

Study 1/2023

## Czech Women's Heads and Hands Remain Unused<sup>2</sup>

JANUARY 2023

JAKUB GROSSMANN, DANIEL MÜNICH

## **Summary**

- This analysis maps life-long profiles in the unemployment rate and hours worked by Czech
  women and changes in these over the past twenty years. Its key findings are presented
  in the form of graphs with commentary. The economic and statistic details are provided
  in the accompanying texts.
- Up until the age of about 25, women's average hours worked increase across the EU countries, as female graduates enter the labour market. The share of the youngest Czech women who are in work is slightly above average among the EU countries. Above this age, the growth in hours worked slows, in some countries temporarily stops, and in the Czech Republic actually reverses. This phenomenon is closely related to maternity and parenting, the workings of the labour market and the way in which systems of support for parents are set up in each country.
- The slump in the employment rate and average hours worked among Czech women aged 25–34 years (which is currently the typical parenting age) has long been one of the largest across the EU. This represents a long-term underuse of the rather well-educated and productive female Czech workforce's capacity, which the Czech labour market would benefit from engaging.
- After the period typically devoted to maternity and bringing up young children, Czech women's participation in the labour market once again increases and after the age of 50 even surpasses the average for women across the EU and approaches the profile for Czech men. Czech women's high employment rate and large number of working hours only begins to drop, and that rather sharply, as the statutory retirement age approaches.

<sup>&</sup>lt;sup>2</sup> The authors thank Alena Bičáková, Štěpán Jurajda, and Klára Kalíšková for their valuable comments and advice. This study presents the authors' own views and not the official position of the Czech Academy of Sciences' Economics Institute nor of the Charles University Center for Economic Research and Graduate Education (CERGE). Any remaining ambiguities or errors are the authors' own. The study was produced with support from the Czech Academy of Sciences within its AV21 Strategy programme and as part of the NPO project "Národní institut pro výzkum socioekonomických dopadů nemocí a systémových rizik" "LX22NPO5101".

- Czech women's labour market participation is substantially dependent on their level of education. The higher rate of employment among women with secondary education without school-leaving certificates in the youngest age category is primarily due to these women terminating their studies early. The abnormally substantial drop in labour market participation among Czech women in 30–34 year age group in relation to other EU countries is primarily driven by women with university education. In 2019, university-educated Czech women constituted the largest group in this age category.
- Between 2000 and 2019, labour market engagement among Czech women with higher education rose. The retirement age also rose. In the life-long employment rate profiles, there is a clear shift in the period typically dedicated to maternity and bringing up young children by about 8 years. While in the year 2000 the drop in work engagement due to maternity and parenting was largest between the ages of 25–29 years, in 2010 and 2019 we observe this drop only around the age of 30–34 years.
- Better availability of pre-school care facilities would facilitate the reconciliation of family and working life and would help to better exploit the job potential of Czech women during parenthood. Support for part-time work, especially for women with young children, should be similarly beneficial. It will be interesting to see the impacts of the introduction of measures to promote part-time work that will come into force in the Czech Republic at the beginning of 2023.