

Labour Office of the Czech Republic General Directorate

Karlovo náměstí 1 128 01 Prague 2

Tel. no.: 950 191 111

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Last year, the LO CR supported more than 89 thousand people within ALMP

Last year, the Labour Office of the Czech Republic (LO CR) paid out CZK 4,251,090 thousand within active labour market policy (ALMP) and CZK 69,578,805 thousand in non-insurance social benefits. With the help of ALMP tools it supported more than 89 thousand people. A total of 47,624 were successfully employed, according to the Report on the Activities of the LO CR for 2013.

In 2013, an average of **564.4 thousand people** was out of work. That is about 60 thousand more than the previous year. Even the average share of the unemployed rose. It increased year-on-year by 0.9% and reached **7.7** %. The average registration period of a job seeker totalled **563 days**.

Last year, the Labour Office of the Czech Republic registered an average of **39 thousand job vacancies**, thus **14.5** candidates per position. **117.9 thousand people** drew unemployment support, thus **20.9** % of the total number of candidates registered at the LO CR. The average amount of benefits was **CZK 6,284.** The total amount paid by the LO CR on unemployment benefits, including subsidies for retraining, persons with altered working ability, surrenders compensation, severance and termination payments climbed up to **CZK 9,674,752 thousand.**

Over the last year, the number of job vacancies offered by employers to graduates and adolescents (from 4,419 to 9,572), as well as to people with disabilities (from 2,568 to 4,471) has increased substantially in a year on year comparison. Nevertheless, demand continues to prevail over offer.

From September to December 2013, the LO CR hired a total of 319 new employees within the first phase of strengthening staffing. These are employees, who work exclusively in the field and communicate not only with candidates, but also with local companies and authorities. Their job description includes individual and active approach to all components of the labour market. The result is improved mapping of the labour market situation in regions, more precise targeting of ALMP tools, as well as hundreds of job



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vacancies in the LO CR database, which would otherwise be much lower without this activity.

Within the framework of the active labour market policy, last year the LO CR paid a total of **CZK 4,251,090 thousand**. This amount includes both funds from national sources as well as from the European Social Fund. **Thanks to ALMP**, a total of 47,624 unemployed individuals managed to find work.

During the last year, 41,438 job seekers attended one of the wide range of retraining courses, which the LO CR either fully or partly contributed financially to. A total of 39,775 people also completed a course within this period. Over a period of twelve months, the Labour Office provided a total of CZK 301,385 to those interested in deepening their education or changing their career. The effort of the LO CR is to allow people who are at risk of losing their job or are unemployed to gain new skills and thus increase their chances in the labour market. A total of 60% of candidates, who successfully complete one of the retraining courses, start a new job within one year. In this regard, things are somewhat complicated by the situation of the current Public Procurement Act, according to which the LO CR must always tender out retraining suppliers.

Most often people between 20-24 and 35-39 years old decide to change professions or further deepen their knowledge. **The most numerous** among course participants are candidates with a vocational certificate, secondary education and basic education.

Last year, the maximum possible amount increased that the LO CR contributes to **community services**. Thus an employer, who hires a candidate short term from the highest risk groups (50 plus, graduates, parents after parental leave etc.), can receive up to **CZK 15 thousand** per month. **Last year, 21,206 jobs were created this way and the LO CR gradually placed 21,839 people.** Within this agenda, the Labour Office of the Czech Republic paid a total of **CZK 1,777,349 thousand**.

The essence of community work is financial and personnel support from the LO CR, and for up to one year. For example, in the removal of damages after natural disasters, extra works in the maintenance and repair of public property, maintenance of public buildings and provision of other activities, which municipalities do not have their own personnel capacity for. The community work system is beneficial to both parties. The Labour Office of



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CR helps candidates get a job for a certain period of time, while municipalities, regions and businesses get workers that they could not otherwise employ permanently.

In 2013, the LO CR contributed a total amount of CZK 1,023,843 thousand to the establishment or reservation of 22,063 socially beneficial jobs (SBJ). It filled these vacancies by placing 21,716 job seekers, which is 10,336 more than the year before. Employers, who decide to create such jobs, can receive a contribution from the LO CR for labour costs for each employee of up to CZK 15 thousand per month, for a maximum period of twelve months. The condition is that the company must prove it is debt free and that the candidate is hard to place in the labour market. However, if the number of unemployed persons increases significantly in a specific region due to a critical situation, the Labour Office of CR can mitigate the conditions given by the law after individual assessment.

The state plays an important role, even in the case of support for the employment of persons with disabilities (PWD). For example, through the contribution of the Labour Office of the Czech Republic, to the creation of a protected job (PJ) and consequently also to covering the costs associated with its operation. Last year, the LO CR supported the establishment of 706 new jobs, which it gradually filled with 768 PWD. The LO CR provided more than CZK 3 billion in support of the employment of PWD last year. The greatest part of that amount was the contribution to refund of wages (CZK 3.022 billion).

In addition to ALMP tools, **regional and national projects** that are focused on a specific group of candidates, help people return to the labour market. They are financed from both national and European sources. Many of them are met with success. As at 31.12.2013, a total of **104 regional individual projects**, which were within the competence of individual regional branches of the LO CR, as well as **5 national individual projects** were running across the country.

Within employment support, European Employment Services **EURES**, which operate within the territory of the EU/EEA members and Switzerland, also play a major role. EURES services target primarily at job seekers, employers and other partner organizations in the labour market in Europe. The main activities include international and regional labour exchanges, crossborder information and advisory days in working abroad, assistance in recruitment for employers and update of information on living and working



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conditions in EU/EEA countries and Switzerland. The EURES network also maintains a database of certified job vacancies on the national (www.eures.cz) and European EURES portal (www.eures.europa.eu). The visitor rate of the national EURES portal as one of the main sources of information on job mobility has been increasing year by year, and in 2013 it reached **2,584,000** visitors.

The Call Centre (CC) has been available to all LO CR clients since 15. 6. 2006. Since then, persons interested in general information on employment and non-insurance social welfare benefits, no longer need to visit a branch of the LO CR in person. All individuals need to do – from the comfort of their home or office – is pick-up the phone or send an email. Over the period, in which the CC has been in operation, operators have answered more than 250,000 questions. On average, 6,300 clients contact the CC each month by telephone or email with a request for advice. Job seekers, social welfare recipients, students and foreigners most often call or write.

In January 2012, all of the agenda from the field of non-insurance social benefits was transferred to the care of the LO CR (e.g. benefits in material need, foster care, state social support, care allowance, benefits for PWD). Since 2013, the LO CR has also been paying remuneration for foster parents. Although the scope of the LO CR is growing, the number of employees is still below the number of people who initially processed this field in municipalities. At the time, when it took over the agenda of benefits, it was carried out by 3,642 people in municipalities; however, the Labour Office only received 1,953 systemized positions. At the moment, it is lacking at least 1,200 employees in the field of non-insurance social benefits.

Last year, the Labour Office of CR paid a total of CZK 69,578,805 thousand within the scope of the agenda of non-insurance social benefits. The largest part consisted benefits from state social welfare support (CZK 35,367,192 thousand), followed by care allowance (CZK 19,588,778 thousand) and benefits in material need (CZK 10,569,830 thousand). Another CZK 411,201 thousand went to the payment of insurance premiums for compulsory social security, contributions to the state employment policy and public health insurance, which are related to foster care benefits.

State social welfare benefits include child allowance, allowance for housing, birth, parental and funeral contribution. The most commonly paid



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benefit under this agenda last year was **child allowance** (**CZK 5,575,666**). The LO CR provided the largest volume of money in parental contribution (**CZK 24,380,472 thousand**).

While in 2012, the Labour Office of CR (LO CR) paid foster parents CZK 1 billion 242 million, one year later this amount increased to double. Several types of benefits are intended for foster parents (remuneration foster parent allowance to cover the needs of the child, allowance for accepting a child, an allowance at the end of foster care and for purchasing a passenger motor vehicle). The LO CR also pays mandatory "health and social welfare" insurance, income tax and retirement savings. Last year, expenditures within this entire agenda totalled CZK 2,137,563 thousand.

Within the context of benefits for **people with disabilities**, which includes care allowance, mobility allowance and an allowance for a special aid, the LO CR paid applicants a total of **CZK 21,500,841 thousand**.

The competence of the LO CR also includes **granting certificates to persons with disabilities.** Within this agenda, new rules have begun to apply as of 1 January 2014. Thus people do not have to keep track of when their certificates of extraordinary benefits expire, but the LO CR itself initiates administrative proceedings, which will also include a new assessment of the health status of the client.

People, who find themselves in a difficult life situation, are assisted by benefits in material need. These include a housing supplement, subsistence allowance or immediate emergency assistance. Within their scope, last year, the LO CR paid a total of CZK 10,516,000 thousand, the highest amount of which was paid out within subsistence allowance (CZK 7,469,343.3 thousand)

Kateřina Beránková, Spokeswoman of the LO CR