

## **CHARACTERISTICS OF THE REGION**

### **Administrative breakdown**

Prague is a statutory town. The Capital City of Prague is separately administered by the Prague City Assembly. Prague is divided into 22 administrative districts for the execution of the state administration. From the point of view of self-government it consists of 57 city sections with own elected bodies.

### **Spatial development**

Prague Castle was founded in the second half of the 9th century; independent settlements developed under its protection in the surrounding area. These settlements grew to constitute independent towns of Prague: Staré Město (the Old Town), Nové Město (the New Town), Malá Strana (the Lesser or Little Quarter), and Hradčany (the "Castle District"). The four still independent towns were joined into the town of Prague in 1784. Other four towns were attached in 1850, 1883, 1884, and 1901 (Josefov, Vyšehrad, Holešovice-Bubny, and Libeň, respectively). The Act of 6 February 1920 established the Great Prague (other 39 nearby municipalities were joined). Further territorial growth gradually took place in 1960, 1968 (attachment of 21 municipalities of the Středočeský Region), and 1970. The last spatial growth of Prague was carried out in 1974 (30 municipalities of the Středočeský Region were attached).

### **Population**

Prague's population (recalculated for the current territory) increased 4.7 times from the first census (in 1869, the population of 270 389) to the 2011 Census (the population of 1 268 796). Since 2011, Prague's population was increasing every year (except for 2013). As at 31 December 2020, the population of Prague was 1 335 084. Now, Prague's population is growing thanks to both – natural change of population and migration. However, from 1993, there was a decrease in its population every year (due to both low immigration and a negative natural population change). This stopped in 2002, when the population started to grow again thanks to higher migration. In 2006, it was for the first time after 1975 when the number of births was higher than the number of deaths and since then Prague has been reporting a positive natural population change.

A high migration volume is characteristic for the migration situation in Prague. It is mainly caused by frequent labour mobility of foreign nationals with persons in productive age prevailing among them. The highest migrational increase in Prague was reported in 2007, when the migration inflow was 19.2 persons per 1 000 population. Since 2007, it has been gradually decreasing. In 2020, Prague's migration gain was 7.3 persons per 1 000 mid-year population.

The age structure of the population is changing. Children have a 16% proportion, people in productive age make 65%, and people aged 65+ make 19% of the population. A higher number of people aged 65+ than children was first recorded already in 1995. Both females and males live to the longest age there of all Regions. In 2020, the female life expectancy at birth was 82.86 years and the male one was 78.16 years.

### **Economy**

Prague makes constantly about a quarter of the national gross domestic product (GDP). The value of GDP for Prague in 2019 was by 5.9% higher compared to 2018. In 2019, the gross domestic product per capita reached CZK 1 190 611. This is 2.2 times higher than the value for the Czech Republic (CR). A higher level of GDP formation is typical for metropolises. It is influenced by many factors as follows: a lot of workers not living in Prague work in Prague and thus generate value added there, businesses have their seats located and registered in Prague, subsidiaries of multinational companies are located there, central bodies of the public and private sectors are concentrated in the capital. However, Prague exceeds the national average much less as for the net disposable income of households, which is the amount that a household can use for savings or consumption (it is by 35.9% higher than the Czech Republic's average per capita).

Prague is an economy oriented on services. Services have been making over 80% of the value added in Prague already since 2000. In 2019, it was 84.78% of the value added in Prague (the figure for the Czech Republic is 63%). Most of employed persons are working in the service sector as well (83.2% of the employed in Prague in 2020).

### **Construction**

In 2009, construction was affected by a crisis. The value of construction work according to delivery contracts in Prague was gradually decreasing from 2010 and it wasn't until 2014 when an upturn

occurred and the value began to grow again. In 2020, construction work with the value of CZK 64.5 billion was realised in Prague.

The number of dwellings started decreased, year-on-year, the most already in 2010 due to the economic crisis (it was by 50%). The number of dwellings completed decreased the most in the subsequent year 2011 (by 43%). The upturn came in 2015. Since then, the number of dwellings started ranges from 2.7 thousand to 6.5 thousand dwellings per year and the number of dwellings completed varies from 5.2 thousand to 6.1 thousand dwellings per year. In 2020, the total of 4 335 dwellings were started and 5 449 dwellings were completed in Prague. The housing construction takes place more often in the Středočeský Region, especially in the surroundings of Prague.

### **Labour market**

Prague is the largest regional labour market in the Czech Republic. It is characteristic for the up-to-now development that Prague is a very attractive locality in terms of the labour market and it is able to cover increased demand. Prague's labour market was able to absorb almost all labour force released in the process of transformation. Job vacancies in the Capital City of Prague are also opportunities for the population from wide surroundings, population of the whole Czech Republic, and foreigners, too.

According to results of the 2011 Population and Housing Census, the number of jobs held in Prague as at 26 March 2011 was nearly 701 thousand and the employed population of Prague was by 118 thousand lower. It means that 118 thousand persons commuted to Prague from other Regions of the CR. Labour force in Prague has significantly higher professional skills compared to other Regions. Already 45% of the employed are persons with higher education (nationwide, it is 25%). Wages in Prague are above-average, too. In 2020, the average gross monthly wage in Prague (full-time equivalent) was CZK 43 847 according to preliminary data, while the Czech Republic's average was CZK 35 662.

Prague has the lowest unemployment rate of all Regions of the CR for a long time. The lowest unemployment rate was reached both in Prague and the whole Czech Republic in 2007. Afterwards, due to a recession, there was an increase in the unemployment and from 2013 to 2019 there was a decrease again. In 2019, the unemployment rate reached a historic low. At the end of 2020, the percentage of unemployed persons increased to 3.51% due to the coronavirus crisis. The total number of job applicants according to labour offices' registry almost doubled, compared to 2019, and amounted to 30 230 job applicants. However, at the same time, the number of job vacancies increased, year-on-year, too (by 9% to 81 719).

### **Tourism**

Tourism is an important part of the capital's economy. However, it was significantly reduced in 2020 due to the COVID-19 pandemic. Nearly 2.2 million guests were accommodated in Prague's collective accommodation establishments in 2020. The year-on-year decrease was 72.9%. An absolute majority of Prague's visitors permanently consists of tourists from abroad, although in 2020 their share significantly decreased after many years (66.6% of all accommodated guests). Germans are usually prevailing among guests from abroad. Guests from the United Kingdom of Great Britain and Northern Ireland and Poland were the second and the third largest group, respectively. The number of overnight stays reached 4.9 million. Compared to 2019, guests in Prague realised by 73.5% fewer overnight stays. Germans, Russians, and guests from the United Kingdom of Great Britain and Northern Ireland had a major share in the total number of overnight stays of non-residents in Prague. In 2020, there were 910 collective accommodation establishments in Prague. The number of beds in these establishments was 102 118 in total. Over a half of beds in Prague's accommodation establishments is in hotels of highest categories. The average length of stay of one guest was slightly decreasing for a long time; it was 3.2 days in 2020. The share of tourism in Prague in the gross value added was 3.7% in 2019 and its share in employment was 6.8% according to the Tourism Satellite Account.

### **Education and health**

Schools in Prague, in particular universities, serve not only the population of Prague, but also people from other Regions of the Czech Republic. Numbers of pupils and students in various types of schools are influenced by the previous demographic development. Prague has the highest number of grammar schools and secondary technical schools of all Regions of the CR. Prague's secondary schools made in the 2020/2021 school year approximately 14.5% of all secondary schools in the Czech Republic (186 secondary schools with 64.4 thousand students in full-time studies (excluding conservatoires; including schools established by the Ministry of the Interior and the Ministry of Defence)). As for higher education, Prague's position is absolutely unique. There were 27 universities in Prague, at which more

than 117 thousand students were studying in all types of studies. It is 39% of all university students in the Czech Republic.

Also health establishments are concentrated in the territory of the capital. They are mainly specialised and often also research establishments, which, however, serve patients from all over the Czech Republic. One fifth of all physicians working in the CR is permanently employed there. In 2020, there were 29 hospitals with 11 thousand beds. As for the health sector, relative indicators per 1 000 population are permanently the highest in Prague of all Regions of the Czech Republic.

### **Transport**

Prague is the central point of transport links both for the surrounding Středočeský Region and the Czech Republic as a whole (commuting to work, schools, for shopping, culture, or to health establishments). So called Pražský okruh (Prague Ring Road) is to lead the transit transport out of the capital's inhabited areas. Less than half of the Prague's ring road has been in operation so far.

Prague has the highest number of registered passenger cars of all Regions of the CR (719.8 passenger cars per 1 000 population) and the number is still increasing. Prague has a well-functioning public transport network. Its backbone underground system (metro) is 65 kilometres long and a network of tram railways is 143 kilometres long. In 2020, 1.16 billion passengers used the public transport, which was by 19% less than a year before; it is related to an impact of anti-epidemic measures on life in Prague. The underground transports the highest number of passengers (35%), followed by trams (34%), and buses (31%).

Prague is also an important international railway node. Prague Main Station underwent a total reconstruction in 2011. Both the railway transport and the bus transport is included in the Prague Integrated Transport System (PID). 908 municipalities of the Středočeský Region are served by the Prague Integrated Transport; in total, 0.8 billion passengers used its services. The number of lines is constantly expanding. The plan is to serve the whole Středočeský Region by the system of PID by the end of 2021.

Both the passenger air transport and freight air transport in Prague are mainly operated at an international airport called Václav Havel Airport Prague (previously called Praha-Ruzyně). In 2020, 3.6 million travellers were checked in there, which was by 79% less than in 2019. During January and February, the planes were flying to 111 destinations all over the world; however, in the following months, the air transport was reduced due to the current epidemiological situation.

### **The environment**

Prague belongs to the most polluted Regions of the Czech Republic as for the air quality. The air quality in Prague is influenced the most by traffic, electricity and heat generation, and by construction work emissions. A cement factory in Radotín, an incineration plant in Malešice, and cogeneration units of central wastewater treatment plant in Prague 6 are the biggest air polluters. Specific emissions of nitrogen oxides and of carbon dioxide from transport per area unit are over 10 times higher in Prague compared to the national average.

### **City sections of Prague**

City sections of Prague are very heterogeneous self-governing units. There are city sections, which have a distinct character of an urban centre (Praha 1) or, on the contrary, suburban areas (Praha-Benice). They differ in the level of urbanisation, population density, quality of technical infrastructure, and socio-economic structure of the population. As for the population size, these city sections differ very much, too. Four city sections exceed 100 000 population (Praha 4, Praha 6, Praha 8, and Praha 10), whereas ten city sections have less than 2 000 population, of which two have less than 500 population (Praha-Nedvězí and Praha-Královice).