

## CHARACTERISTIC OF THE CAPITAL CITY OF PRAGUE

**Prague (Praha) is the Capital City of the Czech Republic.** It is a natural centre of politics, international relations, education, culture and economy. The Capital City of Prague ranks among important and developed regions even within the entire EU. Since 1992, its historical centre has been on Unesco's World Heritage List. All these aspects are reflected in the specific character and position of Prague among the regions of the CR. Pursuant to the Act of the Czech National Council on the Capital City of Prague, the city is a **statutory town**. It is administered by the bodies of the Capital City: the Assembly of the City of Prague, the Council of the City of Prague and the Prague City Hall. Since 2001, Prague is divided into 22 administrative districts for the execution of the state administration. From the point of view of self-government it consists of 57 autonomous city sections with own elected bodies. These city sections are significantly different. There are city sections of distinct character of urban centre or suburban areas on the contrary. They differ in the level of urbanisation, population density, quality of technical infrastructure and socio-economic conditions of life of their inhabitants. As for the number of inhabitants these city sections are also very different. While population of three city sections account for more than 100,000 each (Prague 4, Prague 10 and Prague 8), ten city sections comprise less than 2,000 inhabitants each, of which two have less than 500 inhabitants each (Prague-Nedvězí, Prague-Královice). The Capital City of Prague is the largest city of the Czech Republic. Its area is 496 km<sup>2</sup>, which is only 0,6 % of the CR's territory, but with **the population of 1,259,079 inhabitants as at 31 December 2014** it represents almost 12 % of the total population of the CR. Prague then markedly dominates the population structure in the Czech Republic as its second largest city, Brno, makes one third of the Prague's population. But Prague has lost its dominant position in 2011, when Central Bohemia region became the most populated region in the Czech republic. By the end of 2014, number of inhabitants in Central Bohemia region was by 56,2 thousands higher than in Prague.

The current area of the city is a result of natural historical development and a long-term **territorial growth**. The beginnings of Prague could be put in the second half of the 9th century when the Prague Castle was founded and independent settlements began to develop under its protection in the surrounding area. These settlements grew to constituent independent towns of Prague: Staré Město (the Old Town), Malá Strana (the Lesser or Little Quarter), Nové Město (the New Town), and Hradčany (the castle district). Milestones in the development of Prague so far include the year of 1784, during the reign of Joseph II, when the four still independent towns were joined into the town of Prague, then the years of 1850, 1883, 1884 and 1901 when other four towns were attached, respectively Josefov, Vyšehrad, Holešovice-Bubny, Libeň. **The Act of 6 February 1920** established the **Great Prague** when other 39 nearby municipalities were joined to the existing eight Prague neighbourhoods. **Further territorial growth took place in 1960, in 1968** (attachment of 21 municipalities of the former Středočeský (Central Bohemia) region, **in 1970** and finally **in 1974** when other 30 municipalities of the former Středočeský region were attached to Prague. There have been no other territorial changes since this year.

**Population** of Prague had been increasing already from half of the 17th century. It culminated in 1992. When we look at the results of periodic censuses, we can see that Prague's population increased 4,5 times from the first census (1869) to 1991 Census when the biggest number of Praguers was counted (all that calculated for the same territory). From 1991 to 2001 Census Prague's population decreased for the very first time of censuses taking place. Since 2002, Prague's population has been yearly slightly increasing again until 2010. Number of inhabitants as of 31. 12. 2011 was about 15,5 thousands lower. This change is influenced by inclusion of Population and Housing Census results in the number of inhabitants. By the end of 2012, the population increased by 5 thousands, but it has not reached the level from 2010. The decrease of population continued also in 2013. Until 2006 the increments of population resulted only from migration, namely persons in productive age, who move to Prague especially due to ample opportunity to find a job on the labour market. Persons with foreign citizenship prevail among them. **In 2006, it was the first time after a longer period when a positive natural increase was noticed (number of live-births was higher than number of deaths).** The increase came from bigger number of children born to women belonging to the baby boom generation in the 1970's. Since 1975, natural increase was the highest in 2010. In 2011 it has dropped down onto 1 876 persons of natural increase. The slight fall of natural increase continued in following years. It again grew at the end of 2014 and achieved nearly the value from 2010 (in 2014 was 2 506 persons). The constant slight increase of the average age of population of Prague, which is

the highest of all regions is traditionally characteristic for **population situation** in Prague. In 2013, the average age reached the value 42,0 years. In the Czech republic, it reached value 41,5 years. Proportion of children between age 0-14 in the population again moderately grew between years 14,5 %. Number of productive population is slightly decreasing as well as its share in population since 2009. In 2014 the increase between years was 0,5 percent points. The number of inhabitants older than 64 years also increased and achieved value 18,2 %. **Index of ageing in Prague is constantly highly exceeding average of Czech Republic** and contrary to the previous year, this ratio has decreased. The economic burden index (ratio between persons in productive age and persons in post-productive and pre-productive age) is constantly lower than in the Czech Republic in total. In 2014, it was 48,6 in Prague and 49,3 in Czech republic. Changes in the age structure of the population owe mainly to migration – moving of young families with children to the city suburbs and, in contrast, inflow of people of the productive age to Prague, especially because of their careers. Positive development of natural change in recent years had smaller impact on age structure of Prague population. **High migrational volume is characteristic for migrational situation in Prague in recent years. It is given by considerable mobility of foreign nationals** moving for work. The highest migrational increase in Prague was reported in 2007, when 19,2 persons gained by migration fell on 1000 inhabitants. Since that year, the positive migrational increase has been continuously decreasing. It was, after long time, negative in 2013; -4,3 persons per 1000 inhabitants. In 2014 there was positive increase by 10,7 persons per 1000 inhabitants due to migration which is the highest increase till 2009. Resulting from migration for work is thus both an increase in the number of foreign nationals in Prague's population and also shifts in the population age structure. Permanently increasing is the share of inhabitants in the age of 15-59, who find their job in Prague. What is a clearly positive feature of demographic development for the last decades is **improving of life expectancy**. Prague's inhabitants live to the oldest age when compared to all regions of the CR. In 2014, the life expectancy at birth for women reached to 82,5 and for men to 77,5 years. Women in average live by 5 years longer than men. High values of life expectancy in Prague are attributed to better availability of medical care, but also to some favourable tendencies in the way of life even despite worse parameters of the environment. Also infant mortality is very low in Prague.

As for **economy**, the Capital City of Prague has a unique position within the Czech Republic. It is the economic centre of state and also a centre for intermediation of impacts of multinational economic relations in the whole state. Apart from all the main authorities of the state administration most of financial institutions and foreign enterprises are based here. All this has a significant effect on the economy of Prague, whose economic output makes up a quarter of the national gross domestic product (GDP). This share was higher than 25 % in recent years. But in 2011 and 2012 it hardly reached 25 % (in 2012 it was 24,7%). The share was 24,9 % in 2013. Economy of the region expressed in GDP in current prices in 2013 increased year-on-year. In 2013, year-on-year increase by 1,6 % (which represents increase by 16,2 bil. CZK) was noticed. The gross domestic product in 2013 correspond to the level of this indicator in 2009. The development of GDP in the whole republic was similar to that one in Prague. GDP per capita in Prague exceeds the Czech republic average in the long run. In 2013 Prague's value was 210,0 % compared to the republic level.

**Higher level of GDP production is typical for metropolises.** This is caused by many factors: **lot of non-Prague workers creates an added value in Prague, location and registration of headquarters of economic subjects in the city, presence of subsidiaries of multinational companies, concentration of central bodies of public and private sector.** Prague exceeds the republic level less according to net disposable income of households, which is the value, that household can use for savings or consumption (131,6 % to CZ average per inhabitant).

The **situation on the labour market** is also connected with the performance of the economy. **Prague is the largest regional market in the CR.** Characteristic features of existing development are on the one hand high localization attractiveness of Prague's labour market, on the other hand Prague's ability to cover increased demand. This is given by a significant professional mobility of internal sources as well as to date fast growing sources of out-of-Prague and foreign workers. Prague's labour market thanks to a wide offer of professions was able to absorb almost all labour force released in the process of transformation as well as the new coming one. Prague affects also the rest of the Czech Republic and especially the Central Bohemia region which is integrated with Prague due to an intensit commuting which lowers the unemployment in the region. Job vacancies in the Capital City of Prague are opportunities also for inhabitants from wide surroundings and in fact the whole CR. According to results of the 2011 Population and Housing Census the number of filled job vacancies in Prague represented 16 % of all job vacancies in the CR. **Number of jobs** as at 26 March 2011 was nearly 701 thousands and employed inhabitants of Prague were by 118 thousand less. The importance of

commuting has got an exceptional meaning for Prague. Labour force in Prague has significantly higher professional skills compared to other regions. More than 40 % of employed are persons with a university degree and their number has got lately a regular increasing trend. Also average wages in Prague reach significantly higher values than in other regions. In 2014, the average monthly gross wage per one employee in Prague (full-time equivalent persons) was 33 062 CZK, when the same value for Czech republic reached 25 607 CZK. Another characteristic feature of Prague's labour market is also **below the share of unemployed persons**. In a long term, Prague has the lowest unemployment rate of all regions. The lowest unemployment rate was reached in 2008 both in Prague and Czech republic. Share of unemployed persons in 2014 was 5,26 % in Prague and 7,63 % in Czech republic. The total number of job applicants in labour offices has decreased by 3,2 % to 43 499 job applicants. The number of job vacancies has increased by 29 % to 9 426. Basic structural reconstruction after 1989 was reflected in changes of **branch structure of Czech and Prague economy**. Characteristic features of the development of Prague economic basis after 1989 was strengthening of the sphere of services and decrease of share of production industries. Tertiary industries represent in Prague more than 80% of value added since 2000. In 2012, it represented 84,0 % of value added. Also employment rate in this sphere in Prague markedly exceeds data from all the regions. In 2001, 77,7 % of all employed in Prague worked in services and in 2014, it was 80,8 %. On the contrary, the share of **industrial sector** in creation of value added and Prague's employment is much lower than national average. **In construction, the influence of crisis appeared**. Prague stayed on the top regarding basic construction output and construction work (38,6 % of buildings constructed in whole Czech republic in 2014, year-on-year, there was a 1,7 % increase). Continuously, less of construction permits has been granted. It was 4,6 % decrease compared year-on-year. Number of completed dwellings (4 848 dwellings) increased year-on-year by 26,1 %. Dwelling market in Prague changed and the dwelling construction reacted. It moves towards surroundings of Prague in Středočeský region (Central Bohemia) which is a target of Prague migration.

**The tourism** is an important branch for Prague's economy. 6,1 millions of guests were accommodated in 2014 in Prague collective accommodation establishments, which is more than in 2013. Yearly growth rate increased by 3,3 %. Prague has become a favourite destination of **tourists from abroad, who represent nearly 90% of all accommodated guests**. In 2014 domestic guests made up 12,8 % of all accommodated guests. Prague is the most often target of domestic business trips. Most important guests are Germans, whose numbers still grow. After two previous years, the second largest group were guests from Russian federation. Guests from the UK who were the second largest group in 2010 dropped to the third place after visitors from the USA. Moreover, Prague is also a conference centre. In 2014, the number of collective accommodation establishments has decrease to 2013 by 11,6 % to 757. Number of beds in these establishments has decreased only by 4,4 %. Prague's collective accommodation establishments can offer 87 961 beds in 2014. Almost half of beds is located in hotels of the highest category.

**Prague is a national centre of education**. Already from the secondary level of education upwards there is an increased concentration of schools. Prague has the highest number of grammar schools and secondary technical schools of all the regions. Prague secondary schools represented in school year 2014/2015 approximately 14,4 % of all secondary schools in Czech republic. It was 189 secondary schools with 56,4 thousands of students. In university education, Prague's position is absolutely unique. In the last school year, the number of universities was 33, at which more than 130 thousand students were studying in all types of studies. It is 37,4 % of all university students in the Czech republic. The share of foreigners among university students increases slowly, when in school year 2014/2015, it made 15,6 % of all university students. During the last few years, existing demographical development has been reflected also in shifts in school establishments. Prague schools, mainly universities, serve for not only the Prague citizens but the population from wider surrounding and other regions. Also **health establishments** are concentrated on the territory of the City. They are mainly specialized and often also research establishments, which, however, serve to patients from all over the Czech Republic. One fifth of all physicians working in the CR are employed there and this share is stable several years. Number of physicians in Prague grows equally as in the Czech republic. Number of hospitals is the highest of all regions. In 2014 there were 27 hospitals. The hospitals have high numbers of beds, they did not chase in year-on-year. **Relative indicators from health grossed up to 1,000 population are permanently the highest of all regions** and are markedly above the national average. All Prague's health establishments serve also to the surroundings of Prague and some specialized establishments serve the population of the entire CR. While in other regions (after transfer of health establishments to the competence of regions) there are

more and more non-state establishments, this does not apply to Prague, in which **almost a half of all physicians work in state health establishments (45,9 %)**.

In accordance with the importance, location and role of Prague, a wide range of **transport links** has developed over time. Mutual regional links with the surrounding Central Bohemia Region are the closest ones. People are coming to Prague from the entire Czech Republic. This commuting concerns not only work and school commuting, but also commuting to shops, culture or to health establishments. On the other hand, Prague population goes for recreation not only to its nearest surroundings but also all over the CR. Thanks to its highly central location both within the CR and Europe, Prague is determined to play the role of transport crossroads as well as a target destination of goods and persons movement.

Prague is a central point of all **highway routes**. The next to last part of highway D1 that connects Prague with Brno and Ostrava and Poland and is one of mostly used communications in the CR (daily more the 100 thousand cars) construction has been started. The length is 17,5 km Hvězdonice – Ostředek. Finalization of last part is planned between 2015 – 2016. Part of highway D 8 Prague – Dresden has not been finished between towns Lovosice a Řehlovice due to grand slide. Finalization is planned in 2016. Only small part of D3 highway, that is planned to lead from Prague to České Budějovice and to Austria, is finished. The whole route should be put into operation around 2025.

More painful becomes absence of alternate routes around Prague and, most of all, around the inner city. So called Pražský okruh (Prague ring) has to lead the tranzit transport out of the city. Half of the inner city ring is finished. It is planned, that tunnel complex called Blanka, which is its part, will be finished in 2015. Prague is an important **international railway node**, too. The reconstruction of Prague Main Station was finished in 2011. Modern outfit of the station has improved the quality of travelling. The important change took place in the railway transport, when it was included into the Prague Integrated Transport System (PID) in 1992. This time, total 388 lines of public transport is integrated into Prague Integrated Transport, of which 34 train lines. **Air transport** of freight as well as passengers is provided particularly by the Prague-Ruzyně airport, which was renamed to Václav Havel Airport Prague during 2012. Here, the planned reconstruction of the main runway started. In 2014 11,1 million of travelers were checked in there which was by 1,6 % more than in 2013. The trend of previous years when the number of local travellers (travellers for whom Prague is the beginning or target destination) increased continued. In 2014 the year-on-year increase of these travellers was by 5,7 % and exceeded the historical record from 2008. More than 50 companies offers its services and connects Prague with more than 130 destinations in all over the world. The runway system exceeds the limits in the peak period, so the new one is planned to be built. What is important for the Prague airport is the development of long-distance flights outside Europe, thanks to which the number of passengers who use the Czech capital as a transfer point increases. Prague has relatively well functioning **public transport** with a backbone system of the metro (almost 60 km long) and networks of tram railways (143 km long). Annually, more than 1 billion passengers use public transport vehicles. In 2014, it was 1 164 millions of passengers (including persons from outer zones and transport that is served by contract carriers), which was by 5,5 % less than in 2013. Passengers using subway are the most common (47 % in 2014), followed by passengers in trams (27 %). The similar share is represented by passengers in buses. The system of Prague Integrated Transport (PID) is important for Prague and its surroundings. Now, it is operated up to 35 km far from Prague and thus it includes also an important part of the Central Bohemia region (about 308 municipalities). In spite of marked improvement in the 90's, Prague belongs among the most affected regions from the **quality of the air** point of view. Air quality in Prague is mostly influenced by transportation and electricity and heat generation. The heating plant in Malešice and cement factory in Radotín are the biggest sources of emissions. Regarding the air quality measured by immission limit values, limit values are exceeded. Especially limit values concentrations of sulphur dioxide, **suspended particulate matter of PM<sub>10</sub> and benzo(a)pyren**.