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1. President's look back at 2004

The Annual Report 2004 of the Czech Statistical Office (CZSO) is a traditional summary of the most important activities undertaken by the CZSO in 2004. Let me have a short look at some of them.


The year 2004 saw the 85th anniversary of establishing an independent state statistical service. It was a welcome opportunity to organise a highly prestigious international statistical conference for the first time in Prague. Its name was more than symbolic: Statistics – Investment in the Future. Co-organisers were the Czech National Bank and the University of Economics under the auspices of Václav Klaus, President of the Czech Republic. The Conference, attended by more than a hundred of delegates from around the world, took place on 6-7 September. Its main idea was an open discussion of makers and users of statistics on current problems and needs. You can find more about the conference in Chapter 5 of this Report.

Staff of the Czech Statistical Office at all levels took active part in an internal discussion which resulted in the adoption of a key strategic document called Mission, Vision, Strategic Goals and Sub-goals of the CZSO. I think that a modern institution at the beginning of the 21st century should have a written and binding document defining the institution's basic mission and goal to be accomplished. Documents of our British and German colleagues were an important inspiration for us. I am glad that this strategic document is now available not only to us, but also to the public at large on CZSO Internet pages. The material Mission, Vision, Strategic Goals and Sub-goals, discussed in Chapter 7 "Activities in the area of TQM", does not just ornament the structure of internal rules, but constitutes an important part of the system of strategic planning which we implemented on 1 January 2005.

On 1 May 2004, the Czech Republic became a Member State of the European Union. Czech statisticians thus became full-fledged members of the European Statistical System. We assumed influence and co-responsibility for debating legal standards of the European Union in the area of statistics from the preparatory stage up to the legislative process in the European Parliament and in the Council of the EU. Our voice is no longer advisory, but co-deciding. And we see that our voice be heard.

The accession to the European Union brought a significant change in the practice of external trade statistics. Statistical data processing, previously performed by the Directorate General of Customs, was fully taken over by the Czech Statistical Office as from the beginning of 2004. After 1 May, we embarked on a new system of data on exchange of goods with the EU Member States – Intrastat. This entailed a complete change in the system of collecting, processing and publishing results of external trade statistics. The switch to Intrastat was preceded by an information campaign targeted at respondents and users. Free software allows for collecting 90 per cent of data electronically. Through quality results and publishing external trade figures on time we were able to dissipate some initial fears and doubts on the part of users. The positive echo of this demanding project was significantly affected by very good cooperation of the CZSO with the Directorate General of Customs which is still responsible for input data collection and checks.

The permanent task on which all our strategic steps and considerations are focused is quality, reliability and credibility of statistical data. Only statistics like these are perceived by the public as important and reasonable. And statistics like these are my and my staff's main concern. That is why we give great attention to our users and try to make them statistical production as easily available as possible. We are eager to receive feedback information which is important for enhancing the quality of our work. An important message is the fact that methodological audits of individual areas of statistics found their way into the practice of the CZSO. They help us discover weak points. We also strengthened our analytical activity, the results of which can regularly be judged by users on Internet pages and in the daily press.



I already mentioned the Internet. I think this phenomenon is the key tool of communication between statisticians and the public and it receives our constant attention not only in headquarters, but also at the regional level. We managed to unify the graphical design of Internet pages of individual Regional Offices so that users can find required information easier.

At the beginning of my work as President of the Czech Statistical Office I declared maximal openness of the CZSO as one of my priorities. This priority has not changed. It means that we do not conceal our problems and we try to solve them together with users – our main partners. The basic precondition in this area is keeping the other party well informed. I appreciate, therefore, any opportunity for exchange of opinions like meetings with users in person, seminars, or in the press.

A reliable statistical picture of society in an open economy with its dynamics and development is always the art of the possible. With regard to a number of comments of users and respondents we assumed a demanding task: reform of statistical surveys. This task, due to its complexity, will be a long-distance run. At its end we should offer a higher quality of statistical information and a lower burden on respondents.



Jan Fischer
President
Czech Statistical Office



2. Position of the CZSO in society

The position of the Czech Statistical Office (CZSO) as a central authority is defined by Competence Act No. 2/1969 passed by the Czech National Council, as amended. The mission, tasks, organisation structure, rights and duties of the CZSO are regulated by Act No. 89/1995 Coll., on the State Statistical Service, as amended.

The fundamental mission of the CZSO is to provide an objective and comprehensive picture of socio-economic development in the Czech Republic (CR). To this end, the CZSO develops methods and tools to track existing and new phenomena in society, incl. their interrelationships and causes and effects. Statistical information produced is analysed and data on development trends compared with international development. The CZSO makes comprehensive data available for use by central government and public administration and for the purposes of integrating the Czech Republic into European structures. It also coordinates the state statistical service within the country.

The main principles of the CZSO activity are as follows: independence, impartiality, transparency, and data confidentiality.

Property used by the CZSO is owned by the state. Under Act No. 219/2000 Coll., the CZSO is a central authority with an independent chapter of the state budget.

The CZSO is headed by its President who is appointed by the President of the Czech Republic on grounds of a proposal made by the Government.

According to § 6, Act No. 89/1995 Coll., on the State Statistical Service, as amended, the Czech Statistical Council, headed by CZSO President (see below), is a consultative body to the CZSO.

Consultative bodies to the President of the CZSO are: Top Management Meeting, President's Board (see below) and other. The terms of reference and composition of consultative bodies to the CZSO President are regulated by rules of procedure for President's consultative bodies.

The Czech Statistical Council

The Council is headed by the President of the CZSO. The members of the Council are appointed and recalled by the President of the Czech Statistical Office from among experts in statistical theory and practice. The Council has at least 11 and at most 25 members.

The Council considers:

- draft principles and contents of the Programme of Statistical Surveys,
- generally binding draft legislative provisions concerning the state statistical service, prepared by the CZSO,
- conceptual questions of development of the state statistical service.

Membership of the Council is personal and honorary and does not constitute a claim on remuneration.

Members of the Council are subject to confidentiality of state, economic and professional secrets they have knowledge of as a result of membership.

Members of the Czech Statistical Council in 2004 were:

Jan Seger, Head of Department of Economic Statistics, University of Economics Prague, Vice-Chairman of the Czech Statistical Council,



Jaroslav Dostal, representative of the Czech Association of Insurance Companies,

Michal Frankl, First Deputy Minister of Informatics of the CR,

Jaroslav Gacka, Director of Branch for Economic and Structural Policies, Ministry for Regional Development of the CR,

Vlastimil Gejdoš, Ministry of Industry and Trade of the CR,

Richard Hindls, Dean of Faculty of Informatics and Statistics, University of Economics Prague,

Zdeněk Hrubý, Deputy Minister of Finance of the CR,

Michal Illner, Institute of Sociology, Academy of Sciences of the CR,

Stanislava Janáčková, Advisor to the President of the CR,

Jana Jurečková, Professor, Department of Probability and Mathematical Statistics, Faculty of Mathematics and Physics, Charles University Prague,

Josef Kraus, Research Institute of Agricultural Economics,

Václav Lidický, Director, Management and Organisation Department, Ministry of the Interior of the CR,

Zdeněk Liška, Director General, Confederation of Industry of the CR,

Vlasta Mazánková, Director, Institute of Health Information and Statistics of the CR,

Bedřich Moldan, Director, Environmental Research Centre, Charles University Prague,

Bedřich Myšička, Director, Economic Department, Ministry of Labour and Social Affairs of the CR,

Edvard Outrata, Senator,

Zdeněk Pavlík, Dean of Faculty of Social and Economics Studies, Purkyně University,

Eduard Souček,

Michal Ševera, First Vice-President, Czech Confederation of Commerce and Tourism of the CR and Director, GfK Praha, s.r.o.

Pavel Štěpánek, Director of Branch, member of the Bank Board of the Czech National Bank,

Milan Veverka, Confederation of Construction Entrepreneurs of the CR,

Růžena Vintrová, Advisor to the Prime Minister of the CR.

As the secretary of the Council is appointed **Olga Běťiková**, Director, Office of President of the CZSO.

The Top Management Meeting (TMM) deals particularly with the operational management of the CZSO, fulfilment of current tasks, and other assignments if they need involvement of the President of the CZSO; TMM records important decisions taken at other CZSO managerial forums.



Members of the Top Management Meeting:

Jan Fischer, *President of the CZSO*

Jiří Křovák, *First Vice-President of the CZSO*

Stanislav Drápal, *Vice-President of the CZSO*

Olga Běťíková, *Director, Office of President of the CZSO*

Ladislava Schwarzová, Jan Matějček, Jiří Rolenc, *Directors of Branches*

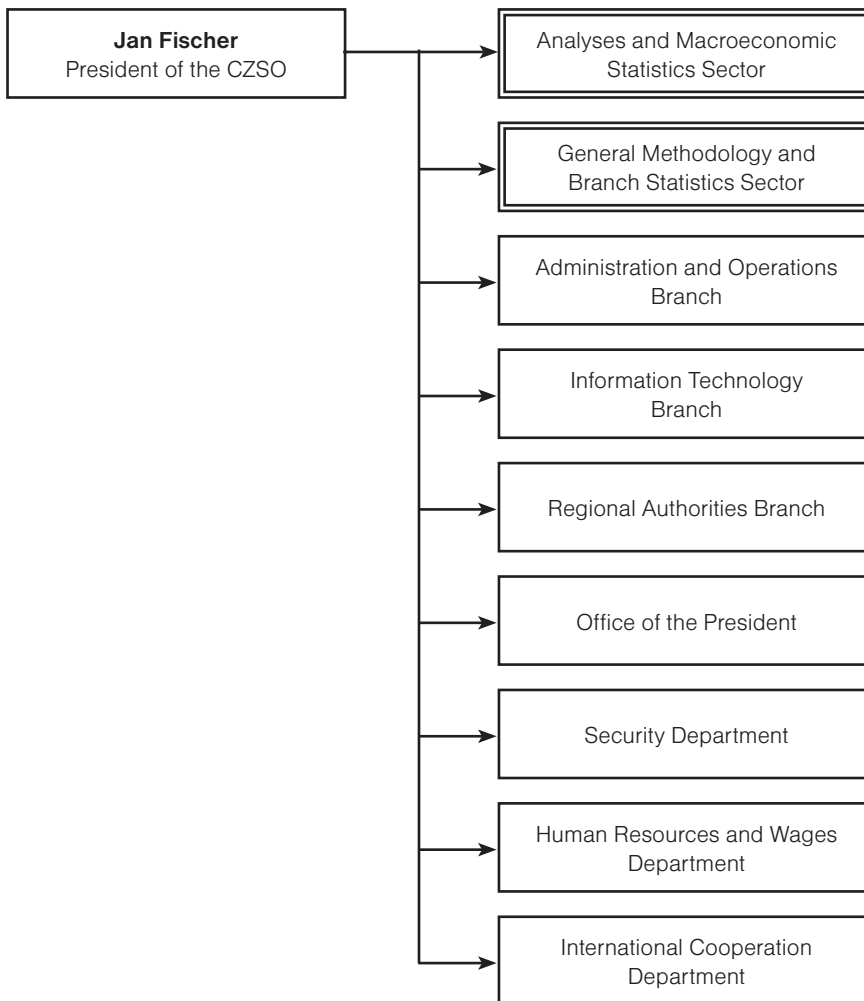
Roman Prorok, *Press Agent of President of the CZSO*

The President's Board debates in particular conceptual materials from the sphere of the state statistical service resulting from the function of the Czech Statistical Office, the Programme of Statistical Surveys, draft budget – chapter on the CZSO, and other tasks decided upon by the President of the CZSO.

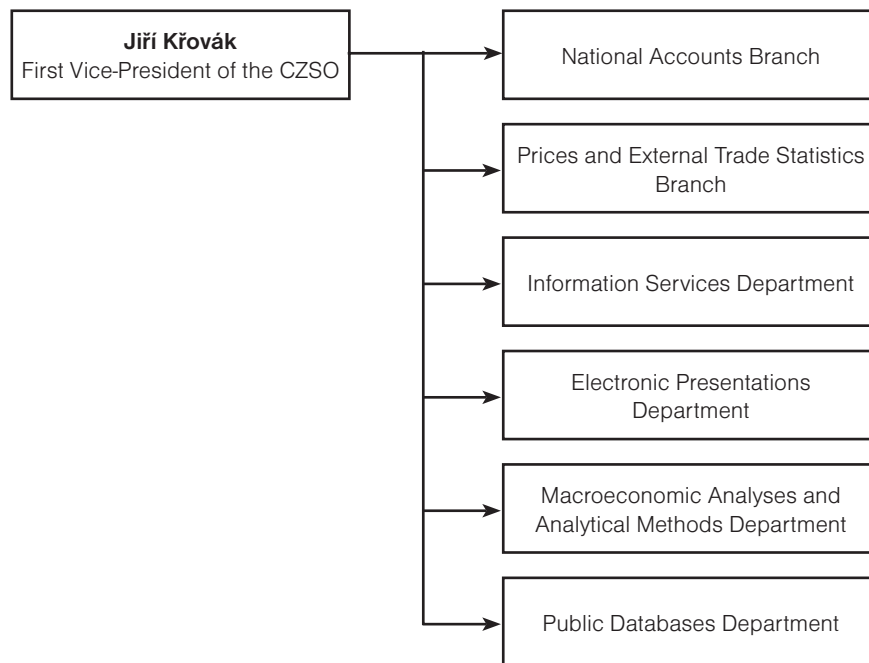


3. Organisation of the CZSO

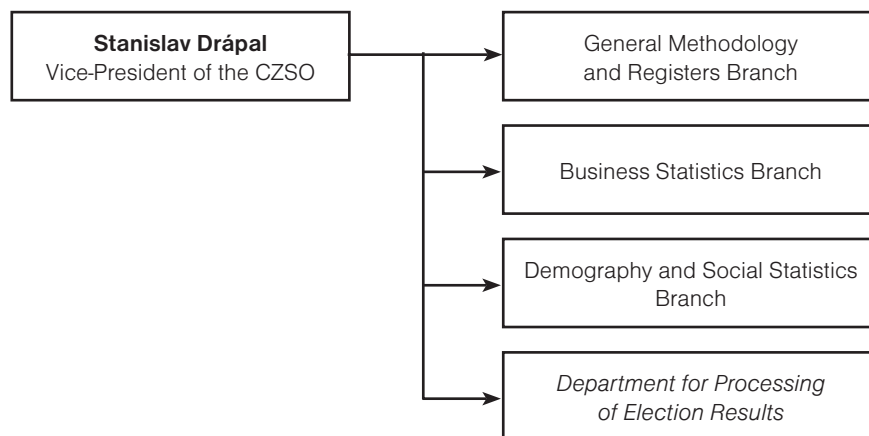
1. Sectors, branches and departments subordinated to the President of the CZSO



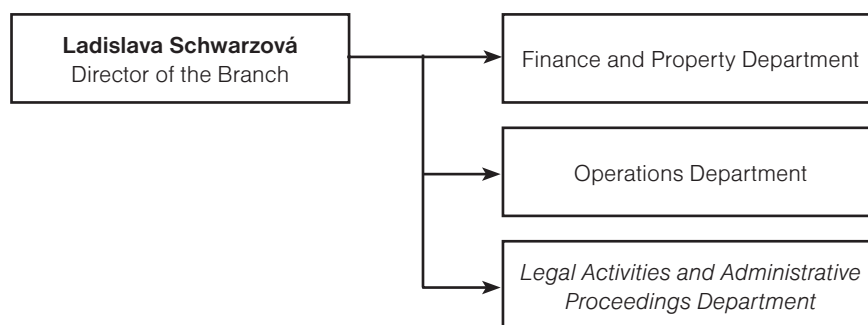
2. Branches and departments subordinated to the First Vice-President of the CZSO (Analyses and Macroeconomic Statistics Sector)



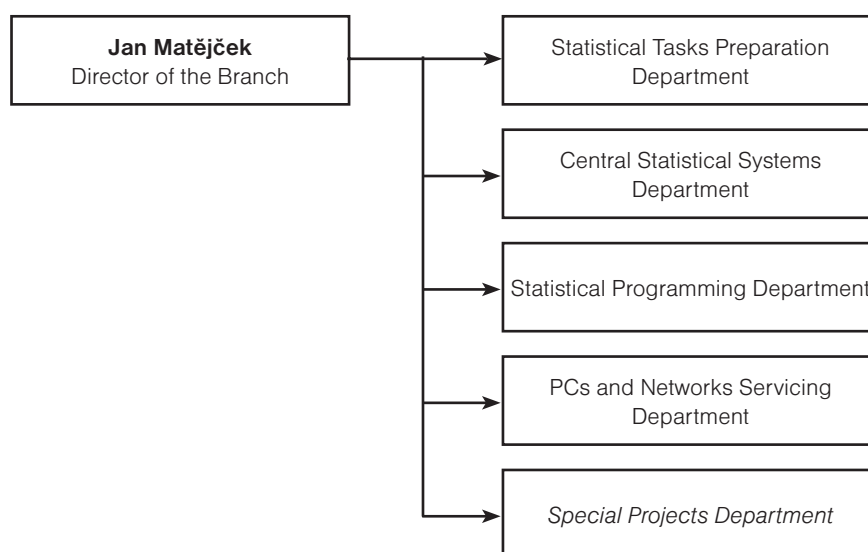
3. Branches and departments subordinated to the Vice-President of the CZSO (General Methodology and Branch Statistics Sector)



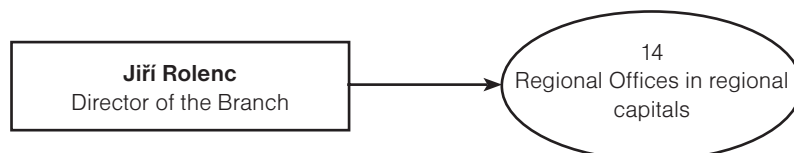
4. Departments subordinated to the Director of the Administration and Operations Branch



5. Departments subordinated to the Director of the Information Technology Branch



6. Departments managed by the Director of the Regional Authorities Branch



4. Review of the main activities in 2004

The year 2004 was an important year because the Czech Republic became a Member State of the European Union on 1 May. This implies for the Czech Statistical Office and the entire state statistical service of the CR that they became a part of the European Statistical System which entails mastering of practical procedures of a national statistical institution of a EU Member State in its full involvement in the development of the European Statistical System. The CZSO also commemorated the 85th anniversary of establishing the official Czechoslovak statistical service. On this occasion, international conference "Statistics – Investment in the Future" was held in Prague on 6-7 September 2004 organised by the Czech Statistical Office and the Czech National Bank in cooperation with the University of Economics (see Chapter 5 for more information).


In the area of **national accounts**, the CZSO in principle completed harmonisation with the ESA 1995. Comprehensive revisions of time series of annual and quarterly accounts 1995-2003 were carried out and published. As required by the European Commission, notification tables showing the level and trend of government deficit and government debt of the Czech Republic were prepared in cooperation with the Ministry of Finance as at 1 March and 30 August according to required methodology. These indicators play a key role in considerations whether the CR is prepared for the adoption of the Euro in relation to the Maastricht criteria. The compilation of quarterly accounts for the general government sector was started. A methodological audit of quarterly national accounts took place. Its main goal was the testing of procedures used in compiling the short-term estimates of main macroeconomic aggregates. The working group set up of external and internal experts in this area did not find any faults of methodological nature. A follow-up audit focused on annual national accounts began. Similar audits are in progress also in other areas of statistics. A considerable methodological improvement in the quality of both quarterly and annual national accounts was achieved in deflation of indicators from current to constant prices. The whole time series underwent the method of chaining of year-on-year rates requested by Eurostat; this method is binding for the EU Member States since 2005 and is better than the former one in measuring real development.

In **external trade statistics**, full transfer of statistical processing from the Directorate General of Customs to the CZSO was implemented from the beginning of 2004. A new survey on intra-Community trade – Intrastat – was started after the accession of the CR to the EU. This change brought a principally new way of collection, processing and publishing of results of external trade statistics.

Of decisive importance for the success of this highly demanding task was intensive cooperation between relevant departments and management of the CZSO on the one hand and the Directorate General of Customs on the other. Information campaign was prepared for respondents and users. Software product IDES is available free for data collection which enabled us to receive more than 90% of data electronically. At the same time, a high response rate was reached from among roughly 20000 companies under reporting duty.

In the area of **price statistics**, the harmonisation continued of existing areas of price statistics according to requirements of Eurostat, in particular energy prices and construction material inputs prices. Preparation for the revision of price indices started. Implemented was a system of data collection for the calculation of the consumer price index with the assistance of mobile technologies.

In the area of **general methodology**, work on continuous updates to statistical classifications and nomenclatures went on in 2004. As to the medium-term horizon, work was focused on international cooperation in the framework of Eurostat in the preparation and discussion of proposals for principal adjustments to international standards of the Classification of Economic Activities (CZ-NACE) and Classification of Products by Activity (CZ-CPA) which should take



effect in 2007. Also prepared were proposals for a new definition of levels of the European Nomenclature of Territorial Units for Statistics (NUTS). This work will go on in 2005 with the aim that CZ-NUTS level 1 should be newly defined and become effective on 1 January 2007. The work on improvement of mathematical methods for statistical purposes continued, both in the area of generating structured samples and imputing and in the area of improving the methods of seasonal adjustment. As to statistical registers, activities were under way aimed at improvement of the quality of the Business Register and further development of the Census District Register. Data for local units and kind-of-activity units in the Business Register were updated and more used in producing characteristics of the population of businesses.


In the area of **business statistics** there were partial adjustments to quarterly and annual structural surveys. To this end was also used the first large opinion survey (about 5000 participants) among respondents who in the mid-2004 expressed their views of contents and form of statistical surveys and intentions of further development. Activities continued with the aim to make data between individual surveys and between individual areas more consistent. We managed to overcome some problems of data consistency in the area of labour and wages which applied to the budgetary sphere in the context of transfer of particularly school establishments from the ministry to the regions. Also the consistency of data on direct exports between external trade statistics and business statistics improved. In tourism statistics we were able to complete a substantial part of the satellite account of tourism which – in compliance with EU provisions – can better measure total expenditures and benefits of tourism to the national economy. A new field of information society statistics was being developed in the framework of common programmes of Eurostat; surveys in enterprises and in households were taken.

At the beginning of 2004, **social statistics** presented the results of population projection for the CR up to 2050. In accordance with fulfilling the tasks ensuing from resolutions of the Government, cooperation went on of the CZSO with the Ministry of Health and Ministry of Labour and Social Affairs on the preparation of a new system of statistical survey on the numbers and structure of disabled population. Also the work continued on the preparation of new European statistics on income and living conditions (EU-SILC) and on the testing of possibilities of statistics on the structure of household expenditures (household budgets) to switch from random sampling to quota sampling. Like in the preceding years, publications with statistical data on the position of women and men in society and on the position of aliens in the CR were prepared in cooperation with other government departments. The CZSO prepared and published an analysis of incapacity for work in 1990-2003. Work on preparation and implementation of the health satellite account continued. In a link to initiatives of Eurostat and the UN Economic Commission for Europe (UNECE), a basic discussion was opened in the second half of 2004 on the preparation of next population and housing census around the year 2010.

In the area of **macroeconomic analyses**, the system of analyses underwent stabilisation in 2004. The system consists of a detailed macroeconomic analysis of the preceding year and less detailed quarterly macroanalyses that are published with a minimum delay after quarterly GDP data are presented. These are followed by regular brief quarterly crosscutting and branch analyses. The publishing of analytical studies and short analyses on various relevant subjects was renewed. In 2004, analytical activity became one of the priorities also for CZSO Regional Offices. Staff participating in this activity took specialised seminars. At the same time, models of outputs for 2005 containing also seasonal adjustment were prepared (incl. discussion with users). Standard publications and journals kept on to be published in the same scope, the frequency of the journal *Statistika* increased (from three to two months).

As to the **presentation of statistical information**, all services offered were fully consolidated in the new seat of the CZSO – the scope of provided services was completely renewed including services of the Central Statistical Library. More information is available in Chapter 9.

With gradual implementation of the public database were connected not only adjustments to existing tools serving the preparation of statistical tasks projects and generation of outputs, but



also work started on the development of a direct editor of inputs into the public database. Extensive activity was focused on user interface to the public database and on providing access to it for all employees of the CZSO (Intranet) and testing external users' access via the Internet.

Supply of **regional information** was further improved through regional databases, the comfort of work with data on municipalities was raised and a solution to a link between regional databases and the system of tables of regional publications was prepared. Together with foreign partners, the regional Cross-border Friendship Database was opened to the public. An international database of basic data on large European cities started to be filled with data on the CR in the framework of Urban Audit.

Election statistics in 2004 were particularly in charge of processing the results of election to the European Parliament. Further, in autumn, results were processed of by-election to the Senate (replacement for senators who were elected as members of the European Parliament) and regular election to one-third of the Senate and elections to regional councils. Besides, results of by-elections to local councils were processed more times in the year. In all cases above we were able to perform the processing within several hours after the polling stations were closed. On the occasion of elections to regional councils, all CZSO Regional Offices prepared analyses of demographic, social and economic development in their regions between 2000 and 2003.

In the area of **preparation and automated processing of statistical tasks and informatics support of statistical activities**, most of the work was focused on the implementation of technological preparation and arrangements for collection, processing and presentation of data from statistical surveys. The contents, periodicity, ways of data survey, data processing and presentation were – nearly across the whole range of CZSO activities – essentially in compliance with international standards and needs of users.

Activities in the area of informatics were particularly concentrated on the key priorities of the CZSO including the moving of central machines and communication technologies of the CZSO from a number of provisional locations in Prague and surroundings to the new building.

Depending on available resources, replacement of hardware of the central computing centre and user workplaces continued including further implementation of unified user software tools.

Substantial progress was achieved in the area of ICT security. In the area of legislation, work started on ICT security policy including related documents. In the technical area, a security system of surveillance and evaluation was put into use and, in particular, the implementation of authentication and certification of users with processor chip cards within headquarters began.



5. International conference “Statistics – Investment in the Future“

International conference “Statistics – Investment in the Future” took place in Prague on 6-7 September 2004. Its organisers – the Czech Statistical Office and the Czech National Bank in cooperation with the University of Economics – prepared this international undertaking on the occasion of the 85th anniversary of Czechoslovak official statistics. The conference was held under the auspices of Václav Klaus, President of the Czech Republic. This fact, just like the title of the conference “Statistics – Investment in the Future”, participation in this conference and the quality of contributions emphasised the importance of official statistics for the safeguarding of democratic development of society and for running the country.


The purpose of the conference was not only to commemorate the 85th anniversary of the state statistical service in what is now the Czech Republic, but above all to enable producers and users of statistics to lead discourse on current problems and needs of statistics. Statistics may be an investment in the future only provided that they produce required data and these data are of good quality.

The conference was attended by more than 200 delegates, of which 100 were foreign experts from 33 countries, predominantly of Europe. Commendable are not only the number of participants, but especially active participation of statisticians from countries like Iran, Lesotho, New Zealand or Thailand. The conference was also a good opportunity for a number of staff of the Czech Statistical Office and the Czech National Bank to take active part – as authors of contributions, chairpersons of sections or discussants.

The opening plenary session saw a principle contribution by Jan Fischer, President of the Czech Statistical Office. He stressed the importance of official statistics for the needs of the widest circle of users and approach to statistics as to an investment. A look at the contents of statistics on the example of the first statistical yearbook of 1919, then of the Czechoslovak Republic, and data that are published today, allows comparing the state and structure of the economy and living conditions of the population and seeing the considerable shift in the focus and conditions of statistics. In the context of globalisation, the importance of international statistics including international standards has grown immensely. The set of observed statistical data enlarged, demands for data quality increased. To fulfil their mission, statistics and surroundings must respect the basic principles like independence, objectivity and transparency of official statistics. Zdeněk Tůma, Governor of the Czech National Bank, underscored the need of cooperation between statistical institutions and national banks which he documented on the example of the 85 years of history of Czech statistics. The importance of banking statistics is rising particularly after the accession of the CR to the EU in view of requirements of the Economic and Monetary Union, and the cooperation of both institutions becomes significantly closer. Jaroslava Durčáková, Chancellor of the University of Economics, stressed the importance of cooperation between ‘official statisticians’ and the academic sphere for improvements in teaching of statistics and for further development of statistical methods aimed at their practical use. Greetings to the conference from the President of the CR were given by Stanislava Janáčková, the President’s advisor. In her contribution she highlighted the current needs of users of statistical data which are moving towards higher quality of statistics that give a picture of economic development. Also Klaus Reeh, expert advisor to the Director General of Eurostat, emphasised the importance of statistics for current needs of the Economic and Monetary Union, where short-terms statistics are of key importance, and for various needs of European users.

With regard to the focus of the conference, the structure of the agenda was prepared in a way making possible to deal with both crosscutting subjects and problems of specific statistics.

A special position had a section devoted to the 85th anniversary of Czech statistics. The contributions presented were aimed not only at the history of Czech and world statistics, but also




at their near future where economic as well as social and environmental issues and protection of democratic rights become more and more important.

Highly demanded were talks in sections focused on the problems common to all statisticians – principal questions of cooperation with users, use of the Internet, quality in statistics. The growing emphasis on covering the needs of users in terms of scope and quality of statistical data leads to closer communication with clients – and with regard to their heterogeneity it is necessary to find common ground with various groups of users. The section underscored the importance of understanding and anticipation of these needs. Many users need to be taught to understand statistics – and to be able to present statistics to non-statisticians. “Crosscutting” subjects were also discussed in other sections devoted to metadata, data confidentiality, ICT use, training of statisticians or regional statistics. Central database of metadata, importance of metadata for users and producers of statistics, problems of metadata storage, need of strengthening international standardisation and harmonisation – all this was debated in context of the need for higher transparency of statistics. A consequence of data confidentiality protection in the conditions of information society is often availability of data published by other entities on the Internet; this fact should be taken into account in dealing with the principles of data confidentiality protection. Emerging are also new possibilities of using software products for safeguarding data confidentiality. New technologies have impacts on all stages of capture, processing and use of statistical data, they lead to new approaches to organisation of work. This is related to data storage and use of standard tools of ensuring consistency of outputs. New technologies also create conditions for new forms of training such as e-learning which is – together with other ways of training incl. acquiring practical skills – part of new outlined systems of statistical training. In the area of regional statistics was presented the use of regional data for regional development, methods of compiling regional accounts, relationship of geography and statistics, organisation of regional statistics, and underscored was the need of standardisation and harmonisation in this area.

Among sections focused on economic statistics were: national accounts, short-term statistics, evaluation of business cycle, globalisation, and monetary and banking statistics. The discussions dealt with the history and importance of national accounts, particularly in relation to current needs of users, full coverage of national accounts with regard to estimates of the “hidden” economy, optimal length of time series for use of predicative models in national accounts, and revision of fixed capital consumption. Presented were new requirements for statistics after the rise of the Economic and Monetary Union of the EU, balance of payments statistics in the conditions of liberalisation of flows of goods and flows of finance and economic globalisation connected with increasing international transactions, related creation of new world-wide standards (IMF Manual). Contributions dealt with the strategy of monetary and banking statistics in a link to introduction of the Euro, main findings in the calculation of aggregates, necessity of strengthening harmonisation, solutions to cross-border activities in the Euro-zone, key indicators for evaluation of financial systems, experience in use of the central credit register, changes in monetary and banking statistics of the new Member States after their accession to the EU. Demands for data quality are growing, new methods (selective checks) are applied. The importance of long-term observation of groups of enterprises is rising. The presentations also contained tendencies and factors affecting business cycle or changes in the behaviour of main actors. Other active participants dealt with the use of hedonic methods in price statistics, main short-term indicators for the needs of EMU statistics, short-term statistics based on registers, seasonal adjustment, and use of regression analysis.

Social statistics section and minorities statistics section were devoted to social statistics. These sections discussed the implementation of a new survey EU-SILC to measure income and living conditions of the population, methodological procedures applied (imputation techniques), and ways of data collection and organisation of the survey. Discussed were aspects of accuracy in surveys among households, measurement of living conditions among the poor, statistics in the situations of coexistence of partners living separately, dynamic measurement of unemployment, shift from external to internal tourism due to the unification of Europe, questions of demography



and migration, ageing of population in given economic conditions, storage of data from censuses, use of up-to-date methods of spatial presentation, and analysis of results. Also presented were possibilities of statistics on minorities, observation of aspects like opportunities of minorities on the labour market, structure of population, other conditions of ethnic groups.

The professional programme of the conference was completed by a number of informal social events.

The preparation of this international conference was an opportunity for organisers to gain valuable experience to be used in professional and organisational preparation of international undertakings in the future. The position of the Czech Republic in the international statistical community represents a challenge for us to participate more in this area.

The publications „Focus on International Comparisons“, „Focus on the Czech Republic“ and „Focus on the Czech Statistical Office“ were prepared in English for the conference.

The conference was followed by a successful seminar given by Mr Reeh, expert advisor to the Director General of Eurostat, on important aspects of cooperation with users of statistical data; also training course by Mr Planas from the United Research Centre of the EC on questions of evaluation of business cycle was very beneficial.



6. Activities in the area of legislation

In 2004, the Czech Statistical Office took active part in the legislative process both in the area of own legislative activity and in the position of a central authority that considers and presents comments on draft legislative provisions presented by ministries and other institutions of central government. In total, the CZSO prepared 498 opinions of legislative and other proposals. In doing so, the CZSO got fully involved in the system of compulsory use of electronic library of the Office of the Government of the CR in compliance with legislative rules of the Government.

In the framework of own legislative activity, of special importance was amendment to Act No 89/1995 Coll., on the State Statistical Service, as amended by Act No 81/2004 Coll. The latter Act, in its nature actually a technical amendment responding to the necessity to specify, complete or modify certain provisions of Act No 89/1995 Coll. whose implementation no longer corresponded with the needs of the state statistical service, is important also because it regulates the monitoring of movement of goods between the Member States of the European Communities (INTRASTAT) and introduces terminology used in provisions of the European Communities in the area of data protection and data confidentiality.

No less important is Decree No 576/2004 Coll. laying down the Programme of Statistical Surveys 2005 and issued to execute § 10 of Act No 89/1995 Coll., on the State Statistical Service. This Decree became effective on 1 January 2005. In the process of its preparation, the duty was implemented for the first time of the Czech Republic to meet Council Decision No 98/415/EC of 29 June 1998 on the consultation of the European Central Bank by national authorities regarding draft legislative provisions. The Czech Statistical Office consulted the European Central Bank on the area of collection, compilation and dissemination of statistical data concerning currency, finance, banking, systems of payments and balance of payments; the opinion by the European Central Bank of presented draft provisions was affirmative.


On the day of the accession of the Czech Republic to the European Union came into force Decree No 200/2004 Coll. concerning statistics on exported and imported goods and ways of communicating data on trade between the Czech Republic and other Member States of the European Communities published jointly with the Ministry of Finance as implementing regulation to Act No 13/1993 Coll., the Customs Act. Decree No 402/2004 Coll. amending Decree No 371/2003 Coll., which lays down the Programme of Statistical Surveys 2004, was published in connection with Decree No 200/2004 Coll.

In accordance with § 19 of Act No 89/1995 Coll., the CZSO published in the Collection of Laws five communications on statistical classifications and nomenclatures.

In the context of accession of the Czech Republic to the European Union on 1 May 2004, the area of European legislation saw a significant change of position in relation to new adopted legislative provisions which are for the CZSO immediately effective and after implementation periods straight binding. Therefore, the participation of the Czech Republic through individual ministries and other institutions of central government already in the process of preparing European legislative provisions gained in importance.

This fact affected the work related to databases of the Information System for Approximation of Legislation (ISAP) which was in 2004 enlarged by new databases of legislation in preparation. New Methodological Instructions were published to support work on meeting legislative obligations ensuing from the Czech Republic's membership of the European Union. These obligations are fully observed by the CZSO, though, in their consequence, they brought about much more work.

Activity of taking over guarantees over new adopted legislative provisions of the EC/EU continued in the CZSO in 2004. Regular quarterly information of the CZSO concerning the Report



on the state of implementation of legislation of the EC/EU by the Czech Republic was prepared and other tasks based predominantly on initiative by the Chairman of the Government Legislative Council (including extensive updates, revisions and analyses of selected data in ISAP databases) were being fulfilled.

In the framework of CZSO legislative activity in relation to European legislation, the CZSO considered and submitted four requests for derogations regarding the following EU Regulations: (i) Regulation on survey on income and living conditions (EU-SILC), (ii) Regulation on statistics on quarterly financial accounts, (iii) Regulation on statistics on government debt, and (iv) Regulation on statistics on iron and steel; the request for derogation to Regulation (iv) was withdrawn because the CZSO was able to organise a relevant statistical survey in cooperation with company Hutnictví železa a.s.

A substantial increase in the scope of duties concerning the EU occurred on 1 September 2004 in the area of preparing the Framework Positions/Opinions for the Parliament of the CR. The CZSO is bound to prepare these positions to all acts of legislative nature and, further, to other acts that are explicitly asked for by the Chamber of Deputies or the Senate of the Parliament of the CR. The CZSO has also the duty to insert these Framework Positions in ISAP and to update them in consequence of negotiations in progress.

The above-mentioned facts prove that, in the area of legislative activity of the CZSO at both national and European level, there was a considerable increase in tasks related especially to the accession of the Czech Republic to the European Union on 1 May 2004.



7. Activities in the area of TQM

In August 2003, the management of the CZSO renewed the activity of the TQM Committee. Jiří Křovák, First Vice-President of the CZSO, was appointed as its Chairman. This Chapter sums up TQM (Total Quality Management) activities in the Czech Statistical Office roughly from mid-2003 to end of 2004. Predominantly these activities are included:

- User satisfaction surveys
- Regular meetings of the management of the CZSO with representatives of the main groups of users
- Staff perception surveys
- Respondent opinion survey
- Methodological audits
- System of analytical work – the 2004 best analysis survey
- Key strategic document Mission, Vision, Strategic Goals and Sub-goals of the CZSO
- Selection of priority strategic sub-goals through a voting procedure
- Self-assessment using the CAF method
- Management training
- Project Quality in Statistics

TQM activities were strongly accelerated by the implementation of the international Twinning Light Project SPMSA (Strategic Planning and Management of Statistical Activities) funded from Phare resources. The partner of the CZSO was the Federal Statistical Office (FSO) of Germany. The project was launched in late 2003 and completed in July 2004. Participants on the German part were senior executives including Walter Radermacher, Vice-President of the FSO. The implementation of the SPMSA project considerably affected TQM activities set out below.

➤ **User satisfaction surveys**


Two user satisfaction surveys took place in 2003 and 2004. The first one, taken in June and July 2003, was provoked by an urgent need to change radically the CZSO web pages. Although there were a number of ideas inside the house how to do that, it was necessary to ask users about their opinions. We received 180 questionnaires with completed answers which provided a basis for changes in the web pages.

The second survey taken in January and February 2004 was prepared by a standard working procedure and intended as the first user satisfaction survey in the framework of TQM. That is why the questions were formulated to allow easier comparisons with the results of next surveys in the future. The questions were focused not only on web pages but they included all information services provided by the CZSO. In total, 360 users answered the questionnaire. Using a 5-level classification (1 = best, 5 = worst), users assessed the overall level of CZSO services with the mark 2.24 and changes in web pages made in the preceding half a year with 1.1.

➤ **Regular meetings of the management of the CZSO with representatives of the main groups of users**

There were four meetings with representatives of users in 2003 and 2004. The first, informal, albeit working, meeting of representatives of users from among analysts and economy journalists with the management of the CZSO took place in June 2003. Discussed were the first results of the survey on the level of presenting statistical information mainly on CZSO web pages.

The second meeting in October was focused on the policy being prepared of GDP revisions and on the system of publishing 2004. Explained were mainly changes in the methodology of quarterly national accounts statistics relating to the accession of the Czech Republic to the European Union. The fact that this information was given well ahead turned out to be most desirable, for the public could receive an accurate interpretation of the subject.



The third meeting with users in March 2004 was devoted to Intrastat in the conditions of the Czech Republic, i.e. application of the system of monitoring movement of goods within the EU Member States.

The fourth dialogue – in October 2004 – dealt with the issue of seasonal adjustment – variants of seasonally adjusted data that would respect the needs of users and lead to as precise interpretation as possible.

➤ **Staff perception surveys**

There were two staff perception surveys in 2003 and 2004. The first one was organised in September 2003. Prevailing part of the questionnaire of a similar survey taken in the Central Statistical Office of Austria was used for its preparation. Observing anonymity of respondents was an imperative.

The survey gave employees an opportunity to express how they perceived their jobs, possibilities of promotion and making a career, evaluation of their work and possibilities of improving its quality, problems of discrimination in the workplace, quality of working relations and cooperation, organisation structure of the CZSO, quality of their superiors, working conditions in the workplace, image of the CZSO, and whether (and why) they had reasons for contemplating a change of job. The staff perception survey should also have revealed if there are significant differences in opinions across defined groups of organisation structure, across the three inquired age groups and between men and women. It was possible for staff to attach an independent sheet to give opinions about other problems.

In total, 60.4% of employees of the CZSO took part in the survey. All the basic results were published on the CZSO Intranet in form of tables and graphs within a month after the end of the survey. A summary of main findings was submitted to the Top Management Meeting which took appropriate measures for improvement. The results of the staff perception survey and the user satisfaction survey were also presented as part of a common contribution to the „European Conference on Quality and Methodology in Official Statistics“ held in Mainz in May 2004.



The second staff perception survey was taken at the end of October and beginning of November 2004 and 47.8% of CZSO employees took part. We tried to change the contents of the questionnaire as little as possible so that the 2004 results were comparable with the preceding ones. The main results of this survey, like those of the preceding one, are published on the Intranet

➤ **Respondent opinion survey**

In the preceding years, the CZSO tested respondents' opinions about some of the most complicated statistical surveys only among few dozens of companies and enterprises that were willing to cooperate. The first respondent opinion survey embracing several thousand of companies and enterprises was taken in the second and third quarters of 2004. This survey provided a much more objective view of various aspects of statistical surveys including data collection and the use of final statistical information.

In total, 10 965 respondents were addressed in the survey in 2004, of which nearly 40% were asked to fill in and send the questionnaire by e-mail, and the rest, based on random sampling taken from amongst respondents to statistical surveys, by way of a hard copy. Further, all regular respondents to short-term surveys were asked to fill in the questionnaire. The response rate was almost 48%.

Participants in the survey could express their opinions about the layout, readability and graphical design of questionnaires, methodological notes, use of electronic data collection, their own approach to filling in questionnaires and the like. A number of respondents attached their comments or questions. Most of the comments were rather critical, but some appreciated



the approach of CZSO staff to respondents, the improving trend of web pages and efforts to improve statistical products. Responses to these comments and questions were published on CZSO web pages at the end of August 2004.

Assessment by the participants also included the marking of CZSO relationship to reporting units. A 5-level classification was applied (1 = best, 5 = worst). Among those who used this opportunity, 21.5% assessed the relationship of the CZSO to respondents with "1", 51.5% with "2", and only 1.5% put down "5". The complete results of the survey were published on CZSO web pages.

The results of the respondent opinion survey were partly used for the preparation of surveys 2005. Some partial comments could be reflected in adjustments to questionnaires. A perhaps important reaction by the CZSO will be the sending out of CD-ROMs to an overwhelming majority of respondents in late 2004 and early 2005 containing all questionnaires of surveys taken by the CZSO in 2005, the Programme of Statistical Surveys 2005 and some methodological aids such as the classification PRODCOM. The CD-ROM also contains a survey with questions about what such a useful and well-arranged carrier sent out to all respondents every year should actually contain. Essential comments will be taken into account in solving the medium-term task of creating a more effective model of statistical surveys relying more on registers and other administrative data sources.

➤ **Methodological audits**

On 1 July 2003, the Czech Statistical Council recommended the implementation of a system of methodological audits of CZSO activities. The purpose of the methodology audits in individual statistical segments is to verify whether and to what extent international methodological standards and best practice are observed. Audits are carried out by groups of auditors where external experts in relevant statistical segments prevail.

The schedule of methodology audits of individual statistical segments in 2003-2007 which was submitted to the above-mentioned meeting of the Czech Statistical Council, is strictly observed in the CZSO. The Top Management Meeting of the CZSO in September 2003 formulated the first methodological audit of quarterly national accounts. The second audit, formulated by the Top Management Meeting in December 2003, took place in industrial statistics. The third audit, formulated by the Top Management Meeting in February 2004, was focused on construction statistics.

The first audit was primarily focused on working procedures that turn data collected (or taken over) into economic or branch indicators prior to the stage of their balancing, way of balancing indicators computed in the preceding stage and way of determining economic indicators of GDP by kind of activity and by expenditure category.

Tasks assigned after the final report was discussed: to organise a debate on prospects and development of national accounts, using findings contained in the final report and to take into account its conclusions in the preparation of the innovated method of compiling quarterly national accounts.

The purpose of the second audit was, inter alia, to consider the present system of compiling the industrial production index or, as the case may be, to propose corrective measures for improvements of individual steps.

Tasks assigned after the final report was discussed: to prepare draft measures to eliminate identified drawbacks in form of Information to the President and to use comments obtained for improvements of proposals for statistical surveys in the area of industrial statistics in 2005 and next years.

The third audit was focused on short-term and structural areas of examined problems, the Business Register, nomenclatures in the area of construction, subject matter, the picture of construction in the system of national accounts, harmony of methodological aspects with EU

provisions, and last but not least opinions of users broken down into the state sphere / private enterprise.

Tasks assigned after the final report was discussed: to prepare draft measures to eliminate identified drawbacks and to make easily available all international standards and methodological provisions relating to work of the CZSO which should at the same time allow their classification according to various criteria.

Methodological audit of annual national accounts, formulated by the Top Management Meeting in May 2004, was being completed at the end of 2004.

Concurrently, in compliance with the above-mentioned schedule, audits of quarterly surveys as frames of GDP quarterly estimates and annual structural surveys were being prepared and started at the turn of 2005.

➤ **System of analytical work – the 2004 best analysis survey**

System changes in analytical activity were made during 2003 in the context of enhancing the quality of information services of the CZSO. In parallel, feedback information was received from meetings (analytical-methodological seminars) with the main users of analyses. Among the main system changes were:

- Regular “small” macroanalyses were introduced on a quarterly basis, in addition to the representative macroanalysis covering preceding year; they are released only in electronic form immediately after quarterly GDP information is published.
- Brief branch and crosscutting quarterly analyses, presented only electronically, were introduced in a link to a relevant News Release or Press Release covering the last month of given quarter.
- Ad hoc studies found their way again into the Catalogue of Publications, focused on current subjects and subjects of methodological or theoretical nature.
- Subjects identified by the Press Section, Information Services, or arising from discussions on News Releases or Press Releases are dealt with by so-called short (thematic) analytical studies that provide an immediate response to a given subject.
- An internal survey on the best analysis of the year was organised at the end of 2004 (assessed was application of contextual information in space and time, explanation of development trends, etc.). Quarterly analysis of external trade prices was found to be the best, followed by analysis of external trade, and analysis of development of the consumer price index took the third place.


All the above changes contributed to higher openness and transparency of the CZSO, to significant enhancements of the scope and quality of analytical outputs.

➤ **Key strategic document Mission, Vision, Strategic Goals and Sub-goals of the CZSO**

In the area of application of TQM principles and in cooperation with the Federal Statistical Office of Germany, the project “Strategic Planning and Management of Statistical Activities” was in progress, which resulted in the adoption of a principal document “Mission, Vision, Strategic Goals and Sub-goals of the CZSO”.

Defining the mission of the CZSO and goal to be achieved – vision, the document Mission, Vision, Strategic Goals and Sub-goals is the key document of the CZSO. Its draft form took into account the form and contents of similar documents of foreign statistical offices, in particular of the Federal Republic of Germany, the United Kingdom of Great Britain and Northern Ireland, and the United States of America.

Six strategic goals broken down alphanumerically into 28 sub-goals make up a structured system of sentences of normative type (top of the pyramid of strategic goals). Their relevance



(in terms of fulfilling the vision, i. e. strategic goals) and measurability of fulfilment were chosen as criteria for inclusion in the list of strategic goals and sub-goals.

Each staff member of the CZSO became familiar with the document and could express their opinion about strategic goals and sub-goals, complete them or propose changes. This active cooperation across the CZSO resulted in adjusted material presented to the management of the CZSO which approved its final version at the beginning of June 2004.

Then, by the end of June 2004, departments of the CZSO prepared their own strategic goals to be in accordance with the main strategic goals of the CZSO (walls of the pyramid of strategic goals).

Strategic goals of the CZSO were broken down to the level of individual employees (base of the pyramid of strategic goals) during structured annual interviews with their immediate superiors. All employees of the CZSO could know all presented proposals for individual strategic goals, respond to them and thus have a share in the final version. In this way they could gradually identify with the strategic goals set. This is very important because a system of strategic planning is effective in the CZSO from 1 January 2005.

➤ **Selection of priority strategic sub-goals through a voting procedure**

Six most important sub-goals, hereinafter referred to as priority strategic sub-goals of the CZSO, were selected at the plenary Steering Committee Meeting for the SPMSA project in May 2004 from the submitted working version of the document "Mission, Vision, Strategic Goals and Sub-goals".


The selection of sub-goals was made by a formalised voting procedure in two rounds. In the first round, 19 sub-goals were chosen through ranking according to the importance. The second round, where points were assigned, produced the following six most important strategic sub-goals:

- Providing users with statistical information meeting quality criteria recommended by Eurostat, i.e. information which is relevant, accurate, prompt, timely, available, understandable, comparable, coherent and complete.
- Optimising burden on respondents through increasing use of sampling methods, data collection over the Internet, reduction of sets of statistical units, rotation of respondents. Evaluating burden on respondents and its tendencies in dependence on time by form of regular studies. Analysing legitimate complaints of respondents and using them to optimise burden on respondents.
- Using up-to-date methods of CZSO management.
- Innovating the statistical system.
- Raising the share of using administrative data sources.
- Using maximum benefits resulting from international cooperation and division of labour.

➤ **Self-assessment using the CAF method**

An analysis and assessment is usually made before a decision is taken about the programme of development and improving the quality of an organisation. The process of analysis and assessment of an organisation can be based on various methodologies and systems, self-assessment made by staff themselves is one of them. It is advisable to prepare a certain structure – framework – for self-assessment. Public administrations of 15 EU Member States and the European Commission prepared in cooperation The Common Assessment Framework (CAF) to be used in public administration, summarising best findings and experience of existing models, mainly of the EFQM (European Foundation for Quality Management) model and of a model created by the Public Administration Institute in Spayer (Germany).

Self-assessment according to selected criteria of the CAF model was made in the framework of the international project SPMSA. Chosen was the form of a two-day workshop which took place



in February 2004. The main purpose of the workshop was to identify areas of management where the participants perceived the most urgent need for changes (improvements). To this end was used a method of selecting three key areas offered by the CAF model and assessing them with 3/2/1 points given by each participant. Priorities were set both for the sub-criterion as a whole and for partial sub-areas of relevant sub-criteria.

As expected, the results unambiguously indicated the need to boost effectiveness of the CZSO by employing a model of process management and encouraged efforts of the management of the CZSO to define mission, vision and strategy of the organisation. Appropriately defined processes and clearly assigned powers and responsibilities will then make possible to optimise organisation structure. Process management is related to management of resources. In this area, the top priority was given to the ties of financial management with defined strategy and making this management transparent. Besides the process management, as a top priority area was indicated effective planning and allocation of the number of employees, their systematic training, improvements in communication, etc.

➤ **Management training**

In relation to activities connected with the project SPMSA, the following events of management training took place in 2003 and 2004:

- „The Art of Communication with the Media and Crisis Communication“ prepared by TV Praha, held twice in 2003
- „Leading a Team for Middle Management“ led by companies Psycho and Educo
- „Training in the EFQM Model“ led by company TrimCon, December 2004
- „Leading Teams for Middle Management“
- „Basics of Communication for Middle Management“

➤ **Project Quality in Statistics**

The pilot project „Quality in Statistics“ is part of the Phare Multi-Beneficiary Statistics programme in which the new EU Member States participate in the framework of efforts to improve the quality of statistics. The project has been running since October 2004 and should be completed in June 2005. As its title suggests, the project is focused on assessment of quality in statistics, i.e. description of the current situation in the context of relevant requirements and recommendations of the European Union, and on improvement of methods of measuring quality in statistics.

The basic outputs of the project for individual statistical surveys will be detailed self-assessments according to the questionnaire DESAP (Development of a Self Assessment Programme), prepared (updated) reports on quality including computation of prescribed indicators on quality (obligatorily on relevance, accuracy and comparability), and overview of indicators on quality that are used or being prepared both for individual surveys and for overall use. These materials and cooperation with a foreign consultant in the framework of the project should lead to conclusions to be applied in individual surveys and to suggestions of next activity.

The project will encompass “pilot” six statistical surveys from various areas of statistics: labour force sample survey, labour costs survey, survey in manufacturing (structural business statistics), retail trade survey (short-term statistics), innovations survey (science and research statistics), and waste survey (environmental statistics). Experience gained should be applied in other surveys after the end of the project.



8. International cooperation


The European Union

The accession of the Czech Republic to the European Union played an important role in the area of international cooperation. On 1 May 2004, the Czech statistical service became a full-fledged member of the European Statistical System (ESS) and the process of integration into all structures of the ESS was completed. The President of the CZSO became a regular member of the Statistical Programme Committee (SPC), body of the European Commission responsible both for debating legal standards in the area of EU statistics in the preparatory stage of the legislative process in the European Parliament and in the EU Council and for approving statistical legislation at the level of the European Commission. The Statistical Programme Committee, which had three sessions in 2004, deals also with strategic and programme matters of development of the European Statistical System. An important body of the Statistical Programme Committee responsible for the preparation of SPC sessions and for cooperation with the EU Council is the Partnership Group to which one representative of the new Member States was elected after the accession to the EU. The fact that the President of the CZSO was elected to this body is perceived as appreciation of our active approach to talks of the SPC and as recognition of the whole process of harmonising the Czech statistical service and the results of this process. Besides the SPC, the Czech Republic is a member of other seven committees of the European Commission in the area of statistics and regularly participates in their meetings. The CR also takes part in the Working Group for Statistics of the Council. All these activities enabled us to become actively involved in the work on comprehensive development of the European Statistical System and its individual statistics and preparation of new legal standards of the EU in the area of statistics. Representatives and experts from the CZSO participated in regular working groups at Eurostat and other events. Among the most important was the international conference „Quality and Methodology in Official Statistics“ which was organised in cooperation of Eurostat and the Federal Statistical Office of Germany and attended by about 500 delegates from 50 countries. Its opening plenary session was chaired by the President of the CZSO.

Participation in pilot projects of the Multi-Beneficiary Phare Programme and projects of the National Phare Programme was in important form of active participation in the process of further improvement of Czech statistics and implementation of new legislation. Participation in international conferences in the area of statistics and informatics, work meetings of the management of the CZSO with leading officials of several central statistical institutions of the EU Member States and work meetings and consultations at expert level in individual areas had the same aim.

In 2004, the European Commission gave great attention to availability of statistical data in the new Member States. The second stage of survey on availability of data of Czech statistics with respect to the needs of the EU within the project SMIS (Statistical Management Information System) took place in the first half of 2004. The results showed further improvement in providing data to Eurostat – problems are only in 8 sets of data from among 430, which represents a considerable improvement on 2003 in terms of quantity of data provided. This result corresponds with the very good state of harmonisation of the Czech statistical service which is now focused predominantly on enhancement of data quality and implementation of new legal standards of the EU in the area of statistics.

The same aim had also projects of the National Phare Programme (NPP) which were in progress in 2004. A follow-up national programme Transition Facility (TF) was launched for ten new EU Member States for 2004-2007. Three projects of NPP were being solved in 2004, aimed mainly at system changes within the CZSO with impacts on overall operation of the Office. The project “Strategic Planning and Management of Statistical Activities” in the framework of NPP 2002 made possible, in cooperation with the Federal Statistical Office of Germany, to suitably apply up-to-date methods of strategic and medium-term planning and management in the conditions of the CZSO (more information in Chapter 7). The “IT and Dissemination Strategy



– Study” was prepared as another project in the framework of NPP 2002. The project analysed the current situation in the areas of IT and statistical dissemination and resulted in a proposal of six basic projects that should be solved during further development of the statistical information system.

The project Strengthening Capacity of the CZSO in the framework of NPP 2003 is a follow-up to the above project. It encompasses both supply of computer technology and technical assistance in the streamlining of internal activities of the CZSO. The first stage included supply of new technology (hardware and software) as replacement for part of computer technology that was destroyed in the floods in August 2002. The second stage of the project is aimed at the implementation of technology for the Document Management System. The purpose of these activities is to streamline selected processes under way in the CZSO with the help of suitable IT products. The first stage of the project was successfully finished in autumn 2004, the completion of the second stage is expected in the 3rd quarter of 2005.

Work on preparation of the national programme Transition Facility began in 2004. Based on submitted proposals, the European Commission approved a project Improvement of Household Surveys, the goal of which is to propose and implement a standard organisation of surveys and standardise technology in the implementation of statistical surveys among households. The implementation of the project is scheduled for 2005.


In 2004, the CZSO was included in the Multi-Beneficiary (MB) Phare Programme „Technical Assistance within the Multi-Beneficiary Programme for Statistics“ which – in contrast to the National Programme – uses above all synergetic effect arising from cooperation of all participants in this programme from the new Member States and is implemented by form of grants to national statistical institutions. In June, grant MB Phare 2001 was finished, its audit carried out and the final report approved by Eurostat. On the basis of application and negotiations, contract on grant MB Phare 2002 was signed in October; similarly, on the basis of application, contract on grant MB Phare 2003 was signed in December. Grants of MB Phare cover the following three basic areas:

- Technical support (participation in meetings of Eurostat and other actions designed for the Phare countries including training and secondment abroad)
- Projects of data collection (MB Phare 2001 – 5 projects common to all Phare countries, MB Phare 2002 – 3 common projects and 5 national ones, MB Phare 2003 – CZSO participates in 17 common projects out of 20)
- Provision of expertise for specific statistical areas in form of study visits to EU Member States, EFTA countries and international organisations, or consultations of these experts in the Czech Republic.

Beyond the Phare Programme, the CZSO won several grants that are allocated to EU Member States to create conditions necessary for starting new surveys or for implementing new system measures. In 2004, these were Business and Consumer Surveys, Short Term Statistics, Implementation of Efficient User Support in the Context of Free Dissemination of Eurostat Databases and Publications, Urban Audit II Historical Data, Data Collection on ICT Use and E-commerce in Enterprises.

International organisations

Till the end of 2004, the Czech Republic was a member of the UN Statistical Commission, principal institution issuing statistical standards worldwide and coordinating statistical activities of other international government organisations with wide international field of activity (ILO, FAO, UNESCO, OECD, IMF, World Bank, UN Regional Commission, etc.). Representatives of the CZSO became actively involved in discussions of the UN Statistical Commission, UNESCO Institute for Statistics, ISI, etc. In 2004, CZSO experts participated in 9 sessions of bodies of the Conference of European Statisticians (CES). The President of the CZSO significantly contri-



buted to the organisation of CES seminar on problems of independence and integrity of official statistics. Other representatives of the CZSO got involved in work of expert groups (statistical metadata, revisions of economic classifications, statistical information system, geographical information system, energy statistics, national accounts, health statistics, population and housing census, generation and gender programme).

The "OECD Statistical Committee" was set up within the framework of the OECD in 2004. The first session of the Committee was held in 2004 and elected the Bureau. Representatives of national statistical institutions of Canada (Chairman of the Bureau), Sweden, New Zealand, Switzerland, France, Great Britain, the Czech Republic, the European Commission, the United States and Japan will be its members in next two years. The CZSO President's membership is a sign of recognition for the Czech statistical service and its active involvement in statistical activities of the OECD. In the framework of OECD activities, 20 experts from the CZSO participated in working groups devoted to national accounts, financial statistics, statistical data exchange, indicators on information society, trade and services, science and technology, tourism, etc. The most important international event of the OECD in 2004 was forum "Statistics, Knowledge and Policy" held in Palermo in November and attended by over 540 delegates from 43 countries representing all groups of society. Participants from the Czech Republic including representatives of the CZSO belonged to more than 150 contributors, discussants and chairpersons of sections. Subjects under discussion – transparency of public policies, ability of people to understand characteristics on development of economy and society, role of the media in improving this knowledge among citizens – opened the way to exchange of opinions and suggestions that modern societies can use in their striving for development of high quality statistics.


Bilateral cooperation

Cooperation with statistical institutions of other countries continued. Consultations with foreign experts were focused exclusively on statistical work. They took place in the framework of various projects of the Phare Programme and other EU projects in which we are becoming involved as full-fledged partners. Also seminars organised by some of the EU Member States contributed to enrichment of existing findings, exchange of opinions, identification of problems and finding ways of solving them.

Cooperation with the Statistical Office of the Slovak Republic traditionally embraces many statistical areas. In 2004, it focused on the preparation of EU-SILC and other areas of social statistics (coordination of work on wage statistics, income structural surveys, household budgets), demography (migration, the next population and housing census), external trade statistics and Intrastat, tourism, questions of METIS, short-term industrial statistics, calculation of the IPI, statistics of construction, housing construction and building permits, surveys in the field, compilation of quarterly and annual consolidated financial accounts, statistical survey in non-profit organisations and compilation of their satellite account, macroeconomic analyses and business cycle analyses, regional activities of regional offices of both the CZSO and the Statistical Office of the Slovak Republic. Meetings of both the Presidents of both statistical offices are held regularly and aimed at solutions to system approaches and at selected areas of statistics.

Cooperation with the Federal Statistical Office of Germany (FSO) was a continuation of many years of cooperation in the past – particularly in the project Cross-border Friendship Database, changes in external trade statistics in the context of implementation of Intrastat, business statistics and tourism statistics. In November 2004, programming missions for planning activities in the framework of MB Phare 2002 and 2003 took place, as well as official visit of Mr Hahlen, President of the Federal Statistical Office of Germany, which was a follow-up to the visit of the President of the CZSO to Germany in spring 2004. In Prague was discussed future bilateral cooperation and agreed was a common project of migration statistics and involvement of the CZSO in assistance activities of the FSO.

Cooperation with France was focused more on participation of our experts in various seminars and courses organised by INSEE (SILC, classifications, use of administrative sources for



statistical purposes, Prodcum, employment statistics and labour market). Seminars on legislative procedures in the EU and methods of seasonal adjustment were held in Prague. Bilateral cooperation went on mainly in external trade statistics and Intrastat, price statistics, addressed were problems of links between business statistics and national accounts.

Another important partner in 2004 was Portugal, the main subjects were related to methodological problems of Intrastat, registers and statistical units, short-term statistics, use of GIS and mathematical and statistical methods for regional analyses, databases and publications, system of regional databases, compilation of quarterly estimates of GDP. The CZSO also cooperated with Spain (TQM) and Norway (multi-year project "Technical assistance in the implementation of methodology and software SNA-NT for production of I/O tables at current and constant prices").

In the framework of international cooperation, the CZSO became more involved in providing technical assistance in the area of statistics to other countries in 2004. There were three consultations in Prague given to experts from Bulgaria which covered: information technologies – development and improvement of an IT system, regional statistics and financial accounts. Opening discussions concerning assistance to the Turkish statistical service in the framework of a project coordinated by the ICON Institute took place in November. Together with representatives of international organisations and European statistical institutions, a representative of the CZSO took part in a conference organised by the Ministry of Foreign Affairs of Norway in the framework of assistance provided to Moldova in statistical transformation.

CZSO staff of 432 went abroad in 2004 to participate in 313 professional events. The CZSO was visited by 137 foreign experts, e.g. from Eurostat (12), Slovakia (27), France (7), Germany (36), as members of 50 delegations.

The most important visits and events

The conference "Statistics – Investment in the Future" organised under the auspices of Václav Klaus, President of the CR, in cooperation with the Czech National Bank and the University of Economics (see Chapter 5) was the most important international undertaking of the CZSO in 2004.

Further, the following events took place in the new CZSO building:


- Meeting of Eurostat Expert Group devoted to e-business, attended by 12 foreign guests from 9 countries
- In-country training course given by experts from the Statistical Office of Italy in Data Quality Measurement in the framework of MB Phare 2001
- Opening session to pilot project Phare 2002 – Health Care Statistics, 21 foreign participants from 10 countries
- International seminar of INSEE France on Seasonal Adjustment Method, 29 foreign participants

Participation of the CZSO in important events:

35th session of the UN Statistical Commission in New York
52nd, 53rd and 54th sessions of the Statistical Programme Committee in Luxembourg
Official visit of the President of the CZSO to the Federal Statistical Office of Germany
52nd session of the Conference of European Statisticians in Paris
90th session of DGINS in Paris
World Forum of the OECD in Palermo

Important working visits received in the CZSO:

- The President of the Federal Statistical Office of Germany to discuss new common projects and areas of bilateral cooperation

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- The President of the Statistical Office of the Slovak Republic to debate SILC and human resources management
 - The Vice-President of the Statistical Office of Vietnam to consult (i) practical aspects of statistical transition and institutional reforms, (ii) so-called system of national indices (statistical synthesis), and (iii) the Programme of Statistical Surveys
 - The Vice-President of the Institute of Statistics of Turkey with a representative of the ICON Institute to discuss assistance to the Turkish statistical service in the framework of a project coordinated by the ICON Institute
 - Several discussions of representatives of the Federal Statistical Office of Germany on the project "Strategic Planning and Management of Statistical Activities" (Twinning) headed by the Vice-President of the Federal Statistical Office of Germany
 - Mission of representatives of INSEE France devoted to bilateral cooperation between the CZSO and INSEE
 - Mission of representatives of the Federal Statistical Office of Germany to debate bilateral cooperation and to present experience in using EU grants



9. Providing of statistical information and services

Since March 2004, information services have been provided in the new CZSO building. Supply of services was renewed in its full scope as before the floods, some products and services offered are new.

A 2004 novelty is the use of a new system of registration of information services – a new program allows registering all orders and telephone calls and analysing them from various points of view – for example by statistical area, kind of customer, time of handling the matter, etc. The system is linked with the registration of subscribers to publications, invoicing and cash desk. Its use should also optimise the printing of required copies of publications.


Total sales of services including sale of publications, classifications, nomenclatures and electronic outputs from databases reached nearly CZK 7 million in 2004 which was by half a million less than in 2003; obvious reason for the fall is the constantly expanding supply of outputs available free on CZSO web pages. These pages are used by increasing numbers of users – over half a million in 2003 and nearly three-quarters of a million in 2004 who saw the main page 1.8 million times. To a certain extent, the falling sale of publications and other standard outputs tends to be offset by increasing size of more demanding non-standard orders. More than half (56%) the sales were made up of sale of and extracts from the Business Register and the Census District Register, followed by non-standard outputs which in a certain measure compensate for the decreasing sale of publications – they are more and more demanded by users.

In 2004, the Information Services Section registered more than 15 thousand **orders and inquiries**. Electronic Outputs Section roughly 6 thousand orders and inquiries. According to an estimate, some 20% of inquiries by phone were answered unregistered due to little time for backward reconstruction and making records. In total, 60% of all orders received by the Information Service Section were settled the same day (nearly all phone inquiries and large part of e-mailed ones), 7% by the following day, and 13% of orders took two to eight days. The Electronic Outputs Section settled most of 6 thousand orders received within three days. All were prepared and answered by staff of the Section.

Most inquiries applied to the areas of consumer prices (13.3%), external trade (9.3%) and labour and wages (8.7%).

Staff in charge of the **cash desk and invoicing** made out 3.6 thousand payment documents, of which 2.2 thousand were invoices, 135 postal money orders and 1.2 thousand bills of cash payments. The publications shop sold products of the CZSO to 1047 users, consignment sale of publications was used by 240 customers (sale of these publications is not included in the above figures). In total, 6.8 thousand subscribed printed publications were distributed, 2.3 thousand electronic products, of which 2 thousand electronic publications. In addition, our customers were provided with roughly 2 thousand publications via SCP boxes. We registered 800 subscribers to publications, 40 customers using SCP boxes, 160 subscribers to the Business Register, of which 50 customers received monthly updates. Other electronic products (extracts from databases of subject matter departments, particularly from the population and housing census) were demanded by 50 customers. An integral part of the distribution of electronic outputs was contracting. In total, 120 contracts are in effect today, of which about 30 were signed during 2004.

The number of regularly brought out **publications** is stabilised in the long term. The year 2004 saw a high increase in the number of non-scheduled publications not included in the Catalogue of Publications – more than 70. Gratifying is the fact that the share of bilingual outputs (Czech-English) grew and nearly all outputs were available in electronic form in a user-friendly format – all these publications are available unabridged on CZSO web pages.



Besides publications, we embarked on extensive preparation of outputs targeted at the **“lay public”**. The CZSO produced a number of leaflets (e.g. headquarters put out leaflets on tourism, Regional Offices prospectuses on inflation and folders with key indicators on their regions). Regional Offices organised presentations on the occasion of publishing some of the publications.

Demand for **CZSO web pages** is constantly on the decrease (see above). Supply of information has been improving in terms of volume and quality – for example a new section is available with interesting information on history and statistics in the areas of demography, the environment and agriculture. A new feature is “A Figure for you” presenting regularly a piece of topical numerical information. Also the catalogue of the Central Statistical Library is now available on the Internet.

Providing of data to **international organisations** and providing of data with international comparisons to the public substantially grew in the context of accession of the CR to the EU. The number of chapters or tables with international comparisons in many publications increased. Further, CZSO presentation on the Internet was enlarged by section “International comparisons”. In the framework of cooperation with international organisations and in cooperation with subject matter departments, 165 questionnaires were prepared.

Quite a new activity is the providing of **European data**. In 2004, Eurostat changed its approach to providing statistical information, abandoned the practice of fully paid services and adopted a policy closer to our practice: to provide as much data as possible free on the Internet. The CZSO won a EU grant for dissemination of European data. Extensive preparatory work was necessary to get the project going. Databases and publications of Eurostat have been free available to the public since 1 October 2004. A centre for support of users of European data was created in Eurostat. National centres were established in national statistical institutions of most of the EU Member States that closely cooperate with the European centre and with one another. Thanks to the grant, European Statistical Data Support (ESDS) was founded at the CZSO, intended mainly for users from the Czech Republic and Slovak Republic. During the first three months of its operation, this service prepared answers to 142 inquiries, of which nearly 90% were answered within 24 hours.

The CZSO offers information services also in all twelve Regional Offices that are located outside Prague. These services provided in total 22.2 thousand pieces of information to clients in 2004. Sale of publications, products and other services reached CZK 1.2 million.

Regional Offices settled nearly 85% of inquiries and requests the same day. Extracts from the Business Register made up the biggest share. The second most demanded area was price statistics. In a simplified way, the Business Register including organisation statistics and price statistics constitute the “backbone” of information services in the regions.

Among important clients of information services in Regional Offices were authorities of central government and particularly self-governments. Staff of Regional Offices regularly sent topical statistical information to heads and directors at regional authorities. Staff prepared information materials for meetings of regional councils, cooperated with regional agencies for development, with local authorities, authorised municipal offices, etc. All these institutions were provided not only with standard information, but also with customised data.

Each Regional Office has an own part in the Internet presentation and takes care of its regular updates. Regional web pages were converted into the system of Lotus Notes in 2004 which raised the comfort of users who can find key information at the same place in all regions. Graphical design of pages was standardised simultaneously.

After nearly two years of interruption, operation of the **Central Statistical Library** for the public resumed on 1 May 2004.



By the end of 2004, relations with 135 foreign partners for the purpose of publications exchange had been established. On 31 December 2004, 15 863 processed and stored items made up the library stock in total value (partly estimated) CZK 5 757 479. On the same day, 473 users were registered; they visited the library 1 382 times and borrowed in total 7 229 publications, predominantly for the purpose of on-the-spot study.

Considerable progress was achieved in the use of electronic registration and on-line public access catalogue. Book displays were regularly organised and new acquisitions to the library stock announced.

Printing of publications and other outputs is one of the preconditions for development of information services. Besides contents, of importance is the visual aspect of publications, possibility to include colour graphs and cartograms etc., as well as publishing on time and operability in printing to order. Between 1 January 2004 and 31 December 2004, 3.4 million black and white sheets A4 and 219 thousand colour sheets A4 were internally prepared and printed in the CZSO, nearly 108 thousand brochures were produced. In comparison to 2003, these figures represent a growth of volume by one-third in black and white printing and by two-thirds in colour printing. The production of such a volume of printed materials was possible with new technology purchased for the areas of black and white digital printing and book production. Equipment for colour printing was able to cope with work during large part of the year, but was not sufficiently quick in the critical period (December 2004) and delayed production. That is why some colour printing had to be contracted out.

Publications prepared by DTP are also published in format PDF on CD and presented (in full scope or parts) on CZSO web pages.

With the aim to improve the quality and scope of information provided electronically, a **user satisfaction survey** was taken (see Chapter 7).

10. Information provided under Act No 106/1999 Coll.

Information provided under Act No 106/1999 Coll., on free access to information, in 2004

Information provided under Act No 106/1999 Coll. is defined by internal directive.

A) Information provided in 2004 on request

In response to one written request, CZSO headquarters provided information regarding the number of CZSO employees, of which handicapped persons, including other related information. One decision was rendered about compliance with a request as a result of judicial proceedings (legal action taken in 2002). All information was provided free of charge.

	CZSO headquarters	CZSO Regional Offices
Number of written requests for information	2	0
Number of appeals filed against decisions	0	0
Copies of substantial parts of each court judgement	see Annex	x
Results of proceedings on sanctions for violation of Act No 106/1999 Coll., without any individual data	x	x
Other information related to the application of Act No 106/1999 Coll.	x	x

B) Information provided by publishing

The following information was made available on public notice boards in headquarters and in Regional Offices and on CZSO web pages:

- 1) Full official name of the CZSO
- 2) The reason and way of establishment of the CZSO incl. conditions and principles of its operation
- 3) Description of organisation structure
- 4) Contact postal address
- 5) Bank account number
- 6) Identification number (IČO)
- 7) Approved and adjusted budget, budgetary income and expenditures in preceding year
- 8) Contact addresses and connections to information services in headquarters and Regional Offices
- 9) Prices of provided information

Jana Bondyová
Director

CZECH REPUBLIC

JUDGEMENT IN THE NAME OF THE CZECH REPUBLIC

The senate of the Supreme Administrative Court represented by Chairman Bohuslav Hnízdil and Judges Brigita Chrástilová and Václav Novotný decided the case of **plaintiff Tomáš Pecina against defendant Czech Statistical Office** against defendant's decision of 27 December 2001, Ref. No 1878/2001-1000,

as follows:

- I. Decision of defendant Ref. No 1878/2001-1000 of 27 December 2001 is cancelled and the case returns to further hearing and decision.
- II. Defendant must reimburse to the plaintiff the costs of judicial proceedings totalling CZK 3000 within three days of this judgement comes into force.

Justification:


By his filing of 30 November 2001, the plaintiff requested from defendant the text of administrative action taken by the Czech Statistical Office in the Municipal Court of Prague aimed at cancelling a decision of the Office for Individual Data Protection concerning population and housing census.

In response to this request, defendant sent to the plaintiff a copy of the relevant legal action on 4 December 2001 under Ref. No IP 3210/9-106/2001, from which Article VII was removed containing an objection of prejudice including individual data on the person concerned. The refusal to provide these data was justified by the reference to § 2(3) of Act No 106/1999 Coll. in connection with Act No 101/2000 Coll., on individual data protection.

The plaintiff lodged a legal remedy according to § 16(5) of Act No 106/1999 against this decision in scope to which his original request was not complied with.

Decision about the legal remedy was taken by the President of the Czech Statistical Office on 27 December 2001 under Ref. No 1878/2001-1000. She dismissed the legal remedy and approved the contested decision, using justification that the contents of Article VII of the motion for legal action by the Czech Statistical Office against the Office for Individual Data Protection is not information under Act No 106/1999 Coll., but an attitude (judicial opinion) of the Czech Statistical Office. According to defendant, the whole Article VII contains both specific data and other data identifying a certain person.

The plaintiff took a timely action against this decision in which he objects the impossibility to review the contested decision because the underlying legislative provision that led to the decision was not mentioned. Further, the plaintiff objects unlawfulness of the decision relying on the fact that the removal of the whole Article VII of administrative action in size of approx. one page of duplicate due to individual data protection is inadequate.



In his message of 8 April 2002, defendant points out that Article VII of administrative action was removed in compliance with § 2(3) of Act 106/1999 Coll. and, further, that Article VII of administrative action contains only judicial opinion of the Czech Statistical Office and does not contain any information relating to terms of reference of the Czech Statistical Office. Defendant also refers to Instruction No M-1827/99 of the Ministry of Justice of 21 December 1999 which rules out the provision of judicial opinions under Act No 106/1999 Coll.

Since the matter was not heard and decided up to 31 December 2002, the case came under the Supreme Administrative Court as from 1 January 2003 according to § 132 of Act No 150/2002 Coll., on judicial administrative rules. The proceedings will be completed according to provisions on actions proceedings against decisions of administrative authorities in compliance with § 130(1) of judicial administrative rules.

The plaintiff acts as litigant in person, after he withdrew the power of attorney from his counsel through a filing arrived in the Supreme Administrative Court on 7 March 2003.


Having found the conditions of the proceedings fulfilled, the Supreme Administrative Court proceeded to the objective review of action.

As to the first plaintiff's objection, i.e. impossibility to review the contested administrative decision because the underlying legislative provision that led to the decision was not sufficiently mentioned, the Supreme Administrative Court found this objection justified and reversed the decision for the following reasons:

Decisions about refusal (partial refusal) to provide information under Act No 106/1999 Coll. are regulated by Act No 71/1967 Coll., on administrative rules. Provisions of § 47 define the essentials of administrative decisions. According to paragraph 2, administrative authority has the duty to mention the underlying legislative provision that led to the decision. However, the contested administrative decision contains any legislative provision neither in the statement nor in justification. Justification of the contested decision does not inform about what factual and legal reasons made the state authority decide that way. As a result, the decision is impossible to review due to the lack of reasons in the sense of § 76(1)(a) of judicial administrative rules and was reversed by the Supreme Administrative Court without hearing, according to § 76(1) of judicial administrative rules.

For the purpose of next proceedings, the Supreme Administrative Court deem necessary to point out that (i) internal Instruction No M-1827/99 of the Ministry of Justice of 21 December 1999, referred to by defendant, only applies to terms of reference of the Ministry of Justice, which is not the case of the Czech Statistical Office, (ii) already existing official output of a compulsory subject (e.g. in form of proposal or decision) cannot be considered as "judicial opinion" in the sense of § 1(2) of the above instruction, and (iii) restriction on the provision of judicial opinions only applies to requests for their preparation (which is practical particularly in case of the Ministry of Justice).

As to the scope to which the provision of individual data can be refused, the opinion of the Supreme Administrative Court is that individual data receive sufficient protection already by making them unreadable in the authentic text and, therefore, it is not possible to refuse to provide a whole integral part of text containing individual data.



The Supreme Administrative Court decided about reimbursement of the costs of the proceedings in compliance with § 60(1) of judicial administrative rules because the plaintiff attained a complete success in the matter. The Supreme Administrative Court recognised the plaintiff's claim on CZK 1000 (court fee) and CZK 2000 as the cost of counselling (before the power of attorney was withdrawn from his counsel) according to § 9(3), § 7 and § 11(1)(a, d) of Decree No 177/1996 Coll. of the Ministry of Justice, on fees of counsels (two acts for CZK 1000 each).

Note: This decision is **without** legal remedy.

In Brno, 14 January 2004

For the correctness:
Eva Zemanová

Bohuslav HNÍZDIL
Chairman of the Senate

11. Financial data

Income

Thousand CZK	Actual				Index 2004/2003
	2001	2002	2003	2004	
Income from self-activity	9 404	8 016	10 587	9 034	0.85
Sales of non-capital goods	724	1 134	1 191	1 280	1.07
Sales of capital goods	31	214	96	252	2.63
Phare and other funds received	2 485	13 619	22 759	27 153	1.19
Income total	12 644	22 983	34 633	37 719	1.09

Income from self-activity amounting to CZK 9 034 000, which was by CZK 1 553 000 less than in 2003 and by CZK 4 290 000 more than the budgeted level, was the main source of income of the CZSO. The free availability of information on CZSO web pages is increasing which reduces the sale of publications, classifications and nomenclatures in the long term. Income reached by the Information Services in 2004 was favourably affected by sales of nomenclature ČOJB-D (house numbers), the Business Register and classifications and nomenclatures. All CZSO Regional Offices brought out regional yearbooks, publications on commuting based on data from the Population and Housing Census 2001, publications Administrative Territories of Municipalities with Extended Powers and other publications according to the Catalogue of Publications. The lending service of the Central Statistical Library was being re-established in the course of the year and, therefore, services of the library were not invoiced.

The higher total income thus resulted from higher income than the approved budgeted level by CZK 5 566 000, transfer of CZK 20 210 000 from own reserve fund and transfer of CZK 6 943 000 from Phare.

All income of the CZSO was transferred to the state budget.

Current expenditures

Thousand CZK	Actual				Index 2004/2003
	2001	2002	2003	2004	
Czech Statistical Office (§ 6141)	644 846	778 727	790 149	861 538	1.09
Population and Housing Census	1 169 607	106 595	31 833		
Parliamentary election	420	63 845	49 326	17 294	0.35
Council elections	875	76 118	3 869	62 950	16.27
European Parliament election				63 521	
Other	61	17	22	20	0.91
Current expenditures total	1 815 809	1 025 302	875 199	1 005 323	1.15
Salaries and other remuneration for work	1 210 932	501 382	484 734	502 914	1.04
Number of employees (public service)	3 070	2 064	1 896	1 869	0.99
Average salary (public service)	15 426	18 672	19 785	20 630	1.04

Capital expenditures

Thousand CZK	Actual				Index 2004/2003
	2001	2002	2003	2004	
Building of the CZSO Information System	160 489	28 753	9 844		
Reconstruction and completion of CZSO headquarters	41 279				
Renovation of buildings, replacement and refurbishing of machinery and facilities	36 503	60 376	1 361		
Programme 345 010 total	238 271	89 129	11 205		
Acquisition, replacement and operation of ICT			13 551	87 959	6.49
Acquisition, replacement and refurbishing of passenger cars and utility vehicles			3 254	573	0.18
Development and replacement of material and technical basis of CZSO in Prague			339 532	341 028	1.00
Development and replacement of material and technical basis of CZSO in regions		942	3 003	13 221	4.40
Programme 245 010 total		942	359 340	442 781	1.23
Fund of cultural and social needs – reconstruction of sanitary installations in the <i>Lipno</i> recreational facility	500				
Fund of cultural and social needs – construction of a sewer connection in the <i>Lipno</i> recreational facility			266		
Fund of cultural and social needs total	500		266		
Capital expenditures – reserve fund			7 122	1 941	0.27
Capital expenditures total	238 771	90 071	377 933	444 722	1.18
Expenditures of CZSO total	2 054 580	1 115 373	1 253 132	1 450 045	1.16

Current expenditures in 2004 under § 6141 (routine activity of the CZSO) were by CZK 71 389 000 higher than in 2003.

Material expenses under § 6141 grew by CZK 30 104 000, compared to 2003, and were affected by expenditures on transfer of all staff of the CZSO to the new building in Prague-Skalka and on equipment and getting the building running.

Capital expenditures in 2004 were by CZK 66 789 000 higher than in 2003. Drawing on capital expenditures includes also the second instalment of the cost of the new CZSO building in Prague-Skalka amounting to CZK 339 532 000.

Expenditures related to elections to the Parliament of the CR, local and regional councils and the European Parliament are affected by the frequency of holding individual elections. The costs in 2004 were by CZK 90 570 000 higher than in 2003.

With effect from 1 January 2004, salaries of employees are governed by a 16-class system. The average salary in 2004 was CZK 20 630, i.e. by CZK 845 more than in 2003.

The CZSO average full-time equivalent was 1896 employees in 2004, the limit of all employees was fixed at 1878. The difference between the planned and actual number of employees was principally affected by gradual intentional reduction of employment throughout 2004, which enabled us to meet the prescribed restriction on jobs as at 1 January 2005 without the necessity of making employees redundant only at the end of 2004.

Expenditures on salaries including other remuneration for work stood at CZK 502 914 000 in 2004 and encompassed the current budget, funds for elections, financing of Phare projects, funds for non-recurrent survey on costs of raising children, processing of report Nem-Úr and preparation of the Conception of Integration of Aliens in the CR. Compared to 2003, expenditures on salaries and other remuneration for work were by CZK 18 661 000 higher. This increase was particularly affected by the introduction of the 16-class system of salaries and by the need of funds for the processing and presentation of election results.


The average age of employees in 2004 was 46.4. Like in 2003, the number of young employees up to 30 years grew and their proportion in total employment reached 14.4%. Proportion of the age group 31-40 slightly dropped by 0.7%, yet employees up to the age of 40 accounted for 31.3% of total employment which was by 0.6% more than in 2003. Among CZSO employees still prevail those aged 41-60 who make up 63.1% of the total. The age group of employees over 61 recorded a growth of 0.7% against 2003, which reflects the fact that, although the retirement age increases, eligibility for old-age pension is not a reason for the termination of employment.

The qualification structure of employees of the CZSO is not changing significantly. Although the proportion of university graduates slightly grows and reached 38.1% in 2004, the proportion of employees with full secondary and higher professional education still make up over half of total CZSO employment (54.2%). This structure corresponds to work done in Regional Offices where more than 50% of all CZSO staff are employed.

Employees of the CZSO by educational attainment

Year	Educational attainment		
	Basic education	Secondary technical, secondary general, higher professional education	University
1998	16.0	52.8	31.2
1999	15.1	53.1	31.8
2000	14.1	54.6	31.3
2001	12.7	55.8	31.5
2002	9.6	55.7	34.7
2003	7.8	55.2	37.0
2004	7.7	54.2	38.1

In 2004, after the CZSO moved to the new building, training of employees developed considerably, in terms of both quantity and quality. Besides ordinary forms of training, 4 professional statistical courses were given by outstanding foreign lecturers, of which one course had international attendance. E-learning was widely used for training of all employees of the CZSO



(occupational safety and health, fire protection, environmental minimum, etc.). In terms of contents, training was focused on fulfilling tasks ensuing from resolutions of the Government, on professional courses in statistics, computer technology and foreign languages, and training which the CZSO is bound to provide under the law. The volume of training was considerably above 6000 person-days which represented roughly 3.25 training days per employee on average. Funds for training stood at 1.58% of total labour costs. In 2004, 32 employees of the CZSO took part in courses and seminars abroad and 11 employees were sent to long-term (5 months') secondment.

12. Key indicators on the CR

Key indicators on the Czech Republic 2004

Area	78 866	km ²
Population (1 January 2004)	10 211 455	persons
Females	5 236 715	persons
Population density per 1 km ² (1 January 2004)	129	persons
Average age (1 January 2004)	39.5	years
Life expectancy (2003)		
Males	72.0	years
Females	78.5	years
Natural increase per 1 000 population (2003)	-1.7	‰
Average number of workers in the national economy (estimate)	4 817.0	thous. persons
Average gross monthly wage of employees in the national economy	18 035	CZK
Real wage index in the national economy	3.7	%
Inflation rate	2.8	%
Registered unemployment rate (31 December 2004)	9.47	%
Gross domestic product (GDP)	2 751 075	million CZK, current prices
Share of the private sector in GDP by kind of activity	79.4	%
Gross national income	2 611 539	million CZK, current prices
Exchange rate CZK/EUR	31.904	CZK
GDP according to exchange rate CZK/EUR	86 230	million EUR
Exchange rate CZK/USD	25.701	CZK
GDP according to exchange rate CZK/USD	107 042	million USD
HDP per capita		
Current prices	269 530	CZK
According to exchange rate CZK/EUR	8 448	EUR
According to exchange rate CZK/USD	10 487	USD



13. Contacts

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Office of President of the CZSO

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Basic information on development of economic indicators on the CR (inflation rate, GDP, wages, unemployment, most important demographic data)

Publications Shop, Cash desk

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Central Statistical Library

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