

Labour market monitoring

CEE
March 2023



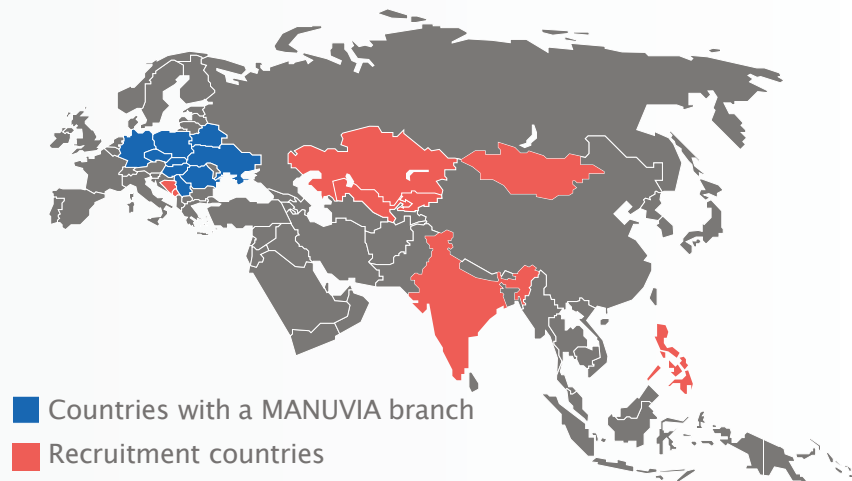
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Manuvia around the world



Unemployment in the Czech Republic



As of 31 March 2023, the Czech Labour Office had a total of 273,478 registered job seekers.
This is 9,030 less than in the previous month, and 20,605 more than last year.

The amount of unemployed persons declined month-on-month by 0.2 pp.,
and it increased slightly year-on-year (by 0.3 pp.). At the end of March it was 3.7%.

In an international comparison, according to the latest available EUROSTAT data (for February), the unemployment rate
was the lowest in the entire EU, namely 2.6% (6.3% EU average).

Developments on the labour market are currently in line with the season,
where unemployment is higher in the winter and declines with the arrival of spring.

Employers are still interested in hiring new employees,
particularly in technical and highly specialised professions. There is also long-term demand for qualified craftsmen.

In the previous month, 34,400 people registered at the Czech Labour Office, while 43,400 people left.
Many of them have found jobs in retail, construction, public administration, defence and social security, wholesale and even education. Self-employed people with a trade licence who have temporarily suspended their business are also currently resuming their activities.

	03/2023	03/2022	02/2021
Unemployment rate in the Czech Republic	3.7%	3.4%	4.2%
Number of job seekers	273,478	252,873	306,616
Number of reachable job seekers	248,559	229,521	288,355
Number of job vacancies	284,525	360,168	338,862
Unemployment rate according to EUROSTAT (February)	2.6%	2.7%	3.3%

'Employers are now more cautious in choosing new employees, paying increased attention to effective financial planning, especially due to the rising costs of energy and raw materials. Despite this, most employers want to retain their current employees and are not planning significant workforce reductions. The good news is that the unemployment rate could continue to drop in the coming months.'

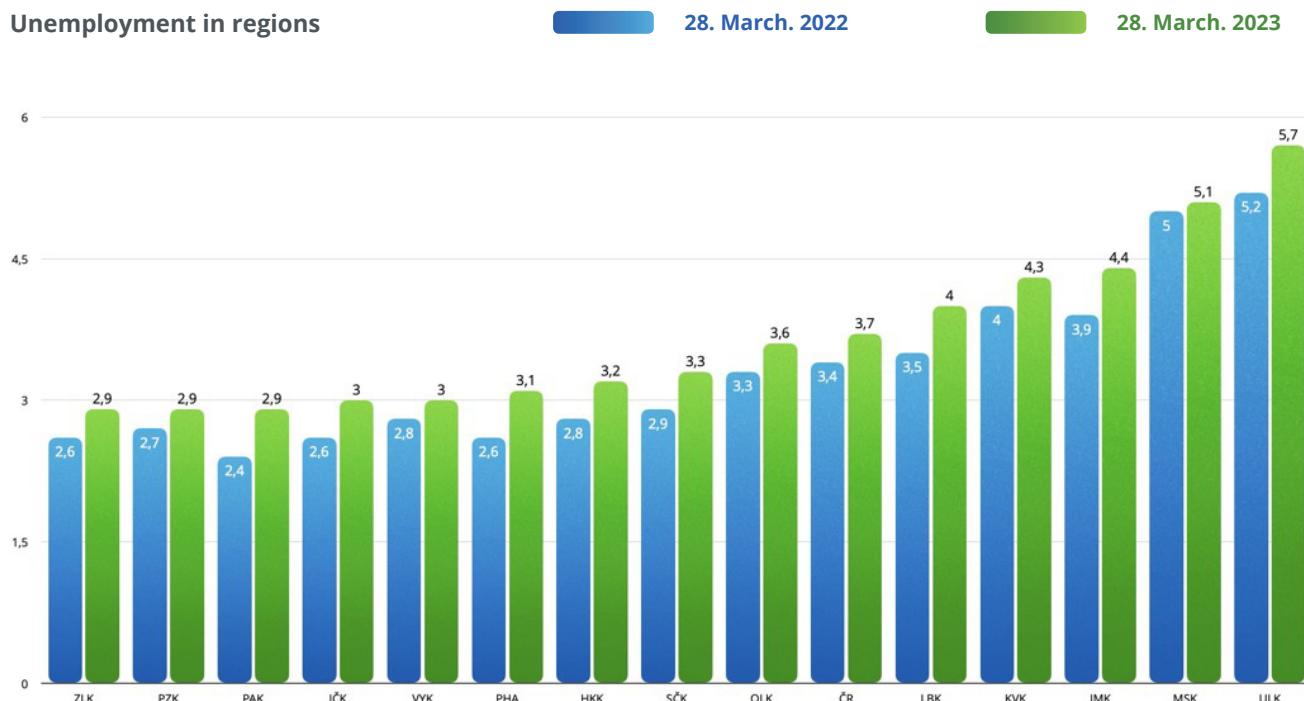
Karla Smičková, COO

Unemployment in regions



The highest unemployment rate in March 2023 was in the **Ústí nad Labem Region - 5.7%** and the **Moravian-Silesian Region 5.1%**. These regions had the highest unemployment rate in the same period last year, which is due to their long-term economic situation. On the contrary, the lowest unemployment rate was in the **Zlín and Pilsen Regions - with 2.9% in both**.

Unemployment in regions



Structure of job seekers



Out of the total number of registered job seekers, **53.6%** were women, which is a total of **146,635** unemployed persons.



The rate of unemployed men dropped to **3.4%**, with **4.1%** of unemployed women.



In the past month, **37,243** PWDs sought work through the Czech Labour Office – **13.6%** of the total number of unemployed people.



Employers offered them a total of **10,644** job vacancies through the Czech Labour Office.



The average age of unemployed persons in March was **43.3**; last year it was 43.9. The age structure of job seekers has not changed significantly in the last 5 years. In the last 12 months, there were also only slight changes.



Job applicants with lower qualifications, especially those without a maturity diploma and with primary education, were most often jobless.

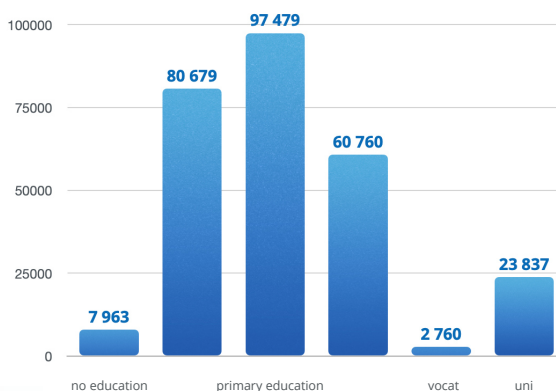


Changes in the structure of the unemployed according to education show that the highest year-on-year increase was in registered job seekers with primary education (by 8,314) and job seekers with university education (by 5,197).

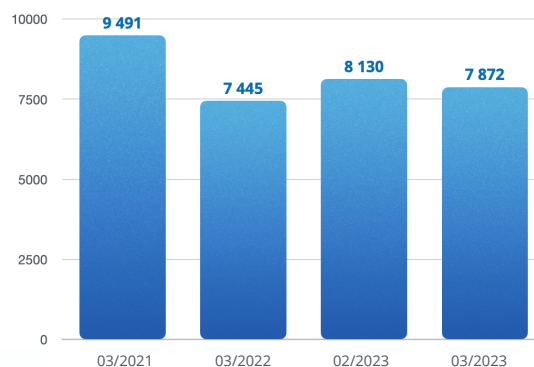


At the end of the previous month, the Czech Labour Office had 12,343 registered school graduates with all levels of education and adolescents. **This is a month-on-month decline of 220 people, and a year-on-year increase of 996 people. They accounted for 4.5% of the total unemployment rate (February – 4.4%, March 2022 – 4.5%). Out of the total number of graduates and adolescents, at the end of March 7,872 of graduates were registered at the Czech Labour Office.**

Structure of job seekers



Number of graduates



Over the past 12 months, the structure of job seekers has changed according to the duration for which they were registered at the Czech Labour Office. In March 2023, the share of job seekers out of work for more than 12 months declined by 4.5 percentage points to 27.7%, to a total of 75,738 people, in a year-on-year comparison.

The average duration of registration at the Labour Office increased by 17 days to 471 days compared to February.

Average wages in Q4 2022



CZK 43,412

was the average wage

CZK 37,463

was the median wage

In Q4 2022,

the average gross monthly nominal wage in the national economy increased by **7.9%** compared to the previous year, but dropped by **6.7% in real wages**.

Consumer prices

increased by 15.7%, which caused a decline in real wages.

The wage volume

increased by **8.9%**, and the number of employees increased by **0.9%**.

The average wage

increased in Q4 2022 by **2.1%** compared to the previous quarter, and the highest growth was recorded in the prices of electricity and gas, other activities, and the financial and insurance sectors.

The median wage increased

by **9.0%**, and 80% of employees had a salary between CZK 18,666 and CZK 70,514.

The average

wage in 2022 was CZK 40,353, which is 6.5% more than in the previous year, but consumer prices increased by 15.1%, so the real wage declined by 7.5%.

Unemployment rate in Slovakia



Unemployment continued to decline in March

The PDU unemployment development indicator reached **4.29%** at the end of last month, dropping by 11 hundredths of a percentage point compared to February.

The number of young unemployed

people up to 29 years of age was the second lowest amount in the last 11 years.

The share of available working-age job seekers

in the working-age population (PDU) is the new main unemployment indicator since January this year, used by the Ministry of Labour, Social Affairs and Family.

- **In March, the PDU reached 4.29 %, decreasing by 0.11 pp month-on-month, and even decreasing by 60 hundredths of a percentage point year-on-year. The PDU also declined in February month-on-month by 4 hundredths of a percentage point.**
- In addition to an overall drop in unemployment, **unemployment continues to decline** in all regions of the Slovak Republic.
- The most significant month-on-month decline was recorded by the Central Office of Labour, Social Affairs and Family **in the Prešov Region**. Compared to february, the PDU dropped by up to 0.19 of a percentage point.
- **The number of young people** under the age of 29 who are registered as job seekers also declined. There were **38,981** of them at the end of March, which is the second lowest value since April 2012. There were only fewer young unemployed people in April 2019 in the monitored period, namely 38,234 persons.
- **There were the most** unemployed people under the age of 29 at the end of the financial crisis in 2012 and 2013. The Central Office of Labour recorded a maximum in January 2013, namely 140,629 persons.

Unemployment in regions

Region	Job seekers at end of month	Economically active population	Number of available job seekers	Unemployment rate calculated from total amount of job seekers (in %)	Registered unemployment rate (in %)
Bratislava region	12 028	390 343	11 324	3,08	2,90
Trnava region	11 212	296 941	9 953	3,78	3,35
Trenčín region	11 526	296 780	10 137	3,88	3,42
Nitria region	15 173	349 109	12 847	4,35	3,68
Žilina region	17 409	361 377	15 356	4,82	4,25
Banská Bystrica region	30 034	320 179	26 997	9,38	8,43
Prešov region	42 697	399 062	38 456	10,70	9,64
Košice region	35 526	381 662	31 867	9,31	8,35
SLOVAKIA	175 605	2 795 453	156 937	6,28	5,61

Unemployment statistics

- March 2023



Share of available working age job seekers in the working age population - PDU: 4.29%

(4.40% in February 2023; 4.89% in March 2022).

Share of available working age job seekers in the working age population - PDU in the Prešov Region:

7.11% (7.30% in February 2023; 7.82% in March 2022).

Registered unemployment rate – MEN: 5.61% (5.76% in February 2023).

Number of available working age job seekers: 156,903

(160,926 persons in February 2023).

Total number of registered job seekers: 175,605

(178,973 persons in February 2023; 197,060 persons in March 2022).

13,402 job seekers entered the labour market (11,696 in February 2023).

Number of job vacancies: 76,127 (77,819 in February 2023). The most job vacancies were in the Bratislava Region, namely 28,507, with the fewest available jobs in the Prešov Region, 2,594.

Number of vacancies suitable for graduates: 38,621.

Number of collective redundancies reported during March 2023: 10

(number of jobs at risk - 1,036).



Real wages in Q4 2022



Real wages in Q4 and the whole 2022 experienced the sharpest decline in the last 22 years.

The average real monthly wage

in Slovakia has been declining for the fourth quarter in a row. Rapidly rising inflation devalued it by **4.5%** for the whole year, and by almost **8%** at the end of the year.

The average gross wage

continued to grow in the last quarter, but at the slowest rate of all quarters last year.

The average nominal monthly wage

of an employee in the Slovak economy in Q4 2022 increased year-on-year by **6.5%** to 1,418 euros. This means employees received an average gross wage of 87 euros more than at the end of 2021.

However, consumer prices

increased at a significantly faster pace, causing the real wage in Slovakia to drop by **7.6%** year-on-year, which was the most since Q2 2000, when real wages dropped by **8.4%**.

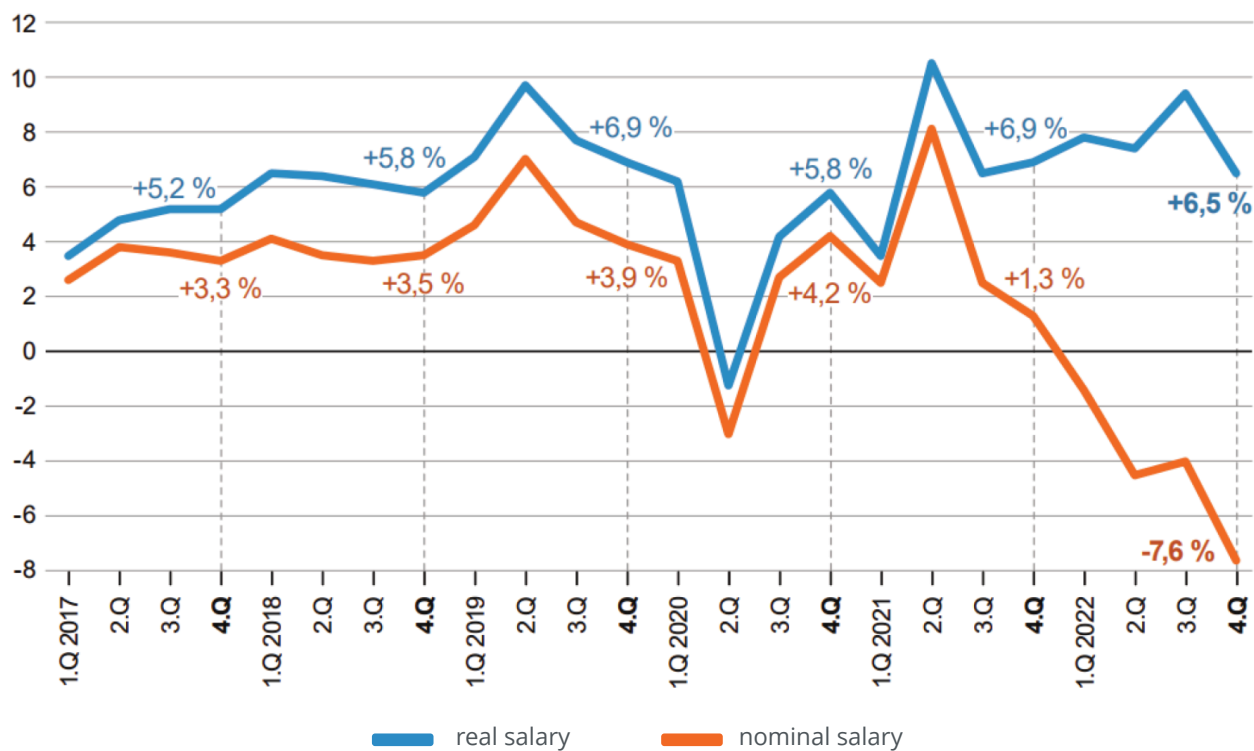
The seasonally adjusted average wage

increased by **0.5%** compared to Q3 2022.

Average monthly wage



Year-on-year change in %, quarters



The unemployment rate in March was 5.4%.

According to estimates of the Ministry of Labour and Social Affairs, this is 0.4 pp. less than in the same period last year.

This is proof of the effectiveness of the protective measures implemented by the government over the course of several months.

Lower unemployment rate than last year

- The rate of registered unemployment at the end of March was 5.4% according to the estimates of the Ministry of Labour and Social Affairs. This is 0.1 pp. less than in February and 0.4 pp. less than at the end of March 2022.
- **The lowest unemployment rate** in Poland was in the Greater Poland Voivodeship (3.2%), and **the highest unemployment rate** (9.2%) was in the Warmian-Masurian Voivodeship.
- In March this year, **848.3 thousand** job vacancies were registered at labour offices. Compared to last month, **the number of unemployed persons declined by 16.5 thousand**, namely 1.9%.
- There were **53.8 thousand registered unemployed persons at the end of March 2023, i.e. 6.0% less** unemployed than at the end of March 2022.
- Employers reported **94.7 thousand** vacancies and professional activation positions to labour offices. This is approximately 0.7 thousand more than in February 2023.

'Eurostat data also confirm the favourable situation on the labour market. The unemployment rate in Poland this February was 2.8%. In comparison, the unemployment rate in the EU was 6% and 6.6% in the eurozone. Poland therefore had the second lowest unemployment rate in the EU after the Czech Republic.'

Marlena Maląg

Minister of Family and Social Policy

Voivodeship	Unemployment rate in %
POLAND	5.4
Dolnośląskie	4.7
Kujawsko-Pomorskie	7.6
Lubelskie	8.2
Lubuskie	4.7
Łódzkie	5.7
Małopolskie	4.8
Mazowieckie	4.3
Opolskie	6.4
Podkarpackie	9.0
Podlaskie	7.5
Pomorskie	4.9
Śląskie	3.9
Świętokrzyskie	8.0
Warmińsko-Mazurskie	9.2
Wielkopolskie	3.2
Zachodniopomorskie	7.0

The unemployment rate in March was 5.7%.

As the spring recovery began, unemployment dropped to 2,594,000 persons in March 2023 from the previous month. The 26 thousand decline was rather mild. After seasonal adjustment, the number of unemployed increased by 16 thousand. Compared to March last year, the number of unemployed is 232,000 higher. The unemployment rate in March was the same as in February, namely 5.7%.

Slow spring recovery

- **Underemployment**, which also includes changes in labour market policy and short-term incapacity for work in addition to unemployment, concerned 3,465,000 people this March. This was 357,000 more people than a year ago.
- Current data on the actual amount of part-time work are available until January 2023. According to preliminary extrapolated data from the Federal Employment Agency, short-term employee benefits were paid in this month to **140,000 employees**. This shows that the amount of part-time jobs has not increased recently.
- **Seasonally adjusted employment subject to social security contributions increased by 34,000 between December 2022 and January 2023. Compared to the previous year, according to BA projections, it increased by 395,000 to 34.57 million employees in January**

'The labour market was generally robust in March too. However, the weak economy is leaving its mark: the spring recovery is just beginning to take hold.'

Andrea Nahles

Chair of the Executive Board of the Federal Employment Agency (BA)

The unemployment rate in March was 4.0%.

The number of unemployed people in March 2023 was 195,000, and the unemployment rate was 4.0%.

- The number of unemployed people aged 15 to 24 was 32,000, and their unemployment rate was 10.3%. 15.9% of all unemployed persons were from this age group. The 3.7% unemployment rate in the 25-54 age group rose by 0.4 pp, while it increased by 0.2 pp to 3.2% in the 55-74 age group.
- The unemployment rate was **highest** in the Northern Great Plain (**6.9%**) and **lowest** in Central Transdanubia (**1.9%**). **Compared to the same period in the previous year, the unemployment rate increased the most in Southern Transdanubia and the Southern Great Plain (by 0.8 pp.), while in Budapest – the only region – it declined by 0.1 pp.**
- The average job search time was 9.2 months; 32.7% of the unemployed had been looking for work for at least a year.

Development of unemployment by age group from age 15 to 74, January–March 2023

Age group, years	Number of people		Unemployment rate	
	thousand people	change, thousand people a)	%	change, thousand people a)
15-24	31.6	0.3	10.3	-0.1
25-54	137.6	14.3	3.7	0.4
55-74	29.7	3.1	3.2	0.2
Total	198.8	17.8	4.1	0.3

a) Compared to the same period last year.

At the end of March 2023 compared to last year

According to the administrative data of the National Employment Service, **the number of registered job applicants declined by 3.0% to 244 thousand people.**

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