



CEDEFOP

European Centre for the Development
of Vocational Training

EN



2025 skills forecast

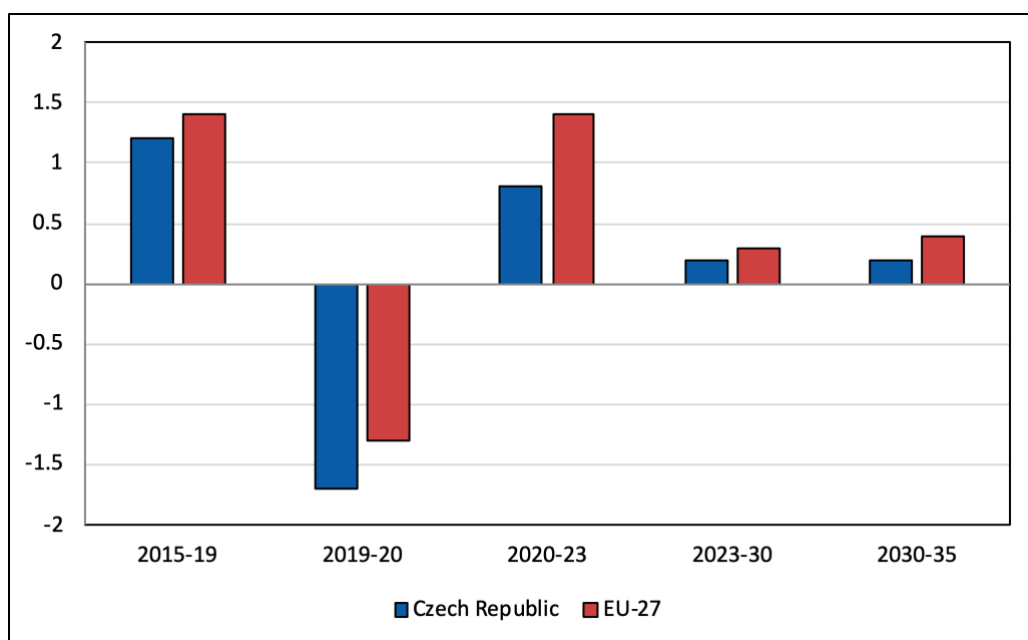
Czechia



1. Employment outlook

Employment in Czechia is forecast to grow slightly slower than the EU-27 average over 2023-35. Figure 1 shows that employment in Czechia fell more sharply than the EU-27 as a whole in 2020, as the Covid-19 pandemic hit, and is estimated to have bounced back slightly less strongly than the EU-27 over 2020-23. Across the forecast period, employment in Czechia is forecast to grow by about 0.2% pa, slightly slower than the forecast growth of around 0.3-0.4% pa for the EU-27 as a whole.

Figure 1. **Annual percentage employment growth in Czechia and the EU-27, 2015-35**



Source: Cedefop (2025 Skills Forecast).

2. Labour force overview

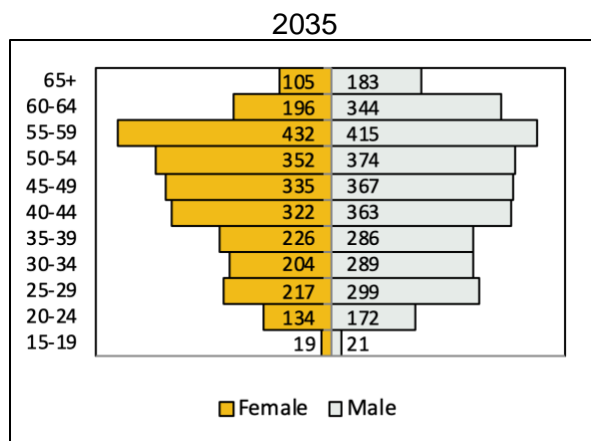
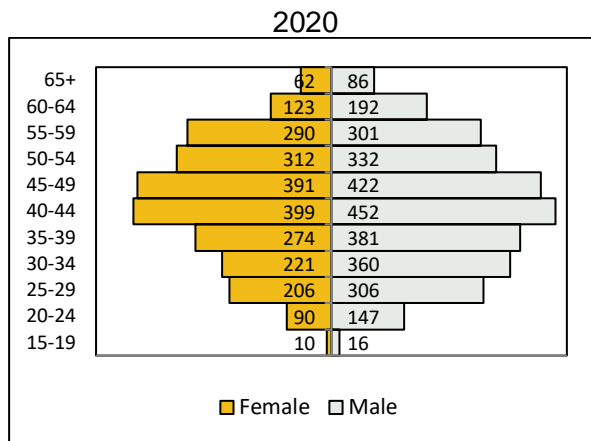
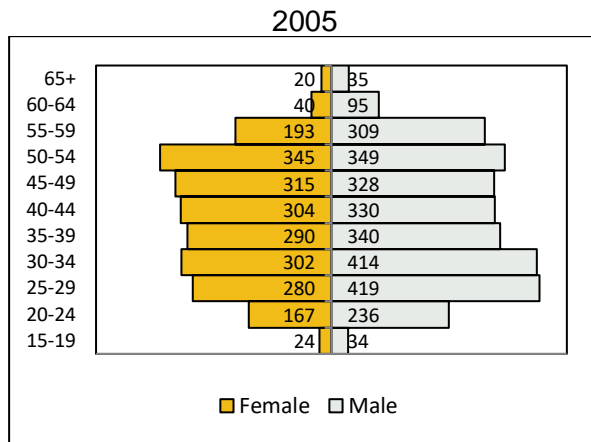
Figure 2 shows Czechia's labour force by age group in 2005, 2020 and 2035. Changes in the labour force in Czechia over the forecast period will continue to be driven by the ageing population, as is the case in much of the EU, and increasing participation rates in most age groups. The total labour force is projected to increase by around 5% over 2020-35, compared with growth of around 4% over the previous 15 years. This compares with an expected increase in the labour force of almost 10% over 2020-35 for the EU-27. The total participation rate in Czechia is forecast to increase by 2 pp over 2020-35, compared with no change over 2005-20. Total population is forecast to grow by only 1.9% over 2020-35, compared with growth of 3.5% over 2005-20

The population of all age groups between 25 and 49 in Czechia is forecast to decline during 2020-35, reflecting trends in the relevant younger cohorts in preceding periods. Generally, the population in Czechia is ageing more strongly than the average for the EU-27 as a whole.

Apart from for those aged 45-49, participation rates of all age groups in Czechia are forecast to grow over 2020-35. However, participation rates in Czechia for those aged over 35 are generally already higher than the average for the EU-27, and so the increases are not projected to be particularly large. The exception is for those aged 60-64, where the participation rate is projected to increase by 20 pp over 2020-35, compared with 18 pp for the EU-27 as a whole.

As elsewhere, female participation rates are generally forecast to increase more than male rates. The total female participation rate is forecast to increase by 4 pp over 2020-35, and the total male rate is forecast to increase by 3 pp over the same period.

Figure 2. Distribution of the labour force (thousands), 2005-35

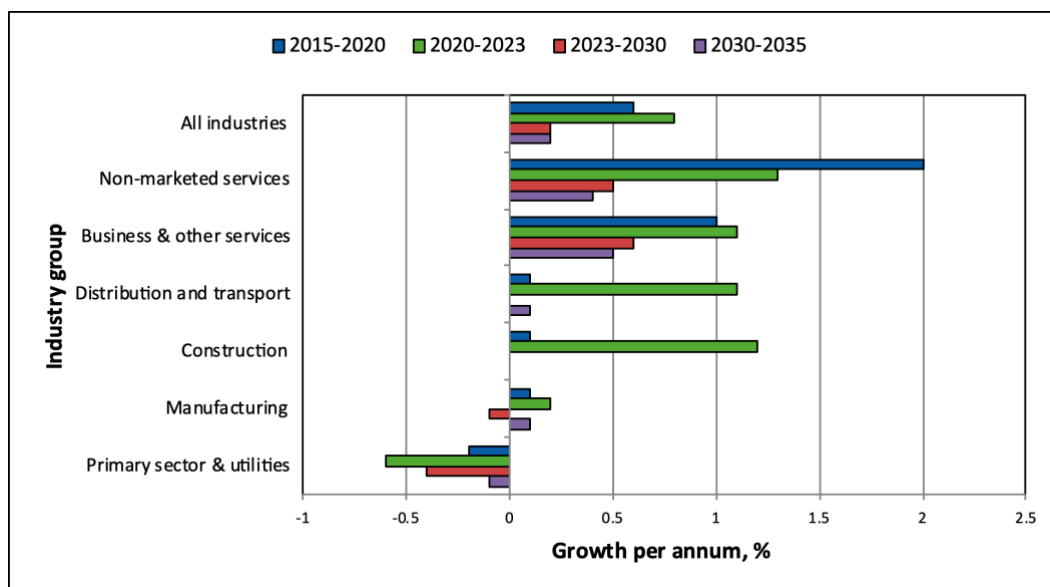


Source: Cedefop (2025 Skills Forecast).

3. Sectoral employment trends

Figure 3 shows annual average employment growth by broad sector in Czechia between 2015 and 2035. Total employment in Czechia is expected to grow relatively slowly over the forecast period. However, employment in *business & other services* is forecast to grow by 0.5-0.6% pa and in *non-marketed services* is forecast to grow by around 0.4-0.5% pa over this period. Employment in *manufacturing* is forecast to decline slightly over 2023-30, and then to increase slightly over 2030-35. employment in both *construction* and *distribution & transport services* is forecast to remain broadly static over the whole forecast period. employment in *primary sector & utilities* is forecast to fall by 0.4% pa over 2023-30, and then fall by 0.1% pa over 2030-35.

Figure 3. **Employment growth by broad sector of economic activity, 2015-35**



Source: Cedefop (2025 Skills Forecast).

In terms of sub-sectors (i.e. below the level of the six broad sectors discussed above), the pattern of growth is much more mixed. The growth in *business & other services* is forecast to be driven by growth in the sub-sectors of *research and development, arts & entertainment, computer programming & information services, other service activities and architectural & engineering services*. Within *non-marketed services*, all the growth is forecast to come from the *health* sub-sector, due to the ageing population, while employment in the *public administration & defence* and *education* sub-sectors is forecast remain static. Within *manufacturing*, *other transport equipment* and *optical & electronic equipment* are expected to grow

relatively strongly. Within *primary sector & utilities*, employment in the *electricity* sub-sector is forecast to grow strongly over the forecast period, but all other sub-sectors are forecast to see little or no employment growth.

4. Job openings by occupational group

Cedefop skills forecasts estimate the total job openings by occupational group as the sum of net employment change and replacement needs. Net employment change refers to new jobs created or lost due to the expansion or contraction of employment in that sector or occupation. Replacement needs arise as the workforce leaves the occupation due to retirement or career changes. Replacement needs, generally, provide more job opportunities than new jobs, meaning that significant job opportunities arise even in occupations declining in size (i.e. agricultural workers are a typical example, as ageing workers employed in the sector will need to be replaced).

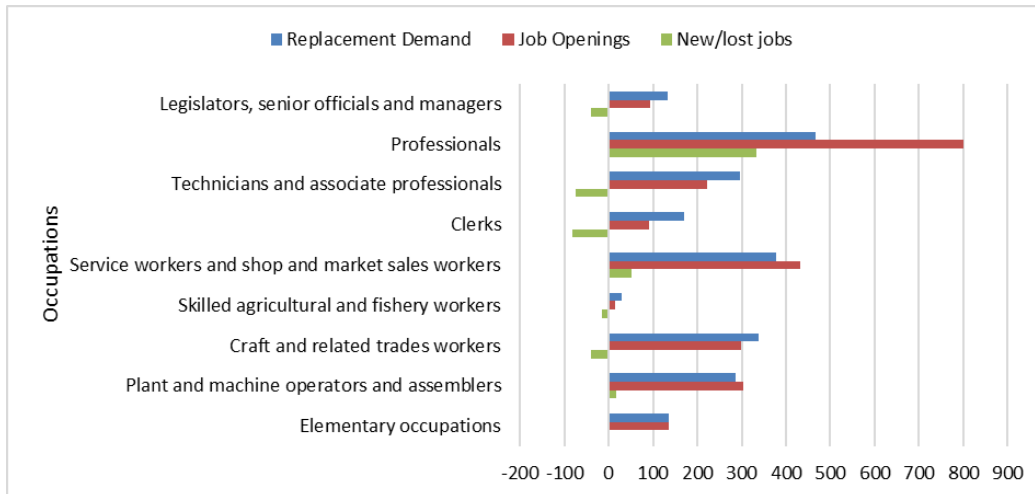
Figure 4 shows the total job openings by broad occupational group over 2022-35. The number of job openings indicates the number of jobs that are required to be filled due to lost/newly created jobs and those that need replacement workers.

Professionals are expected to experience the highest increase in the number of jobs over this period, while *clerks* are expected to experience the highest number of lost jobs. However, due to high replacement demand, total job openings are expected to be positive in all occupations.

Professionals and *service workers and shop and market sales workers* are the two broad occupations expected to generate the largest number of job openings over the forecast period, accounting for 33% and 18% of total job openings respectively.

At the more detailed level, most job openings (taking both new/lost jobs and replacement needs together) as a share of all job openings are expected to be in *drivers and mobile plant operators* (8%), *personal service workers*, *science and engineering professionals* and *personal care workers* (the latter three all 7%). Some occupations are expected to see a decline in the number of jobs, most significantly business and administration associate professionals, although replacement demand will still lead to 2% of total job openings in the economy as a whole coming from this occupation group.

Figure 4. Total job openings, 2015-35



Source: Cedefop (2025 Skills Forecast).

5. Drivers of occupational change

Within the Cedefop skills forecast, future employment growth (or decline) of occupations is further broken down by separating national economic components from regional industrial and economic effects, helping to interpret what is driving the change. From this perspective, employment growth can be explained by three possible drivers: (a) overall economic trends (i.e., growth or decline), (b) shifts of employment between sectors, and (c) changes in the occupational structure within sectors (i.e., factors making some occupations more important than others).

Some occupations are expected to increase both due to occupational and sector expansion. These include *science and engineering professionals*, *health professionals*, *personal care workers*, and *information and communications technology professionals*. Others, like *business and administration professionals*, are expected to expand due to an occupational effect despite the corresponding sector losing jobs.

Among the highly qualified, the share of *health associate professionals* will increase both because of occupational and sector effects. At the same time, the share of *health associate professionals*, with a somewhat lower skill requirement, is expected to be affected negatively by the occupational effect, while the sector effect remains positive. This suggests a trend towards higher-skilled occupations within the health sector.

Within the lower-skilled occupations, the number of *personal care workers* are expected to increase because of a positive occupational effect and a positive sector effect.

6. Demand for and supply of skills

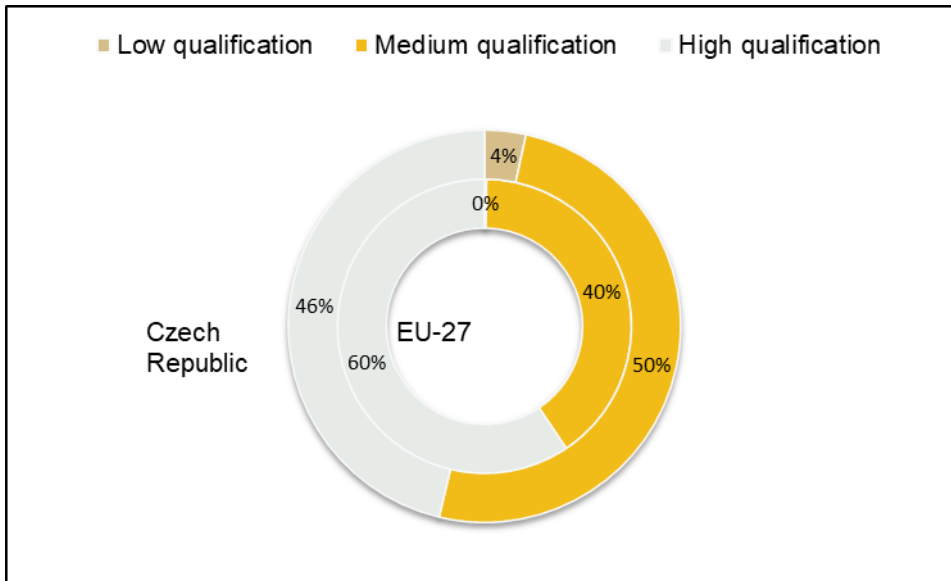
Within the Cedefop skills forecast, skills are proxied by the highest level of qualification held by individuals in the labour force and employment. Three levels are distinguished: high, medium, and low, corresponding to the official ISCED classification. The occupational group also indicates the skill level required, as some occupations (e.g. professionals) typically require high-level skills, while others (e.g. elementary) typically require only basic ones. Therefore, occupational groups are also linked to a skill level.

The Czech qualification system has a sharp division among two different levels of middle education: with or without school-leaving exam ('maturita') that entitles the holder to apply for university education. This distinction cannot be made within the ISCED qualification levels used in the forecast.

Compared to EU-27 averages, job openings in Czechia are much more concentrated around the medium level of qualifications and less so on higher levels. Around half (50%) of the total job openings that are expected to be created in Czechia over the period up to 2035 are forecast to require medium-level qualifications, about 10 pp more than the EU-27 average (see Figure 5).

Less than half (46%) of total job openings will require high-level qualifications, and only 3% will require low-level qualifications.

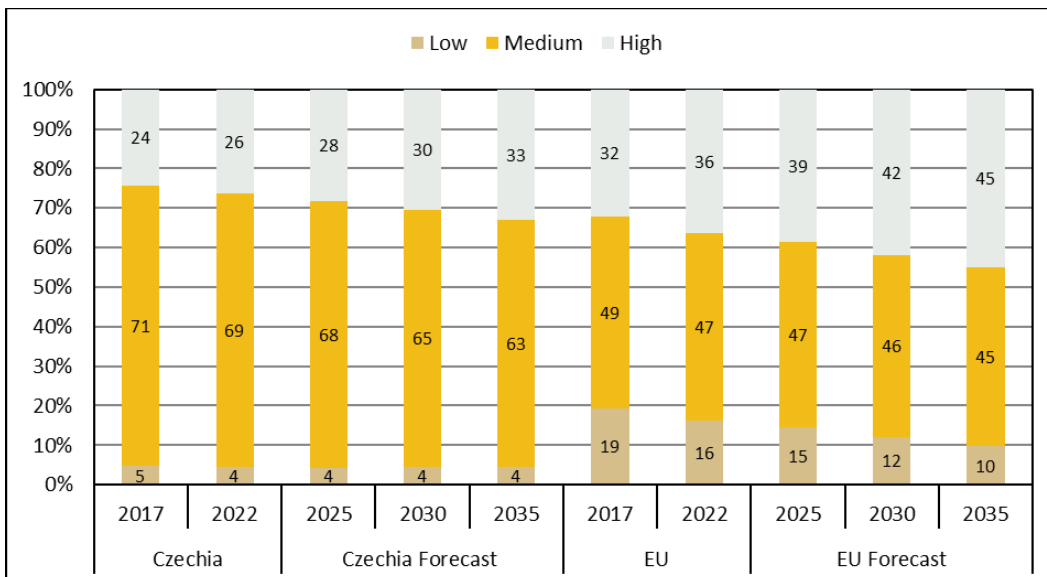
Figure 5. Shares of total job openings by level of qualification, 2022-35



Source: Cedefop (2025 Skills Forecast).

Future labour supply trends depend on the size of the working-age population (defined as those aged 15 or older), labour market participation rates, and the extent to which people acquire formal qualifications.

Figure 6. Labour force by qualification level



Source: Cedefop (2025 Skills Forecast).

Czechia is expected to experience some changes over 2022-35 in shares of qualifications in the labour force, as seen in Figure 6. The share of people with high-level qualifications in Czechia is expected to increase to 33% by 2035, while medium-level qualifications reduce their share from 69% in 2022 to 63% in 2035. The medium-qualified labour force share is expected to remain the largest qualification group in Czechia. Those with low levels of qualification are expected to remain stable at 4%. In Czechia, the proportion of the labour force with medium-level qualifications is expected to remain significantly higher than the EU-27 average, and the opposite is true for high-level qualifications. Nevertheless, upgrading the qualification structure is expected, as Czechia has a lower current baseline than the EU regarding tertiary education/professionals' prevalence in the labour market. The speed of such a qualification upgrading process is, however, difficult to forecast precisely.

Czechia is expected to face some labour market tightness throughout the forecast period. Hiring difficulties are forecast to arise mainly among high-skilled non-manual occupations, primarily due to supply-demand imbalances.

The **labour shortage index** is a method to summarise three elements of potential labour shortage: (1) employment growth, (2) replacement demand, and (3) Supply/Demand imbalance (IFIOD). The outcomes at the occupation level are grouped into four quartiles: those with a low indication of shortage get the value 1, and those with the highest indication of shortage will get the value 4. The total outcome of the individual elements is a simple average of the elements. In Figure 6, the length of the bar gives the overall outcome, where higher levels indicate more shortage. The outcomes of the three elements are also given to quickly evaluate the influence of employment growth - replacement demand, and - supply-demand imbalances.

The labour shortage index is calculated at the ISCO 2-digit level and then aggregated to the ISCO 1-digit level. By far, the highest value of the labour shortage index can be found among *professionals* (4-4-4). This is driven by the underlying occupations' growth, high replacement needs, and supply-demand imbalances.

For three occupations among High-skilled non-manual occupations, the highest average shortage of 4.0 (4-4-4) is expected to be reached by *science and engineering professionals*, *health professionals*, and *legal, social and cultural professionals*. This level of labour shortage is not reached in any occupation belonging to the other three groups of skilled non-manual, skilled manual, and elementary occupations. Among those categories, a comparatively high labour shortage index is forecast for *personal service workers*, *personal care workers*

(skilled non-manual occupations) and *food preparation assistants*, which all are expected to experience shortages mainly due to employment growth and replacement demand and less so due to supply-demand imbalances (4-4-2).

Figure 7. **Labour Shortage Index, 2022-35**



Source: Cedefop (2025 Skills Forecast).

Cedefop methodology

The Cedefop Skills Forecast offers quantitative projections of future trends in employment, by sector of economic activity and occupational group. Future trends in the level of education of the population and the labour force are also estimated. Cedefop's forecast uses harmonised international data and a common methodological approach allowing cross-country comparisons between employment trends in sectors, occupations and qualifications. The forecast and methodology is validated by a group of national experts. The forecast does not substitute national forecasts, which often use more detailed methodologies and data, while they also incorporate in-depth knowledge of a country's labour market.

The latest round of the forecast covers the period up to 2035. The forecast takes account of global economic developments up to November 2023. The European Economy is expected to grow despite monetary tightening on phasing out of fiscal support.

The key assumptions of the baseline scenario incorporate the Eurostat population forecast available in June 2023 (Europop 2023) ⁽¹⁾, and the short-term macroeconomic forecast produced by DG ECFIN in November 2023 ⁽²⁾. The source of historical labour force data is the European Labour Force Survey, which in 2022 underwent important methodological changes, causing a break in the time series for several variables, including the labour force. Consequently, in many Member States, the participation rates in 2021 are noticeably above/below historical trends. Moreover, some Member States experienced significant revisions in the historical data series for sectoral employment from the National Accounts.

The Cedefop Skills forecast 2025 is consistent with the objectives set by the European Green Deal by incorporating suitable assumptions about additional investment, power sector technologies, energy balances, and carbon pricing.

Energy and commodity price forecasts from the World Bank and the IEA are used as inputs to the Cedefop Skills Forecast.

(1) <https://ec.europa.eu/eurostat/web/population-demography/population-projections/database>

(2) https://economy-finance.ec.europa.eu/economic-forecast-and-surveys/economic-forecasts/autumn-2023-economic-forecast-modest-recovery-ahead-after-challenging-year_en

For the latest update and access to more detailed Cedefop skills forecast data please visit:

www.cedefop.europa.eu/el/events-and-projects/projects/forecasting-skill-demand-and-supply

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