

## 6. Labour Market

Labour market gradually cooled down partially, the imbalance between supply and demand narrowed. Situation at the level of individual branches or businesses however varied.

Lasting stagnation of the domestic economy gradually manifested also on the labour market with a certain lag during the last year. The employment started to decrease quarter-on-quarter in H2, especially industry faced difficulties. Unemployment including the long-term unemployment slightly grew and at the same time the supply of job vacancies, mainly less qualified, slightly decreased. The size of the potential work resources (currently inactive persons willing to work) slightly expanded, nevertheless still remained limited. Gradual integration of the Ukrainian refugees represented a positive impulse for the labour market, even though quite a few of them operate on positions, where they do not fully utilise their qualification. Business in their effort to optimise the production costs still intensively demanded foreign workers also from other countries outside Europe. Number of branches especially in services were still developing and created new job positions also for workers with higher qualification. Different situation in individual branches manifests in the varying growth of wages. Its pace however slightly weakened in total during the last year. Thanks to considerable disinflationary tendency in the economy however the year-on-year decrease of purchasing power of wages considerably shrank and year-on-year growth of real earnings was already registered in several significant branches in Q4 2023.

Quarter-on-quarter growth of employment halted in the second half of the last year.

Total employment<sup>1</sup> quarter-on-quarter still slightly grew in the domestic economy in H1 2023 and the physical number of workers climbed up to record level (5.51 mil). Mild slowdown occurred in the remaining part of the year – employment was gradually falling in both subsequent quarters (by 0.7%, resp. by 0.1%)<sup>2</sup>, number of both employees and self-employed decreased. Mainly industry and weight significant branches of services – trade and transport participated on the cooling of the labour market, in addition the growth of demand for workers ceased in construction. Still the total number of employed remained distinctly above the level from the end of the expansion period of year 2019 (+61 thousand), to a large extent thanks to the development of public services.

Employment mildly increased for the whole year. Number of both of employees and self-employed rose.

Employment expanded by 0.8%<sup>3</sup> for the whole year (in that by 0.4% in Q4 2023). New job positions were traditionally created mainly in the employee positions, especially in the areas with higher demands regarding the employee qualification. The largest increase was recorded in public services (+20 thousand)<sup>4</sup>, which gradually reacted to the growth of demand linked mostly to the longer-term changes in the age structure of population. Professional, scientific, technical and administrative activities (2.2%) however attained relatively the highest growth, 8 thousand employees were added here in absolute terms against year 2022. The growth of employees moderated to 1.7% in information and communication (it in fact only stagnated at the end of the last year), which belonged to the fastest growing area of services in the last decade. The division trade, transport, accommodation and food service experienced only minimal growth (0.3%), still the levels of employees slightly exceeded the level from year 2019 here. Development of digitalisation is reflected in the gradual reduction of job positions in financial and insurance activities, levels of employees were thus falling here for the fourth year in a row. Outside services, relatively demand for workers was maintained for

Number of employees increased the most in education, health and social care, majority of other services also fared well.

<sup>1</sup> Data regarding employment stem from the national accounts' conception. They are expressed in physical persons and adjusted for seasonal effects. Unlike the data from the business statistics or the labour force sample survey (LFSS) also include for instance the estimation of the grey economy impact.

<sup>2</sup> Mild growth of total employment however continued in the EU as well as the euro area itself last year (it was +0.2% quarter-on-quarter in Q3, +0.3% in Q4). Services offset the worse results of industry – mainly information and communication, financial activities as well as business and public services.

<sup>3</sup> Employment thus again grew slower in the CR than in the EU. Number of workers increased by 1.2% year-on-year in the whole Union last year, among individual states then the most in Malta (by 6.5%), in Ireland (5.4%), Estonia and Spain (identically by 3.2%). Germany recorded similar growth as the CR (0.7%). Other central European economies also registered a relatively weak growth – Slovakia (0.3%), Hungary (0.2%) and also Poland (+0.1%), where however the number of workers swiftly grew in year 2022 (+3.9%). The employment decreased in Romania last year (by 0.9%), as the only member country.

<sup>4</sup> Include branch public administration, education, health and social work.



On the contrary, all significant branches of manufacturing recorded decrease.

the most part of the last year in construction. Number of employees increased by 2.1% here last year, their number grew for the third year in a row faster than in the whole economy. On the contrary, gradual worsening of employee position became evident in manufacturing. Which were under the strong pressures of costs as well as the slackening external demand. Especially the energy-intensive branches more frequently reduced job positions<sup>5</sup> (1.1% of them disappeared in the whole last year).

Small business revived across all main branches.

Revival of the entrepreneur activity had favourable effect on the employment development after longer time. Levels of self-employed<sup>6</sup> increased by 2.4% last year (the most after year 2010), especially due to professional, scientific, technical and administrative activities (+2 thousand). Their number increased relatively the most in information and communication (+8%) and financial activities (+5%) last year, to some extent as a result of the lower last year's basis or possible "transfer" from the employee position. At least mild growth of small entrepreneurs nevertheless occurred in all main branches. Still their number remained considerably below the level of year 2019 (-5%, -36 thousand persons) in Q4 2023<sup>7</sup>.

Number of specialists grew, number of employed females increased.

Above-mentioned branch shifts were reflected in the shifts in the occupational structure of all working persons. According to the LFSS data, the number of specialists (+69 thousand), but also craft and repairmen (+33 thousand) more notably increased year-on-year in Q4 2023. Mainly the number of clerical support positions reduced (-62 thousand), which can be connected to the advancing digitalisation in financial industry, trade and also the public sphere. Some other structural characteristics were also changing – females benefited to larger extent from the development of services. Their employment rate (aged 15 to 64 years) increased by 0.7 p.p. year-on-year (to 68.8%), it on the contrary decreased for males by 0.8 p.p. (to 81.5%). Still the employment of males in the CR belonged together with the Netherlands (85.9%) and Malta (85.5%) to the highest within the EU countries.

Number of foreigners in the employee position climbed up to 824 thousand at the end of the last year. Its year-on-year increase was from one half formed by Ukrainians. Inflow of workers from some Asian states accelerated.

Long-time limited reserves of available labour force in the CR as well as the rising pressure of firms to optimise the production costs fed the growing demand of domestic employers for foreign workers. Legislative amendments lowering the administrative demands in this area help to ease the employment of foreigners. Long-term growth of the influx of foreign workers into the CR thus also continued in year 2023. At its end, 824 thousand foreigners with the employee status were registered at the MLSA (by 31 thousand more year-on-year). In addition MIT registered 118 thousand (+6 thousand) foreign state nationals' trade licences in the CR<sup>8</sup>. In both cases, a notable slowdown occurred in comparison to year 2022, however it can be for the most part ascribed to the unprecedented refugee wave from Ukraine, which culminated just in the year of 2022<sup>9</sup>. In spite of this, Ukrainians comprised one half of the higher number of foreigners in the employee position for the last year (+15.7 thousand, in that females +9.2 thousand), among other non-European countries then Filipinos (+2.4 thousand, whose number increased by one half year-on-year), Indians (+1.2 thousand) and Turks (+1.1 thousand). Only number of Slovaks increased significantly among the EU states (+2.8 thousand, relatively however only by 1.3%), on the contrary number of citizens of Romania and Bulgaria slightly decreased for the second year in a row.

<sup>5</sup> Data from the business statistics confirm that the registered number of employees in manufacturing of other non-metallic mineral products decreased by 3.4% year-on-year in 2023. Milder decrease occurred also in all other weight important industrial branches, including manufacturing of motor vehicles (-0.4%).

<sup>6</sup> More detailed LFSS data show, that the number of employers (entrepreneurs with employees) registered minor decrease year-on-year last year (and thus continued in the adverse trend lasting since year 2019). This less numerous group of entrepreneurs is in the methodology of the national accounts classified into the category of employees.

<sup>7</sup> Almost one tenth of them disappeared in manufacturing and also in division trade, transport, accommodation and food service in the last four years. On the contrary, numbers of self-employed were substantially above their pre-crisis level only in information and communication (+10%), slightly (up to 2%) then in construction and in real estate activity.

<sup>8</sup> Persons settled in the CR for the long-time (e.g., Vietnamese) can be more frequently found among them (in comparison to the foreigners with the employee status).

<sup>9</sup> After the deduction of all Ukrainian citizens, the number of foreigners in the employee status expanded by 15.0 thousand for the last year (in years 2022 and 2021 then by 16.7 thousand and 22.0 thousand respectively). Growth of entrepreneurs was analogically 3.2 thousand for year 2023 and it oscillated around 3 to 4 thousand also in the previous two years.

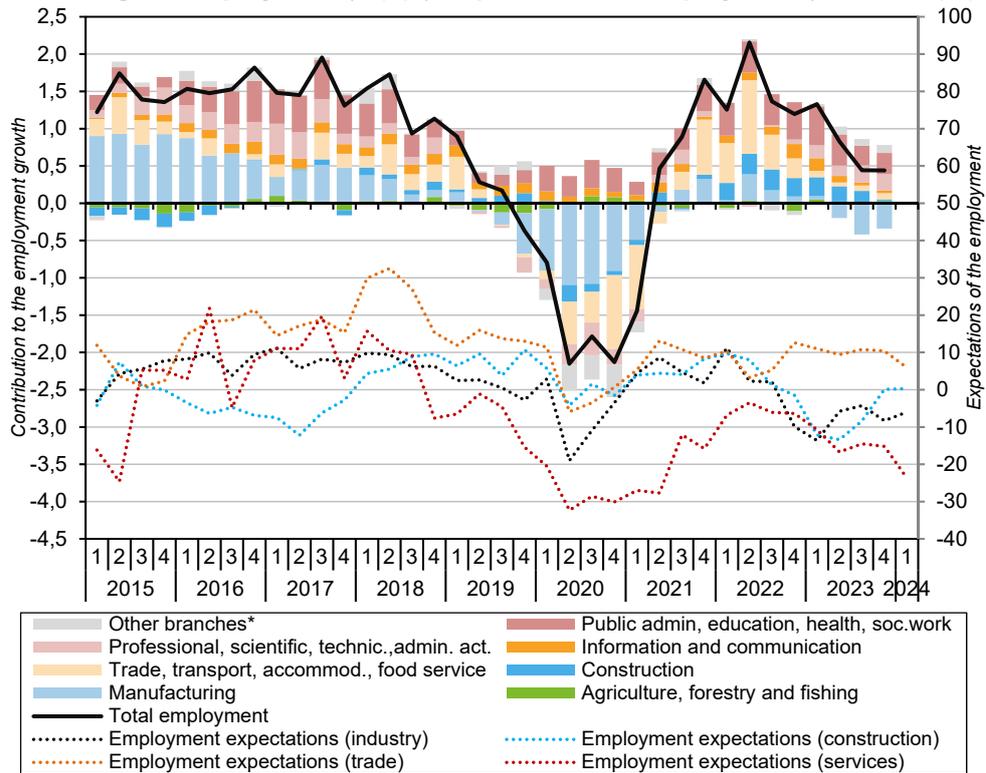
More frequent use of part-time job contracts worked against faster growth of hours worked in economy, especially in services.

Total number of hours worked nearly returned to the level from year 2019 in the economy last year. It increased by 0.6% year-on-year (comparably to the growth of total employment in physical persons, the hours worked were nevertheless substantially overtaking the employment growth for the whole 2022). More frequent use of the part-time job contracts (nourished by rising employment of females which was connected also to the refugee wave as well the newly adopted tax relief to support part time jobs)<sup>10</sup> worked against more brisk growth of the hours worked last year. Growth of the hours worked was considerably overtaking the employment dynamics only in manufacturing, it was the opposite in most services activities.

Hourly labour productivity slightly reduced year-on-year for the second time in a row. Nevertheless, it did not lag behind the level from year 2019.

Hourly labour productivity<sup>11</sup> slightly declined in the whole economy year-on-year last year (by 1.0%) and was falling for the second year in row. The productivity in mining industry and energetics stood behind the adverse development in both cases, it dropped nearly by one fifth only for the last year. The productivity slightly fell in the weight significant division trade, transport, accommodation and restaurants (-1.6%), slight decrease however occurred in most branches of services. On the contrary, the productivity was rising in manufacturing for the third year in a row (by 2.2% last year), positive development then lasted even longer in information and communication – last year’s growth arrived at 3.8% and was the highest out of all main branches. Despite adverse development in the last two years, last year’s labour productivity in the domestic economy practically did not lag behind the level from the expansion year 2019 (-0.1%). Productivity growth in manufacturing (+7%), information and communication (+17%) and financial activities (+21%) thus offset the declines in this period in the whole primary sector of the economy, construction or real estate activities.

**Chart 14 Total employment (year-on-year in %), contributions of branches to year-on-year change of employment (in p.p.), expectations of employment (balance in p. p.)**



\* Mining and energetics; Financial and insurance activities; Real estate activities; Arts, entertainment and recreation activities.  
 Note: Balance of expectations expresses the difference in p.p. between categories growth vs. decrease of employment in the nearest three months. Data are seasonally adjusted and relate to the second month of the given quarter.  
 Source: CZSO (national accounts), Eurostat (business cycle surveys).

<sup>10</sup> Based on the LFSS data for Q4 2023, record 13.7% of females aged 15+ worked part time in the CR. That is by 1.7 p.p. more year-on-year (together with Slovakia, it represents the most significant growth within the EU). The share of these contracts in the CR is still however low in the European context. It reached 29.6% in the EU, in that 34.4% in the euro area.

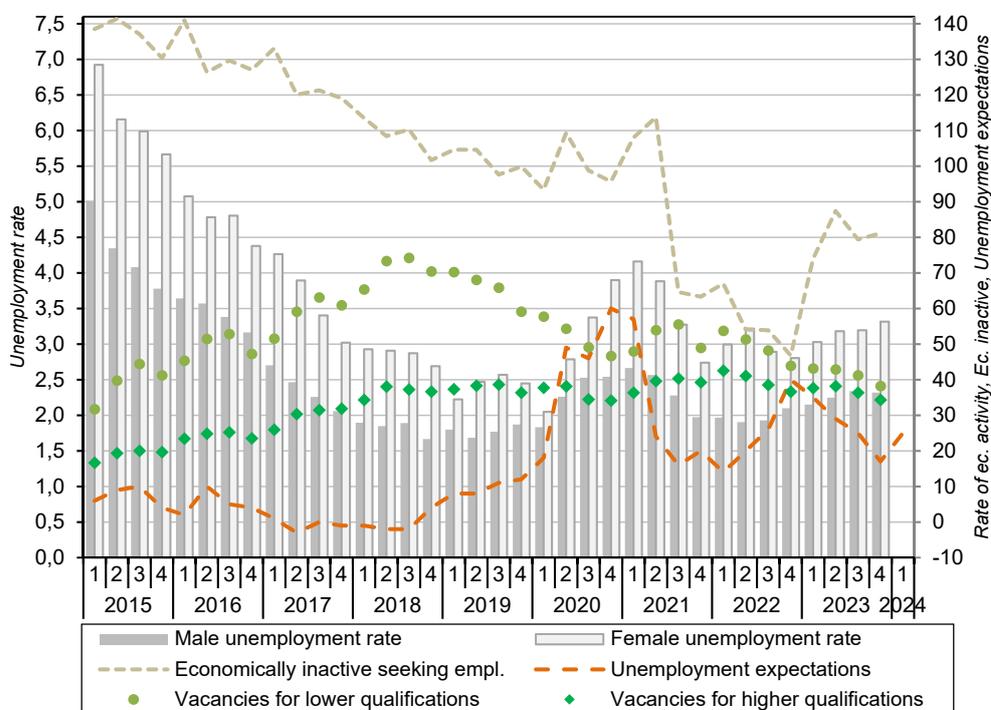
<sup>11</sup> It is the gross domestic product (in constant prices of year 2015) per 1 hour worked by employed persons in the whole economy. Gross value added is used instead of GDP at the level of main branches.



Expectations of businesses concerning employment worsened at the turn of years 2023 and 2024. Trade and construction kept mild optimism.

Short-term expectations of businesses in the employment in the whole economy temporarily stagnated since last year's February (when it fell to two-year minimum). With the approaching end of year 2023 it unfortunately again started to worsen, especially in both services and trade. The expectations were the weakest since the peak of the pandemics (March 2021) in February 2024. Pessimism prevailed mainly in services, where 35% of businesses considered laying off staff within a three-month time horizon, identically 13% in trade and industry. Situation differed at the level of sub-branches within both industry and services<sup>12</sup>. The only main branch, when the expectations improved year-on-year was construction – 8% of firms were contemplating laying off staff (the least in the last 1.5 years), 12% of businesses on the contrary planned to increase employment. The proportion of businesses where the lack of labour force represents one of important growth barriers was decreasing in some key branches (mainly in industry) due to the worsening of total economic outlooks as well as the strong inflow of persons from Ukraine to the domestic labour market. On the other hand, it still represented the most significant barrier in construction, limiting approximately one half of companies here.

**Chart 15 General unemployment rate (in %, age 15 to 64 years), economically inactive willing to work\* (in thousand persons), job vacancies (in thousand) and unemployment expectations of households (in p. p.)\*\***



Note: Figures regarding the unemployment rate are seasonally adjusted. Job vacancies: balance at the end of quarter.  
 \*Persons not in employment, not seeking work, but expressing the willingness to work.  
 \*\*Seasonally adjusted balance of expectations of unemployment in the next 12 months (difference between percentage frequency of answers of households "growth" and "decrease" expressed in percentage points). Data relates to the middle month of the given quarter.  
 Source: CZSO (LFSS, business cycle survey), MLSA (job vacancies registered at labour offices in the CR)

<sup>12</sup> Businesses in two thirds of industrial branches – both in the energy intensive (metallurgy, production of construction materials, metalworking, chemical and paper industry) and in machinery and supplier sub-branches tied to manufacturing of motor vehicles (electrical engineering, rubber and plastic products) or in a number of mostly smaller branches, whose sales depend to a large part on the household consumption (furniture, clothing, beverage and food industry) expressed prevailing negative expectations of employment (based on survey from February 2024). On the contrary, mildly positive outlooks lasted in manufacturing of motor vehicles, further in the pharmaceutical industry, other industry or repairs and installation of machinery and equipment.

Negative expectations prevailed in one half of sub-branches in services. It was the most apparent in financial industry, telecommunications and land transport, further in majority of administrative and support service activities, in publishing activities or advertising. In contrast, businesses anticipated rather higher employment in several other business services (legal and accounting activities, architectural and engineering activities, employment agencies) or in the area of programming, insurance and other financial activities, courier activities, food service, accommodation, air transport and warehousing.

<p>General unemployment rate slightly increased. It attained the highest value in the last two and a half years in January 2024.</p>	<p>General unemployment rate<sup>13</sup>, which stagnated near the historical minimum for a major part of year 2022, started to slowly rise last year. This trend also continued at the beginning of this year. Unemployment was even 3%<sup>14</sup> in February (the most in the last two and a half years), 2.5% for males and 3.6% for females. Unemployment slightly increased month-on-month (+0.2 p.p.) as well as year-on-year (+0.4 p.p.), comparably for both males and females. The number of long-term unemployed grew faster (it shared by more than one half on the year-on-year increase of all unemployed persons in Q4 2023), specifically males, which can be associated with the difficult situation in industry. Persons who were without a job more than one year however still formed less than one third (comparably to year 2019) out of total number of unemployed (133 thousand). Also data regarding the job applicants registered at labour offices (LO) suggest mild cooling on the labour market<sup>15</sup>. It is also confirmed by the fact, that the size of potential work reserve was growing year-on-year for the whole last year – number of economically inactive not seeking employment, but willing to work exceeded 80 thousand in Q4<sup>16</sup>.</p>
<p>Number of job vacancies in the economy slightly decreased.</p>	<p>Number of job vacancies in the offer of LO is decreasing already more than 1.5 years. 267 thousand positions<sup>17</sup> were in evidence at the end of January, by 5% less year-on-year (supply of vacancies exceeded the number of registered job applicants for the second month in a row). Mainly the low qualification positions stood behind the decrease, however number of positions for persons with secondary education both without A-level examination (by 13.4%) and with A-level examination (by 11.7%) decreased relatively the most. On the contrary, the number of positions for the applicants with tertiary education stagnated year-on-year (to 14.9 thousand). In the view of the qualification classes of employment, the decrease of job vacancies had rather general character. Concerns of persons regarding the growth of unemployment (expressed within the business cycle surveys) were abating despite the weak performance of the economy since the beginning of the last year. They increased only at the turn of years 2023 and 2024, however remained approximately at the level of long-term average.</p>
<p>Concerns of people regarding the unemployment development weakened throughout the most part of the last year.</p>	
<p>Growth of average wages slowed down during the year, which was connected to the prevailing weak performance of the economy.</p>	<p>The average gross nominal wage (per employee, reflecting the type of job contract) climbed up to 46.0 thousand CZK last year in Q4. It rose by 6.3% year-on-year, the wage pace continuously mildly weakened during the last year (it was 8.8% in Q1). Seasonally adjusted wage was by 1.5% higher quarter-on-quarter, light slowdown connected to the ongoing weak performance of the economy accompanied by the increase of unemployment was also evident here during the last year. Wage growth in the economy was subdued also by the strengthening need for savings in the public sphere<sup>18</sup>, moderate increase of the minimum</p>

<sup>13</sup> Unless stated otherwise, all data regarding the unemployment rates are sourced from the LFSS (based on the ILO methodology) and are adjusted for seasonal effects.

<sup>14</sup> Only Malta (2.6%), comparable Poland (2.9%) and Germany (3.1%) recorded lower total unemployment rate (persons aged 15 – 74 years) than this country (3.0%) in January 2024. Unemployment increased year-on-year in two thirds of the member states – the most in Estonia (from 5.2 to 7.0%), further in Denmark, Lithuania, and Sweden (identically approximately by 1 p.p.). On the contrary decrease occurred mainly in countries with traditionally higher unemployment – in Spain (from 13.0 to 11.6%), in Greece (from 11.3 to 10.4%) and Italy (from 7.9 to 7.2%), slower (by 0.5 p.p.) it decreased in Portugal, Croatia and Slovakia. Unemployment rate of young (up to 25 years) followed rather slightly upward trend in the EU last year since Spring, it then fluctuated at the end of the year. It was 14.9% in the Union in January 2024 (+0.8 p.p. year-on-year), 8.1% in the CR, which was the third lowest value after Germany (5.7%), Malta (7.8%). The opposite situation was in Spain (28.6%), over 20% of unemployed among youth was reported by Sweden, Portugal, Greece, Italy and Luxembourg. Year-on-year, the situation slightly improved mainly in Greece (decrease by 4 p.p.), it then worsened mainly in Bulgaria (+7 p.p.), Lithuania (+4 p.p.) or Sweden and Finland.

<sup>15</sup> Based on the LFSS data, the seasonally unadjusted proportion of the reachable job applicants aged 15 to 64 years of the population of the same age arrived at 4.0% at the end of February (males 3.7%, females 4.2%). January unemployment is at a three-year maximum, nevertheless the increase is only negligible (+0.4 p.p. in cumulation). The highest unemployment troubled the regions *Karviná* (8.2%), it was also high in *Bruntálsko* (7.9%) and also *Mostecko* (7.6%), where it increased the most of all regions year-on-year (+0.7 p.p.).

<sup>16</sup> Only less than one fifth of this quantity is however able to join the workforce immediately. Significant part of working reserves consists of students and females on the parental leave.

<sup>17</sup> Not all offers of vacant job positions in the records of the LO can however be considered still current. Only 45% of total number of vacancies (272 thousand) were advertised less than half year at the end of Q4 2023. CZSO also ascertains the number of job vacancies (based on the survey in businesses) on an experimental basis since year 2000. The number of job vacancies was this way estimated to 91.5 thousand in the CR in Q4 2023. Their number decreased by 6% year-on-year when it fell for a third quarter in a row. Manufacturing participated the most in this decrease.

<sup>18</sup> The branch public administration and social work was an exception. As of 1<sup>st</sup> September 2022, 10% raise of the pay tariffs for employees falling under the Act on civil service was put in place. The pay tariffs of armed forces and public security forces were also raised (by 10%) as of January 2023.



wages<sup>19</sup> as well as rising number of foreign workers from “third countries”. These often work on low qualified positions and their earnings thus usually do not reach the level of the CR citizens. In contrast the so far relatively high demand of businesses for labour force in some branches or heightened pressure of employees (stemming also from the tight household budgets due to the still felt high growth of prices of some basic items of the consumer basket) were factors in the direction of growth of the nominal wage.

Decrease of the real wage was unique with respect to its depth as well as length. The current size of the wage corresponded to the real wage from Q1 2018.

With respect to the disinflationary tendencies in the economy, the year-on-year decrease of the purchasing power of the average wage was shrinking during the last year, when it was only 1.2% in Q4. Purchasing power of earnings however decreased year-on-year already the ninth quarter in a row. Apart from the length, the total debt of the decline is also unprecedented for this period (it approached 10%). In the quarter-on-quarter view however the purchasing power of wages already started to grow for the most part of the last year, since the price level already stabilized in this respect. Still the size of the real wage (after seasonal adjustment) corresponded only to the level from Q1 2018 in Q4 2023, similar can be however claimed for the analogous comparison of the real labour productivity (when expressed per employed person)<sup>20</sup>. Wage development represented a decisive factor in lowering of the total purchasing power of domestic households for majority of year 2023<sup>21</sup>.

Wages grew the most relatively in accommodation, food service and restaurants, absolutely the most then in IT in Q4.

Employees in division accommodation, food service and restaurants (+10.1% year-on-year) improved their situation relatively the most on average last year in Q4, nevertheless their wages in absolute expression nominally increased slower against the whole economy. Briskly, above the inflation level, increased the earnings also in information and communication (+8.7%), transport and warehousing (+8.1%), in some non-manufacturing branches – mainly in mining and quarrying (+10.3%) and within larger manufacturing activities only in manufacturing of electrical appliances (+10.7%). Wages grew below average (from 3.9 to 6.1%) in branches of public services, in administrative and support service activities, in real estate area, in construction and in the primary sector of agriculture and forestry. The average earnings increased the least (by 0.3%) in small diverse branch of other services (including mainly professional associations and trade unions, but also personal services for households), but the employment expanded relative swiftly here. The wage median increased precisely by 6% in Q4 (to 39.7 thousand CZK monthly). The bottom wage decile increased by 5.5% year-on-year, the top decile by 6.6%. The wage distribution thus slightly worsened, which was also valid in the previous part of the last year.

Wage distribution was slightly widening for the whole last year.

Wage increased the most in both absolute and relative terms in energetics last year, specifically thanks to the payout of extraordinary bonuses at the beginning of the year.

The average monthly wage reached 43.3 thousand CZK for the whole year 2023. Even though its year-on-year growth was the highest in the last four years (+7.5%), in real terms the employees earned less by 2.9%. Wage growth managed to “defeat” inflation only in small and highly specialised branch of energetics<sup>22</sup> (nominally it was 14.1%<sup>23</sup>). The attained size of wages at the same time exceeded the level of the whole economy by 57% here. Wages grew slightly above 10% in the motor vehicle and electrical engineering industry, only slightly less in mining and quarrying and in accommodation, food service and restaurants. Earnings gained more than 8% growth in transport and warehousing, in the real estate area and also in information and communication – these then confirmed

<sup>19</sup> Minimum wage was raised by 6.8% (comparably to the previous year) as of January 2023. Unlike the practice from past years however the shift of the minimum wage was not accompanied by increase of the boundary for the so-called guaranteed wages (it increased last year only in the eighth – category of jobs with the highest qualification – where however only a fraction of employees likely receives wage).

<sup>20</sup> Real labour productivity per 1 employee was higher only by 3.3% in the whole economy at the end of year 2023 against Q1 2018.

<sup>21</sup> The Gross disposable income (GDI) of households in real expression decreased based on the up-to-date data by 2.8% year-on-year in Q1 2023, already only by 0.2% in the subsequent quarter and by 0.9% in Q3. In that the volume of wages and salaries (in the national accounts conception) analogically decreased in real terms by 3.7% and 1.8%, in Q3 it then stagnated. In Q4 (based on preliminary data) this volume already increased only negligibly (+0.7%), it represented the first year-on-year increase in the last seven quarters. Wages and salaries reflect (unlike the business statistics) also other factors, e.g. the grey economy, possible increase of economic activity of population, for instance in the form of second employments or work agreements. GDI includes next to wages and salaries also income flowing from running a business or ownership of capital and also social transfers from state, incl. the until recently fully adjusted retirement pensions (effect of the amendment of the adjustment scheme for the reason of saving measures occurred for the first time in June 2023).

<sup>22</sup> Includes generation and distribution of electricity, gas, heat and air conditioning.

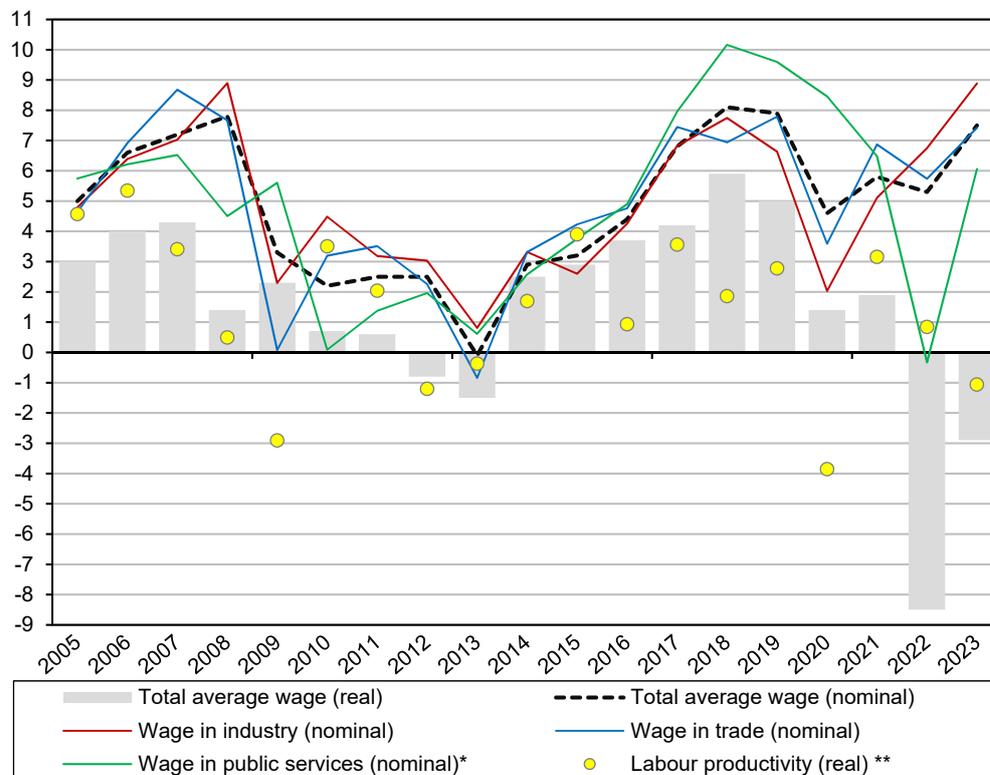
<sup>23</sup> Fast pace of wages mainly reflected the extraordinary bonuses paid out at the beginning of the year here.

Below average growth of wages manifested in trade, construction as well as some manufacturing activities.

Very low wage growth continued in education for the second year in a row.

their usual position in the last years of branch with the highest level of wages (77.9 thousand CZK). Construction (+6.7%), some energy-intensive manufacturing activities – e.g. manufacturing of building materials (+6.1%), further trade (+7.4%), but also financial activities (+6.5%) recorded slightly below average wage growth. Among branches with significant state participation<sup>24</sup> earnings grew the most in the public administration and defence (+7.5%), the least in education (+4.3%, while they practically stagnated here in year 2022). The size of wages thus in this branch (43.2 thousand CZK)<sup>25</sup> only attained the level of the national economy. Workers in other services had the smallest improvement on average (+3 %), lower wage pace can be explained by the notable revival of employment (+6.9%), which occurred for the first time since the onset of pandemics here last year. Among regions, the total wage increased the least in Prague (+6.6%). Still, it maintained the highest level among regions (53.3 thousand CZK). On the contrary, the earnings increased the most in the Ústecký regions (+8.3%). They grew mildly below average in Karlovarský region (+7.3%), whose wage level belongs to the long-term lowest (it arrived at 37.5 thousand CZK last year).

**Chart 16 Average nominal and real wage and labour productivity**  
(annual sums, year-on-year change in %)



\* Includes branches with a significant state involvement: Public administration, defence, social security; Education; Human health and social work activities; Cultural, amusement and recreational activities.  
\*\*Expresses GDP (in constant prices) related to 1 worker (in natural persons)  
Source: CZSO

Relatively higher growth of median wage occurred for management employees last year, but also for craft and repairmen.

Wage median increased based on the preliminary data by 6.4% for the whole last year (without significant differences between males and females<sup>26</sup>). It grew more for the management workers (+7.2%), but also in categories craft and repairment or machine operators (identically by 7.1%). Wages of specialists were raised by 5.2%, also due to the

<sup>24</sup> For simplification includes branch Public administration, mandatory social security; Education; Health and social work; Cultural, amusement and recreational activities.

<sup>25</sup> According to the MEYS data, the average monthly wage of teachers (including management workers) reached in the regional education (in facilities established by regions or municipalities) 49.9 thousand CZK last year and increased by 3.5% year-on-year (by 0.8% in year 2022). In that, qualified teachers (including assistants and school psychologists) received 46.5 thousand (+3.0% year-on-year), non-teaching staff then 29.1 thousand CZK (+9.7%).

<sup>26</sup> Attained median size of earnings of females was by 13% lower against males in Q4 2023 (resp. 5.5 thousand CZK monthly).



below-average growth in activities with large participation of state. Slovaks had traditionally the highest median wage among the more numerous groups of foreigners working in the CR last year (43.9 thousand CZK monthly), Ukrainians received only 30.3 thousand CZK, but their wage increased more year-on-year (+8.6%). Employees with the Czech citizenship then earned 39.8 thousand CZK.