



MUTUAL LEARNING PROGRAMME:

„Renewed procedures for employing migrant workers with the emphasis on favouring highly-qualified labour“

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Labour Market Situation in the CR

- ❑ After accession of the CR into the EU the CR economy experienced significant growth (6.5% per annum);
- ❑ In 2008 GDP increased by 3.2 %. GDP per capita in 2008 reached 82% of the EU 27 value;
- ❑ Czech economy has the highest share of secondary sector employment on total employment in the entire EU27 (40.3 %) (manufacturing 28.2 %, construction 9.3 %) in IV.Q.2008 ;
- ❑ An atypical structure of the CR employment: self-employed made 16.6 % of total employment in 1Q 2009; from some points of view it is easier to be self-employed than an employee;
- ❑ Long-term and repeated unemployment is the most significant problem; 35 % of all unemployed in I.Q.2009;
- ❑ The CR economy is predominantly oriented on export.
- ❑ The employment rate of the age group 15-64 yrs was 66.8 % in 4Q 2008;

Latest Economic Development

- ❑ In the period IQ 2008 – IQ 2009, the CR GDP decreased by 3.4 %. It was the largest fall of GDP in the history of the independent Czech Republic since 1993;
- ❑ It was due to unfavourable situation especially in manufacturing which for months has been facing sales crisis for months mostly in external markets;
- ❑ Exports and imports of goods and services fell about 20 % because of the foreign demand decline.
- ❑ Total employment decreased from IQ 2008 to IQ 2009 by 11 600 (-1.1%);
- ❑ A significant decrease of vacancies in secondary sector (building industry from 28.4% to 20.6%; processing industry from 24.3% to 17.8 %);
- ❑ A significant decreases in vacancies occurred (about 95 900 between March 2008 and March 2009) in all professions, especially for unqualified workers, but also for qualified workers, craftsmen and qualified manufactures;

Labour Migration and Residence Permits Developments

- ❑ The share of foreigners on population increased from 2.5 % up to 4.2 % in period 2004-2008;
- ❑ The share of legally registered foreigners on the CR labour market increased in the same period from 3.3 % to 6.4 % of the labour force;
- ❑ Number of residence permit holders slightly increased between December 2008 and April 2009 (+ 5 569);
- ❑ Employment of foreigners decreased from 361 709 in December 2008 to 340 769 in March 2009 (- 20 940);
- ❑ Number of foreigners registered at labour offices decreased in the same period from 284 551 to 261 271 (-23 280), on the contrary, number of foreigners holding trade licence slightly increased (+2 340);
- ❑ Number of work permit holders decreased from 128 934 to 114 809 (- 14 125); number of non EU nationals with non mandatory work permits increased from 14 516 to 14 818 (+302); number of Slovak citizens decreased from 100 233 to 93 346 (- 6 887); number of other EU citizens decreased from 40 868 to 38 298 (-2 570);

How to Identify and Attract Highly Skilled Migrant Workers?

- ❑ Is it necessary? Labour migrants in the CR are often over-skilled or over-qualified compared to requirements of their employers;
- ❑ Provide equal conditions for migrant workers as for local ones;
- ❑ Do not block mobility of migrant workers at the labour market;
- ❑ Give migrant workers an opportunity to search for jobs without personal agencies or clients;
- ❑ Advertise new system of green cards;
- ❑ Use information technologies in process of brokering work places;

How can Member States best respond to current crisis and changes in demand to balance their labour markets? Are more restrictive approaches appropriate towards migrant workers? How could the qualified foreign labour be effectively used for recovering economic crises and reviving the EU economy?

- ❑ Keep level of employment for as long as possible; use more restrictive instruments for new work migrants only;
- ❑ Keep work migrants who are already integrated;
- ❑ Create new jobs in under-saturated sectors such as health care or social care, even though they are not well paid;
- ❑ Create atypical new work places induced by local needs (for local communities, both firms and individuals);
- ❑ Combine financial means for new work places from different resources: e.g. unpaid unemployment benefits plus financial support of recipients to be provided, plus ESF funds;
- ❑ Modify qualification and skills of unemployed and integrated migrant workers to respond better to changing labour market needs;
- ❑ Simplify the process of validation of migrant workers' education;
- ❑ Support flexibility and mobility of migrant workers at labour market.
- ❑ Build infrastructure for mobile workers and their families;
- ❑ Balance economic and social politics;
- ❑ Simplify self-employment and other form of entrepreneurial activities;

Migrant Workers' Impact on Host Labour Markets - Meeting Labour Market Needs and Conditions

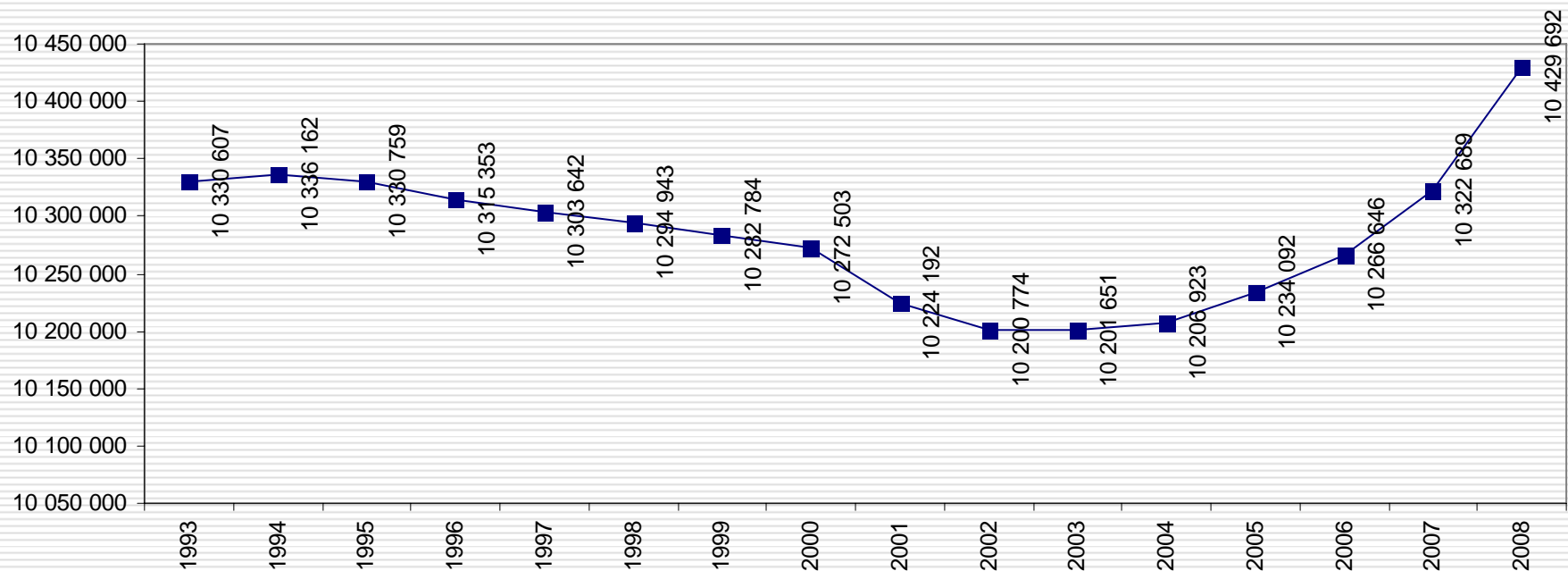
- Increase of total employment in receiving country;
 - Better balance of supply and demand on labour markets;
 - Competition of migrant workers pushes wages down; clashes between local and foreign labour could happen;
 - The unemployment of specific groups could increase (low educated and unskilled);
 - The work condition could deteriorate because foreigners often accept worst work conditions.
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How Is the Current Economic Crisis Affecting Migration Flows/Migrants Already Employed in Member States and Long Term Migration Trends?

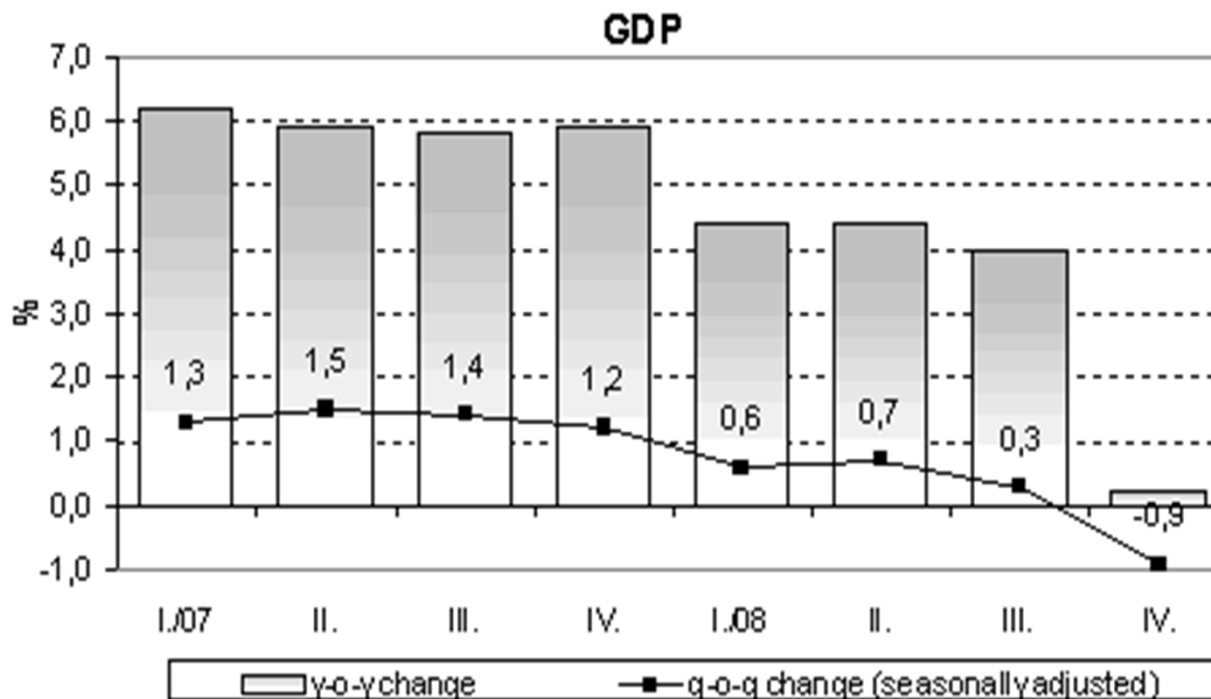
- ❑ Long-term migration trends are only slightly affected so far;
- ❑ Short-term labour migrations trends are affected; reduction of migrant workers registered at labour offices occurred (mostly employees), slight increase of self-employed foreigners working on a basis of trade licence has been observed;
- ❑ Stop new migration. Migrations have inertia and policies react with delays;
- ❑ Vacancies' decrease is significant. The economic crisis hit mostly unskilled and low-skilled people, including migrant workers who were employed in unskilled position;
- ❑ Keep already integrated immigrants and help them to search for new jobs;
- ❑ Help to those who lost their jobs to acquire new skills or reorient their education and skills;
- ❑ Help them to prove their qualification and skills and certificate them;
- ❑ Adopt flexible work time;
- ❑ Use all instruments of active employment policy;

Population Development

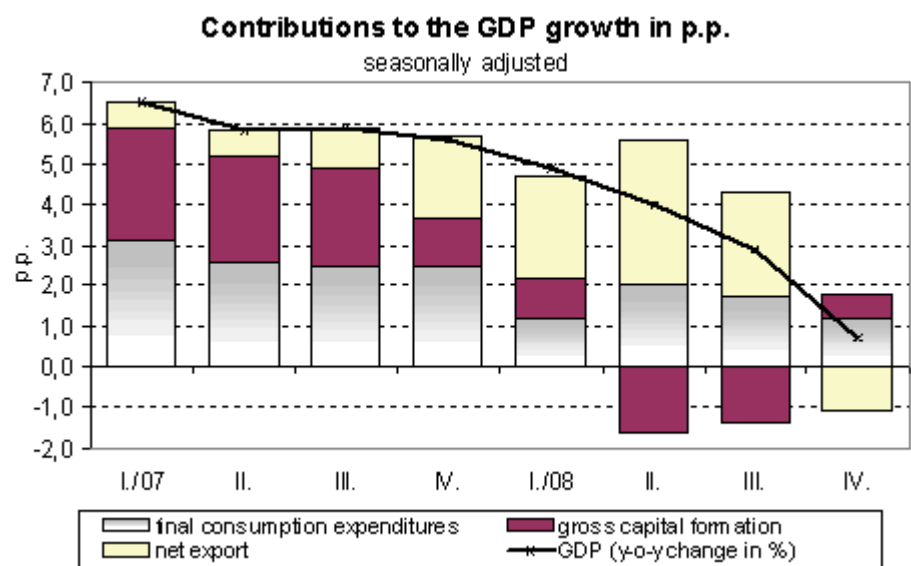
MID-YEAR POPULATION DEVELOPMENT



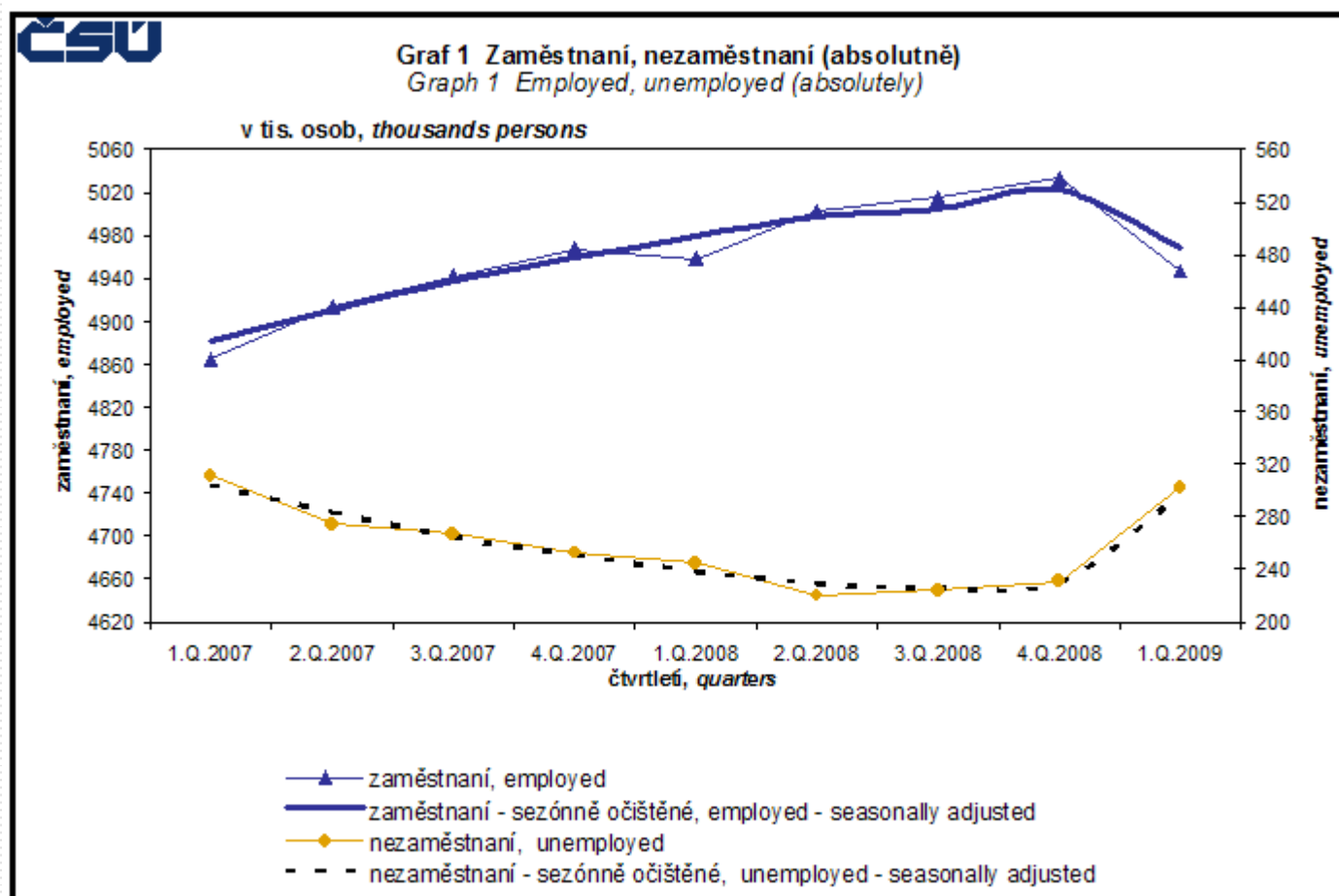
GDP development



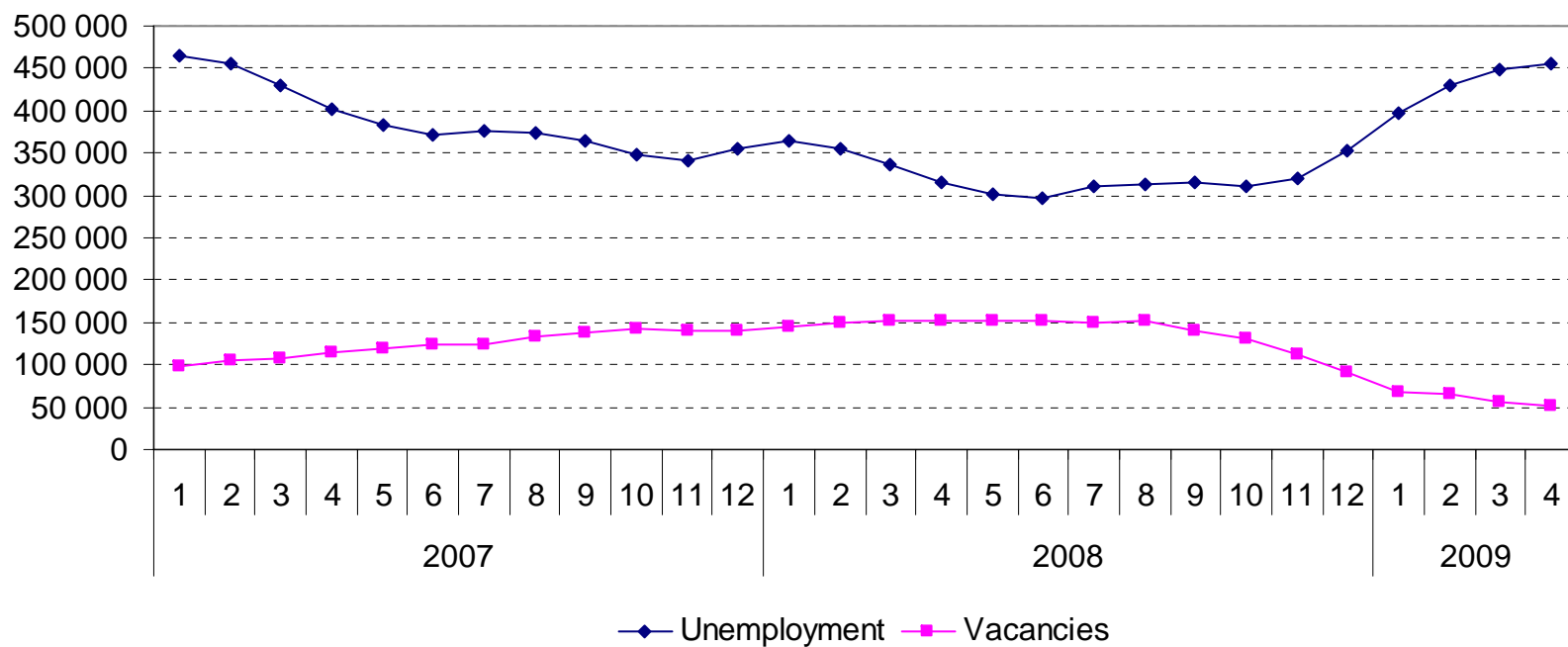
Contributions to the GDP Growth



Employment Development by Czech Statistical Office

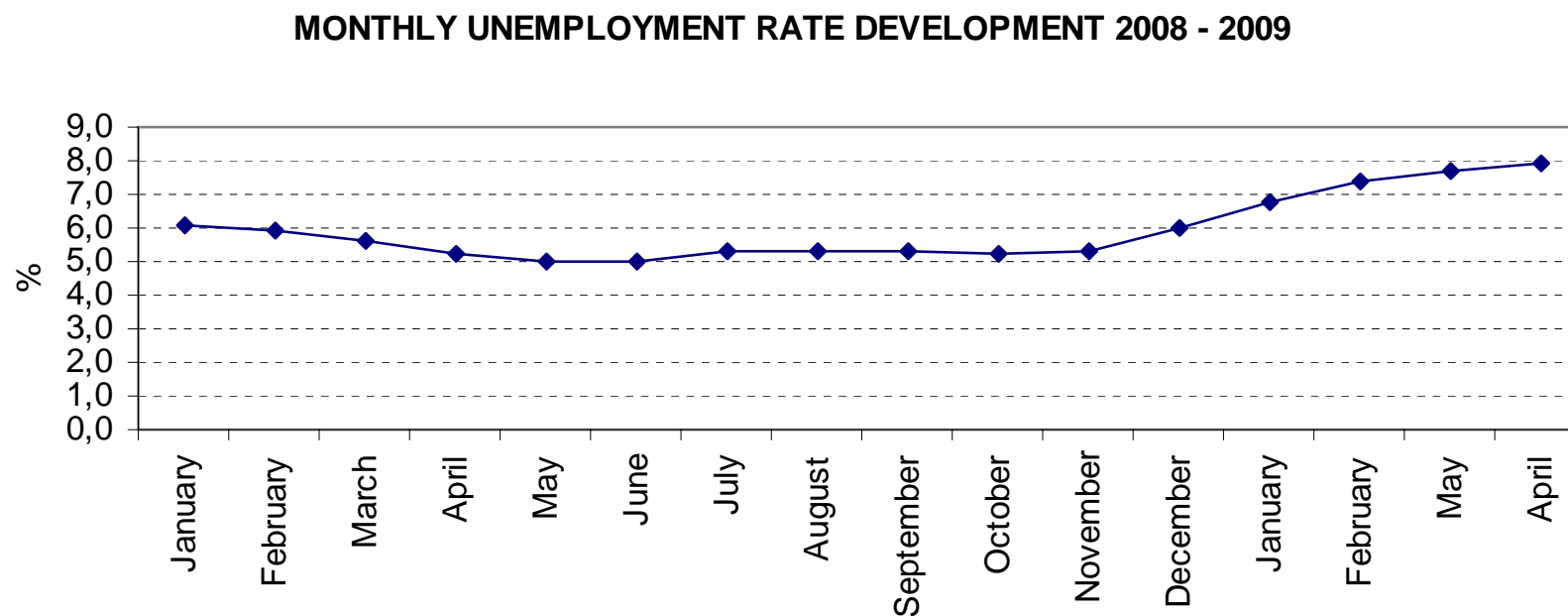


Registered Unemployment and Vacancies Development



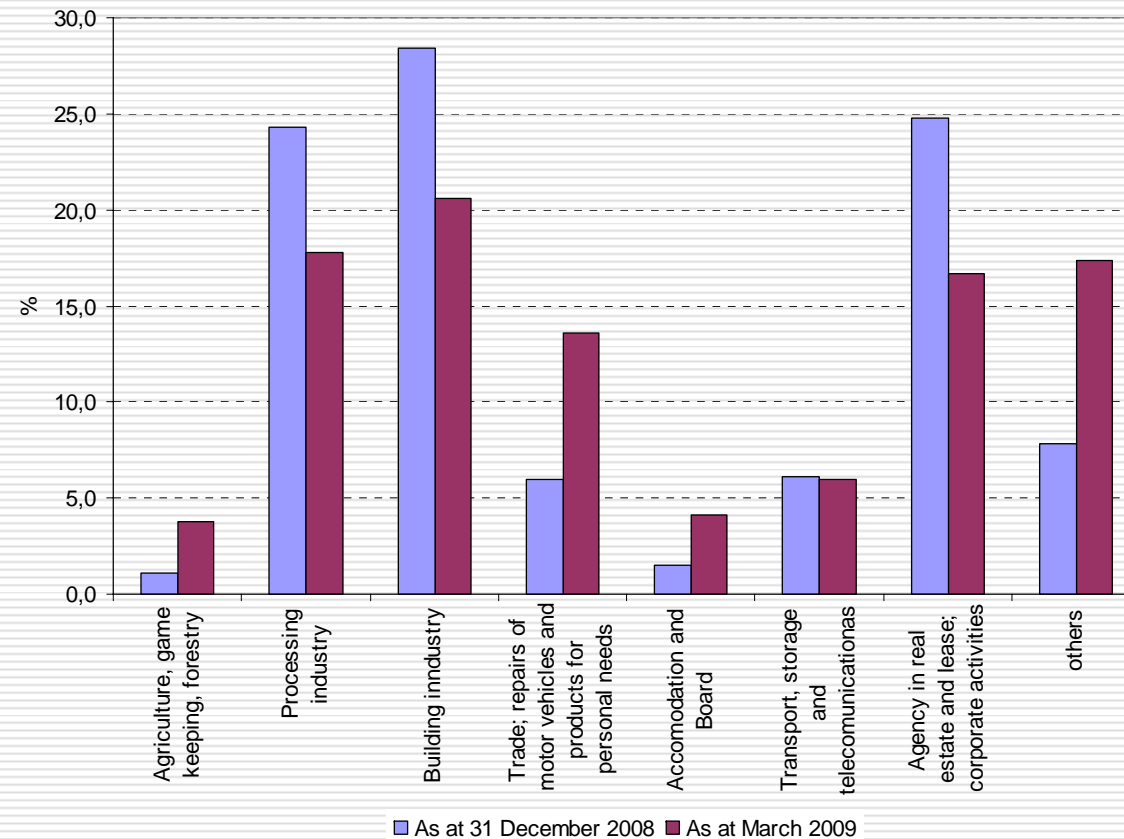
Source: Ministry for Labour and Social Affairs (MoLSA) graph Milada Horáková

Unemployment Rate Development January 2008 - April 2009



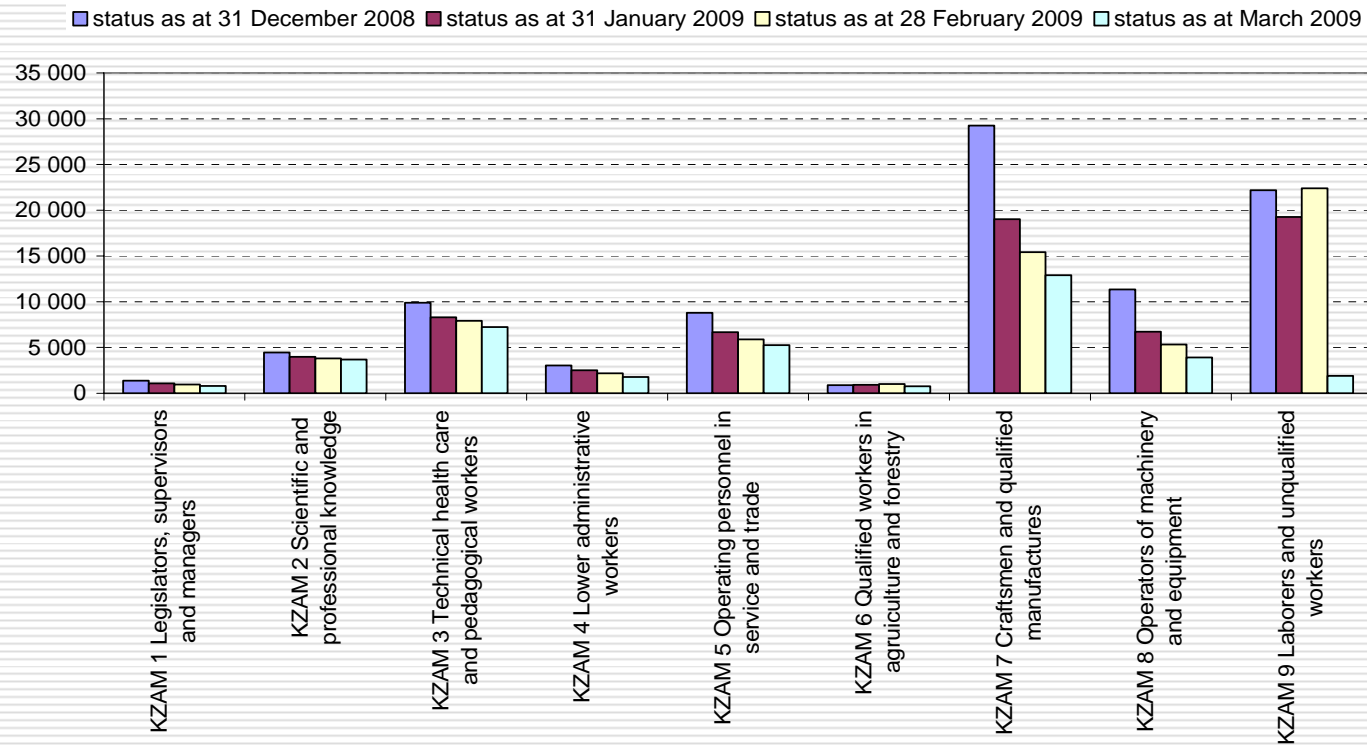
Vacancies by Selected Sectors December 2008 versus March 2009

Shares of vacancies by selected sectors



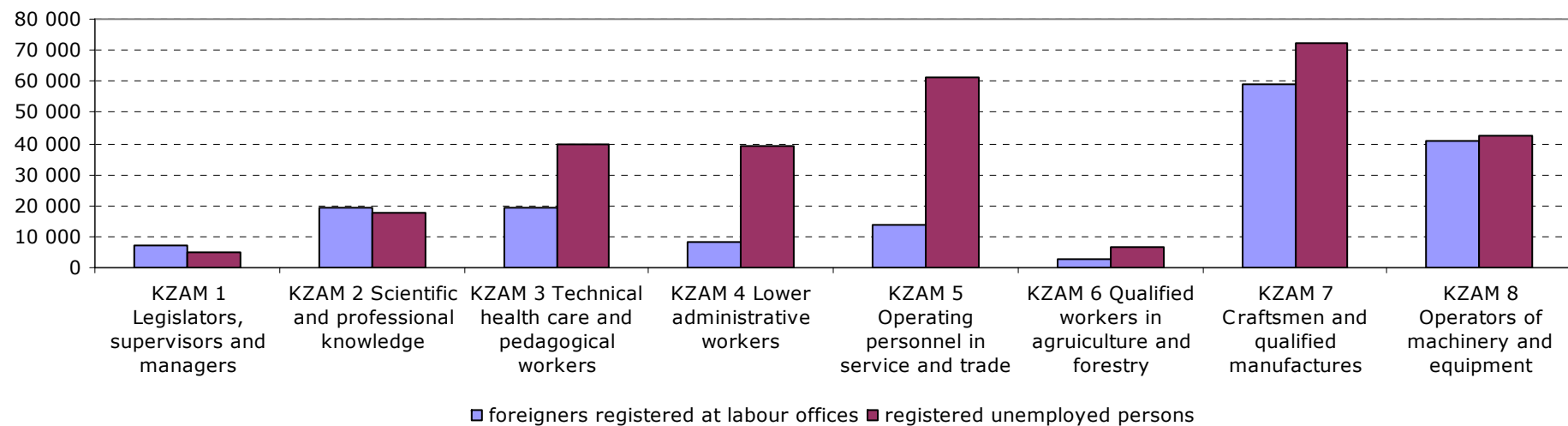
Vacancies by Employees Groups

Vacancies by employees groups



Source: MoLSA, graph Milada Horáková

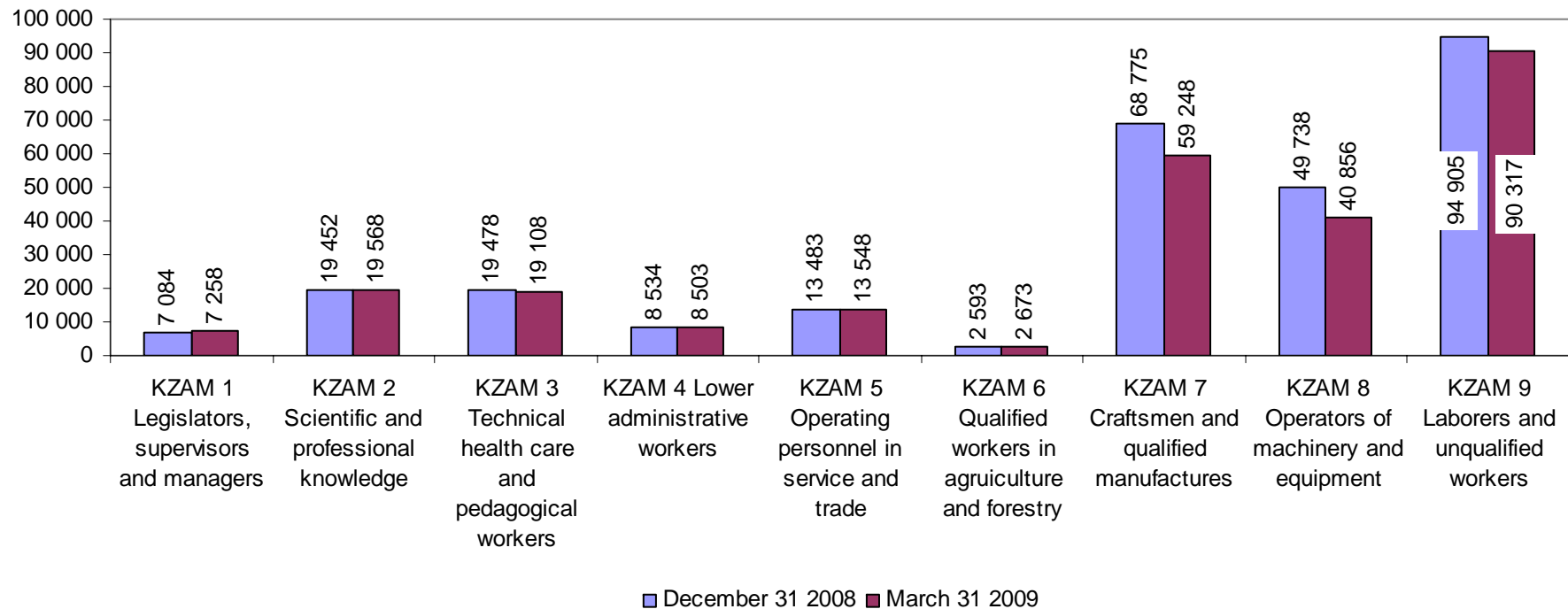
Foreigners Registered at Labour Offices and Registered Unemployed Persons in March 2009



Source: MoLSA, graph Milada Horáková

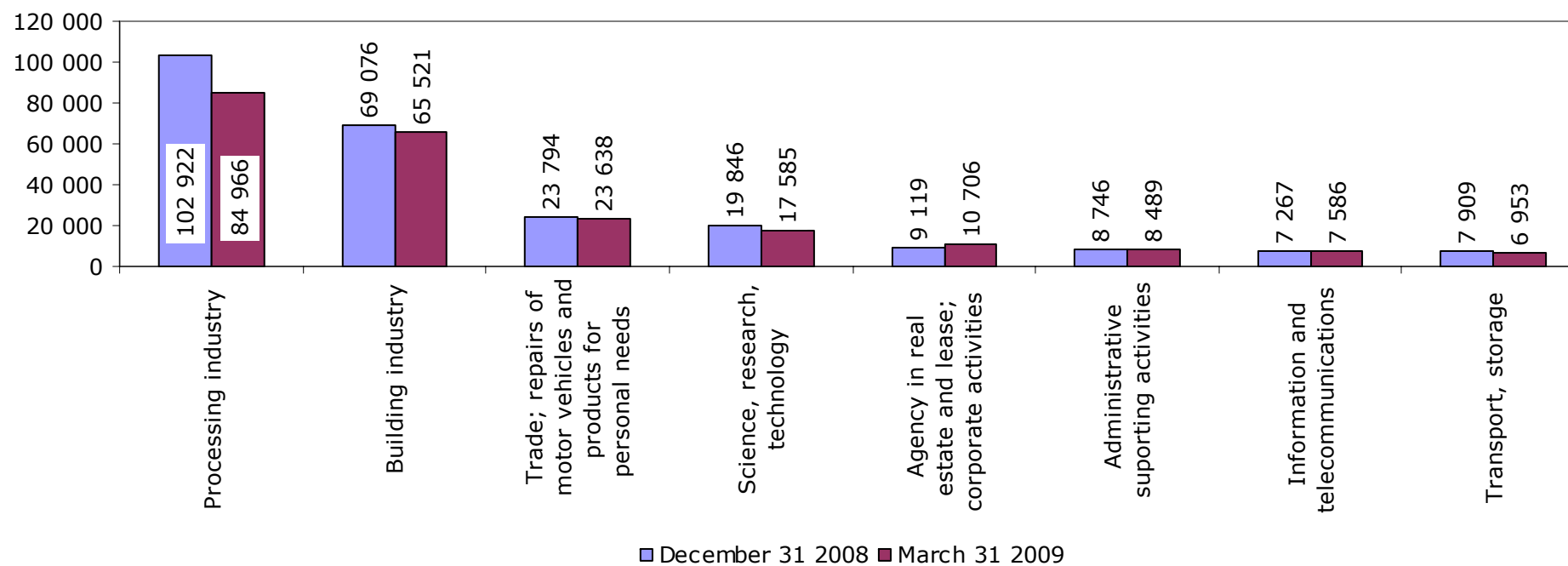
Employed Foreigners Registered at Labour Offices and Registered Unemployed Persons by Employees Groups KZAM

Foreigners registered at labour offices by employee groups KZAM



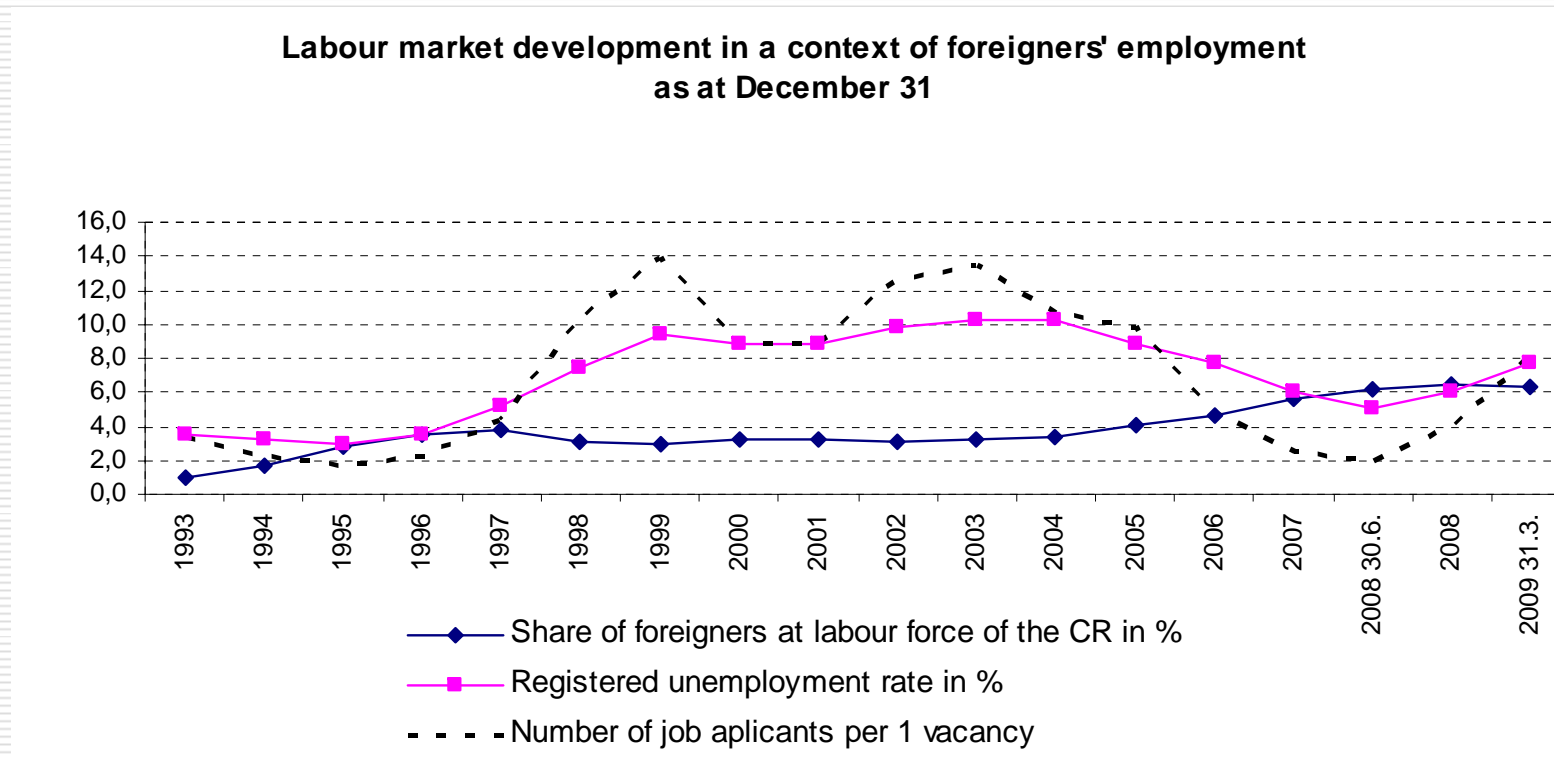
Source: MoLSA, graph Milada Horáková

Foreigners Registered at Labour Offices by Main Sectors



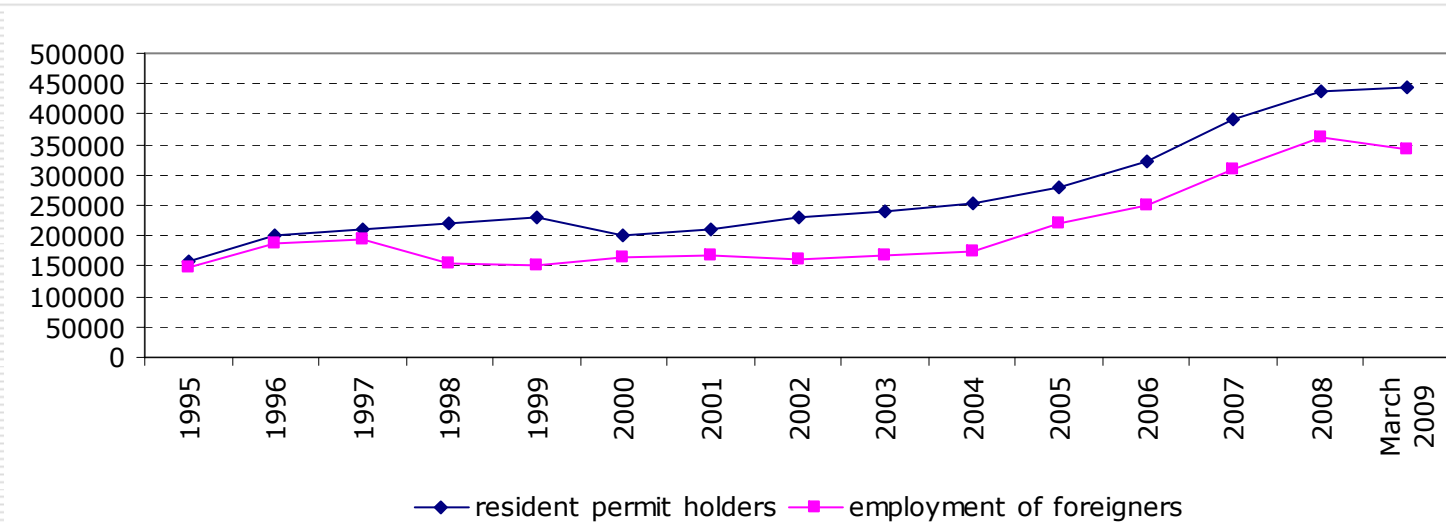
Source: MoLSA, graph Milada Horáková

Labour Market Development and Employment of Foreigners



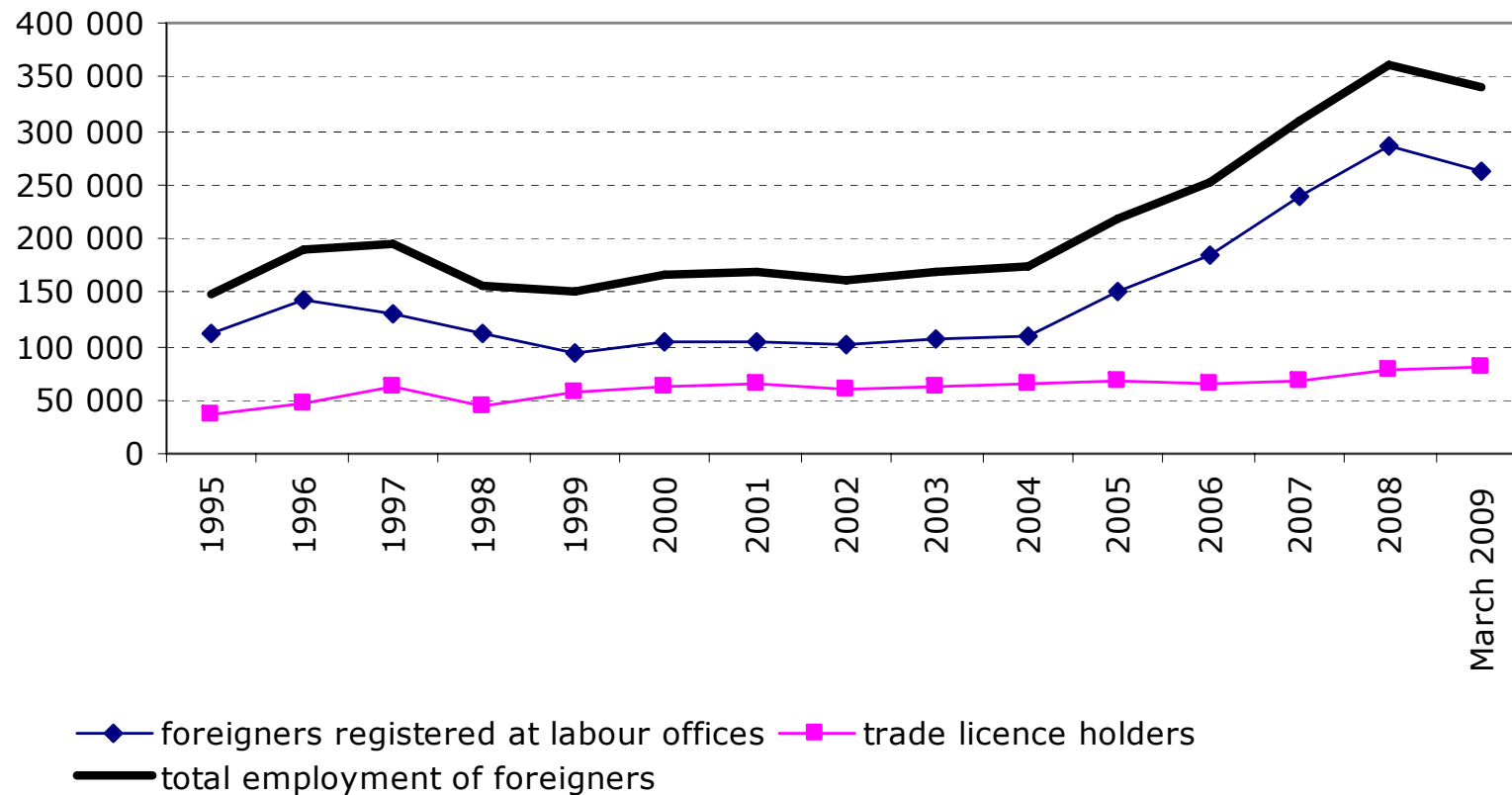
Source: MLSA (Ministry for labour and Social Affair), MIT (Ministry of Industry and Trade), calculations and graph
Milada Horáková

Employment of Foreigners and Residence Permits Development



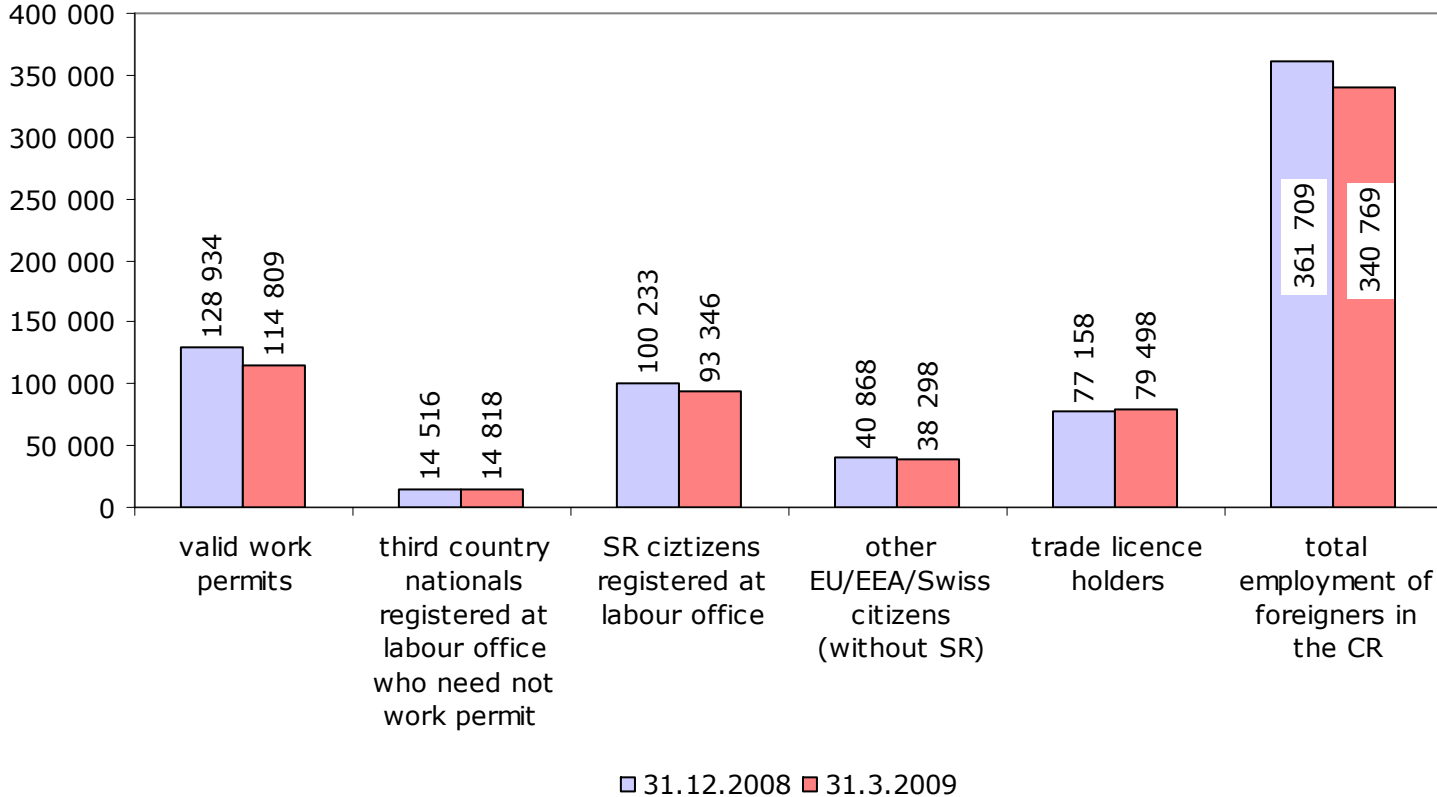
Source: Directory of Alien and Border Police Ministry of Interior (DABP-MI), Group of Analyses); MoLSA, MIT, calculations and graph Milada Horáková

Development of Labour Migration Structure



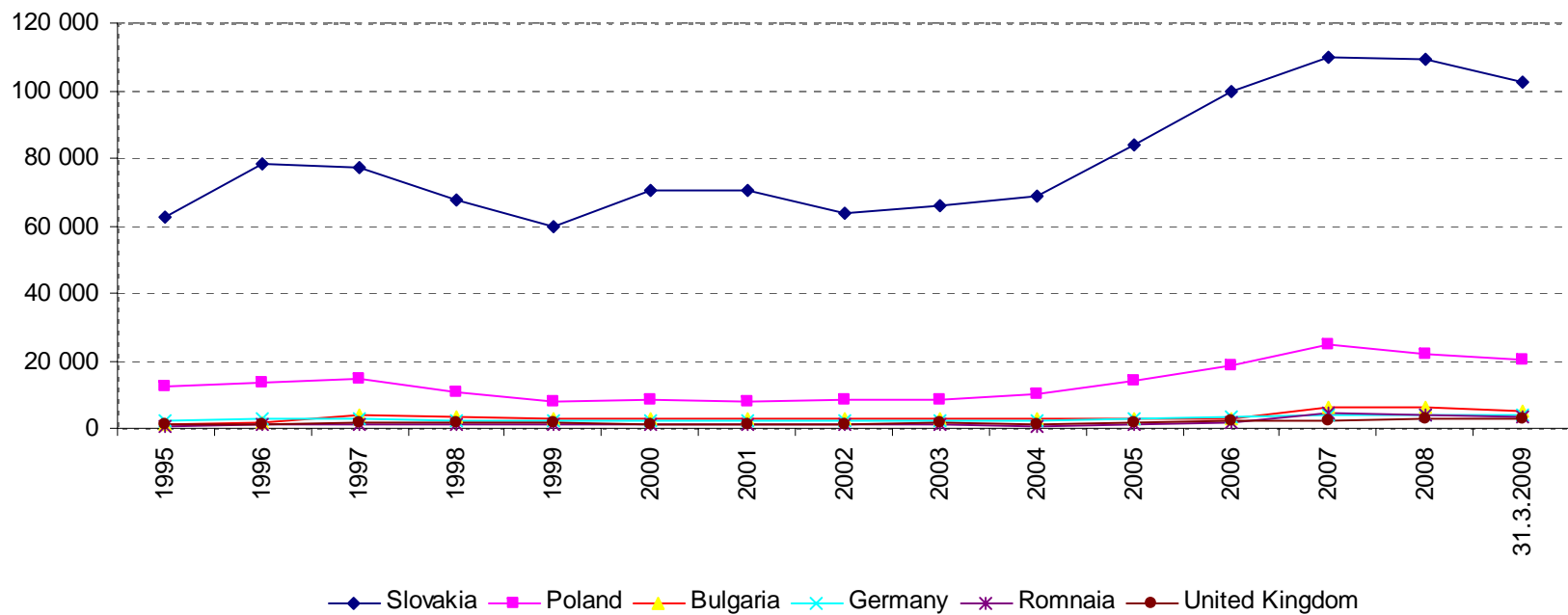
Source: MoLSA, MIT, graph Milada Horáková

Latest Development of Labour Migration Structure



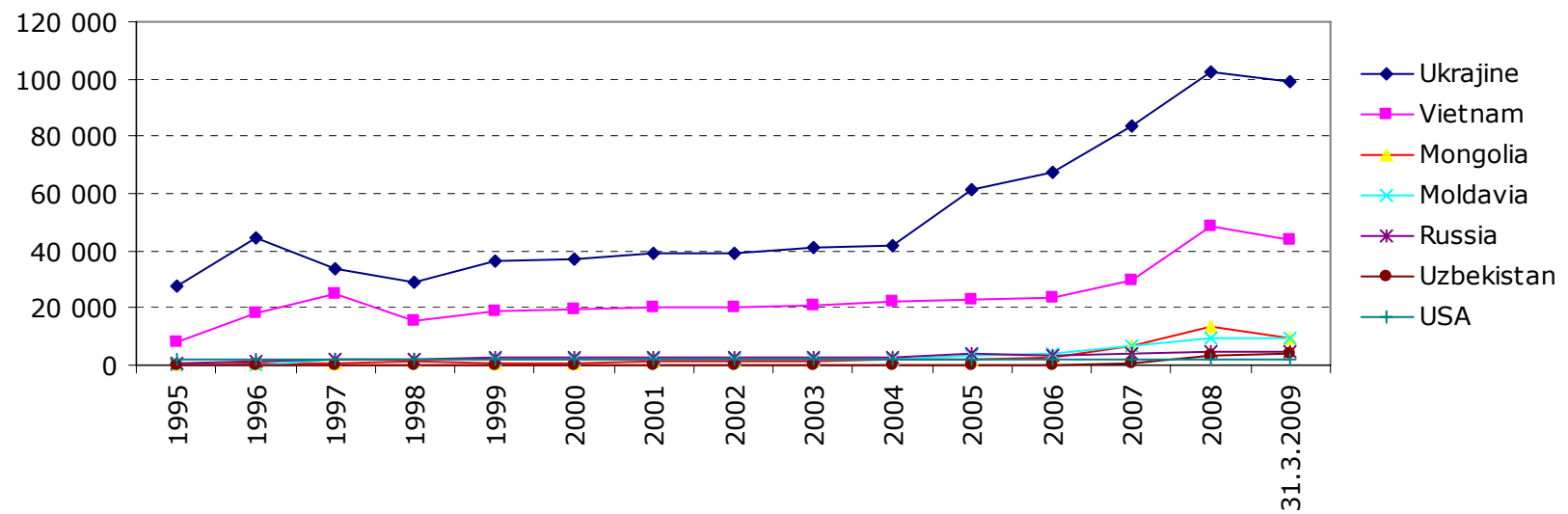
Source: MoLSA, MIT, graph Milada Horáková

EU Nationals at the CR Labour Market



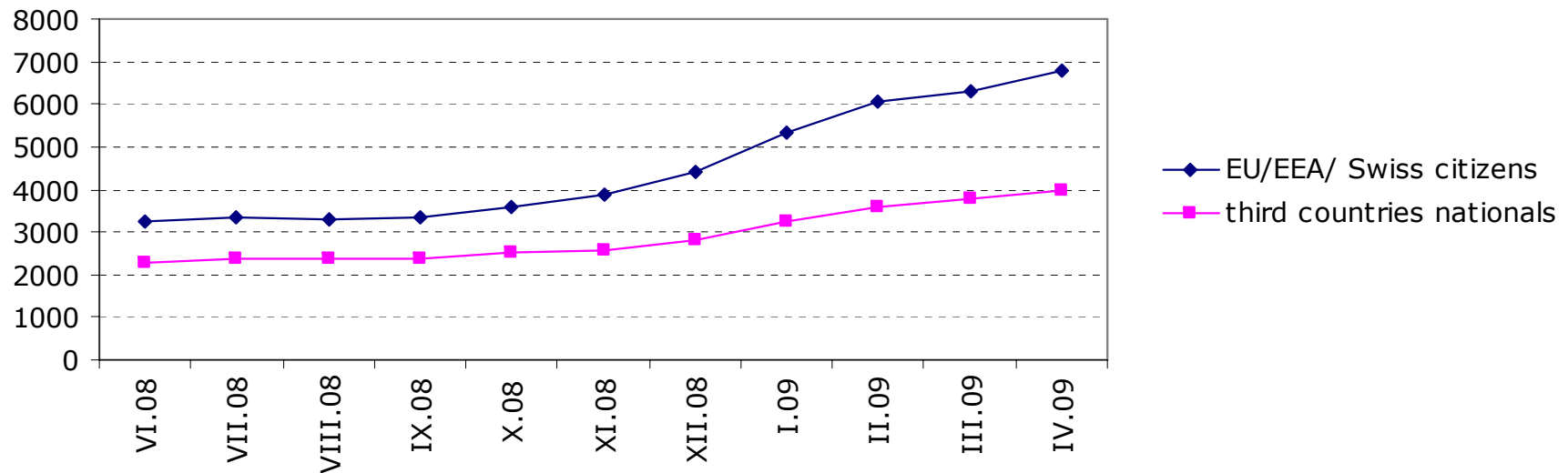
Source: MoLSA, MIT, graph Milada Horáková

Non EU Nationals at the CR Labour Market



Source: MoLSA, MIT, graph Milada Horáková

Unemployed Foreigners Registered at Labour Offices



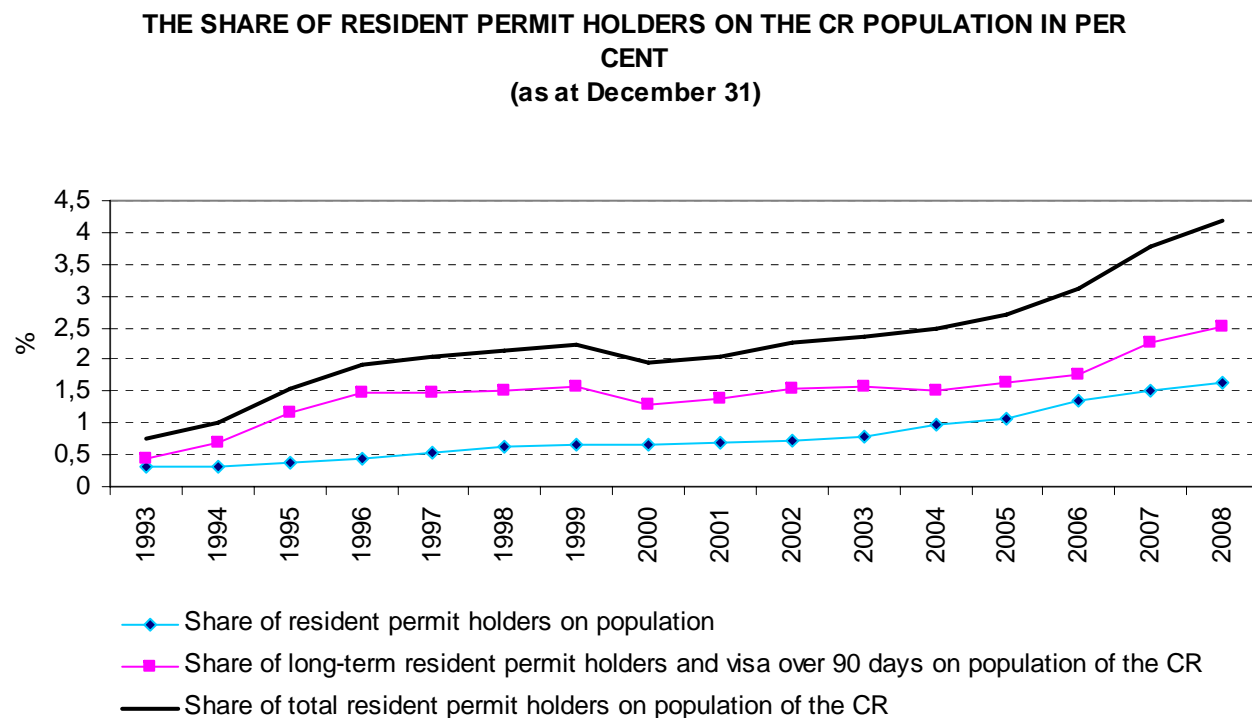
Source: Unpublished data created by Information "OK system" of MoLSA for the purpose of Peer Review at 18.5.2009

Employment of Foreigners and Residence Permits Development



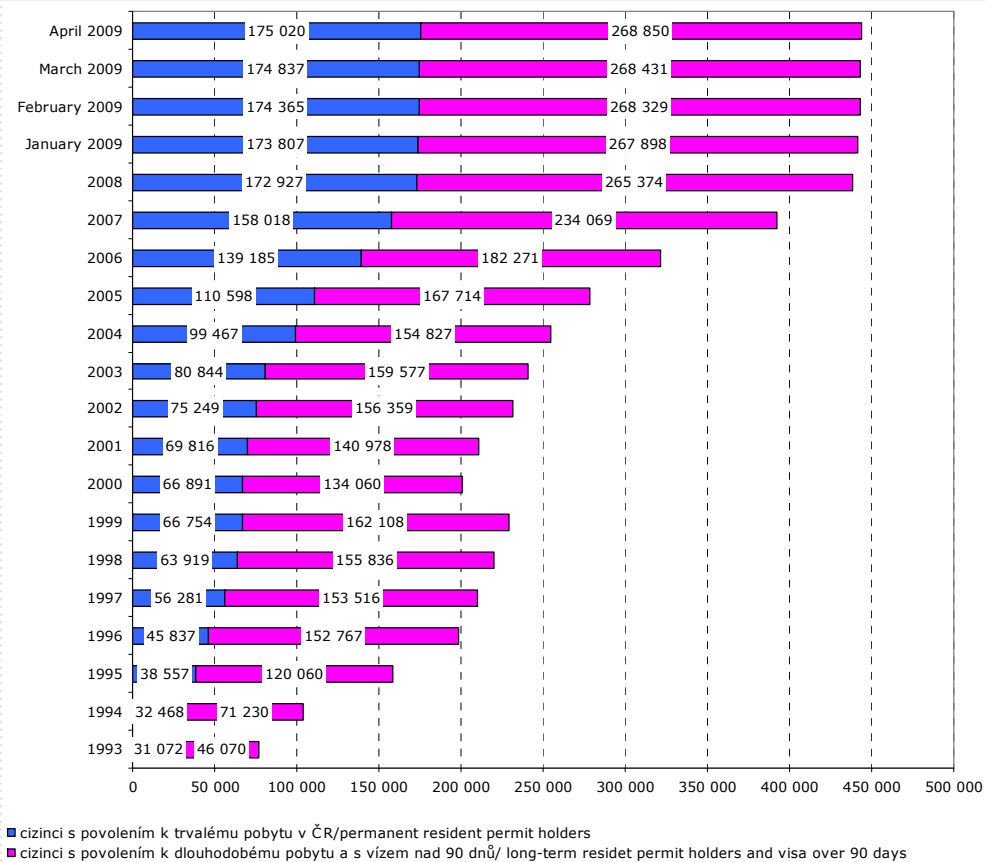
Source: Directorate of Alien Police Mol, MoLSA, MIT, graph Milada Horáková

Share of Resident Permit Holders on the CR Population



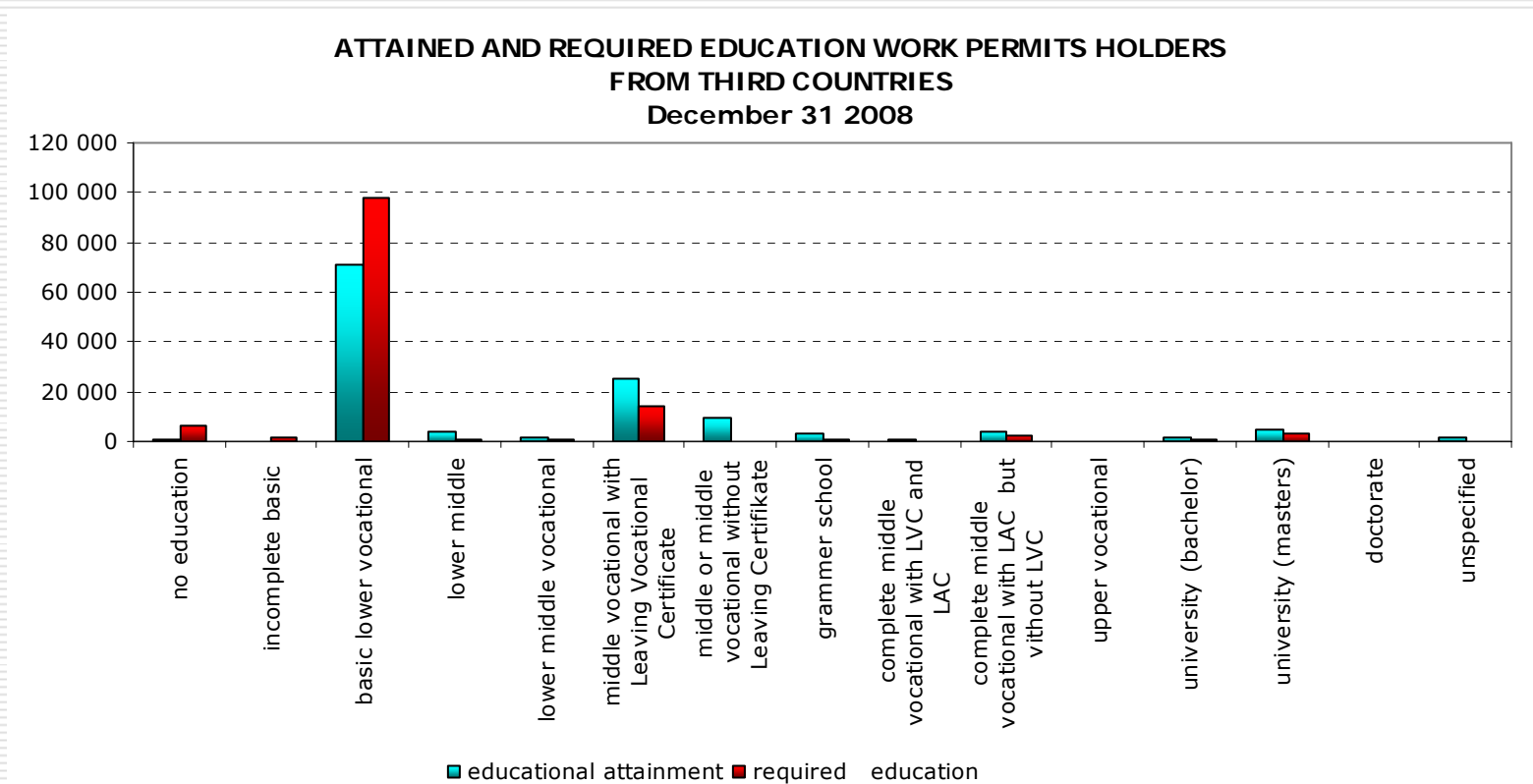
Source: Directorate of Alien Police Mol, RILSA, graph Milada Horáková

Resident Permit Holders Development



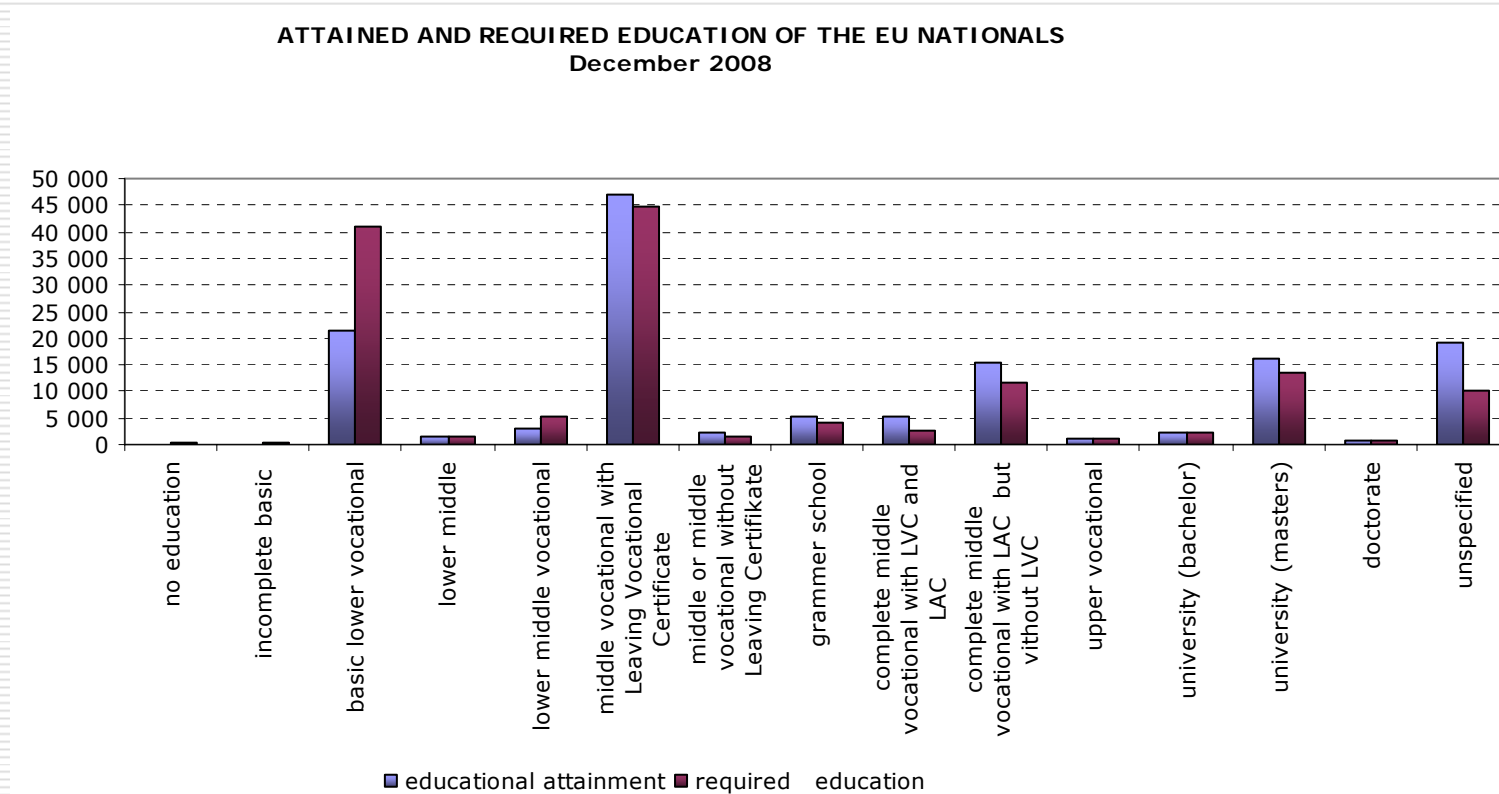
Source: Directorate of Alien Police Mol, RILSA, graph Milada Horáková

Attained and Required Education of non EU Nationals Registered at Labour Offices



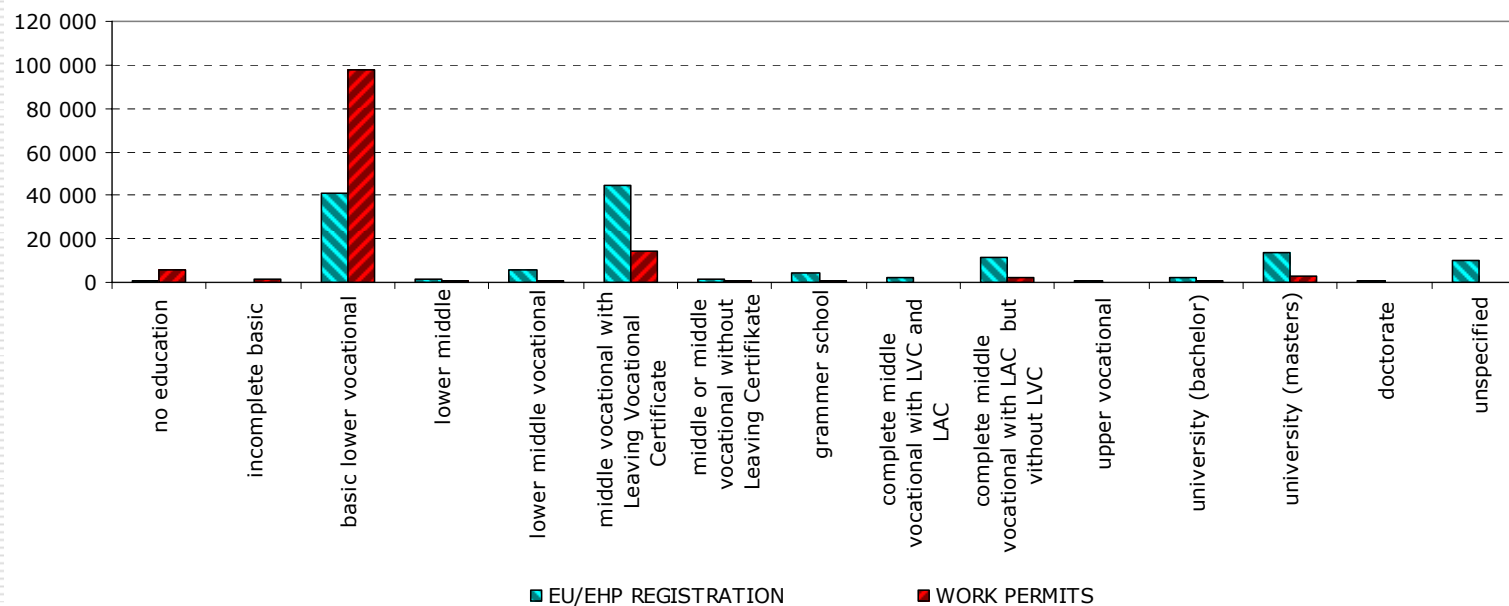
Source: MoLSA, graph Milada Horáková

Attained and Required Education of the EU Nationals Registered at Labour Offices



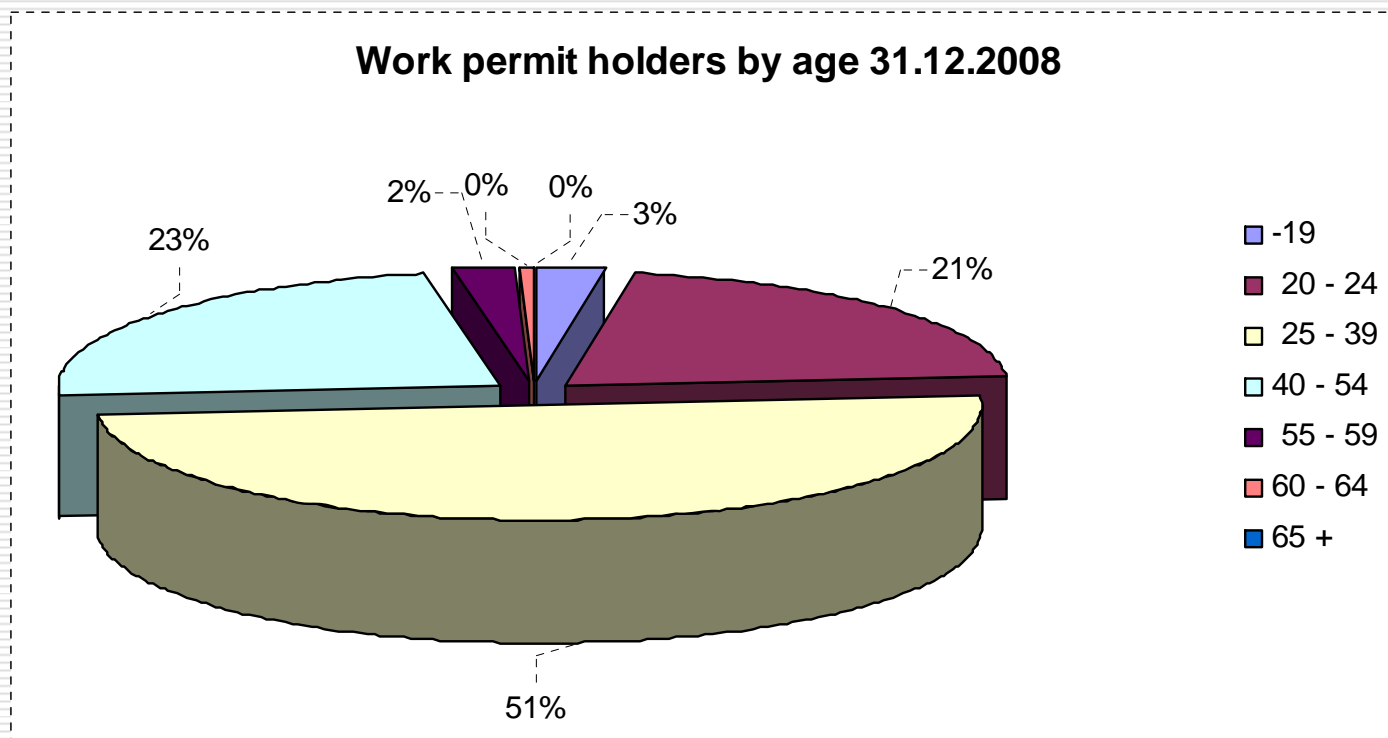
Required Education of the EU and non EU Nationals Registered at Labour Offices

REQUIRED EDUCATION OF FOREIGNERS REGISTERED AT LABOUR OFFICES
December 31 2008

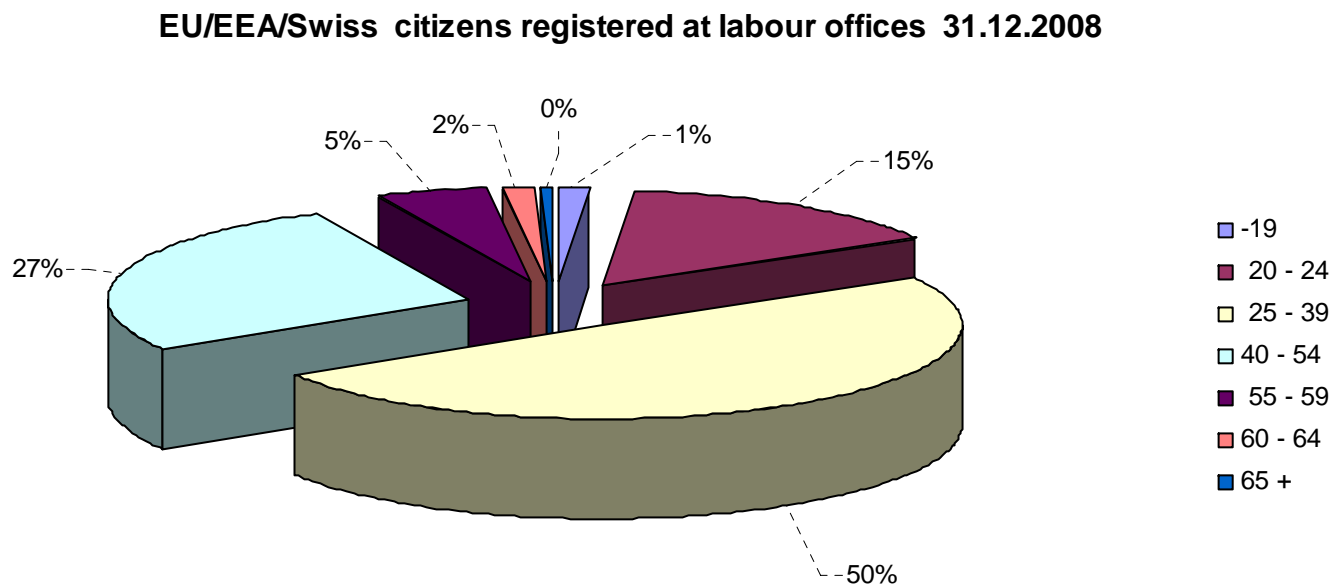


Source: MoLSA, graph Milada Horáková

Work Permit Holders Registered at Labour Offices by Age



EU/EEA/Swiss Citizens Registered at Labour Offices by Age



Trade Licence Holders by Age

