

# Analysis of regional differences in the Czech Republic

## 1. Synthetic part

The goal of this introductory chapter is to briefly describe development trends in regional differentiation of socio-economic phenomena in the Czech Republic. Due to practical reasons, the regional aspect is simplified to 14 regions of the CR; only in some cases we refer to districts or other territorial units. What should be noted is the size imbalance in the set of the CR's regions which should be taken into consideration when interpreting certain interregional differences. Quite a specific position of the *Hl. m. Praha* Region (i.e. the City of Prague) among the regions is the reason why we in some instances present data (also at national level) excluding Prague. The social system of the Czech Republic is, naturally, conditioned in a complex way by many factors of natural, economic, political and other character. Most of the phenomena have big inertia and trends have to be evaluated in a broader context. In this introductory chapter we will only evaluate selected basic indicators. Selection of further indicators in tables 1.1 to 1.7 is according to regions of the CR, usually with data for the year 2006. For details, readers may find data publications of the CZSO, especially Statistical Yearbook of the Czech Republic, Statistical Bulletins of regions as well as analytical publications for individual regions<sup>1</sup>.

## Demography and settlement

Demographic and geodemographic aspects of the society received wide discussion and popularisation in 2006 too: alleged “baby-boom”; a much more serious subject of ageing of the population and its impacts on pension scheme, drawing on EU funds and differences between prosperous and poor regions, decreasing unemployment and local shortage of labour, migration of foreigners and problems of Roma social exclusion, ongoing recovery of housing construction and the like. **Increasing birth rate** in the CR since 2002 was preceded by its dramatic decline compared to the previous period (in the first half of the 1990's fast and in the second half decelerating), which even at a slightly **declining death rate** resulted in a population decrease; even positive balance of international and interregional migration was not able to compensate it – this is the reason why in the case of the entire CR and most of its regions the population was decreasing since 1994. This trend of **total balance of the population** reversed no sooner than in 2003 and ever since the population has been increasing but only due the predominance of immigrants from abroad<sup>2</sup>. Year-on-year modifications of natural and migration change of the population as well as interregional differences were not significant, with the exception of the City of Prague (*Hl. m. Praha*) and the surrounding *Středočeský* Region- both the units had the highest natural losses due to the older age structure of the population. While as for Prague net migration was gradually decreasing and since 1998 migration out of the capital gradually prevailed<sup>3</sup>, the nearest background of Prague as well as the *Středočeský* Region as a whole was strengthening by migration. This development can be marked as regenerated

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<sup>1</sup> E.g. Regional differences in demographic and socio-economic development of the XY Region in the period from 2000 to 2005 (published by Regional Offices of the CZSO) and many others, which are available at the CZSO website: [http://www.czso.cz/eng/redakce.nsf/i/regions\\_towns](http://www.czso.cz/eng/redakce.nsf/i/regions_towns).

<sup>2</sup> Since 2001 the number of the population with permanent residence includes also long-term stays of foreigners. We mean “de iure” population, i.e. persons with statistically recorded change of permanent residence or stay. In the 1990's, a total decrease of population was recorded in Prague and the *Plzeňský* Region, *Královéhradecký* and *Pardubický* Regions, the *Vysočina* Region and at the entire Moravia excepting the *Zlínský* Region. Between 2001 and 2006 losses were recorded only for the *Vysočina*, *Zlínský* and *Moravskoslezský* Regions. The Czech Republic as a whole recorded an increase of approximately 81 thousand persons, i.e. by 0.8%.

<sup>3</sup> Prague was losing permanently resident population already since 1993. This trend reversed in 2002 when positive net migration started to prevail over losses caused by natural change. This was due mainly to recovered housing construction.

**suburbanization**<sup>4</sup>, the most noticeable and the most important component was the housing construction of new family houses. In a smaller extent, it affected also other towns. Against original expectations, the scope and specific forms of second (recreational) housing remained preserved in the CR. Main urbanized areas changed their internal structure and functioning and in total increased their importance in the settlement system, which was shown e.g. by an increase of commutation to work to most centres between the 1991 and 2001 Population and Housing Censuses. Big investments to industry and at some places also disposable housing stock accelerated migration increments, e.g. around the towns of *Mladá Boleslav*, *Kolín*. On the other hand, permanent emigration indicates problems of many other regions – as a result of their outlying location in comparison to the main transport axes, economic depression and overall low migration attractiveness. That applies mainly to the surroundings of *Bruntál*, *Ostrava* and the *Moravskoslezský* Region as a whole, as well as the *Vysočina* Region and many districts near the state border and also a strip from *Vysočina* through southern half of the *Středočeský* Region down to southern Bohemia – i.e. the strip with typically outlying and diffused rural settlement which is most exposed to emigration and the population aging. After 2001 some big cities, in addition to *Ostrava*, also e.g. *Brno* and *Pilsen* are losing their population with permanent residence. The overview of total change of population in 1996 – 2006 by regions and districts provides the Cartogram 1.

**In 2006**, the total population growth in the CR reached 36.1 thousand persons which is again thanks to the predominance of immigrants from abroad – net foreign migration was 34.7 thousand persons. Gross death rate from the year 2000 stagnates around 10.5 per mille. Birth rate was slightly “revived” since 2002, more markedly since 2004 (by big age-groups of women coming to the age when they started to deliver children delayed from the 1990’s), namely to 10.3 per mille in 2006, when the number of children born for the second consecutive year (after the period of 10 years) was slightly over 100 thousand. In 2006, the number of live-born children reached the total of 105.8 thousand and 104.4 thousand persons died, natural change in 2006 was (again after 13 years) slightly above zero. **Total fertility rate of women** during the 1990’s decreased down to 1.13 per mille (in 1999), which was the least for about a century of existence of this statistics in the CR and the CR is thus among the last in Europe (and de facto all over the world). Since 2000, the total fertility rate was slowly increasing, namely to 1.33 in 2006. Mass media tend to focus on extremes and create false parallel to the baby boom around 1975. On the other hand, the problem of the **population ageing** which is not duly considered; will be more dramatic than eventual population decrease in its number in percent units. Share of senior persons in the age of 65+ may theoretically (in compliance with the medium scenario of the prognosis prepared by the CZSO in 2004) more than double until the year 2050, i.e. it will be almost 30% of population. In other words, if now in the CR every seventh person is a senior, in 2050 every third individual will be of senior age. The above prognosis counts on a constant growth of the population due to foreign migration representing 25 thousand persons a year which corresponds with the last 5 years’ average.

Shift to a new type of population reproduction after 1989 in the CR is, moreover, characterized, for example, by a permanent shift of the average age of primipara (from 22.5 years in 1990 to 26.9 years in 2006), increased share of unmarried women given birth (from 9% in 1990 to 33% in 2006), marked decrease in the number of induced abortions (from 111 thousand in 1990 to 25 thousand in 2006). Improvement of death rate conditions for example for the last 30 years (1976-2006) is documented by extension of life expectancy at birth by 6.4 years for men and 5.7 years for women or extraordinarily low infant mortality. As for sociological changes there belongs for example an increasing share of households of individuals.

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<sup>4</sup> It applies to extensive development of urban functions out of original borders of towns. Besides growth of wealth and demands on housing at part of population and changes of the character of work, it was enabled also by factors of the market economy – free or gradually deregulated prices of housing, energies and transport and better application of localization factors of investments. However, also deformations and weakening of territorial planning had their influence – they facilitated construction at “green fields” and neglected regeneration of “brownfields” inside original towns.

**Regional differences of demographic indicators** are not marked (in comparison with economic and social indicators) and they are also rather stable in time. Gross rates of demographic events (converted to stock of population e.g. in the region) depend on age structure. Naturally, the most extraordinary is the City of Prague (*Hl. m. Praha*), which has share of children under the average (as at 31 December 2006 in the age of 0-14 years there were 12.2%, while in the CR in total the share is 14.4%). Vice-versa, the share of seniors in the age of 65+ is the biggest in Prague: 15.7% (in the CR the share is also 14.4%). The opposite situation as for share of marginal age groups is in the relatively young *Ústecký* Region. Czech population is still ageing slowly. Share of productive age group (15-65 years old) in all regions is still increasing by a “shift” of age groups in time. The average age as at 31 December 2006 was 40.2 in the CR (in 1991 the average age was 36.6). The extent of dispersion between regions is increasing and now it is 2.6 (Prague vs. the *Ústecký* Region); between districts it is 3.6 (Prague vs. *Česká Lípa*). As for regions, slightly younger population is in Moravia than in Bohemia (or regions in the north-west of the CR, *Vysočina*, the *Pardubický* and *Moravskoslezský* Regions, on the level of districts the youngest are e.g. *Tachov*, *Český Krumlov*, *Sokolov* and a strip of districts from *Bruntál* southwards to *Znojmo*). Often they are regions with higher share of Roma population or districts with massive construction of blocks of flats in the 1980’s (e.g. *Česká Lípa*). A strip of “oldest” districts lies from *Jičín* through Prague to *Klatovy*.

**Nuptiality** is not markedly differentiated as for regions; it can be said that it is the lowest in the *Karlovarský* Region, *Ústecký* Region and *Moravskoslezský* Region, and the highest in the *Vysočina*, *Zlínský* and *Jihomoravský* Regions as well as, surprisingly, in Prague. **Divorce rate** has a more marked differentiation and it is quite stable in time – it is bigger in north-western Bohemia (where a half or more marriages end up by divorce) and lower at *Vysočina* and southern Moravia, which is probably related to the fact that people there are more religious and their life style is more traditional. The City of Prague (*Hl. m. Praha*) has interesting development since the year 2000 – it shifts from the highest divorce rate to the average. With the *Středočeský* and the *Liberecký* Regions it is vice-versa. Differences in the level of **total fertility**<sup>5</sup> are not big; in 2006 they ranged from 1.23 (the *Zlínský* Region) to 1.42 (the *Ústecký* Region). Previously traditional model of “higher fertility in the eastern part of the CR” has been breaking up approximately since the year 2000. The reasons are contradictory; there is undoubtedly an influence of living standard and availability of housing: the second region with the highest fertility has become the *Středočeský* Region (1.38), while regions, which were previously above the average, are sinking (the *Olomoucký*, *Zlínský* and *Pardubický* Regions). The highest fertility during the last 5 years belongs to the region, which used to be under the average: the *Ústecký* Region. On the other hand, traditional distribution can be observed at the average age of primipara (differences are again very small): in 2006 the highest age was in Prague (29.2), while the lowest (under 26) is in the *Ústecký* and *Karlovarský* Regions. For those regions also above-average fertility of very young women is typical (in the age of 21-22). The trend of postponing deliveries of children to a higher age is clear in all regions. The highest regional variability and a constant upward trend in time consists in the share of children born out-of-wedlock – the share is decreasing from the west to the east of the CR (in the *Karlovarský* Region in 2006 over a half of children were born out of wedlock, i.e. 51.1%; in the *Zlínský* Region only 23.5%). Similarly high regional variability is observed for induced **abortion rate** in the *Karlovarský* and *Ústecký* Regions where, compared to the *Zlínský* or *Pardubický* Regions the induced abortion rate was twice as high in 2006. Indicators of the abortion rate for the last 17 years dropped to a half. In 2006, the total number of abortions stagnated, for the first time. The structure continued to change – the number of induced abortions is decreasing, while the number of spontaneous abortions increased. In 2006, 28% of total pregnancies ended by abortion, in 1995 it was 39%. Differences in the level of **mortality** in regions are quite stable in time. The key axis of improvement is again roughly north-west – south-east. In compliance with life expectation at birth showed in mortality tables for the years 2005 and 2006 variation range between the regions was 4 years for men and 3 years for women. The worst results were observed in the *Ústecký* Region (followed by the *Moravskoslezský* Region), the best results showed Prague. Values expressed in years for the whole CR were 73.4 (men) and 79.7 (women).

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<sup>5</sup> The average number of live-born children per woman aged 15-49 provided that intensities of fertility are kept by age from the given year.

Regional differences result especially from the differences in the population structure according to education, family status, socio-economic status and nationality (above-average mortality was measured among Roma people). What is of big influence is speed of medical care (it is important for heart attacks and strokes, which are still the most often causes of death in the CR) and quality of the environment.

The CR from among the EU countries is so far still **very homogenous in terms of nationalities**, the most numerous nationality following the Czech and Moravian nationalities is the Slovak nationality which under the Housing and Population Census 2001 represented only 1.9% of inhabitants. On Roma population which in the CR differs most from majority population in terms of demographic and social aspects, only insufficient statistical data are available. This ethnic minority is not surveyed systematically and the Population and Housing Census in 2001 detected that only part of Roma population (less than 12 thousand) declared themselves to be Roma. An increasing problem of social exclusion was addressed by for example the survey taken by GAC agency in September 2006 – the survey revealed that in approximately 300 localities in the CR suffering by social exclusion about 60 – 80 thousand of mainly Roma people were living. At 30 June 2007 the total of 356 thousand foreigners (citizens with foreign citizenship) were living in the CR (of which 42% with permanent residence) and made only 3.5% of the population. The number of foreigners living in the CR increased in 15 years about 8times, foreign migration balance following the upsurge before 1992 stagnated during the rest of the 1990's and accelerates in the last years. For the period 2001-2006 the number of foreigners exceeded 119 thousand. The biggest groups of foreigners living permanently and legally in the CR are still growing - the Ukrainians (115 thousand persons) exceeding the Slovak population (63 thousand), people from Viet-Nam (45 thousand) and the Russians (21 thousand, all data were collected in 2006). In terms of demography foreigners differ from domestic population mainly by the predominance of persons in productive age. Regionally foreigners make the biggest contribution to the population in Prague and its surroundings, to the population of other big cities and also in border regions – most in districts of *Karlovy Vary*, *Cheb* and *Tachov*. The biggest share of these foreigners having permanent domicile in the CR is recorded in regions near the border especially in Silesia and in the North of Bohemia.

## Labour market

Labour force supply depends on the development of the population and its age structure. Economically active population (labour force) are persons aged 15+ who meet requirements for employability according to the Labour Force Sample Survey (LFSS). It includes the employed<sup>6</sup> and the unemployed<sup>7</sup>.

Since 1993, when the LFSS according to the ILO<sup>8</sup> methodology was introduced in the CR, the **number of the unemployed** originally decreased (-142 thousand in 1993 – 2000), but during recent years the number of the unemployed in the CR has been increasing more and more (especially in 2004-2006 by +121 thousand persons). Major changes in the economy were reflected in regions in very different ways. A significant decrease of numbers of the employed was recorded in all regions of Moravia (most of all in the *Moravskoslezský* Region –39 thousand individuals in the period 1993-2005); and in the *Ústecký* Region: by -42 thousand individuals. Remaining regions incl. *Vysočina* reported changes amounting only to thousands. On the other hand, the biggest increase was recorded (in relation to suburbanization) in the *Středočeský* Region (+28 thousand) as well as Prague itself (+12

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<sup>6</sup> Included are persons with multiple jobs holding regardless the character of employment relationship and its duration, incl. persons in military service. However, excluded are persons on child-care (parental) leave.

<sup>7</sup> The unemployed are according to the ILO methodology persons aged 15+ who are not employed, are actively seeking job and are prepared to start to work. The unemployed exclude persons on child-care leave. Besides this general unemployment rate also registered one is used – according to data supplied by the MLSA. For identification of the registered unemployment rate an adjusted method of calculation is applied from 30 June 2004.

<sup>8</sup> International Labour Organization (ILO)

thousand). In 2006, in the CR the number of the employed increased by 1.3%, i.e. 64 thousand persons and the increase was recorded for all regions except for the *Plzeňský*, *Karlovarský* and the *Liberecký* Regions. The biggest growth was recorded in the *Středočeský* Region (+15 thousand), in Prague (+12 thousand) and in the *Zlínský* Region (+11 thousand); growth of employment was observed also in the *Ústecký* Region (+5.2 thousand persons). Despite overall growth of employment including wide involvement of foreigners the structural and local shortage of labour force is becoming a limiting factor.

Regions with slump of heavy industry recorded in the 1990's have prevailing commutation to work into surrounding regions. Active balance of commutation to Prague increased between the 1991 and 2001 Population and Housing Censuses from 92 thousand to 134 thousand individuals. In Prague, about 727 thousand people were working (2005), i.e. 15% of the total employment of the CR.

**Employment rate** (share of the employed in total population) shows intensity of inclusion in labour. The lowest employment rate is for a long-term in the *Moravskoslezský* Region (50.3%) together with the *Ústecký* Region (51.7%), while the highest is in Prague (54.7%). In the entire CR, employment dropped in 1993 – 2005: from 58.8% to 54.7%. The drop of employment by region had two margins: the biggest drop was in the *Ústecký* Region (-9.1 percentage points; it was a bit less in the *Karlovarský* and *Liberecký* Regions) and throughout the entire Moravia, most in the *Olomoucký* Region (-6.2 p.p.). The remaining regions recorded a decrease of about -3 p.p., only in Prague employment slightly increased. During the last few years, there was an increase in the *Středočeský* Region. In marginal age groups of population, two key phenomena occurred in 1993 – 2005 in employment rate: decrease of employment of those of 15 – 24 years old from 47% to 27% (enormous increase of the number of students) and, vice-versa, a jump in employment of those aged 55 – 64: from 19% (1993) to 25% (2000) and to 45% in 2005 (as a result of an extension of the retirement age).

**Unemployment rate** is the main indicator of the economy. It expresses the share of the unemployed in the total labour force; it is used e.g. to define regions for the purpose of concentrated support of the state. The general unemployment rate (according to the ILO) as well as registered (according to the Ministry of Labour and Social Affairs) slightly differ as a result of different methodology; since the year 2000, the general unemployment rate is a bit lower than the registered<sup>9</sup>; seasonally adjusted trend is, however, common. The general unemployment rate in the CR increased from the mid-1990's from the level of about 4% up to 8.8% in 2000, the second maximum was reached in 2004 (8.3%) and hence it has been falling down to 7.9% (2005) and 7.1% (2006) - the long term unemployment rate<sup>10</sup> indicates more stable trend, it increased markedly by the end of the 1990's up to 4.2% in 2001 and now it stands at 4.0%. Their contribution to all the unemployed increased in 2006 up to its long-term maximum 55%. Average number of the unemployed for the period longer than 4 years dropped in 2006 y-o-y by 3.5 thousand to 60 thousand persons. This group constituted almost one third of all long-term unemployed. However, major differences in unemployment are by region (see Cartogram 2). In the long-term, the highest unemployment is in structurally affected regions – in the *Ústecký* ( in 2006 13.7%) and *Moravskoslezský* Region (12.0%), in which registered unemployment in some districts fluctuates around 20% (in relatively favourable year 2006 maximum levels were reached in districts *Most* 19.5% and *Karviná* 16.9%). In those regions, there is the highest share (more than a half) of the long-term unemployed and unemployed with basic education; education structure that is worst of all is recorded among unemployed in the following districts: *Sokolov*, *Teplice* and *Chomutov*. On the opposite side as for these indicators is Prague. The contradiction between economic growth and almost non-decreasing unemployment during the last years shows that the development of the economy was reached by restructuring and rationalization of production and by pushing labour force with low qualification out of the market - moreover, under conditions of the competition of cheap labour force from the East.

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<sup>9</sup> The difference is typical for a period of increased unemployment, when many of the officially registered job seekers are occasionally working and the LFSS captures them de facto as the employed. The difference between the two rates is usual and usually even bigger in all national statistics.

<sup>10</sup> More than one year.

**Wages** were in 1993 – 2006 fluctuating depending on the development of economy and inflation. Average real wages recorded the highest year-on-year increments (about 8%) until 1996 and thus balanced the fall of real income before 1993. The growth stopped in 1997 and in 1998 there was a fall by 1.4%; then the annual growth of wages stabilized again at about 3 – 4% with the maximum in 2006 (+6.5%). In 2006 the year-on-year growth was 3.8%. What is persisting in the CR are lower wages of women against men – the biggest differences are in the age of 30 – 39 and in the age group of 65+. Generally, the CR still ranks among the countries with relatively low wage differentiation and also low poverty rate. Middle income groups of employees (CZK 15-25 thousand) are fighting its dominating position. Still relatively little wage differences are recorded e.g. between the employer and employee sectors and between individual branches save for a few exceptions such as financial sector (about twice as much as the average wage) renting and computer services or in air-transport showing higher dynamics of growth. Big differentiation of wages is attributed to individual positions at work. Regional differentiation of wages<sup>11</sup> is given most of all by branch structure of the economy. As a result of that, Prague has a unique position among regions (average gross monthly wage in 2006 amounted to CZK 31 173) and its distance is getting bigger and bigger. In Prague, there is higher educated labour force and also natural concentration of financial enterprises, central offices, advanced services and registered offices of joint ventures. Also labour market of the *Středočeský* Region is bound to Prague; it had the second highest level of wages accounting for CZK 22 811. Moreover, there is also the highest share of private entrepreneurs and concentration of prospering industry, e.g. automotive. In Prague and its surroundings, there is also the lowest percentage of inability to work, which, vice-versa, grows eastwards in the CR. Besides the highest gross monthly wage Prague has also the biggest variability of wages (the median of gross monthly wage was CZK 24 941, variation coefficient 0.99). The lowest average gross wage in 2006 was in the *Pardubický* Region and *Vysočina* (CZK 19 988) which as the only regions did not exceed CZK 20 thousand.

The ratio of average old-age pensions to average wages in the CR shows a long-term moderately decreasing trend, in 2006 it was 41.0%.

## **Income and expenditure of households**

Data on income and expenditure situation of households in the CR are measured by a traditional sample survey of the so-called family budgets. It gained importance by liberalization of the economy after the year 1990, which was also the start of huge changes in the level and structure of income, expenditure and consumption. Net money income per person between the years<sup>12</sup> 1993 and 2003 increased in real terms to 240% in nominal expression, consumer prices (costs of living) to 177% and income to 135%. In the structure of net money income, the biggest increase during the decade in real terms was among income from business activities (469%) and social income (242%). Structure of total average money expenditure of an average household changed markedly in 1993 to 2003: the biggest decrease was in share of expenditure for food and non-alcoholic beverages (fall from 26.0% to 19.8%); also the structure of food consumed has changed. On the other hand, share of expenditure for housing markedly grew (from 13.5% to 20.5%). A slight decrease was in share of expenditure for clothing, household equipment, transport, etc. The most marked growth of share of expenditure was for communications (from 1.7% to 4.4%) thanks to introduction of mobile phones. Share of households having a car increased during 1993 - 2003 from 56% to 68% - as it is expectable, equipment with cars is the highest in Prague followed by regions near to state borders: the *Jihočeský* Region, *Plzeňský* Region and *Liberecký* Region.

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<sup>11</sup> According to structural wage statistics of the MLSA for individual employees; besides that, there exists also classical reporting system of enterprises on wages.

<sup>12</sup> In 1993, there was a change in the family budgets methodology (classification of expenses by *purpose* of use), independent Czech Republic was formed and conditions in price development and household consumption stabilised. Data are taken over from the CZSO publication 1119-04 Analysis of price development, development of income and expenditure on consumption of households in the period 1993-2003.

Czech households in the last years are markedly less prone to save money. While in 1995 they saved over 14% of their gross disposable income in 2006 they saved only 5.1%. Increasing consumption since 2000 is supported by strong growth of household loans. An accelerating phenomenon is the efforts to have own housing. Until 2002, the highest dynamics of growth was recorded for consumer credits, however, since 2002 mortgage loans are advancing. Their volumes are increasing or the last seven years at average yearly growth rate over 33%.

## GDP produced

Total performance of the economy is measured by many summary indicators, of which we select gross domestic product formation and gross fixed capital formation. Variability by region is given historically by economic background of regions, structure of settlement and natural conditions. Favourable development of real formation of GDP in the CR in 1997 – 1999 was stopped by a decrease, from 1999 the growth recovered (except for the years 2001 and 2002) and during the years 2005 and 2006 it was accelerating, which was especially thanks to the secondary sector. Real annual growth of gross fixed capital formation, which can be in a simplified way understood as acquisition of investments, had very fluctuating development of year-on-year changes in constant prices in the CR: after decreases in 1997 – 2000 there were years with big increments (especially in 2000-2002 and in 2006). As for real GDP formation expressed in numbers **by region** in 2005, Prague was dominating with almost a quarter share in the CR. Other three regions ensured more than 10% each (the *Středočeský*, *Jihomoravský*, and *Moravskoslezský* Region), the least is ensured by the *Karlovarský* Region with 2.43%. Also in the GDP indicator per capita the City of Prague (*Hl. m. Praha*) was dominating (209% of the CR's average in 2005); due to that, the level of other regions is under the 100% of the average of the CR: it was the biggest in the *Plzeňský* (96%), *Středočeský* (93%) and *Jihomoravský* Region (92%), while the lowest in the *Olomoucký* and *Karlovarský* Region (both 78%). Distance of Prague from other regions is getting all the time bigger and therefore also variability throughout the entire CR is increasing. According to the gross fixed capital formation per capita in 2005, in the forefront of regions there is again the *Hl. m. Praha* Region; above the average of the CR were the *Jihočeský* (105%) and *Středočeský* Region (102%), while slightly under the average were the *Plzeňský* and *Jihomoravský* Regions (both 96%). Other regions were worse off. Differences among regions as for weight of sectors of national economy can be evaluated best according to employment. From performance indicators we can use sales in **industry** (for sale of own goods and services incidental to industry in current prices): e.g. in 2005, the *Středočeský* Region was the leader with 18% share in the CR followed by the *Moravskoslezský* Region (13%) and the *Hl. m. Praha* Region (11%), other regions followed after a gap. Dominance of Prague is expectedly extremely high in **construction** (according to the volume of works from supplier contracts in current prices) – in 2006 Prague's share in the entire CR was 36%, the *Jihomoravský* Region 17% and all other regions had units of %.

**Housing construction** reflects well regional differences in standard of living (or at least trends of divergence of regions that started) and partially also migration preferences. In the first half of the 1990s, there was a big fall in housing construction especially in multi-dwelling houses. Being completed were especially dwellings started before 1990, the “bottom” in the number of completed dwellings in 1995 (12 thousand dwellings) even converged to the level from 1948 (11 thousand dwellings on the territory of the CR). Since then, however, number of completed dwellings is gradually increasing; it almost tripled (33 thousand in 2005 and 30 thousand in 2006). Numbers of started dwellings and dwellings under construction show an upward trend. New dwellings were namely in family houses (with the share of 41% of new dwellings from the years 1997 – 2005), less in multi-dwelling buildings (29%), but markedly also in various types of extensions and conversions of current houses (26%). Finally, appreciable part of dwellings was acquired by municipalities in homes for the elderly (in the CR almost 10 thousand, i.e. 4% of the total 1997 – 2005 housing construction). In the total 1997 - 2006 housing construction the *Hl. m. Praha* Region dominated (42 thousand completed dwellings, most of them in multi-dwelling buildings) together with the *Středočeský* Region (41 thousand completed dwellings, most of them in family houses); the *Středočeský* Region, however, has much higher average number of unfinished construction projects. Both regions contributed to

housing construction by almost one third (31.7%). According to the volume of construction, following was another region with a rather marked suburbanization effect – the *Jihomoravský* Region (32 thousand of completed dwellings in 1997 – 2006).

## The Environment

According to the 2005 Report on the environment of the CR (Ministry of the Environment-CENIA) it can be said that condition of the environment in the CR has basically stabilized after 2000 (after sharp improvement during the 1990's). Among the most important signs of **improvement** of the condition of the environment of the Czech Republic there was a decrease and following stabilization of emissions of sulphur dioxide, high share of inhabitants connected to public water supply system and public sewerage system with waste water treatment and improvement of quality of water in important watercourses, high level of sorting and recycling of waste, decrease of energy intensity (specific consumption per currency unit) and a bit also of material intensity of the economy of the CR. Persisting or even increasing **problems** are especially: air pollution by dust and polycyclic aromatic hydrocarbons, ground-level ozone, high specific emissions of carbon dioxide, noise burden for population, eutrophication of water reservoirs, missing sewage system and waster water treatment plants in smaller settlements and other area problems in the country such as high proportion of arable land, low retention ability, endangering of land by erosion, health condition and composition of woods, and others. Regional differences in quality of the environment correlate with the structure of the economy and settlement in regions. As for specific emissions of main pollutants (per 1 km<sup>2</sup>) according to the register of sources REZZO 1-4 dominating are the *Moravskoslezský* Region (solid emissions and CO) or the *Ústecký* Region (SO<sub>2</sub> a NO<sub>x</sub>), usually followed by Prague, which suffers mainly due to the growing transport. The capital city naturally has the highest share of population connected to water system and sewerage system. On the other hand, the lowest share of connections to the water system is in the *Plzeňský* and *Středočeský* Region (about 82% in 2005); proportion of connections to the sewerage system was the lowest in the *Středočeský*, *Liberecký* and *Pardubický* Regions (about 63%). The regions with the biggest problems also concentrated the highest investments for the environment protection. Non-investment costs are highest in Prague and the *Moravskoslezský* Region (decontamination, prevention of noise pollution and also research).



**Tab. 1.1: Main macroeconomic indicators - regional disparities**

CR, Regions (NUTS 3), Cohesion Regions (NUTS 2)	Gross domestic product per capita						Gross value added (GVA) per person employed in 2006 <sup>1)</sup>			GVA in economic branches (% , NACE) <sup>2)</sup>			Gross fixed capital formation per capita (CZK thousand)			
	(CZK thous., current prices)				in PPS, EU25=100		CZK thous.	CR=100		C-F	G-I	J-K	2001	CR= 100	2006	CR= 100
	2001	CR= 100	2006	CR= 100	2000	2005		2001	2006							
	2006	CR= 100	2006	CR= 100	2000	2005	2006	2006	2006	2006	2006	2001	CR= 100	2006	CR= 100	
<b>Czech Republic</b>	<b>230,1</b>	<b>100</b>	<b>314,8</b>	<b>100</b>	<b>65</b>	<b>74</b>	<b>572,6</b>	<b>100</b>	<b>100</b>	<b>38,1</b>	<b>25,5</b>	<b>16,8</b>	<b>64,5</b>	<b>100</b>	<b>77,4</b>	<b>100</b>
<b>CR excl. Prague</b>	<b>198,5</b>	<b>86</b>	<b>269,4</b>	<b>86</b>	<b>56</b>	<b>56</b>	<b>524,2</b>	<b>91</b>	<b>92</b>	<b>44,7</b>	<b>22,9</b>	<b>12,1</b>	<b>55,5</b>	<b>86</b>	<b>63,0</b>	<b>81</b>
Praha	475,7	207	662,8	211	129	154	804,4	146	140	17,3	33,5	31,4	134,2	208	188,0	243
Středočeský	213,7	93	284,6	90	61	68	558,3	100	98	44,8	25,7	13,1	66,2	103	70,5	91
Jihočeský	207,7	90	283,7	90	60	66	530,3	91	93	43,3	23,2	11,5	69,3	108	59,7	77
Plzeňský	216,6	94	294,5	94	61	71	517,7	92	90	43,5	22,8	12,7	55,1	85	90,1	116
Karlovarský	183,1	80	240,1	76	54	57	442,3	76	77	39,3	26,0	11,0	61,9	96	59,4	77
Ústecký	182,6	79	253,9	81	53	60	531,5	89	93	49,2	20,4	9,7	54,5	85	55,9	72
Liberecký	201,9	88	266,6	85	58	59	507,6	89	89	51,4	21,0	11,6	45,0	70	52,3	68
Královéhradecký	212,6	92	273,5	87	61	66	509,6	92	89	44,1	22,1	10,8	42,9	67	52,3	68
Pardubický	193,6	84	257,1	82	55	61	487,8	88	85	42,6	24,0	13,0	50,8	79	47,2	61
Vysočina	203,3	88	265,3	84	54	62	522,3	92	91	49,6	19,8	9,2	52,9	82	46,8	60
Jihomoravský	213,0	93	286,1	91	60	68	536,8	95	94	35,7	25,4	17,3	50,3	78	69,0	89
Olomoucký	179,1	78	233,7	74	52	58	467,4	88	82	39,9	23,2	11,6	67,8	105	69,2	89
Zlínský	190,6	83	254,5	81	54	59	499,0	87	87	49,3	21,0	12,5	48,2	75	55,8	72
Moravskoslezský	179,7	78	270,4	86	51	60	569,5	90	99	50,1	21,3	9,7	52,4	81	67,5	87
Praha	475,7	207	662,8	211	129	154	804,4	146	140	17,3	33,5	31,4	134,2	208	188,0	243
Střední Čechy	213,7	93	284,6	90	61	68	558,3	100	98	44,8	25,7	13,1	66,2	103	70,5	91
Jihozápad	211,9	92	288,8	92	60	68	524,2	91	92	43,4	23,0	12,1	62,7	97	73,9	95
Severozápad	182,7	79	250,2	79	53	59	505,1	85	88	46,6	21,8	10,0	56,5	88	56,8	73
Severovýchod	203,0	88	265,9	84	58	62	501,6	90	88	45,7	22,4	11,8	46,2	72	50,6	65
Jihovýchod	210,0	91	279,6	89	58	66	532,4	94	93	39,8	23,7	14,9	51,1	79	62,1	80
Střední Morava	184,6	80	243,7	77	53	58	482,7	87	84	44,6	22,1	12,0	58,4	91	62,7	81
Moravskoslezsko	179,7	78	270,4	86	51	60	569,5	90	99	50,1	21,3	9,7	52,4	81	67,5	87

<sup>1)</sup> Employed persons = workers on the main employment contract (incl. self-employed) by place of work.

<sup>2)</sup> NACE C-F = industry and construction.

NACE G-I: Wholesale&retail sale; repair of motor vehicles&motorcycles and personal&household goods; Hotels&restaurants; Transport&storage &communicat.

NACE J-K = Financial intermediation; Real estate, business and renting activities.

**Tab. 1.2: Research, development and information society - regional disparities<sup>1)</sup>**

Source: Industrial Property Office of the CR (patents), CZSO (remaining data)

CR, Regions	R&D employees (full-time equivalent)				R&D expenditur. (CZK mill.)				R&D expendi- tures as % GDP <sup>1)</sup>		Patent appli- cations	Patent gran- ted	Share (%) of households equiped by <sup>3)</sup>			
	Total		In business sector only		In business sector <sup>1)</sup>		In higher education, universities <sup>1)</sup>		2005	tre- nd <sup>2)</sup>			sum of 2003-5	sum of 2003-5	PC	
	2001	2006	2001	2006	2006	2005 =100	2006	2005 =100			2003	2007			2003	2007
	2001	2006	2001	2006	2006	2005 =100	2006	2005 =100	2005	tre- nd <sup>2)</sup>	sum of 2003-5	sum of 2003-5	2003	2007	2003	2007
<b>Czech Republic</b>	<b>26 107</b>	<b>47 729</b>	<b>12 040</b>	<b>24 101</b>	<b>33 023</b>	<b>121</b>	<b>16 673</b>	<b>113</b>	<b>1,54</b>	↑	<b>1 570</b>	<b>867</b>	<b>23,8</b>	<b>39,6</b>	<b>14,8</b>	<b>32,0</b>
<b>CR excl. Prague</b>	<b>15 302</b>	<b>27 840</b>	<b>9 228</b>	<b>16 741</b>	<b>23 634</b>	<b>120</b>	<b>7 039</b>	<b>107</b>	<b>1,26</b>	↑	<b>1 172</b>	<b>631</b>	<b>21,7</b>	<b>37,6</b>	<b>12,6</b>	<b>29,9</b>
Praha	10 805	19 889	2 812	7 360	9 389	126	9 635	117	2,45	↑	398	236	37,5	53,4	29,3	46,2
Středočeský	2 857	4 924	2 359	3 780	7 450	100	1 073	96	2,57	↓	128	104	23,8	37,2	15,5	32,0
Jihočeský	1 009	1 815	379	796	906	104	790	108	0,96	↑	54	24	19,0	40,6	11,8	31,7
Plzeňský	883	1 799	340	689	915	113	418	134	0,82	↑	59	29	22,7	34,1	11,6	25,9
Karlovarský	104	94	49	86	67	93	4	86	0,10	↔	15	9	21,9	36,9	15,9	27,4
Ústecký	533	793	286	562	495	93	93	163	0,28	↔	53	32	17,3	33,6	9,6	26,7
Liberecký	655	1 857	488	1 021	1 301	137	180	113	1,29	↑	91	67	24,0	39,0	13,1	32,1
Královéhradecký	678	1 198	522	860	622	112	361	59	0,66	↔	95	57	20,2	40,5	13,8	31,2
Pardubický	1 154	2 145	992	1 851	1 705	118	227	123	1,48	↑	102	38	25,4	40,1	15,6	26,7
Vysočina	316	605	309	583	504	73	13	85	0,38	↔	50	12	27,8	42,0	15,6	31,4
Jihomoravský	3 757	6 200	1 198	2 648	2 366	103	2 686	114	1,56	↑	214	93	29,8	40,1	18,6	35,1
Olomoucký	924	2 049	553	1 127	853	88	467	116	0,89	↑	89	43	14,5	26,3	8,9	21,8
Zlínský	786	1 775	642	1 294	1 538	104	108	110	1,10	↑	76	45	23,5	39,7	14,8	29,8
Moravskoslezský	1 646	2 585	1 111	1 443	4 911	292	619	125	1,64	↑	146	78	22,8	38,8	12,3	30,6

<sup>\*)</sup> Regional breakdown by seat (head office) of reporting businesses.

<sup>1)</sup> Expressed in current prices.

<sup>2)</sup> Compared to 2001-2005 average (relative increase / stagnation / decrease).

<sup>3)</sup> Data collected in: 4<sup>th</sup> quarter of 2003, resp. 2<sup>th</sup> quarter of 2007.

**Tab. 1.3: Main indicators of selected economic branches - regional disparities**

Source: Ministry of Finance of the CR (real estates prices), Ministry of Transport of the CR (transport), CZSO (remaining data)

CR, Regions	Total output of agriculture (CZK mill., current prices), by production type				Industrial sales per employee <sup>1)</sup> (CZK thous)		Construction works per capita (CZK thous.) <sup>2)</sup>		Avg. prices of selected real estates types				Transport of goods within the region by				Beds in HUZ <sup>3)</sup> thous.	Overnight stays of guests in HUZ <sup>3)</sup> (per cap.)	
	Crop		Livestock		2006	2005 =100	2006	2005 =100	Family houses		Dwellings		Raod		Rail			31.12.2006	2006
	Abs.	Index	Abs.	Index					2000-2002	2003-2005	2000-2002	2003-2005	Tonnes, mill.	Index 2000 =100	Tonnes, mill.	Index 2000 =100			
	2005	2004 =100	2005	2004 =100	2006	2005 =100	2006	2005 =100	CZK/m <sup>3</sup>	CZK/m <sup>2</sup>	2006	2000 =100	2006	2000 =100					
<b>Czech Repub.</b>	<b>49 962</b>	<b>79,3</b>	<b>47 698</b>	<b>97,6</b>	<b>2 805</b>	<b>111</b>	<b>28 987</b>	<b>108</b>	<b>1021</b>	<b>1465</b>	<b>7477</b>	<b>12486</b>	<b>320,4</b>	<b>100</b>	<b>19,3</b>	<b>128</b>	<b>442,0</b>	<b>4,0</b>	↔
<b>CR excl. Prague</b>	.	.	.	.	<b>2 732</b>	<b>111</b>	<b>25 262</b>	<b>111</b>	.	.	.	.	<b>300,4</b>	<b>99</b>	<b>19,2</b>	<b>127</b>	<b>372,3</b>	<b>3,3</b>	↔
Praha					3 531	114	57 578	100	4103	5842	22920	31507	20,0	118	0,1	266	69,7	9,5	↑
Středočeský	10 262	80,3	6 509	101,2	4 656	110	24 631	112	1262	1974	6302	13489	45,4	124	1,2	103	29,2	1,9	↓
Jihočeský	4 406	78,8	6 757	106,4	1 971	108	27 323	106	978	1389	3866	9016	21,7	77	0,1	32	53,5	6,0	↑
Plzeňský	3 280	77,9	4 034	101,6	2 711	125	32 838	113	919	1239	5860	10242	24,2	82	0,2	194	21,3	2,8	↔
Karlovarský	672	77,0	666	97,3	1 465	108	28 033	87	996	1299	4288	8813	9,9	83	2,2	498	28,9	14,2	↑
Ústecký	3 370	80,0	1 804	86,8	3 689	110	27 085	104	867	1116	3132	5278	30,5	67	6,0	161	18,7	1,5	↔
Liberecký	926	84,5	825	95,3	2 138	103	19 495	99	946	1422	4189	9427	10,2	96	0,0	45	40,7	6,5	↔
Královéhradeck.	3 529	80,4	3 647	91,9	1 781	103	24 362	124	922	1244	6839	12016	15,6	125	0,1	88	47,9	6,9	↔
Pardubický	3 429	80,4	3 855	88,8	3 482	121	23 569	101	796	1167	4867	10639	13,0	126	0,0	38	16,0	2,4	↔
Vysočina	4 475	76,0	6 044	97,5	2 095	111	24 058	134	520	1113	5069	9747	19,5	104	0,1	60	19,6	2,4	↔
Jihomoravský	6 647	76,7	4 954	103,3	1 926	107	29 685	121	1031	1475	6955	13452	32,1	154	0,7	111	30,3	2,1	↔
Olomoucký	4 147	79,2	3 155	92,3	1 873	115	25 144	119	751	1042	5672	9663	24,6	105	0,5	148	19,1	2,7	↔
Zlínský	2 105	82,9	2 233	88,2	2 494	110	20 094	116	966	1354	6377	11178	12,2	102	0,0	39	21,8	3,2	↔
Moravskoslez.	2 714	83,1	3 215	99,5	2 912	110	21 641	103	989	1263	4299	7570	41,6	99	8,2	101	25,4	1,6	↔

<sup>1)</sup> Sales own goods&services incidental to industry, only businesses > 100 employees (reg. breakdown by head offices, in current prices).

<sup>2)</sup> Construction works by contractors&subcontractors: by location of site in the region.

<sup>3)</sup> HUZ = collective tourist accommodation establishments.

<sup>4)</sup> Compared to 2003-2005 average (relative increase / stagnation / decrease).

**Tab. 1.4: Main demographic indicators - regional disparities**

Source: Directorate of Alien and Border Police, Ministry of Interior of the CR (foreigners), CZSO (remaining data)

CR, Regions, Size groups of municipalities	Population, total	Population increase (per thousand inhabitants)				Total fertility rate	Life expectancy at birth <sup>2)</sup>		Divorces per 100 marriages		Abortions per 100 live births		Old age dependency <sup>3)</sup>	Economic burden index <sup>4)</sup>	Foreigners (thous.) <sup>5)</sup>		Foreigners <sup>7)</sup> by citizenship k 31.12.2006	
		Natural		Net migrat.			2006	2005-2006		2006	trend <sup>1)</sup>	2006			trend <sup>1)</sup>	31.12.2006	30.9.2007	31.12.2005 =100
	2006	trend <sup>1)</sup>	2006	trend <sup>1)</sup>	male	fem.												
	31.12.2006	2006	trend <sup>1)</sup>	2006	trend <sup>1)</sup>	2006	2005-2006	2006	trend <sup>1)</sup>	2006	trend <sup>1)</sup>	31.12.2006	30.9.2007	31.12.2005 =100	EU15 countries	EU10 countries		
<b>Czech Republic</b>	<b>10 287 189</b>	<b>0,1</b>	↑	<b>3,4</b>	↑	<b>1,33</b>	<b>73,4</b>	<b>79,7</b>	<b>59,4</b>	↓	<b>37,8</b>	↓	<b>100,2</b>	<b>40,4</b>	<b>376,2</b>	<b>135</b>	<b>24,4</b>	<b>85,9</b>
Praha	1 188 126	0,2	↑	5,3	↔	1,27	75,2	80,4	54,6	↓	34,3	↓	128,8	38,6	123,2	137	8,8	20,7
Středočeský	1 175 254	0,6	↑	14,1	↑	1,38	73,0	79,0	61,0	↓	36,5	↓	95,5	40,8	49,2	139	2,0	13,4
Jihočeský	630 006	0,3	↑	3,2	↑	1,31	73,7	79,5	55,6	↓	36,0	↓	97,7	40,6	14,7	139	2,4	2,7
Plzeňský	554 537	-0,2	↑	5,7	↑	1,37	73,4	79,1	56,7	↓	41,8	↓	105,5	40,9	19,3	146	1,5	3,6
Karlovarský	304 602	0,7	↑	0,3	↔	1,37	72,3	78,4	70,4	↑	49,9	↓	88,4	38,9	18,7	129	1,3	1,8
Ústecký	823 265	0,3	↑	-0,2	↓	1,42	71,2	77,5	66,8	↓	50,4	↓	83,0	39,5	31,1	140	2,5	4,9
Liberecký	430 774	0,8	↑	3,3	↑	1,33	73,0	79,5	66,2	↑	45,3	↓	89,0	39,6	14,8	126	0,7	4,5
Královéhradeck.	549 643	-0,4	↑	2,7	↑	1,32	74,4	80,1	61,8	↓	40,3	↓	103,7	42,0	15,2	134	0,8	4,9
Pardubický	507 751	0,2	↑	3,2	↑	1,35	73,4	79,7	51,1	↓	29,9	↓	98,1	42,2	9,7	151	0,4	2,6
Vysočina	511 645	0,7	↑	1,1	↔	1,32	73,9	80,0	51,1	↑	34,5	↓	97,4	42,2	8,4	136	0,4	1,4
Jihomoravský	1 132 563	-0,1	↑	2,1	↑	1,30	73,2	79,9	52,8	↓	34,1	↓	106,1	41,2	32,2	133	1,8	6,6
Olomoucký	639 894	0,2	↑	0,9	↑	1,29	73,2	79,7	62,5	↔	34,3	↓	100,3	40,7	9,7	130	0,6	2,9
Zlínský	589 839	-0,5	↑	0,0	↔	1,23	72,6	79,7	59,8	↑	33,0	↓	103,7	41,2	7,4	124	0,4	3,3
Moravskoslezský	1 249 290	-0,2	↑	-1,0	↔	1,32	71,9	78,8	66,2	↓	37,6	↓	93,5	39,7	22,5	116	0,9	12,6
Municipalities by population:																		
up to 499	850 583	-1,5	↑	8,9	↑	1,33 <sup>6)</sup>	.	.	43,8	↔	30,7	↓	102,0	43,3	12,0 <sup>6)</sup>	.	.	.
500 - 1 999	1 864 276	0,0	↑	8,6	↑	1,31 <sup>6)</sup>	.	.	50,3	↔	31,3	↓	88,9	41,4	30,2 <sup>6)</sup>	.	.	.
2 000 - 9 999	2 082 497	0,1	↑	3,5	↑	1,30 <sup>6)</sup>	.	.	61,7	↔	36,9	↓	91,9	41,0	37,8 <sup>6)</sup>	.	.	.
10 000 - 49 999	2 205 719	0,6	↑	-1,7	↔	1,26 <sup>6)</sup>	.	.	68,1	↓	44,1	↓	95,5	39,1	49,2 <sup>6)</sup>	.	.	.
50 000 and more	3 284 114	0,3	↑	2,8	↑	1,25 <sup>6)</sup>	.	.	60,6	↓	39,4	↓	116,8	39,7	149,2 <sup>6)</sup>	.	.	.

<sup>1)</sup> Compared to five-year average (2001-2005).

<sup>2)</sup> Two-year average (for regions), the figure for the Czech republic refers to 2006.

<sup>3)</sup> Sum of population aged 65+ related to population in the age of 0-14 (in %).

<sup>4)</sup> Sum of population aged 65+ and in the age of 0-14 related to population in the age of 15-64 (in %).

<sup>5)</sup> Excl. persons with valid asylum. Region of residence of small part of foreigners was not identified (so figures for regions slightly diverge from national figure).

<sup>6)</sup> Data refers to 2005.

<sup>7)</sup> In thousands.

**Tab. 1.5 Main indicators of labour market - regional disparities**

Source: Ministry of Labour and Social Affairs (unemployment), Ministry of Interior of the CR (foreigners), CZSO (remaining data - labour force sample survey)

CR, Regions	Economic activity rate (2005-2006 average)					Own-account workers&employers, 2006		Registered unemployment (%)		Unemployed per vacancy		Unemployed > 12 months (%)		Retraining graduates <sup>4)</sup>		Empl. foreigners (000) <sup>5)</sup>	
	Sex <sup>1)</sup>		Age 55-64	Education (ISCED) <sup>1,2)</sup>		per cap (thous.)	trend <sup>3)</sup>	30.9. 2006	30.9. 2007	30.9. 2006	30.9. 2007	30.9. 2006	30.9. 2007	2005	2006	30.9. 2007	30.9. 2006 = 100
	Ma-les	Fema-les		1,2,3C	5-6												
<b>Czech Republic</b>	<b>58,1</b>	<b>43,6</b>	<b>47,8</b>	<b>51,8</b>	<b>77,2</b>	<b>72,7</b>	↔	<b>7,8</b>	<b>6,2</b>	<b>4,7</b>	<b>2,7</b>	<b>42,6</b>	<b>40,6</b>	<b>33 956</b>	<b>46 243</b>	<b>222,8</b>	<b>125</b>
<b>CR excl. Prague</b>	<b>57,7</b>	<b>43,0</b>	<b>45,7</b>	<b>52,1</b>	<b>77,6</b>	<b>67,8</b>	↔	<b>8,5</b>	<b>6,7</b>	<b>5,6</b>	<b>3,1</b>	<b>43,6</b>	<b>41,6</b>	<b>32 929</b>	<b>44 991</b>	<b>152,3</b>	<b>128</b>
Praha	61,3	48,0	62,3	48,2	75,7	110,9	↑	2,9	2,4	1,1	0,8	24,0	23,1	1 027	1 252	70,5	120
Středočeský	58,8	43,3	50,5	52,8	77,6	80,7	↓	5,5	4,4	3,2	1,7	35,2	31,7	2 233	3 132	35,3	129
Jihočeský	58,2	43,6	44,3	52,4	79,8	70,3	↓	5,6	4,3	3,7	2,0	32,3	29,5	2 013	3 317	8,9	135
Plzeňský	58,5	43,9	48,3	51,5	79,4	71,0	↔	5,6	4,6	2,4	1,1	35,6	34,0	1 391	2 147	18,3	144
Karlovarský	60,1	44,8	50,3	56,7	74,9	73,7	↔	9,0	7,3	7,5	3,5	45,0	43,8	1 142	1 611	4,0	125
Ústecký	59,0	43,3	46,6	53,9	80,4	58,2	↔	13,9	11,3	12,9	7,1	52,1	51,1	4 444	5 443	6,4	144
Liberecký	58,2	42,4	45,6	54,3	75,0	75,8	↔	7,2	6,2	4,6	2,9	36,9	34,7	1 285	1 621	8,9	118
Královéhradecký	57,0	44,4	51,3	50,6	78,3	77,2	↑	6,4	4,7	4,8	2,3	33,9	31,1	2 108	2 300	10,2	139
Pardubický	57,3	42,3	46,1	52,3	76,7	60,1	↓	6,9	5,4	2,7	1,5	37,3	35,4	1 511	1 789	10,4	145
Vysočina	57,4	41,9	45,1	51,9	77,5	59,4	↓	7,0	5,7	5,0	2,8	41,0	37,6	1 702	2 795	6,4	123
Jihomoravský	57,2	42,3	45,3	49,4	78,2	72,2	↑	8,8	7,0	6,3	3,6	43,6	40,9	3 161	5 321	21,8	117
Olomoucký	57,3	42,6	43,4	52,1	76,9	63,8	↑	8,9	6,7	6,7	4,1	41,8	40,4	2 416	3 005	4,4	131
Zlínský	57,5	42,8	44,5	52,7	79,9	74,4	↑	8,0	6,1	5,4	3,1	41,1	39,5	1 727	4 080	5,3	117
Moravskoslezský	55,4	42,4	38,6	50,7	74,2	52,3	↔	13,0	10,2	10,4	6,3	51,4	50,3	7 796	8 334	12,0	107

<sup>1)</sup> Economically active persons related to population aged 15 and more.<sup>2)</sup> The highest education completed: ISCED 1-2-3C = without education, basic education, secondary without GCSE, ISCED 5-6 = higher professional, university.<sup>3)</sup> Compared to 2001-2005 average.<sup>4)</sup> Job applicants that have successfully finished retraining course during this year.<sup>5)</sup> Include all employed foreigners registered by Employment offices. To obtain total number of employed foreigners you have to add persons holding a valid trade licence (in the CR - 65 thous. as to 31.12.2006).**Tab. 1.6 Main indicators of social cohesion - regional disparities**

Source: Ministry of Labour and Social Affairs (pensions, unemployment benefits, state social support benefits), CZSO (remaining data)

CR, Regions	Net disposable income (NDI) per capita				Net operation surplus and mixed income per capita <sup>1)</sup>		Compensation of employees per capita <sup>2)</sup>		Avg. old-age pension (CZK) <sup>3)</sup>	Avg. monthly unempl. benefit (CZK) <sup>4)</sup>	Housing contributions paid (CZK, per capita) <sup>5)</sup>		From total number of children unprovided-for:			
	Absolute		Index		ČR=100		ČR=100				CR=100		% of children with child benefit <sup>6)</sup>		% of children with soc. benefit <sup>7)</sup>	
	CZK thous.		CR=100		ČR=100		ČR=100		CR=100		CR=100		2006		2006	
	2001	2006	2001	2006	2001	2006	2001	2006	2006	2006	2001	2006	%	rank	%	rank
	<b>Czech Republic</b>	<b>120</b>	<b>150</b>	<b>100,0</b>	<b>100,0</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>8 187</b>	<b>4 618</b>	<b>100</b>	<b>100</b>	<b>73,7</b>	<b>x</b>	<b>22,5</b>
<b>CR excl. Prague</b>	<b>114</b>	<b>143</b>	<b>95,4</b>	<b>95,3</b>	<b>94</b>	<b>95</b>	<b>95</b>	<b>94</b>	<b>8 104</b>	<b>4 538</b>	<b>107</b>	<b>108</b>	<b>77,3</b>	<b>x</b>	<b>24,0</b>	<b>x</b>
Praha	162	205	135,5	136,2	145	142	139	144	8 768	5 760	48	41	44,5	14	10,1	14
Středočeský	124	160	103,4	106,0	106	109	102	107	8 195	4 898	70	60	67,7	13	18,1	12
Jihočeský	116	146	96,6	97,0	95	98	97	96	8 077	4 605	82	83	75,7	10	21,4	10
Plzeňský	122	151	101,6	100,3	96	99	105	100	8 147	4 925	70	66	73,3	12	17,5	13
Karlovarský	112	134	93,6	88,8	97	86	94	88	8 073	4 420	117	128	77,3	7	28,8	2
Ústecký	109	134	90,8	88,8	80	75	95	92	8 142	4 400	169	190	80,4	5	34,2	1
Liberecký	115	139	95,9	92,6	105	100	94	89	8 114	4 625	86	90	76,1	9	22,7	7
Královéhradecký	120	146	99,9	97,1	103	104	99	93	8 066	4 484	84	84	76,9	8	21,0	11
Pardubický	110	142	91,6	94,3	90	92	89	94	7 997	4 463	104	95	82,1	2	24,6	5
Vysočina	110	143	92,2	95,0	86	96	90	93	7 943	4 625	98	89	83,6	1	22,6	8
Jihomoravský	116	145	96,9	96,1	102	100	93	92	8 097	4 468	100	103	75,4	11	23,5	6
Olomoucký	109	136	91,4	90,6	91	90	90	89	7 969	4 375	120	112	81,7	3	26,2	4
Zlínský	112	142	93,7	94,3	103	103	88	89	7 991	4 367	90	89	81,1	4	22,1	9
Moravskoslezský	109	137	90,9	90,8	80	79	94	92	8 260	4 458	153	163	80,2	6	27,9	3

<sup>1)</sup> Includes profits of enterprises (incl. small entrepreneurs), which are sum of their income from businesses, and from work activities (wages) for own enterprise.<sup>2)</sup> Includes mainly wages and salaries paid by employers.<sup>3)</sup> As to December 2006.<sup>4)</sup> Average for 4<sup>th</sup> quarter.<sup>5)</sup> Within the state social support system (incl. benefits paid retroactively). Benefits are paid to families that are owners/tenants of dwelling (with permanent residence) if > 30 % (in Prague 35 %) of total expenditures is devoted to housing; and total housing expenditures is under the level of normative expenditures (stated in Law).<sup>6)</sup> Is paid to families with their total income (in previous year) lower than subsistence level (multiplied by 4).<sup>7)</sup> Is paid to families taking care of child (unprovided-for) and with their total income (in previous quarter) lower than subsistence level (multiplied by 2,2).

**Tab. 1.7: Main indicators of environment - regional disparities**

Source: Czech Institute of Hydrometeorology (emissions), CZSO (remaining data)

CR, Regions	Specific emissions of main air pollutants tonnes/km <sup>2</sup> (REZZO 1-4) <sup>1)</sup>								Share of waste water treated <sup>3)</sup>		Population (%)		Drinking water lost in supply syst. (%) <sup>7)</sup>		Waste generation / cap.		Waste management <sup>8)</sup> (% 2003-6)		Fixed assets acquired for envi. protect. (CZK/cap.) <sup>9)</sup>	
	Solids		SO <sub>2</sub>		NO <sub>x</sub>		CO		2006	tre-nd <sup>4)</sup>	Water supplied <sup>5)</sup>	Connected to sewerage <sup>6)</sup>	2006	tre-nd <sup>4)</sup>	Business	Municipal	Recycling	Land-fill	2001-2003	2004-2006
	2005	tre-nd <sup>2)</sup>	2005	tre-nd <sup>2)</sup>	2005	tre-nd <sup>2)</sup>	2005	tre-nd <sup>2)</sup>												
	2006	tre-nd <sup>4)</sup>	2006	tre-nd <sup>4)</sup>	2006	tre-nd <sup>4)</sup>	2006	tre-nd <sup>4)</sup>	2006	tre-nd <sup>4)</sup>	2006	tre-nd <sup>4)</sup>	2006	tre-nd <sup>4)</sup>	2006	tre-nd <sup>4)</sup>	2006	tre-nd <sup>4)</sup>	2006	tre-nd <sup>4)</sup>
<b>Czech Repub.</b>	<b>0,83</b>	↓	<b>2,78</b>	↔	<b>3,52</b>	↓	<b>6,30</b>	↓	<b>94,2</b>	↔	<b>92,4</b>	<b>73,6</b>	<b>20,7</b>	↓	<b>2,07</b>	<b>296</b>	<b>14,5</b>	<b>22,0</b>	<b>1 771</b>	<b>1 984</b>
<b>CR excl. Prague</b>	<b>0,78</b>	↓	<b>2,76</b>	↔	<b>3,28</b>	↓	<b>5,86</b>	↓	<b>93,1</b>	↔	<b>91,5</b>	<b>70,3</b>	<b>20,1</b>	↓	<b>1,78</b>	<b>298</b>	<b>16,6</b>	<b>24,5</b>	<b>1 783</b>	<b>2 016</b>
Praha	7,76	↑	5,28	↔	41,37	↑	76,34	↑	100,0	↔	99,2	99,0	23,8	↓	4,33	279	7,4	13,5	1 677	1 739
Středočeský	1,00	↔	2,28	↔	3,56	↔	6,15	↔	99,6	↔	82,8	65,5	21,9	↔	1,46	341	15,5	34,0	2 431	3 409
Jihočeský	0,46	↓	1,11	↔	1,08	↓	2,25	↓	95,0	↔	91,2	73,9	23,0	↔	1,26	289	14,4	36,6	1 377	1 205
Plzeňský	0,64	↓	1,57	↔	1,99	↔	3,77	↔	89,1	↓	82,4	70,8	17,6	↔	3,45	305	17,3	15,9	1 216	1 536
Karlovarský	0,56	↓	4,98	↔	2,97	↓	2,72	↓	99,4	↔	98,4	90,7	16,0	↔	1,51	302	3,1	41,5	2 467	1 600
Ústecký	1,06	↓	13,51	↔	12,75	↓	5,03	↓	92,0	↑	95,9	77,8	25,0	↓	2,01	319	8,9	22,8	2 630	2 366
Liberecký	0,66	↓	1,19	↔	1,61	↓	4,06	↓	99,3	↑	88,6	62,8	23,8	↓	0,77	277	3,6	8,3	1 326	1 054
Královéhrad.	0,71	↓	1,71	↔	1,62	↓	4,28	↓	93,7	↔	91,2	65,6	22,8	↓	0,67	279	6,1	39,5	1 198	1 598
Pardubický	0,72	↓	3,47	↓	3,56	↓	4,09	↓	95,0	↔	95,8	63,0	16,8	↓	0,86	291	18,0	35,7	1 421	2 492
Vysočina	0,77	↔	0,51	↔	2,02	↔	4,14	↔	73,2	↓	93,2	68,0	17,1	↓	1,46	305	10,1	45,8	1 669	2 101
Jihomoravský	0,73	↔	0,62	↔	2,62	↓	4,99	↓	95,7	↔	94,8	77,1	19,0	↔	2,29	283	25,5	17,7	2 291	2 198
Olomoucký	0,69	↓	1,37	↔	2,08	↓	4,08	↓	94,5	↓	87,9	66,9	20,4	↓	1,01	283	12,6	28,4	1 876	1 896
Zlínský	0,59	↓	1,86	↔	1,99	↓	3,67	↓	87,6	↓	89,7	69,6	19,5	↔	1,31	288	17,8	25,4	1 543	1 334
Moravskosl.	1,51	↓	5,45	↔	6,19	↓	28,16	↓	92,4	↔	97,5	67,6	16,3	↔	2,98	288	25,3	16,7	1 155	1 731

<sup>1)</sup> Big, medium, small as well as mobile sources are included (mobile sources are predominantly transport - e.g. cars, aircrafts), definitive data.

<sup>2)</sup> Compared to two-year average (period of 2003-2004), data from previous years (until 2002) are based on different methodology.

<sup>3)</sup> Waste water here includes: sewage, industrial and other water, excluding precipitation (covering 40 % of all water treated).

<sup>4)</sup> Compared to five-year average (period of 2001-2005).

<sup>5)</sup> From public water supply systems.

<sup>6)</sup> Population living in houses connected to public sewerage systems with waste water treatment plant.

<sup>7)</sup> Share of not invoiced drinking water (due to losses in pipeline network) in total drinking water production.

<sup>8)</sup> By investor's head office. Includes only all waste managed during the year (i.e. waste generated, waste taken from store and waste imported).

<sup>9)</sup> Three-year average, by location of fixed asset (in current prices)

**Tab. 1.8: Main indicators of international relations - regional disparities**

Source: Czech National Bank (FDI), Directorate of Alien and Border Police, Ministry of Interior of the CR (border statistics), CZSO (remaining data)

CR, Regions	FDI <sup>1)</sup> (per cap. CZK thous. to 31.12.)		Share (%) of enterprise-type units under foreign control <sup>2)</sup> (as to 31.12.)				Export from region to other countries <sup>3)</sup>				Složení vývozu v r. 2006 (%)					Persons crossing state border (million) <sup>5)</sup>		Foreign guests in HUZ <sup>6)</sup> per 100 cap	
	2000	2004	Industry		Market serv.		2003		2006		By country			By commodity (SITC) <sup>4)</sup>		2006	2005 =100	2006	2005 =100
			2003	2006	2003	2006	CZK, mld, c.p.	%	CZK, mld, c.p.	%	EU-25	DE	SK	8	9				
	2000	2004	2003	2006	2003	2006	CZK, mld, c.p.	%	CZK, mld, c.p.	%	EU-25	DE	SK	8	9	2006	2005 =100	2006	2005 =100
<b>Czech Republic</b>	<b>80</b>	<b>125</b>	<b>20,7</b>	<b>22,9</b>	<b>15,5</b>	<b>19,0</b>	<b>1 372</b>	<b>100,0</b>	<b>2 145</b>	<b>100,0</b>	<b>84,0</b>	<b>31,9</b>	<b>8,4</b>	<b>53,2</b>	<b>11,0</b>	<b>256,8</b>	<b>100,2</b>	<b>62</b>	<b>101,2</b>
<b>CR excl. Prague</b>	<b>47</b>	<b>75</b>	<b>20,8</b>	<b>22,8</b>	<b>9,2</b>	<b>11,8</b>	<b>1 307</b>	<b>95,3</b>	<b>1 876</b>	<b>87,5</b>	<b>85,5</b>	<b>34,0</b>	<b>7,1</b>	<b>52,5</b>	<b>11,3</b>	<b>256,8</b>	<b>100,2</b>	<b>29</b>	<b>104,4</b>
Praha	333	511	19,9	23,8	28,3	32,7	65	4,7	128	6,0	86,5	27,4	19,2	50,4	10,1	x	x	317	98,8
Středočeský	87	112	22,6	25,7	14,8	17,7	255	18,6	418	19,5	87,4	31,5	6,8	66,7	10,6	x	x	20	95,8
Jihočeský	50	66	34,1	35,1	8,6	13,5	82	5,9	93	4,4	88,8	36,9	4,5	54,1	13,6	19,1	102,2	52	101,6
Plzeňský	60	86	37,3	39,4	13,5	15,7	107	7,8	175	8,2	92,3	56,4	3,5	65,5	16,6	35,5	102,3	28	99,3
Karlovarský	35	51	30,2	31,8	14,2	19,9	43	3,1	51	2,4	90,6	64,1	3,7	27,4	12,7	37,2	102,0	133	118,2
Ústecký	74	92	26,1	29,9	6,6	9,6	93	6,8	145	6,8	87,3	38,8	6,4	28,6	10,5	45,7	100,0	20	100,4
Liberecký	37	102	20,4	20,4	6,5	7,8	66	4,8	94	4,4	79,2	40,4	4,6	50,8	13,9	6,6	101,4	57	99,9
Královéhradecký	31	47	18,8	19,1	5,7	7,5	88	6,4	90	4,2	80,1	35,8	5,6	50,1	8,9	7,2	102,7	59	102,1
Pardubický	44	69	13,2	14,2	6,2	7,0	117	8,5	154	7,2	83,3	21,2	4,1	78,4	5,9	1,0	100,0	10	110,8
Vysočina	28	65	19,5	18,5	7,8	11,8	71	5,2	92	4,3	87,1	36,2	6,5	56,8	10,4	x	x	12	100,0
Jihomoravský	46	81	18,2	20,7	11,5	14,8	115	8,4	152	7,1	79,8	22,2	9,9	49,6	15,7	54,9	105,8	33	108,0
Olomoucký	28	53	14,4	15,7	6,1	7,8	66	4,8	83	3,9	82,2	27,3	11,1	45,5	15,1	2,1	.	16	98,2
Zlínský	34	49	14,1	16,6	9,1	10,1	72	5,3	103	4,8	82,4	33,3	11,1	31,4	13,1	9,0	97,9	12	101,5
Moravskoslezský	29	65	12,0	15,4	4,7	5,3	133	9,7	225	10,5	84,9	24,9	11,8	33,2	6,2	38,5	88,2	9	104,9

<sup>1)</sup> FDI = foreign direct investment.

<sup>2)</sup> Only enterprises > 20 employees are included (reg. breakdown by head office). Market services = NACE G-J (excl. education, health, public administration).

<sup>3)</sup> Regional breakdown by head office of business. In 2006, for part of export (6,6 %) from source region can not be identified.

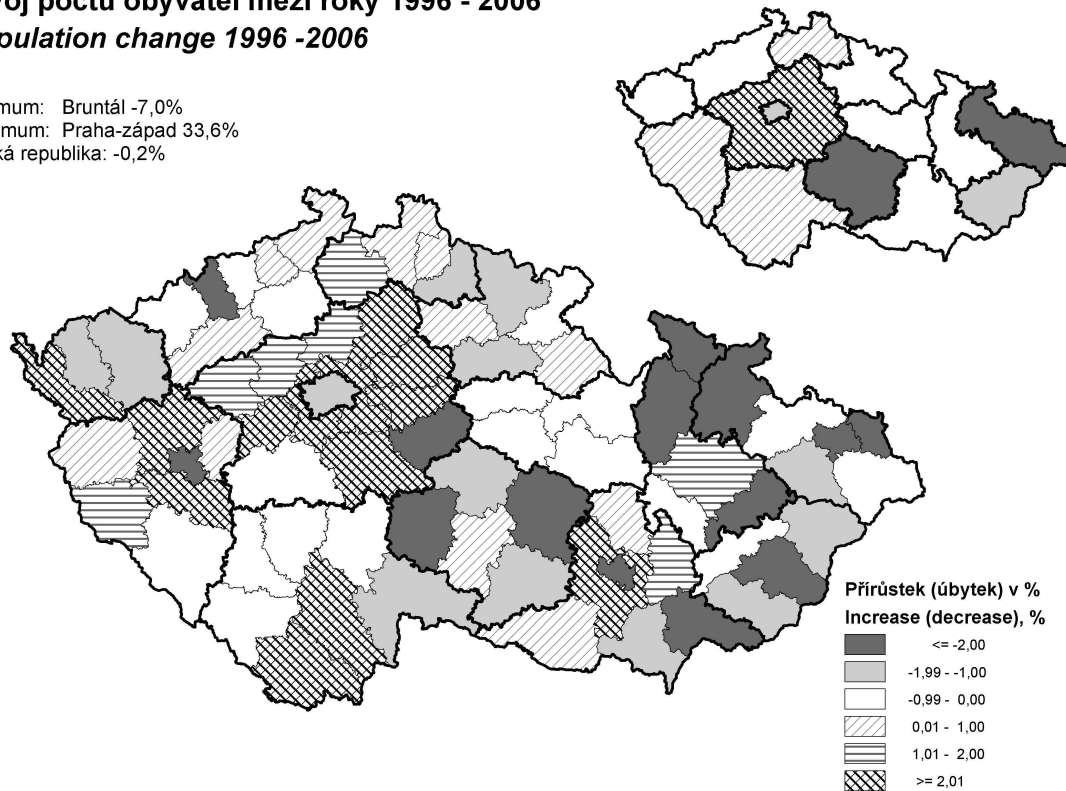
<sup>4)</sup> Standard International Trade Classification: SITC 7 = Machinery&transport equipment, SITC 8 = Miscellaneous manufactured articles.

<sup>5)</sup> Refers to total number of arrivals plus departures at crossing borders (e.g. road and rail borders) on the territory of region.

<sup>6)</sup> HUZ = collective tourist accommodation establishments.

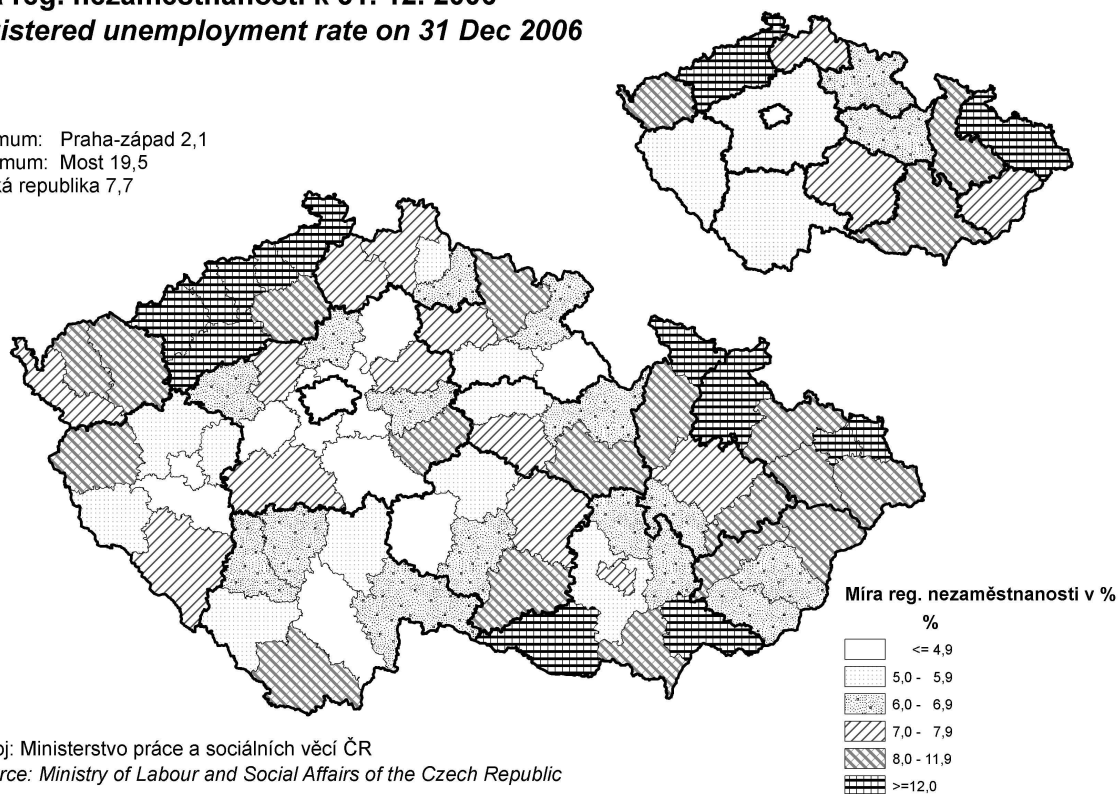
**Vývoj počtu obyvatel mezi roky 1996 - 2006**  
**Population change 1996 -2006**

Minimum: Bruntál -7,0%  
 Maximum: Praha-západ 33,6%  
 Česká republika: -0,2%



**Míra reg. nezaměstnanosti k 31. 12. 2006**  
**Registered unemployment rate on 31 Dec 2006**

Minimum: Praha-západ 2,1  
 Maximum: Most 19,5  
 Česká republika 7,7



Zdroj: Ministerstvo práce a sociálních věcí ČR  
 Source: Ministry of Labour and Social Affairs of the Czech Republic