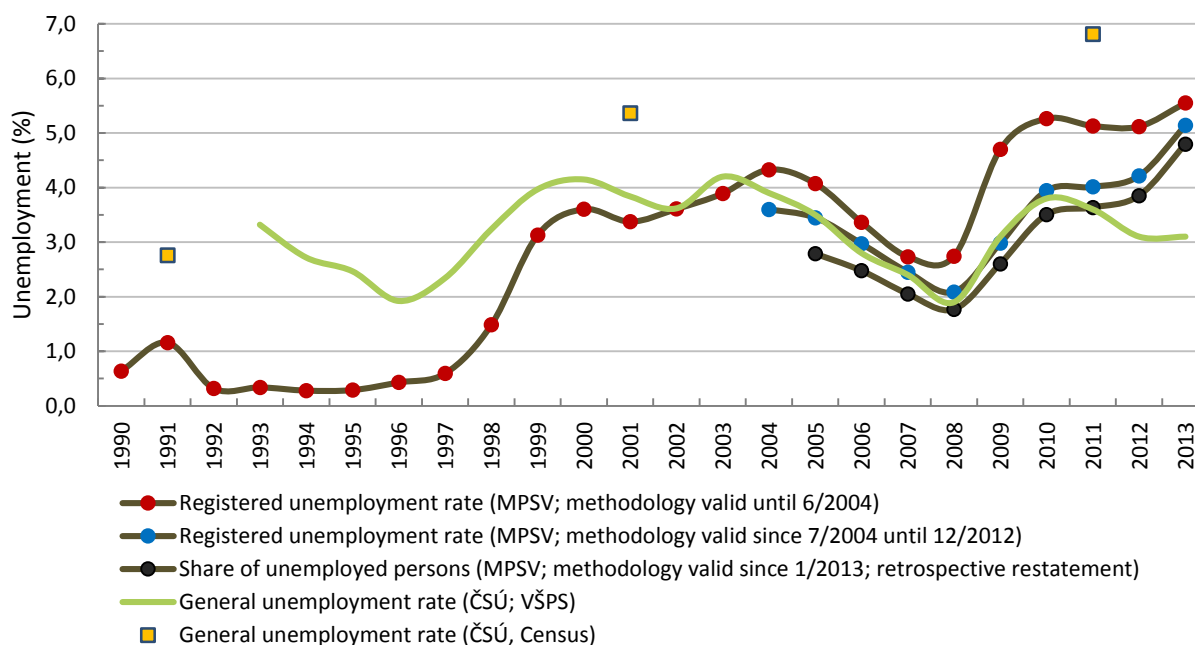


7.1 UNEMPLOYMENT IN PRAGUE

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Unemployment is one of the closely observed economic indicators which help to identify socially excluded localities in cities (Mareš, Horáková, Rákoczyová 2008) and monitor the local deprivation rate (Musil 1967). High unemployment in a specific urban area can lead to an increased deprivation rate amongst local residents, a drop in their living standards and a subsequent higher concentration of social pathology phenomena (e.g. criminality, social conflicts etc.). If this situation persists it might result in the creation of “pockets of poverty” and intensification of the spiral of social exclusion (Feřtrová 2011). At the same time the area earns a negative image which affects people’s residential preferences and developers’ choices and is later reflected in inhabitants’ education, qualification and age structure (Katrňák, Mareš 2007).

The aim of this map sheet is to assess the evolution of unemployment in Prague and its regional differentiation in the post-revolutionary period. This period is characterized by several different ways of unemployment measuring (see Figure 7.1.1). The map sheet draws on the unemployment rate monitored in the Population Census, graphics also use data on the rate of registered unemployment calculated by the Ministry of Labour and Social Affairs (MPSV) and the general unemployment rate provided by the Czech Statistical Office (ČSÚ) thanks to its Labour Force Sample Surveys (VŠPS).



Obrázek 7.1.1: A comparison of the evolution of post-revolutionary unemployment (1990–2013) in Prague using data from different sources

Zdroj: ČSÚ, 1991; ČSÚ, 2001; ČSÚ, 2011; ČSÚ, 2014; MPSV, 2014a.

Note: The general unemployment rate (ČSÚ, SLDB) is the number of unemployed people as a percentage of the labour force in the national economy at the census decisive moment. The general unemployment rate (ČSÚ, VŠPS) is the number of unemployed people as a percentage of the total labour force (Eurostat methodology based on ILO recommendations). The rate of registered unemployment (MPSV, annual average, methodology valid until June 2004) is the number of unemployed job seekers registered at the labour office at the last day of a given period as

a percentage of the labour force. According to the methodology valid from July 2004 till December 2012, the rate of registered unemployment is the number of immediately employable job seekers (Czech and EU nationals) registered at the labour office as a percentage of the labour force. And since January 2013 it has been defined as the number of immediately employable job seekers in the 15-64 age group as a percentage of the whole population of the same age.

While there are detailed data available to observe regional disparities on the national level during the interwar period (see map sheet section A 7.1. Unemployment in Czechia), a similar territorial focus for Prague is not available earlier than after the revolution. The 1930 census data show that mostly agricultural areas had a strong ability to absorb manpower and Prague's unemployment rate (4.5%) was only a little lower than the national average (4.7%). The after-war socialist state didn't keep any statistics on unemployment because it was de jure illegal¹. But in general the aim to establish spatial equality, which was typical for socialist regimes, brought an effort to suppress the dominant economic position of Prague and its metropolitan area in favour of the economic growth of centres on a lower level (Hampl 2005).

Prague's unemployment rate immediately after the fall of the iron curtain was quite high (2.76%) compared to the national average (2.36%)². This situation, which didn't last for very long, was due to a temporary increase in the number of jobless people in industrial-production-oriented regions which were affected by falling production caused by the loss of traditional markets. The first wave of layoffs affected primarily the male population and was observed mainly in central parts of Prague, production-oriented areas (Smíchov 3.53%) and traditional working class residential areas (Karlín 4.05%). This 1991 oscillation seems, in comparison with later development, quite paradoxical. This is why 1991 can be considered a transitory year providing only indicative unemployment data.

The 90s brought the easing of the centrally planned economy and Prague's metropolitan region quickly gained a prominent position in the national economy resulting in, among other things, a concentration of jobs (see map sheet section A 8.2 Commuting in selected centres) and a relatively low unemployment rate (5.37%) compared to the national average (9.27%)³. Although later on, Prague, as well as the rest of the country, experienced an increase in the unemployment rate due to the delayed impact of economic recession. The 1999-2005 period can be characterized as a period of high unemployment (Feřtřová 2011; to compare Prague with other regions see map sheet section A 7.2 Unemployment in Czechia) with the highest numbers of jobless people in traditional working class neighbourhoods (Karlín 8.52%; Vysočany 7.94 %; Libeň 7.35 %; Žižkov 7.25%)⁴ and in north-eastern parts of Prague where the overall socio-demographic structure manifests many insufficiencies (see map sheets section B 2.1. Prague's Age Structure, 4.1. Education in Prague and 4.2. Social Status in Prague). Nevertheless, it is important to note that in the long term Prague's unemployment rate is one of the country's lowest and its spatial differentiation is not very pronounced. Compared to the situation in the 90s, this pattern

¹ By act no 86/1950 Coll. of the penal code

² 1991 census data

³ 2001 census data

⁴ 2001 census data

remained stable until 2011. The year 2011 was already affected by the economic crisis which started in 2008 and most cadastral territories, and particularly peripheral, less populated parts of Prague, experienced an increase in the unemployment rate. The change in the spatial pattern of unemployment in 2001-2011 is also a result of changes in data collection and processing, namely the 2011 census data referred to usually resident population (while data from 1991 and 2001 censuses referred to permanent residents) and there was a high number of people who left the question on employment unanswered in 2011 (14,5%). This means that data validity is reduced (see Svoboda, Přidalová, Ouředníček 2014). Despite all this, areas with a long-term high share of unemployed people can be easily identified – for example Cholupice, Karlín, Nusle, Černý Most, and Vysočany (see Table 7.1.1).

1991			2001			2011		
CT	EA	UR	CT	EA	UR	CT	EA	UR
Karlín	7 277	4.05	Cholupice	233	9.44	Nusle	18 762	10.81
Cholupice	225	4.00	Karlín	6 576	8.52	Královice	162	9.26
Benice	131	3.82	Vysočany	4 381	7.94	Karlín	5 576	9.18
Smíchov	19 849	3.53	Hrdlořezy	181	7.73	Běchovice	1 136	9.07
Malá Strana	4 252	3.50	Libeň	14 683	7.35	Nedvězí u Říččan	177	9.04
Nové Město	17 670	3.47	Žižkov	29 261	7.25	Hostavice	1 330	8.80
Nusle	20 927	3.44	Hloubětín	5 595	7.17	Lahovice	218	8.72
Starém Město	6 704	3.42	Holešovice	18 006	6.81	Třebonice	254	8.66
Vyšehrad	1 063	3.39	Satalice	698	6.73	Hloubětín	5 979	8.50
Holyně	181	3.31	Třeboradice	364	6.59	Přední Kopanina	332	8.43
Žižkov	31 542	3.30	Letňany	8 679	6.50	Vysočany	7 700	8.27
Libeň	15 359	3.27	Smíchov	17 795	6.49	Cholupice	242	8.26
Horní Měcholupy	5 507	3.20	Nusle	18 414	6.47	Černý Most	13 356	8.20
Lochkov	316	3.16	Černý Most	10 678	6.43	Hájek u Uhřiněvsi	245	8.16
Vinohrady	32 972	3.12	Hájek u Uhřiněvsi	187	6.42	Benice	307	8.14

Table 7.1.1: Cadastral territories (CT) with the highest unemployment rate in the given year

Source: ČSÚ, 1991, ČSÚ, 2001, ČSÚ, 2011

Note: Cadastral territories with more than 50 inhabitants only. EA – economically active inhabitants, UR – unemployment rate (%)

The evolution of unemployment is also connected to the number, structure and distribution of jobs. Jobs are primarily concentrated in the city centre. Nevertheless, Prague's transforming landscape, post-industrial production relations and job diversification challenge the city centre's traditional position as the only area amassing job opportunities and jobs are now pooled also in other parts of the city and even beyond its borders (Lang 2003, Garreau 1991). Jobs are now located in peripheral areas within the city's borders (Zličín, Černý Most, Chodov, Ruzyně) and on the periphery of the metropolitan region (see map sheet section A 8.2 Commuting in selected centres). The increased number of jobs in other than central parts of the city contributes to an even distribution of unemployment.

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