This provides important guidance for pension reform plans. The report also finds substantial differences in the intended age of retirement across occupations, professions, and industrial sectors.

At the aggregate level, the strong economic growth reflects clearly in the ILO unemployment rate, which dropped by 1.8 percentage points year-on-year to reach 5.3 % from the second quarter of 2007, the lowest level in nine years. As usual, the decline has been stronger among women (by 2.2 percentage points) than men (1.4 percentage point drop). There has also been some drop in the number of LTU, following up on the development in the first quarter and signalling progress in terms of Guideline No. 19. Czech unemployment is now below both the EU-27 and the EU-15 average.

Registered Czech unemployment continues to surpass ILO unemployment by over a percentage point, signalling the presence of inactivity traps. It stood at 6.6 % as of the second quarter of 2007 and it was 6.4 % in July 2007, down from 7.9 % in July of 2006. A record breaking number of registered vacancies in July meant that 1 vacancy was open for every 3 registered unemployed. Because of the shrinking pool of unemployed it becomes increasingly visible that the majority (55%) of the remaining ILO unemployed are long-term unemployed and that both active policy and changes in passive incentives are needed to lower the natural rate of Czech unemployment, particularly in the northern regions. Current

⁷ <http://www.czso.cz/csu/2007edicniplan.nsf/p/3123-07>

predictions estimate the 2007 annual ILO unemployment rate at 5.8 % and the registered unemployment rate to drop below 7 %.

3 Labour Market Policy Developments

3.1.1. Introduction to broad policy and/or institutional changes or plans

In the coming days, the new Czech government will attempt to push its ever-changing fiscal reform policy package through the Lower House of the Czech Parliament. The reform package was first presented in early April and was reviewed in our April report. Hence, below, we only introduce policy plans formed and announced since then (the MoL has been particularly active) and we also present the position of social partners on the reform package. As a memorandum item, we repeat that the reform is driven by the need to stabilise the budget deficit and is not primarily motivated by the Employment Guidelines. It proposes mild changes in social benefits and increases the role of indirect taxes, esp. the VAT, at the expense of corporate taxes and personal taxes for high earners.

The opposition Social Democrats oppose the reform arguing that tax cuts will lead to higher public deficits and are intended to weaken the social safety net. On the other hand, Social Democrats are even less likely, compared to the current ruling party, the Civic Democrats, to reform the expenditure side of the government budget. The CNB supports the reform, but considers it insufficient for stabilizing public finances in the long run.

Following the local tradition, social partners are taking starkly opposing positions on the reform. While the Commerce chamber and the key employer association support the reform, but argue that it is not radical enough, the Confederacy of trade unions plans to stop the reform by a series of mass protests.

3.1.2. Implementing employment policies aimed at achieving full employment, improving quality and productivity at work, and strengthening social and territorial cohesion.

Some of the tax changes proposed within the fiscal reform package we discussed in our April report are likely to support full employment.

The reform of the workplace accident insurance business is being delayed. Currently, employers pay insurance contributions to one of two private insurance companies. The Commission has criticized the practice, arguing that either all private insurers are to be included or the state should take over. A reform was

approved, which called for the Czech Social Security Administration to take over the accident insurance system in 2008. However, a new piece of legislation, to be signed by the President in the coming weeks, will delay this change by two years. The stated justification is that the CSSA, which currently operates the health insurance and pension schemes, needs more time to prepare for policy implementation. The delay should allow for better implementation at CSSA, but it can also allow the government to prepare an alternative reform, one which involves competition among many private insurance companies.

3.1.3. Attracting and retaining more people in employment, increasing labour supply and modernising social protection systems

- *Promoting a lifecycle approach to work (Guideline No.18)*

The MoL informed about its intention to re-establish an all-party political committee to negotiate pension reform agenda.⁸ The MoL's plan is to enact a three-step reform before the next parliamentary elections in 2010. In the first step, parametrical changes of the current PAYG system should be agreed on and approved by the parliament. According to the MoL, these changes should consist of a gradual increase in statutory retirement age to 65 and of increasing the entitlement contribution period from 25 to 35 years. There are to be stronger incentives for older workers to stay in the labour force. Importantly, the MoL material also considers the closely related system of disability insurance. It envisages a move from two to three tier system (currently, there is only partial and full disability).

Currently, the PAYG system is the sole source of pensions. There is also a small system of private pension schemes with government matching support, where workers save typically up to 50 Euro per month. The MoF is now considering a questionable proposal to reform the legislative framework for these private pension funds. The reform consists of separating ownership between customers (clients) and shareholders. Such separation is in line with recommendations of international organisations but its actual form would probably adversely affect customers' benefits granted during the early 1990s. One of the proposed changes is to prevent pension funds from paying life annuities, others would make it easier for pension funds to impose marketing costs on customers in the form of lower returns. Under the proposed scheme, clients of private pension funds would be fully exposed to investment risks, such that it would be not clear what the

⁸ <http://www.mpsv.cz/files/clanky/4321/26062007.pdf>

difference is between these pension funds and other regular investment instruments.

- *Ensuring inclusive labour markets, enhancing work attractiveness, and making work pay for jobseekers, including disadvantaged and inactive people (Guideline No.19)*

Making work pay for LTU is clearly among the MoL's current objectives. Under the current legislation, welfare support is to be dramatically lowered (to the so called existential minimum) for those unemployed who fail to actively participate in ALMP policies or refuse a job offer. However, Labour Offices are having hard time proving to unemployed that they refuse to work and welfare support is thus rarely cut. The Ministry therefore considers plans to tighten welfare support for all those who have been jobless for over a year. We believe that such a strong "push" out of a welfare trap is welcome, but only when coupled with offers of re-training or other ALMP programs. For example, the Roma minority can be hardly expected to enter regular jobs without additional support and cutting their benefits may deepen the few pockets of poverty that the Czech Republic has. The ministry also contemplates commissioning the first evaluation of the causal effects of ALMP programs (a cost/benefit analysis, not merely a description of how funds were spent). In a related move, the Government approved a proposal to establish a much-needed state agency to start dealing systematically with the problem of the Roma minority group. The details are not clear yet.

In our April report, we reviewed the welcome changes proposed in the area of parental allowances, which we expect to support labour market participation of parents. In the recent months, there has been some development in a related policy area: One of the key factors behind the low part-time female employment rate in the Czech Republic is likely the insufficient access to pre-school child-caring facilities (see, e.g., our January report for details). Returning to full-time employment after the typical 3 years of maternity leave is difficult. This policy agenda is currently divided between the MoL and the Ministry of Schooling (MoS), with little coordination or clear implementation responsibility. Of course, the ultimate fiscal responsibility is with the municipalities running the child-care facilities.

In the recent months, the MoL took policy initiative and proposed a scheme allowing for parental assistance in child-care. In particular, a parent with a child below six years of age should be allowed to care for up to four other children of other parents on contractual basis for pay of up to 5000 CZK (about one fourth of the average monthly pay), which would not be subject to health and social insurance contributions, given that such parent is insured by law anyway. (Similar

policies are present in France, Germany or Austria.) The MoL also initiated a project, which will describe in detail the regional availability of kindergartens in the Czech Republic, which currently refuse to enrol every other child aged 3 to 5. The MoL also contemplates policies that would motivate employers to start their own child-caring facilities.⁹ These policies are to be introduced once the initial fiscal reform package passes in the parliament.

Meanwhile, the MoS informed that it is preparing a plan on how to improve access to pre-school facilities for children of parents who study at a university. The number of studying parents in the country is growing and most tertiary schools do not operate any such facilities for their students. Similarly, there is a lack of dormitories available for student families with children, but the MoS does not consider specific policies to address this issue. The child-care situation appears to represent a barrier to some prospective students, especially those who do not reside in one of the few university towns.

The MoL also recently presented its intention to lower social security contributions of parents (with children below 13 years of age) who work part-time. The current contribution rate of 35 percent of gross wage should be lowered by 3 to 4 percentage points. The same reduction should apply to part-time jobs for workers above 55 or partially disabled. We fully welcome reductions of contributions for disabled and retired; the motivation for part-time jobs is less clear to us and we are also worried about potential misuse of this policy.

- *Improving the matching of labour market needs (Guideline No.20)*

3.1.4. Improving adaptability of workers and enterprises

- *Promoting flexibility combined with employment security and reducing labour market segmentation, having due regard to the role of the social partners (Guideline No.21)*

We have reviewed the shortcomings of the recently enacted new Labour Code in our previous reports. There continues to be fundamental disagreement between the current MoL together with employers' association on one side and the Confederacy of trade unions on the other side regarding the optimal content of a Labour Code. The two sides, however, have come to an agreement on suitable technical fixes of obvious mistakes in the Code (mainly details of the stipulations

⁹ One may worry that company-provided child care may lower worker mobility, similar to company pension plans.

that were supposed to increase work time flexibility); the amendments are to be approved by the Parliament soon.¹⁰

- *Ensuring employment-friendly labour cost developments and wage setting mechanisms (Guideline No.22)*

The recent changes in the reform package make it less likely that caps on social insurance contributions will be introduced, as originally intended. (The Czech Republic is the last EU country without such ceilings.). Such caps would lower labour costs for highly productive workers and may support creation of highly skilled jobs.

3.1.5. Increasing investment in human capital through better education and skills

- *Expanding and improving investment in human capital (Guideline No.23)*

A new White Book on reforming tertiary education is being prepared at the MoS.

The government approved a new strategy for life-long learning (LLL), which follows up on the recently approved law on certification of informally acquired skills. The material convincingly shows that the Czech schooling system is unjust in that access to better schools as well as to LLL is easier for children of well educated parents in comparison to equally gifted children of less educated parents. The strategy calls for a wider offer of schooling opportunities and considers incentives for schools to offer courses for adults; special attention is to be focused on disadvantaged, young unemployed and women on maternity leaves. Funds from the Education for Competitiveness Operating Program (ECOP) are to be used to promote the strategy. The actual implementation of the will depend on numerous legal changes and reforms, which are to be designed and implemented in future years.

The government also approved a change of the Schooling code simplifying access to formal education for children of foreigners. The change, if approved by the parliament, will open school attendance not only to children with permanent residency permit, EU citizens and their family members, but also to those with long-term visa, asylum holders and seekers.

- *Adapting education and training systems in response to new competence requirements (Guideline No.24)*

¹⁰ <http://www.mpsv.cz/files/clanky/4367/12072007b.pdf>

The Senate approved to postpone the implementation of state Maturita exams for two years. The major reason for the postponement was unfinished preparation of organisation and content. Moreover, some right wing members of the parliament are proposing to cancel the whole project. More details about these exams can be found in our previous quarterly report. Recall that the Maturita exam is the school-leaving examination in 4-year high-school programs which send students on to tertiary education.

A related important new policy is the introduction of state-level field-specific school-leaving exams for students of 3- and 4-year apprenticeship programs without the Maturita exam. The content of such exams is currently being prepared by the National institute for vocational training. The implementation of such scheme would require new legislation.

4 Recent labour market reports, surveys and other documentation

MoL - ESA

Bi-annual reports [Analysis of employment and unemployment for 2006], Analýza vývoje zaměstnanosti a nezaměstnanosti za rok 2006.

http://portal.mpsv.cz/sz/politikazamest/trh_prace

http://portal.mpsv.cz/sz/politikazamest/trh_prace/rok2006

Regular MoL - ESA monthly and quarterly press briefs on registered unemployment.

<http://www.mpsv.cz/clanek.php?lg=1&id=32>

No news on minimum wage - minimální mzda

<http://www.mpsv.cz/cs/3316>

New report of the CSSA [Zpráva o činnosti ČSSZ].

http://www.cssz.cz/informace_o_cssz.asp

CSO (Czech Statistical Office)

Time series: http://www.czso.cz/csu/redakce.nsf/i/casove_rady

Latest indicators: <http://www.czso.cz/csu/csu.nsf/aktualniinformace>

Quick Information: <http://www.czso.cz/csu/csu.nsf/archivri?openform>

Labour and Social Stats: <http://www.czso.cz/csu/edicniplan.nsf/aktual/ep-3>

Analysis & Comments: http://www.czso.cz/csu/redakce.nsf/i/analyzy_csu

Časové řady: Mzdy [Time series: wages]

<http://www.czso.cz/csu/csu.nsf/informace/cpmz08300505.doc>

Časové řady: Konjunkturální průzkum [Time series: confidence indicators]

http://www.czso.cz/csu/redakce.nsf/i/kpr_cr

Transition to retirement according to special LFS module in 2006 [Přechod do důchodu podle výsledků ad hoc modulu 2006 výběrového šetření pracovních sil]

<http://www.czso.cz/csu/2007edicniplan.nsf/p/3123-07>

RILSA (Research Institute for Labour and Social Affairs at the MOL)

All reports and studies available at <http://www.vupsv.cz/zpravy.htm>

Families of Immigrants [Rodiny přistěhovalců] I. Nešporová, Olga,

<http://www.rilsa.cz/an224.html>

NÚOV <http://www.nuov.cz/>

New statistical publications focussing on secondary schools and labour market outcomes of their graduates.

http://www.nuov.cz/index.php?page=p_p&s=85

http://www.nuov.cz/public/File/tiskove_zpravy/TZ-Uplatneni-ok.doc

Miscellaneous

New [Inflation Report] Zprávy o inflaci. Czech National Bank.

http://www.cnb.cz/www.cnb.cz/cz/menova_politika/zpravy_o_inflaci/2007_cervenec/index.html

Macroeconomic forecasts for the Czech Republic, July 2007. [Makroekonomická predikce České republiky, červenec 2007.] Ministry of Finance.

http://www.mfcr.cz/cps/rde/xchg/mfcr/hs.xsl/makro_pre.html

Table: Key economic and labour market indicators

										2007				
			2001	2002	2003	2004	2005	2006	2007	Q1	Q2	Q3	Q4	
<i>Note</i>														<i>Note</i>
1	Real GDP growth	y-to-y [%]	2.6	1.5	3.2	4.7	6.1	6.1 ⁱ⁾	5.8	6.1	5.9	5.8	5.5	1
2	Inflation (CPI)	y-to-y [%]	4.1	0.6	1	2.8	2.2	1.7	2.9	1.9	2.4	2.4	2.8	2
3	Productivity	y-to-y [%]	2.1	1.1	4.3	4.8	4.8	4.7	4.6	n.a.	n.a.	n.a.	n.a.	3
4	Consumer confidence	EOP [%]	-6.0	-9.0	-21.0	-7.0	-3.2	1.2	n.a.	3.7	-0.5	n.a.	n.a.	4
5	Unemployment rate (registered)	EOP [%]	8.9	9.8	10.3	9.5	8.9	7.6	6.9 ^{AVG}	7.3	6.3	6.6	6.5	5
6	Unemployment rate	EOP [%]	7.9	7.3	8.2	8.2	7.9	6.6	5.8 ^{AVG}	5.9	5.5	5.8	5.7	6
7	Employment rate	EOP [%]	65.1	65.6	64.5	64.3	65.0	65.5	66.6 ^{AVG}	65.8	66.0	n.a.	n.a.	7
8	Innactivity rate total	EOP [%]	29.3	29.2	29.8	29.9	29.5	29.9	29.2 ^{AVG}	30.1	30.2	n.a.	n.a.	8
9	men	EOP [%]	n.a.	n.a.	21.9	21.8	21.7	21.7	n.a.	22.2	n.a.	n.a.	n.a.	9
10	women	EOP [%]	n.a.	n.a.	37.6	37.7	37.0	38.0	n.a.	38.4	n.a.	n.a.	n.a.	10
11	ages 15-24	EOP [%]	n.a.	59.7	61.7	64.1	65.2	65.7	n.a.	67.7	n.a.	n.a.	n.a.	11
12	ages 25-39	EOP [%]	n.a.	14.0	15.2	14.9	14.7	15.7	n.a.	16.1	n.a.	n.a.	n.a.	12
13	ages 40-54	EOP [%]	n.a.	9.0	9.4	8.9	8.2	7.6	n.a.	7.8	n.a.	n.a.	n.a.	13
14	ages 55-64	EOP [%]	n.a.	56.6	56.0	54.8	52.6	52.9	n.a.	52.3	n.a.	n.a.	n.a.	14
15	Working time	EOP [hours/week]	41.5	42.0	42.0	41.9	41.8	41.8	n.a.	41.7	n.a.	n.a.	n.a.	15
16	Registered vacancies	EOP [thousands]	52.1	40.7	40.2	51.2	52.2	93.4	n.a.	107.7	n.a.	n.a.	n.a.	16
17	Days lost through ind. disputes	[days]	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	17
18	Real wages	y-to-y [%]	103.3	106.4	106.0	103.0	102.3	104.6	105.8	107.8	n.a.	n.a.	n.a.	18
19	Nominal wages	y-to-y [%]	107.7	106.9	106.8	106.2	104.8	106.2	108.2	106.2	n.a.	n.a.	n.a.	19

Abbreviations used

y-to-y: year to year change

2000~100%: value for year 2000 is the base

Yellow (shadow) background marks forecasts by the Ministry of Finance "Makroekonomická predikce"

n.a. Not available yet

EOP ~ End of the period values

i) Preliminary

ii) Annual Average

Source, definition, link

- 1 CSO, http://www2.czso.cz/csu/redakce.nsf/cr_makroekonomicke_udaje
MFCR http://www.mfcr.cz/cps/rde/xchg/mfcr/hs.xml/makro_pre.html
- 2 CSO, http://www.czso.cz/csu/redakce.nsf/i/mira_inflace, Table 2
MFCR http://www.mfcr.cz/cps/rde/xchg/mfcr/hs.xml/makro_pre.html, Table 2.2.
- 3 MFCR http://www.mfcr.cz/cps/rde/xchg/mfcr/hs.xml/makro_pre.html, Table 3.2.
Macroeconomic productivity=GDP in c.p. per worker
- 4 CSO, http://www.czso.cz/csu/redakce.nsf/i/kpr_cr
Seasonally adjusted balances of confidence indicators
Consumer confidence indicator is difference between answers growth (+) and decline (-) expressed in %
[Konjunkturální saldo je rozdíl mezi odpověďmi ve variantách růst (+) a pokles (-) vyjádřený v %.]
- 5 ESA, Monthly reports, EOP, before year 2004 other methodology used
- 6 CSO, LFS Quarterly Reports, seasonally adjusted. Forecast by MFCR.
- 7 CSO, LFS Quarterly Reports, seasonally adjusted. Forecast by MFCR
- 8 CSO, LFS Quarterly Reports, seasonally adjusted, Computed as $(1 - \text{participation rate}) * 100$ for population 15-64 years of age. Forecast by MFCR for age group 15+.
- 9 ditto. Rates published before 2003 were computed for the population 15+ and rates for 15-64 years of age were not published.
- 10 ditto
- 11 ditto
- 12 ditto
- 13 ditto
- 14 ditto
- 15 CSO, LFS, Average weekly hours of work
- 16 ESA, Monthly reports
- 17 not available
- 18 CSO, http://www.czso.cz/csu/redakce.nsf/i/pmz_cr
Forecast by MFCR capture non-corporate sector and corporate sector with firms with 20+ employees.
- 19 CSO, http://www.czso.cz/csu/redakce.nsf/i/pmz_cr, Forecast by MFCR capture non-corporate sector and corporate sector with firms with 20+ employees.
Wage index is expressed as % in given quarter relative the same quarter of the previous year

Notes on definitions

- 1 Irregularly, figures are being revised retroactively by the CSO.
- 2
- 3 Irregularly, figures are being revised retroactively by the CSO.
- 4
- 5
- 6 Population 15-64 years of age
- 7 Population 15-64 years of age
- 8 Population 15-64 years of age
- 9 Population 15+
- 10 Population 15+
- 11 Population 15+
- 12 Population 15+
- 13 Population 15+
- 14 Population 15+
- 15
- 16
- 17
- 18 Wage index is expressed as % in given quarter relative the same quarter of the previous year. Full-time worker equivalent.
- 19 Forecasts represent wages in firms with 20+ employees and whole non-commercial sector. Full-time worker equivalent.