

**BASIC INDICATORS OF LABOUR  
AND SOCIAL PROTECTION  
IN THE CZECH REPUBLIC**

**TIME SERIES AND GRAPHS**

**2019**

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## LIST OF ABBREVIATIONS AND EXPLANATION OF SYMBOLS USED IN TABLES

CR	Czech Republic
CSSA	Czech Social Security Administration
CZ-NACE	Classification of Economic Activities
CZK	Czech Crowns
CZSO	Czech Statistical Office
EC	European Commission
ESA	European System of National and Regional Accounts of the European Union
ESF	European Social Fund
ESSPROS	European System of integrated Social Protection Statistics
EU	European Union
GDP	Gross Domestic Product
LAU	Local Administrative Units
MoLSA	Ministry of Labour and Social Affairs
MS	Member States of European Union
NUTS	Nomenclature of Territorial Units for Statistics
PAYGO	Pay-as-you-go – ongoing funding of the pension system
-	no cases registered
.	data unavailable
x	not applicable
0	figure less than half of the unit used



## 1. Introduction

The Czech Republic, as an independent state, was established on January 1, 1993 by a split of the former Czech and Slovak Federal Republic. With an area of 78 866 sq. km, population of 10,69 mil. and population density of 136 inhabitants per sq. km, it could be classed as a small Central European state.

Concerning territorial performance of state administration, the district offices were abolished at the end of 2002, their powers were delegated municipalities with extended powers and regional offices. The local government is performed on the level of individual municipalities (ca 6,3 thous. municipalities) and from January 1, 2000 also on the level of 14 regions (it corresponds with the classification NUTS 3) that represent higher self-government units. They were gradually involved in some functions formerly provided at the level of district offices or ministries.

The economic and social transformation proceeding after 1989 had an impact on certain demographic characteristics of the population. The most significant aspects are postponement of starting a family and birth of children. Number of born children had dropped constantly. Since 1993 the natural population increment has turned into a decrement. However, in 2006 - 2012 number of live-born children has exceeded number of the deaths. In 2019 there were 112,2 thous. of live births and 112,4 thous. of the deaths. As of December 31, 2019, number of inhabitants of the Czech Republic made up ca 10 694 thous.

The positive economic development in 2019 has improved the situation on the labour market. In terms of the main labour market indicators, the average number of employed persons increased by 9 thousand (by 0,2%) to 5.303 mil. people in 2019. Year-to-year, the number of vacancies also increased. While at the end of 2018 this figure was ca 324,4 thous., at the end of 2019 it represented 341,0 thous. Concerning unemployment, the decrease of general unemployment rate continued to decline (ILO methodology) – 2,8% of people aged 15 – 64 were unemployed in December 2019, ie 0,4 percentage points less than the previous year. The rate of unemployed persons (the number of unemployed persons aged 15 – 64 years to the population of the same age) reached 2,9% at the end of 2019, i.e. less by 0,2 percentage points than at the end of 2018. The average number of unemployed persons declined year-to-year by 29,5 thous. to 212,4 thous. At the end of December 2019, it reached 215,5 thous. i.e. less by 16,0 thous (by 6,9%) year-on-year. A positive fact was a significant decrease of the number of the long-term unemployed. In case of job seekers registered for more than 12 months, there was year-to-year decrease -15,7 thous., for job seekers over 24 months -24,5 thous. at the end of 2019.

## Basic Demographic and Socio-economic Indicators

Indicator	Unit	Year									
		2011	2012	2013	2014	2015	2016	2017	2018	2019	
Population as of December 31		10 504	10 516	10 512	10 538	10 554	10 579	10 610	10 650	10 694	
0-14		1 541	1 560	1 577	1 601	1 624	1 647	1 671	1 693	1 710	
aged		7 263	7 188	7 109	7 057	6 998	6 943	6 899	6 870	6 852	
15-64		1 701	1 768	1 826	1 880	1 932	1 989	2 040	2 087	2 132	
65+		108 673	108 576	106 751	109 860	110 764	112 663	114 405	114 036	112 231	
Live births		106 848	108 189	109 160	105 665	111 173	107 750	111 443	112 920	112 362	
Deaths		74,7	75,0	75,2	75,8	75,8	76,2	76,0	76,1	76,3	
Expectancy of life at birth: men		80,7	80,9	81,1	81,7	81,5	82,1	81,9	81,9	82,1	
women		1 825	387	-2 409	4 195	-409	4 913	2 962	1 116	-131	
Natural increase of population		16 889	10 293	-1 297	21 661	15 977	20 064	28 273	38 629	44 270	
Migration balance		18 714	10 680	-3 706	25 856	15 568	24 997	31 235	39 745	44 139	
Total growth of population		4 062 323	4 088 912	4 142 811	4 345 766	4 625 378	4 796 873	5 110 743	5 408 766	5 748 668	
GDP in current prices		1,7	0,7	1,3	4,9	6,4	3,7	6,5	5,8	6,2	
Growth of GDP (current prices)		1,9	3,3	1,4	0,4	0,3	0,7	2,5	2,1	2,8	
Average inflation rate		6,7	6,8	7,7	7,7	6,6	5,6	4,3	3,2	2,8	
Average share of unemployed persons		5 223	5 257	5 306	5 298	5 310	5 350	5 377	5 415	5 412	
Economically active persons											

Source: CSZO, MoLSA



## 2. Pension Insurance

Pension system of the CR is based on basic mandatory pension insurance according to the Act No. 155/1955 Coll., on pension insurance, (first pillar) and on supplementary pension savings according to the Act No. 427/2011 Coll.

The system of basic pension insurance is based on mandatory participation and on a running basis (pay-as-you-go = PAYGO). The scheme is universal and take care of all economically active persons; its funding is based on solidarity amongst generations. The regulation is unified for all insured persons except some administrative and organizational variations in cases when bodies of social security of departments of defense, interior and justice are responsible for decision-making.

The following pension benefits are provided under pension insurance: old-age pension, disability and survivor's pensions (widow's, widower's and orphan's pensions). A pension is composed of two elements: basic amount (fixed amount identical for all pensioners) and the percentage amount based on the duration of insurance period and earnings achieved. Czech Social Security Administration and relevant authorities of social welfare of Ministry of Defence, Ministry of Interior and Ministry of Justice take decision on claim, amount and payment of pension. After the adoption of the Pension Insurance Act in 1995, number of legislative changes has been adopted to react changing circumstances (for example, economic, demographic, social) regarding parameters of the pension system (amount of premium, increase of retirement age, valorisation mechanism, condition of claim, pension calculation, etc.).

Application for granting a pension insurance benefit is composed with individuals by District Social Security Administration, which is responsible according to the permanent residence of an individual. The District Social Security Administration is obliged to compose an application for pension insurance benefit, even if the individual does not meet the conditions defined for entitlement to a pension insurance benefit or if the citizen's application is not substantiated by necessary documents.

Table No. 2.1

**Number of Paid Pensions**

in thous.

Year	Pension							total
	old age	disability for degree of disability			widow's	widower's	orphan's	
		III.*	II.**	I.				
2000	1 919	382	155	-	619	79	57	3 210
2001	1 936	380	162	-	615	82	55	3 230
2002	1 921	382	171	-	612	85	56	3 227
2003	1 933	385	178	-	607	86	57	3 246
2004	1 965	388	184	-	604	88	56	3 285
2005	1 985	389	189	-	600	89	54	3 308
2006	2 024	390	199	-	598	91	53	3 355
2007	2 061	389	208	-	596	93	51	3 397
2008	2 102	383	216	-	594	94	49	3 438
2009	2 147	375	221	-	590	95	48	3 478
2010	2 306	248	57	170	587	96	48	3 511
2011	2 391	232	61	162	583	97	47	3 573
2012	2 398	221	65	164	580	98	48	3 574
2013	2 402	212	68	165	575	99	47	3 569
2014	2 420	206	70	166	570	99	46	3 576
2015	2 445	199	71	165	564	99	44	3 588
2016	2 465	194	74	168	560	100	42	3 603
2017	2 476	189	76	170	554	100	40	3 605
2018	2 485	183	77	173	549	100	40	3 606
2019	2 491	177	78	175	544	100	39	3 604

**As % of total**

2000	59,8	11,9	4,8	-	19,3	2,5	1,8	100,0
2001	59,9	11,8	5,0	-	19,0	2,5	1,7	100,0
2002	59,5	11,9	5,3	-	19,0	2,6	1,7	100,0
2003	59,5	11,8	5,5	-	18,7	2,7	1,7	100,0
2004	59,8	11,8	5,6	-	18,4	2,7	1,7	100,0
2005	60,0	11,8	5,7	-	18,1	2,7	1,6	100,0
2006	60,3	11,6	5,9	-	17,8	2,7	1,6	100,0
2007	60,7	11,4	6,1	-	17,5	2,7	1,5	100,0
2008	61,1	11,1	6,3	-	17,3	2,7	1,4	100,0
2009	61,7	10,8	6,4	-	17,0	2,7	1,4	100,0
2010	65,7	7,1	1,6	4,8	16,7	2,7	1,4	100,0
2011	66,9	6,5	1,7	4,5	16,3	2,7	1,3	100,0
2012	67,1	6,2	1,8	4,6	16,2	2,8	1,3	100,0
2013	67,3	5,9	1,9	4,6	16,1	2,8	1,3	100,0
2014	67,7	5,7	2,0	4,6	15,9	2,8	1,3	100,0
2015	68,1	5,5	2,0	4,6	15,7	2,8	1,2	100,0
2016	68,4	5,4	2,1	4,7	15,5	2,8	1,2	100,0
2017	68,7	5,2	2,1	4,7	15,4	2,8	1,1	100,0
2018	68,9	5,1	2,1	4,8	15,2	2,8	1,1	100,0
2019	69,1	4,9	2,2	4,8	15,1	2,8	1,1	100,0

Source: CSSA

Notes:

Number of pensions paid in December, incl. pensions paid abroad.

Widow's and widower's pension combined with direct pension.

\* Full disability pensions (as to the 2009).

\*\* Partial disability pensions (as to the 2009).

Table No. 2.2

## Number of Pensioners

Year	Old-age						Proportional old-age	Disability for degree of disability			Widow's and widower's	Orphan's	Total
	total	non-reduced		reduced		III.		II.	I.				
		age limit <sup>1)</sup>	after disab. <sup>2)</sup>	permanently	temporarily								
										total			
total													
2011	2 326 984	1 716 138	109 057	498 803	2 986	227 640	58 034	159 359	42 131	45 693	2 873 004		
2012	2 329 054	1 695 236	109 932	521 090	2 796	215 840	62 612	160 057	40 471	45 856	2 866 056		
2013	2 329 050	1 675 415	110 279	540 711	2 645	206 484	65 616	161 314	38 863	45 258	2 857 856		
2014	2 344 718	1 668 540	110 252	563 424	2 502	199 377	67 264	161 657	36 205	43 563	2 863 210		
2015	2 369 847	1 672 791	110 276	584 435	2 345	196 901	69 400	163 491	33 655	41 941	2 884 841		
2016	2 386 432	1 672 895	110 036	601 277	2 224	190 837	71 031	163 920	31 304	39 995	2 892 469		
2017	2 395 517	1 667 195	109 480	616 744	2 098	185 457	72 708	166 077	29 266	38 522	2 895 963		
2018	2 402 119	1 662 938	108 285	628 920	1 976	179 108	74 110	168 269	27 439	37 967	2 896 973		
2019	2 407 043	1 657 457	106 950	640 802	1 834	173 364	75 278	170 341	26 103	37 627	2 897 527		
men													
2011	873 426	615 390	46 471	210 140	1 425	120 308	31 201	83 605	6 881	22 044	1 139 080		
2012	879 610	611 058	46 652	220 595	1 305	114 453	33 734	82 238	6 889	22 190	1 140 727		
2013	885 394	607 986	46 547	229 652	1 209	109 532	35 090	81 688	6 760	21 877	1 141 950		
2014	896 559	609 320	46 178	239 939	1 122	105 622	35 593	80 542	6 471	21 089	1 147 479		
2015	911 774	615 208	46 033	249 521	1 012	104 960	36 511	80 592	6 181	20 330	1 161 979		
2016	926 010	622 850	45 686	256 540	934	101 588	36 888	79 482	5 917	19 455	1 171 031		
2017	937 360	627 632	45 217	263 645	866	98 651	37 159	79 378	5 590	18 860	1 178 803		
2018	946 004	631 397	44 512	269 287	808	95 121	37 497	79 066	5 318	18 608	1 183 589		
2019	953 890	634 652	43 448	275 058	732	92 260	37 682	78 889	5 122	18 419	1 188 533		
women													
2011	1 453 558	1 100 748	62 586	288 663	1 561	107 332	26 833	75 754	35 250	23 649	1 733 924		
2012	1 449 444	1 084 178	63 280	300 495	1 491	101 387	28 878	77 819	33 582	23 666	1 725 329		
2013	1 443 656	1 067 429	63 732	311 059	1 436	96 952	30 526	79 626	32 103	23 381	1 715 906		
2014	1 448 159	1 059 220	64 074	323 485	1 380	93 755	31 671	81 115	29 734	22 474	1 715 731		
2015	1 458 073	1 057 583	64 243	334 914	1 333	91 941	32 889	82 899	27 474	21 611	1 722 862		
2016	1 460 422	1 050 045	64 350	344 737	1 290	89 249	34 143	84 438	25 387	20 540	1 721 438		
2017	1 458 157	1 039 563	64 263	353 099	1 232	86 806	35 549	86 699	23 676	19 662	1 717 160		
2018	1 456 115	1 031 541	63 773	359 633	1 168	83 987	36 613	89 203	22 121	19 359	1 713 384		
2019	1 453 153	1 022 805	63 502	365 744	1 102	81 104	37 596	91 452	20 981	19 208	1 708 994		

Source: CSSA

Notes:

1) Old-age pension granted after reaching the retirement age

Do not include pensions paid abroad.

2) Old-age pension granted after reaching 65 years of age  
For widow's, widower's and orphan's pensions - solo paid pensions.

Proportional old-age pension = old-age pensions granted pursuant to § 26 of the Act No. 100/1988 Coll. and pursuant to § 29 paragraph b) of the Act No. 155/1995 Coll. (a short period of insurance).

Permanently reduced = up to 3 years prior to reaching the regular retirement age, according to § 31 of the Act No. 155/1995 Coll.

Temporarily reduced = up to 2 years prior to reaching the regular retirement age, according to § 30 of the Act No. 155/1995 Coll.

Non-reduced = old-age pension granted after reaching the retirement age.

## Average Monthly Amounts of Solo Paid Pensions

CZK

Year	Old-age						Proportional old-age	Disability for degree of disability			Widow's and widower's	Orphan's	Total
	non-reduced		reduced		III.	II.		I.					
	age limit <sup>1)</sup>	after disab. <sup>2)</sup>	permanently	temporarily									
	total												
2011	10 567	11 008	10 158	9 460	8 761	4 473	10 004	6 748	6 094	6 814	5 428	9 913	
2012	10 793	11 274	10 368	9 641	8 934	4 420	10 141	6 714	6 021	6 929	5 544	10 093	
2013	10 985	11 498	10 535	9 806	9 082	4 405	10 245	6 675	5 989	7 046	5 657	10 249	
2014	11 090	11 630	10 616	9 893	9 136	4 331	10 262	6 662	5 911	7 083	5 703	10 337	
2015	11 361	11 932	10 836	10 122	9 329	4 335	10 392	6 738	5 924	7 225	5 833	10 576	
2016	11 475	12 068	10 904	10 216	9 364	4 274	10 395	6 745	5 883	7 277	5 874	10 675	
2017	11 866	12 491	11 218	10 564	9 632	4 329	10 655	6 922	5 998	7 512	6 078	11 026	
2018	12 435	13 103	11 668	11 066	10 066	4 480	11 059	7 205	6 207	7 856	6 351	11 539	
2019	13 487	14 216	12 562	12 020	10 890	5 244	11 905	7 923	6 851	8 676	7 058	12 526	
	men												
2011	11 714	12 177	11 179	10 571	9 858	4 294	10 482	7 036	6 399	5 920	5 414	10 835	
2012	11 962	12 472	11 396	10 762	10 074	4 285	10 597	6 997	6 336	6 076	5 534	11 034	
2013	12 165	12 713	11 559	10 929	10 277	4 301	10 676	6 961	6 305	6 240	5 645	11 202	
2014	12 274	12 853	11 640	11 014	10 358	4 284	10 664	6 945	6 222	6 314	5 693	11 298	
2015	12 562	13 179	11 855	11 257	10 642	4 319	10 759	7 013	6 231	6 475	5 825	11 550	
2016	12 678	13 314	11 904	11 349	10 728	4 294	10 736	7 019	6 183	6 551	5 852	11 659	
2017	13 093	13 765	12 214	11 720	11 009	4 396	10 982	7 199	6 294	6 815	6 067	12 040	
2018	13 703	14 421	12 648	12 263	11 509	4 608	11 378	7 492	6 504	7 173	6 332	12 595	
2019	14 807	15 592	13 544	13 263	12 396	5 378	12 226	8 214	7 147	7 898	7 053	13 634	
	women												
2011	9 599	10 031	8 867	8 559	7 445	4 545	9 435	6 405	5 752	6 989	5 440	9 102	
2012	9 797	10 264	9 100	8 718	7 596	4 478	9 596	6 375	5 683	7 104	5 554	9 261	
2013	9 970	10 463	9 304	8 868	7 717	4 453	9 730	6 338	5 659	7 216	5 668	9 402	
2014	10 065	10 580	9 420	8 947	7 755	4 354	9 784	6 338	5 598	7 250	5 713	9 481	
2015	10 315	10 858	9 669	9 152	7 918	4 344	9 951	6 428	5 622	7 394	5 840	9 704	
2016	10 416	10 976	9 787	9 241	7 935	4 262	9 988	6 444	5 597	7 446	5 894	9 788	
2017	10 772	11 359	10 133	9 558	8 210	4 281	10 266	6 627	5 724	7 677	6 089	10 107	
2018	11 296	11 921	10 619	10 011	8 569	4 373	10 682	6 908	5 940	8 029	6 369	10 578	
2019	12 292	12 972	11 545	10 908	9 373	5 111	11 526	7 628	6 592	8 866	7 062	11 514	

Source: CSSA

Notes:

<sup>1)</sup> Old-age pension granted after reaching the retirement age<sup>2)</sup> Old-age pension granted after reaching 65 years of age

Do not include pensions paid abroad.

For widow's, widower's and orphan's pensions - solo paid pensions.

Proportional old-age pension = old-age pensions granted pursuant to § 26 of the Act No. 100/1988 Coll. and pursuant to § 29 paragraph b) of the Act No. 155/1995 Coll. (a short period of insurance).

Permanently reduced = up to 3 years prior to reaching the regular retirement age, according to § 31 of the Act No. 155/1995 Coll.

Temporarily reduced = up to 2 years prior to reaching the regular retirement age, according to § 30 of the Act No. 155/1995 Coll.

Non-reduced = old-age pension granted after reaching the reaching retirement age.

## Expenditures on Pensions by Type of Pensions (civil sector)

mil. CZK

Year	Pension										total
	old-age	disability for degree of disability			widow's	widower's	orphan's	total			
		III.*	II.**	I.							
1998	114 605	24 578	6 162	-	13 747	831	1 882	161 805			
1999	123 666	25 557	6 669	-	14 268	967	1 887	173 014			
2000	130 932	26 412	7 012	-	14 534	1 055	1 975	181 921			
2001	140 657	27 970	7 677	-	15 938	1 200	2 373	195 814			
2002	150 772	30 222	8 501	-	17 078	1 368	2 498	210 440			
2003	156 273	31 531	9 135	-	17 343	1 487	2 504	218 273			
2004	163 026	32 719	9 631	-	17 408	1 532	2 567	226 883			
2005	175 669	35 028	10 575	-	18 042	1 651	2 684	243 648			
2006	188 949	37 239	11 802	-	18 924	1 810	2 740	261 464			
2007	203 933	40 420	13 254	-	20 382	1 984	2 904	282 876			
2008	222 105	42 446	14 952	-	20 871	2 096	3 066	305 536			
2009	243 636	44 380	16 609	-	21 576	2 249	3 254	331 705			
2010	265 985	30 870	4 295	12 516	21 018	2 263	3 214	340 162			
2011	284 614	29 504	5 116	12 831	21 483	2 385	3 301	359 234			
2012	295 140	28 067	5 250	12 159	21 463	2 443	3 341	367 864			
2013	300 574	26 903	5 457	11 781	21 935	2 519	3 166	372 335			
2014	305 668	26 062	5 608	11 683	21 731	2 553	3 101	376 406			
2015	314 872	26 505	5 773	11 736	21 951	2 584	3 099	386 520			
2016	321 033	24 964	5 956	12 048	21 149	2 621	3 134	390 904			
2017	333 848	24 881	6 264	12 387	21 271	2 694	3 114	404 460			
2018	351 235	25 039	6 658	13 106	21 601	2 792	3 246	423 677			
2019	382 223	26 025	7 444	14 573	22 578	2 949	3 517	459 308			

Source: CSSA

Notes:

Net expenditures in given year do not include advances to post office for the payment of pensions.

Since 1999 increase to pension for the incapacitated is not included.

\* Expenditure on full disability pension until 2009.

\*\* Expenditure on partial disability pension until 2009.

**Expenditures on Pensions in Relation to GDP**

Year	Expenditures on pensions* (in mld. CZK)	Gross domestic product in current prices (in mld. CZK)	Ratio (in %)
1996	126,8	1 829,3	6,9
1997	150,2	1 971,0	7,6
1998	166,1	2 156,6	7,7
1999	177,9	2 253,0	7,9
2000	186,9	2 386,3	7,8
2001	201,1	2 579,1	7,8
2002	213,6	2 691,0	7,9
2003	225,8	2 823,5	8,0
2004	230,9	3 079,2	7,5
2005	247,4	3 285,6	7,5
2006	272,9	3 530,9	7,7
2007	289,9	3 859,5	7,5
2008	312,5	4 042,9	7,7
2009	339,8	3 954,3	8,6
2010	346,2	3 992,9	8,7
2011	368,1	4 062,3	9,1
2012	382,0	4 088,9	9,3
2013	382,8	4 142,8	9,2
2014	385,8	4 345,8	8,9
2015	395,2	4 625,4	8,5
2016	399,0	4 796,9	8,3
2017	414,4	5 110,7	8,1
2018	433,8	5 408,8	8,0
2019	471,6	5 748,7	8,2

Source: Ministry of Finance (state closing account), Czech Statistical Office (GDP data after the updating as of June 30, 2020)

\* including expenditures on pensions in the armed forces

### Share of the Average Old-age Pension and the Average Wage

Year	Average old-age pension* (in CZK)	Average wage (in CZK)		Average pension / average wage (in %)	
		gross**	net***	gross	net
1990	1 731	3 286	2 586	52,7	66,9
1991	2 176	3 792	2 952	57,4	73,7
1992	2 413	4 644	3 563	52,0	67,7
1993	2 734	5 817	4 551	47,0	60,1
1994	3 059	6 896	5 351	44,4	57,2
1995	3 578	8 172	6 318	43,8	56,6
1996	4 213	9 676	7 520	43,5	56,0
1997	4 840	10 696	8 308	45,3	58,3
1998	5 367	11 693	9 090	45,9	59,0
1999	5 724	12 655	9 842	45,2	58,2
2000	5 962	13 490	10 447	44,2	57,1
2001	6 352	14 640	11 324	43,4	56,1
2002	6 830	15 711	12 082	43,5	56,5
2003	7 071	16 769	12 807	42,2	55,2
2004	7 256	17 882	13 601	40,6	53,3
2005	7 728	18 809	14 252	41,1	54,2
2006	8 173	20 050	15 506	40,8	52,7
2007	8 736	21 527	16 509	40,6	52,9
2008	9 347	23 280	17 714	40,2	52,8
2009	10 028	24 091	18 665	41,6	53,7
2010	10 093	24 526	18 962	41,2	53,2
2011	10 543	25 093	19 246	42,0	54,8
2012	10 770	25 903	19 903	41,6	54,1
2013	10 962	25 903	19 903	42,3	55,1
2014	11 065	26 357	20 216	42,0	54,7
2015	11 331	27 156	20 777	41,7	54,5
2016	11 439	28 250	21 526	40,5	53,1
2017	11 826	30 156	22 832	39,2	51,8
2018	12 391	32 510	24 463	38,1	50,7
2019	13 431	34 835	26 067	38,6	51,5

Source: MoLSA

Notes:

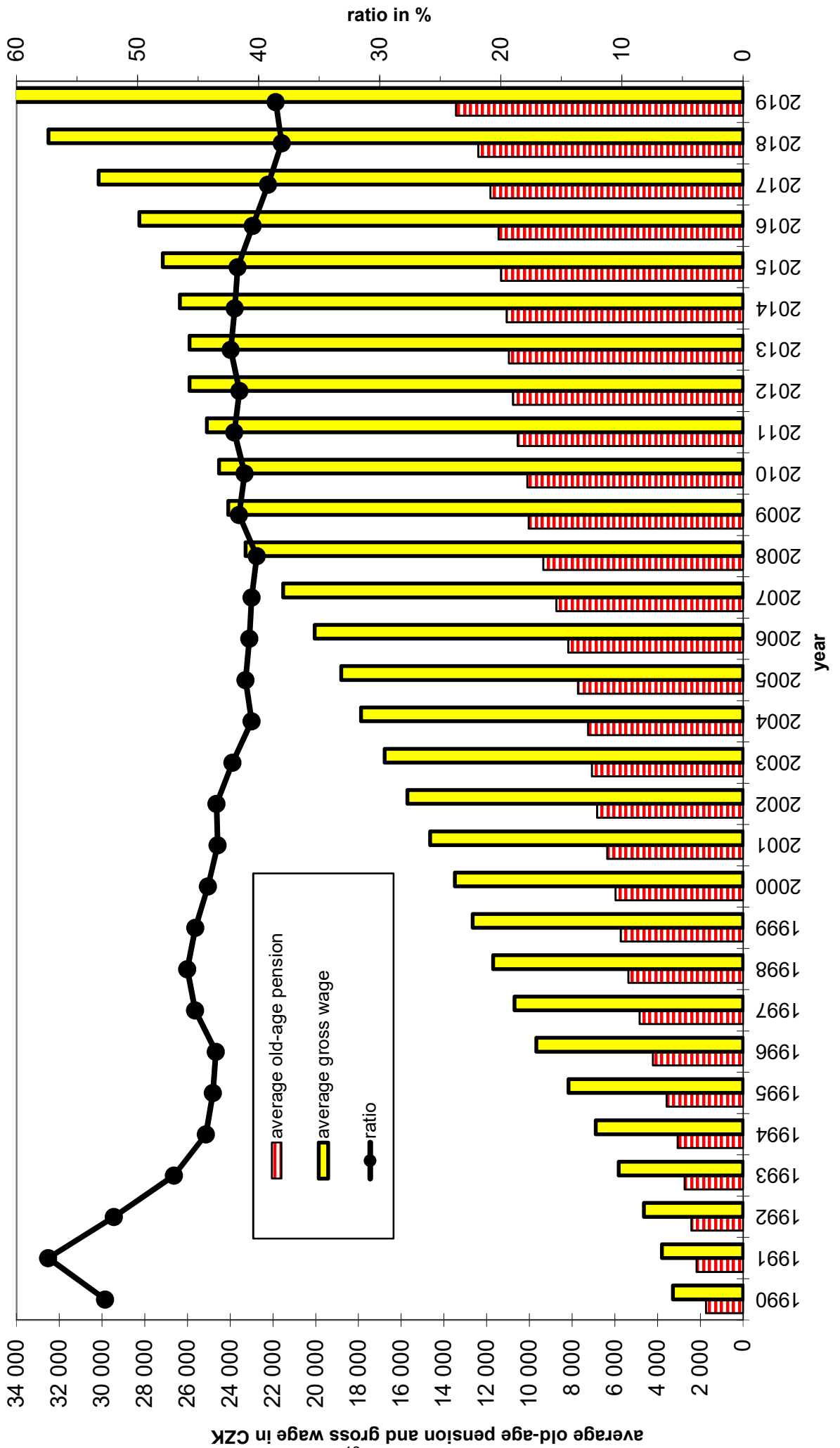
\* Monthly average payment of paid solo old-age pension (without survivor's pension).

\*\* Average gross wage = general assessment base (§ 17 subsection 2 of the Act No. 155/1995 Coll.) stipulated by government decree in the amount of the average monthly wage set by the Czech Statistical Office.

\*\*\* Average net wage = average gross wage decreased by the corresponding amount of income tax, health insurance and social security premiums.

Amounts of wages and pensions are increased by the state compensatory allowance (in period when it had belonged).

### Average Old-age Pension \* in Relation to Average Wage \*\*



\* monthly average of annual payment of paid out solo pension \*\* average wage = general assessment base



**Overview of Increases to Paid Pensions**

Month of increase	Increase of the			Basic amount of a pension after increase
	assessment of		basic amount	
	old-system pensioners	new-system pensioners		
August 1997	8,0%	8,0%	200 CZK	1 260 CZK
July 1998	9,0%	5,0%	50 CZK	1 310 CZK
August 1999	7,5%	5,0%	-	1 310 CZK
December 2000	9,0%	5,0%	-	1 310 CZK
December 2001	11,0%	8,0%	-	1 310 CZK
January 2003	4,0%	3,8%	-	1 310 CZK
January 2004	2,5%	2,5%	-	1 310 CZK
January 2005	5,4%	5,4%	90 CZK	1 400 CZK
January 2006	6,0%	4,0%	70 CZK	1 470 CZK
January 2007	6,6%	5,6%	100 CZK	1 570 CZK
January 2008	3,0%	3,0%	130 CZK	1 700 CZK
August 2008	-	-	470 CZK	2 170 CZK
January 2009	4,4%	4,4%	-	2 170 CZK
January 2011	3,9%	3,9%	60 CZK	2 230 CZK
January 2012	1,6%	1,6%	40 CZK	2 270 CZK
January 2013	0,9%	0,9%	60 CZK	2 330 CZK
January 2014	0,4%	0,4%	10 CZK	2 340 CZK
January 2015	1,6%	1,6%	60 CZK	2 400 CZK
January 2016	-	-	40 CZK	2 440 CZK
January 2017	2,2%	2,2%	110 CZK	2 550 CZK
January 2018	3,5%	3,5%	150 CZK	2 700 CZK
January 2019	3,4%	3,4%	570 CZK	3 270 CZK
January 2020 <sup>1)</sup>	5,2% + 151 CZK	5,2% + 151 CZK	220 CZK	3 490 CZK

Source: MoLSA

Notes:

Old-system pensioners = pensions granted before January 1, 1996.

New-system pensioners = pensions granted after December 31, 1995.

<sup>1)</sup> The Act No. 244/1999 Coll. defined increase of average pension at level of 900 CZK in 2020. Required amount became part of the percentage assessment of a pension.



### 3. Sickness Insurance

The sickness insurance system is intended for people in remunerative work, for whom it provides security through financial sickness insurance benefits in cases temporary inability to work due to an illness, injury or quarantine, caring for a family member, pregnancy and maternity or caring for a child.

Since January 1, 2009, sickness insurance has been regulated through the Act No. 187/2006 Coll., on Sickness Insurance, as amended. This Act represents unification of sickness insurance legislation for employees, self-employed people and groups of persons, whose participation in the sickness insurance had been regulated by specific legislation. Sickness insurance is administered by District Social Security Administration for all insured persons (except members of the armed forces, persons in custody and sentenced persons).

Contrary of self-employed people, whose participation in sickness insurance remains voluntary, employees participate on compulsory basis. An employee is subject to sickness insurance if he/she meet conditions stipulated by the Sickness Insurance Act: the performance of work in the Czech Republic and the minimum arranged income (so-called decisive income, its boundary was set from 2019 at the amount of 3 000 CZK).

There were four types of sickness insurance benefits in the Czech Republic until 2017: sickness benefit, care benefit, maternity benefit and pregnancy and maternity compensation benefit. In 2018, two new benefits were established, paternity benefit (since February 1, 2018) and long-term attendance allowance (since June 1, 2018). The amount of these benefits is calculated from the employee's income level in the decisive period (usually a period of 12 calendar months preceding the calendar month in which the social event occurred). The calculation of the amount of a benefit is consequently based on daily average of these incomes (so-called daily assessment base), which is limited by defined way.

From 2014, sickness benefit belongs from the 15<sup>th</sup> calendar day of temporary incapacity for work or quarantine (support period lasts no longer than 380 calendar days starting from the beginning of temporary incapacity for work or quarantine order, unless stated otherwise). The salary compensation (for working days and holidays) is provided by employers to their employees under sickness insurance up to a moment of entitlement to sickness benefit. Until the middle of 2019, the salary compensation was granted from the 4<sup>th</sup> working day of temporary incapacity for work or from the 1<sup>st</sup> working day in case of quarantine. Since July 1, 2019, the waiting period was abolished and the salary compensation was granted from the 1<sup>st</sup> working day of temporary incapacity for work.

## Basic Sickness Insurance Indicators

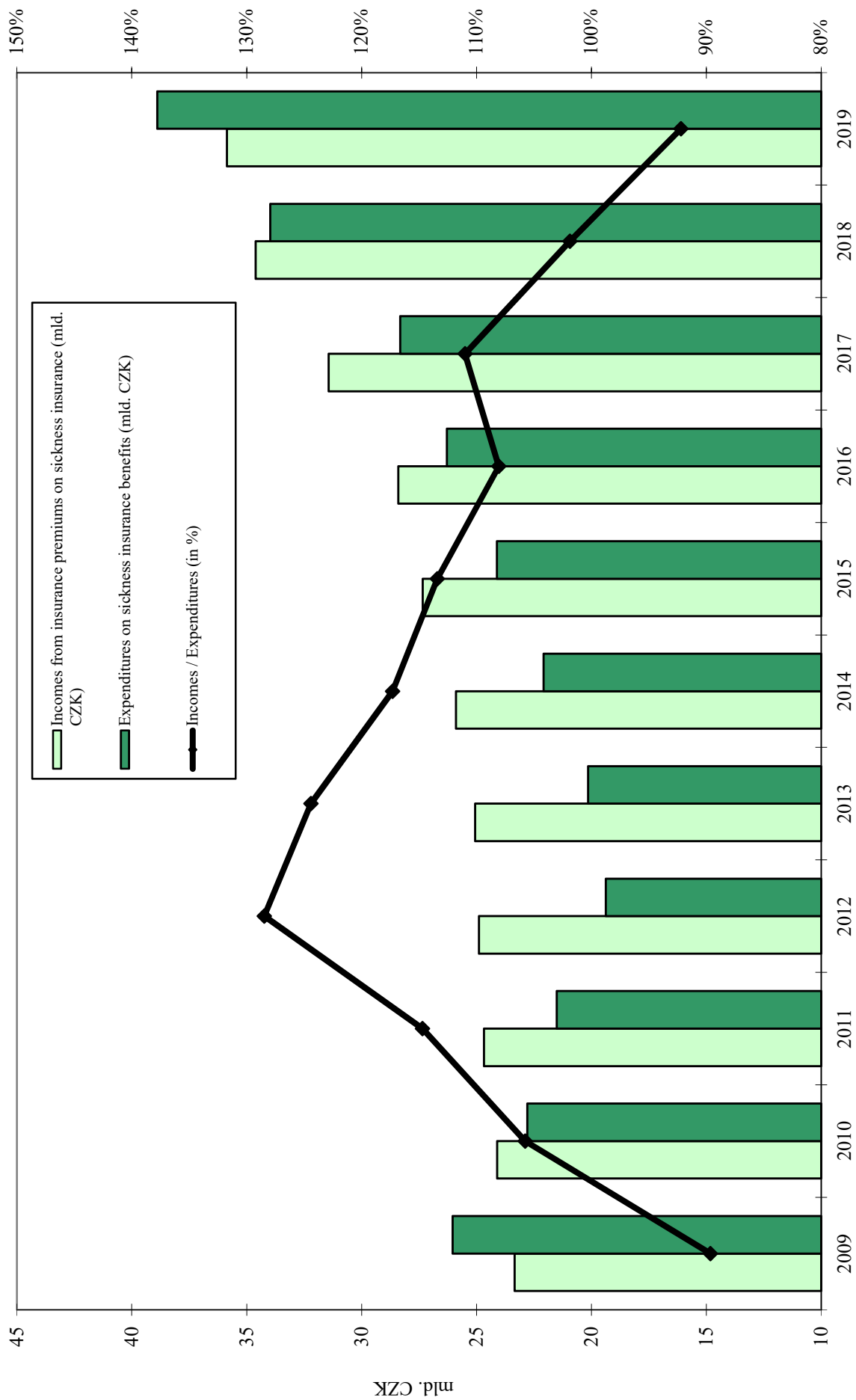
	Unit	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
1.	Average number of persons insured under sickness insurance	4 253 139	4 310 960	4 211 549	4 471 889	4 440 326	4 464 057	4 507 012	4 571 305	4 671 825	4 732 737	4 732 889
2.	Newly notified cases of incapacity for work	1 441 516	1 324 926	1 268 761	1 226 869	1 331 477	1 314 790	1 563 458	1 633 347	1 707 513	1 849 455	1 914 813
3.	Number of calendar days of incapacity for work	64 956	59 208	55 924	56 493	58 587	60 235	66 817	70 252	72 677	77 158	81 205
4.	Average period of duration of 1 case of incapacity for work	45,1	44,7	44,1	46,1	44,0	45,8	42,7	43,0	42,6	41,7	42,4
5.	Average percentage of incapacity for work	4,18	3,76	3,64	3,45	3,62	3,70	4,06	4,20	4,26	4,47	4,70
6.	Incomes from sickness insurance* (premium)	23 338	24 103	24 669	24 894	25 059	25 894	27 342	28 400	31 428	34 609	35 857
7.	Expenditures on sickness insurance benefits including: sickness benefits family member care benefits / care benefits maternity leave pregnancy and maternity compensatory benefits paternity benefit long-term attendance allowance	26 033	22 789	21 506	19 377	20 143	22 076	24 110	26 284	28 316	33 974	38 887
		18 215	14 944	13 354	11 465	12 035	13 881	15 428	16 985	18 290	22 677	26 670
		729	431	640	682	843	854	1 062	1 180	1 402	1 632	1 726
		7 084	7 410	7 506	7 224	7 258	7 334	7 611	8 110	8 616	9 403	10 098
		5	4	6	7	7	7	9	9	8	8	9
		-	-	-	-	-	-	-	-	-	221	273
		-	-	-	-	-	-	-	-	-	32	110
8.	Difference between incomes and expenditures	-2 695	1 314	3 163	5 517	4 916	3 818	3 232	2 117	3 113	635	-3 029
9.	Incomes / Expenditures	89,6	105,8	114,7	128,5	124,4	117,3	113,4	108,1	111,0	101,9	92,2

Source: Czech Statistical Office, Czech Social Security Administration

Note: Paternity benefit was established on February 1, 2018. Long-term attendance allowance on June 1, 2018.

\* including fines, penalties, surcharge to insurances and other obligation and claims

### Incomes and Expenditures in System of Sickness Insurance



### Average Daily Sickness Benefit, Average Daily Wage and their Ratio

Year	Average wage* (in CZK)		Average daily sickness benefit*** (in CZK)	Ratio of average daily sickness benefit to average daily wage (v %)
	monthly	daily**		
1990	3 286	108	72	66,7
1991	3 792	125	77	61,6
1992	4 644	152	90	59,2
1993	5 817	191	106	55,5
1994	6 896	227	136	59,9
1995	8 172	269	146	54,3
1996	9 676	317	173	54,6
1997	10 696	352	150	42,5
1998	11 693	384	152	39,5
1999	12 655	416	158	38,1
2000	13 490	442	209	47,3
2001	14 640	481	226	47,0
2002	15 711	517	248	47,9
2003	16 769	551	262	47,5
2004	17 882	586	254	43,3
2005	18 809	618	260	42,1
2006	20 050	659	273	41,4
2007	21 527	708	285	40,2
2008	23 280	763	290	38,0
2009	24 091	792	361	45,6
2010	24 526	806	344	42,7
2011	25 093	825	353	42,8
2012	25 903	849	333	39,2
2013	25 903	852	335	39,3
2014	26 357	867	326	37,6
2015	27 156	893	336	37,6
2016	28 250	926	350	37,8
2017	30 156	991	370	37,3
2018	32 510	1 069	446	41,7
2019	34 835	1 146	491	42,8

Source: MoLSA

\* Average wage = average assessment base stipulated by relevant government decree.

\*\* Average daily wage = average gross wage / average number of days per month.

\*\*\* Up to 1996 the indicator was calculated as expenditure on sickness benefit / number of calendar days of incapacity for work according to CZSO data (for 1990 - 1992 there was conversion from working to calendar days), since 1997 as expenditure on sickness benefit / number of reimbursed day according to CSSA data.

## 4. Benefits of State Social Support and Foster Care

The system of State Social Support (regulated by the Act No. 117/1995 Coll., on the State Social Support, as amended) guarantees direct assistance especially for families with dependent children in specific social situations when this family cannot resolve these situations with their own forces and financial means. These situations include for example insufficient income, care for a new-born or small child, incompleteness of family etc. The system also financially contributes to families and individuals with low incomes to cover costs on housing. Foster care benefits (regulated by the above mentioned act till 2012) have been contained in the Act No. 359/1999 Coll., on the Social and Legal Protection of Children, as amended. Foster care is provided to a child by registered person who can provide temporary foster care or by person taking care of a child (foster carer of guardian).

Persons – Czech citizens and foreigners - have a right to benefits if they and the family/household members assessed jointly with them are registered as permanently resident in the Czech Republic and have their residence here. For non-EU foreign nationals, the registration as permanently resident in the Czech Republic is considered to be the period once 365 days have passed since the date they registered to stay in the Czech Republic. The Act on State Social Support stipulates other persons eligible for state social support benefits, if they have their residence in the Czech Republic. In the range of persons covered, there are also EU nationals who are subject of directly applicable legislation of the EU.

When entitlement for a benefit is assessed, property of family is not tested. Only family income was subject of testing in case of following benefits in 2019: child allowance, housing allowance and birth grant. Parental allowance, foster care benefits and funeral grant were provided without regard to family income. Income decisive for entitlement to a state social support benefits includes, in particular, income from employment-related activity, income from entrepreneurship or other self-employment activity, sickness and pension scheme benefits, unemployment benefit, including similar income from abroad. Benefits are not subject of taxation.

The basis for determination of family income level when the entitlement to an income-tested benefit is assessed (as well as the amount of a benefit) is the living minimum. This minimum represents the socially accepted minimum level of cash income that guarantees nutrition and other basic personal needs.

In connection with stabilisation of public budgets (2008), there were significant amendments of construction of most state social support and foster care benefits. Other legal changes came into force starting 2011 with regard to economic measures in authority of MoLSA: the term for choice of variation of drawdown was shortened at parental allowance (quadrennial variant), entitlement to social allowance was restricted only to families with a handicapped member and birth grant was newly paid on the first-born child if family income in the calendar quarter prior to the birth does not exceed 2,4 times the family's living minimum.

Another significant changes in system of state social support benefits came into force in 2012 under the Social reform: social allowance was cancelled and entitlement to parental allowance has been newly regulated (parents may flexibly choose period of its drawing and its amount according to social situation of family; parental allowance provided up to the total amount of 220 thous. CZK maximally up to 4 years of a child's age; choice of the amount of parental allowance can be changed once in 3 month). Since 2013 there have been changes of legislation of foster care benefits: increase of amounts of foster carer remuneration and contribution to cover the child's needs, introduction of benefit upon the termination of foster care and extension of entitlement to contribution for the purchase of a passenger motor vehicle. Since 2015 there was the change in the entitlement to the birth grant. This grant is newly paid also at the second live-born child. At the same time, the level of income limit increased to 2,7 times of living minimum of family members. Since 2018, the range of families entitled to child allowance has been extended because the limit of incomes for entitlement has increased from 2.4 to 2,7 times of the living minimum. At the same time, the amount of child allowance was increased by CZK 300 for the children of working parents.

## Expenditures on Benefits of State Social Support and Foster Care

in mil. CZK

	Year													
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
State social support benefits	11 033	10 236	6 232	4 736	3 862	3 498	3 332	3 329	3 206	3 057	2 817	2 479	2 520	2 279
child allowance	4 418	4 607	3 174	2 962	3 100	786	48	-2	-1	-1	0	0	0	0
social allowance	2 287	1 565	1 619	2 280	3 521	4 641	5 732	7 404	8 843	9 161	9 261	8 622	7 689	7 082
housing allowance	-1	-	-	-	-	-	-	-	-	-	-	-	-	-
transportation benefit*	13 526	28 690	28 294	28 586	27 722	25 709	24 950	24 338	22 913	22 480	22 625	22 984	24 959	24 470
parental allowance	1 591	2 097	1 647	1 579	1 565	292	144	148	143	256	256	218	175	133
birth grant	513	509	71	17	16	15	15	14	13	14	13	13	13	12
funeral grant	89	57	2	-	-	-	-	-	-	-	-	-	-	-
other**	<b>33 456</b>	<b>47 761</b>	<b>41 039</b>	<b>40 160</b>	<b>39 786</b>	<b>34 941</b>	<b>34 220</b>	<b>35 230</b>	<b>35 117</b>	<b>34 966</b>	<b>34 973</b>	<b>34 316</b>	<b>35 356</b>	<b>33 976</b>
Foster care benefits	369	402	433	472	516	550	634	799	909	989	1 046	1 083	1 219	1 247
contribution to cover child's needs	203	353	393	433	471	504	583	1 191	1 424	1 625	1 734	1 813	2 525	2 626
foster care remuneration	10	10	14	15	14	14	15	20	22	20	19	19	17	17
benefit upon the child's acceptance	4	5	4	3	4	4	4	29	12	12	12	13	18	13
contribution for the purchase of passenger motor vehicle	-	-	-	-	-	-	-	13	16	19	21	23	22	22
benefit upon the termination of foster care	<b>585</b>	<b>771</b>	<b>844</b>	<b>922</b>	<b>1 005</b>	<b>1 073</b>	<b>1 236</b>	<b>2 052</b>	<b>2 383</b>	<b>2 665</b>	<b>2 832</b>	<b>2 950</b>	<b>3 802</b>	<b>3 924</b>
<b>Total expenditures on state social support and foster care</b>	<b>34 041</b>	<b>48 533</b>	<b>41 883</b>	<b>41 082</b>	<b>40 791</b>	<b>36 014</b>	<b>35 456</b>	<b>37 279</b>	<b>37 500</b>	<b>37 631</b>	<b>37 805</b>	<b>37 266</b>	<b>39 158</b>	<b>37 900</b>

Source: MoLSA

\* granting for transportation benefit was terminated on June 30, 2004 (with drawback in 2005 and 2006)

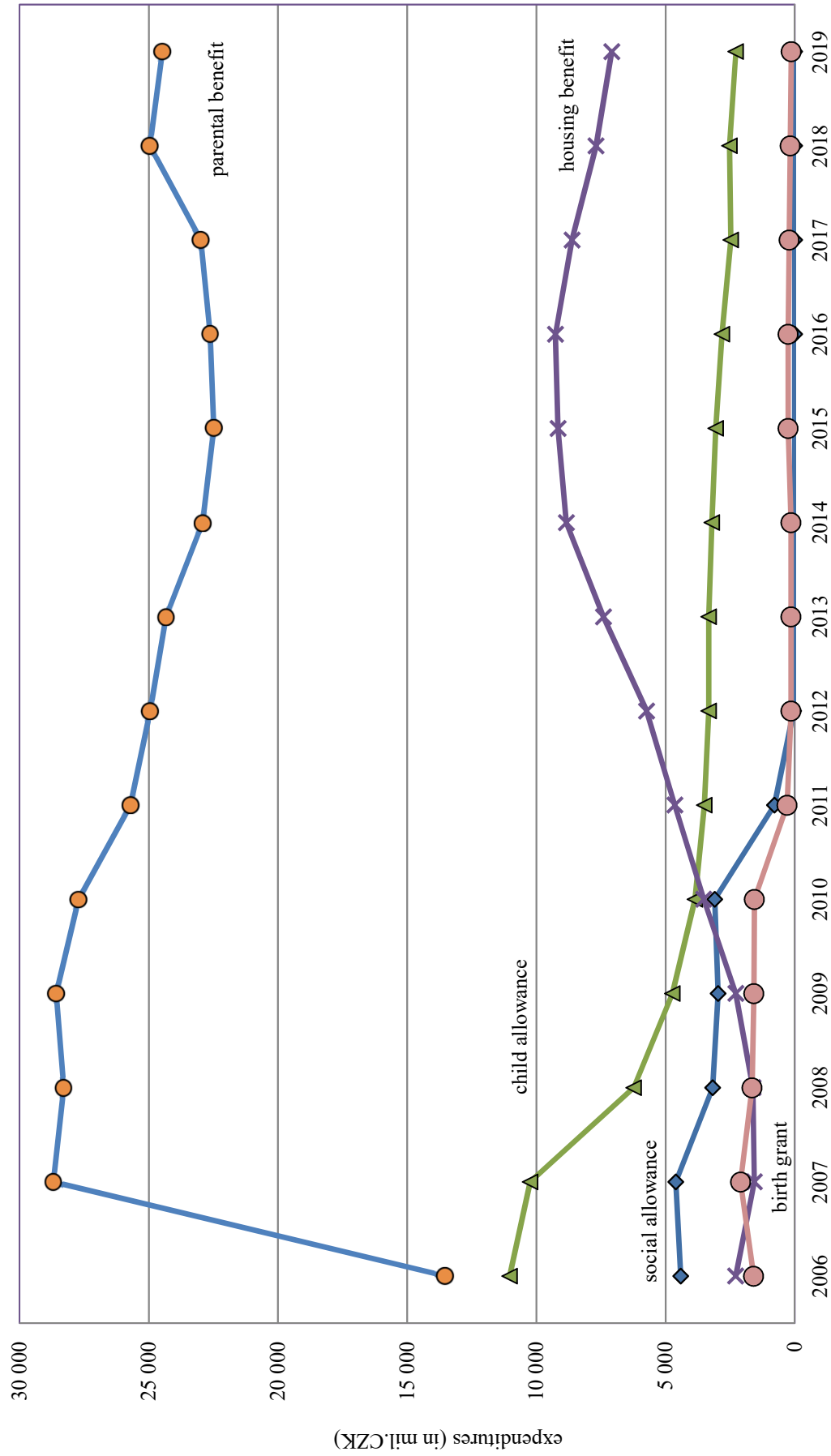
\*\* incl. expenses on care allowance for a child in a facility (from October 1, 2005 until May 31, 2006) and allowance for school aids (from June 1, 2006 until December 31, 2007)

\*\*\* total expenditures include additional payments, overpayments and refunds, exclude transfers to deposit account, refunds of terminated benefits, transfers of overpayments of from previous years to the revenue account of the State Budget and paid premiums on behalf of employer from foster care remuneration



# Structure of Expenditures on State Social Support Benefits

Graph No. 4.1.1



Note:  
Because of clarity of the graph the curve for funeral grant is not added.

## Average Monthly Number of Paid State Social Support and Foster Care Benefits

in thous.

	Year													
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
State social support benefits	1 767	1 677	893	635	531	486	464	460	444	423	391	343	270	239
child allowance	299	242	167	148	150	27	1	0	0	0	0	0	0	0
social allowance	236	117	87	96	121	143	163	193	220	225	221	207	185	165
housing allowance	-	-	-	-	-	-	-	-	-	-	-	-	-	-
transportation benefit*	308	340	359	364	339	326	308	294	280	277	275	279	282	284
parental allowance	9	10	10	10	10	2	1	1	1	2	2	2	1	1
birth grant	9	9	1	0	0	0	0,2	0,2	0,2	0,2	0,2	0,2	0,2	0,2
funeral grant	5	5	0	-	-	-	-	-	-	-	-	-	-	-
other**	<b>2 633</b>	<b>2 400</b>	<b>1 517</b>	<b>1 253</b>	<b>1 151</b>	<b>984</b>	<b>937</b>	<b>949</b>	<b>944</b>	<b>928</b>	<b>889</b>	<b>831</b>	<b>738</b>	<b>689</b>
<b>total</b>	8	8	9	9	10	10	11	12	14	15	16	17	17	17
Foster care benefits	6	6	7	8	8	9	9	10	11	12	12	13	13	13
contribution to cover child's needs	0,1	0,1	0,1	0,1	0,1	0,1	0,1	0,2	0,3	0,3	0,3	0,3	0,3	0,3
foster care remuneration	<b>14</b>	<b>14</b>	<b>16</b>	<b>17</b>	<b>18</b>	<b>19</b>	<b>20</b>	<b>22</b>	<b>25</b>	<b>27</b>	<b>29</b>	<b>30</b>	<b>30</b>	<b>31</b>
other***	<b>2 647</b>	<b>2 414</b>	<b>1 533</b>	<b>1 270</b>	<b>1 169</b>	<b>1 003</b>	<b>957</b>	<b>976</b>	<b>969</b>	<b>955</b>	<b>917</b>	<b>861</b>	<b>768</b>	<b>720</b>
<b>total</b>	<b>2 647</b>	<b>2 414</b>	<b>1 533</b>	<b>1 270</b>	<b>1 169</b>	<b>1 003</b>	<b>957</b>	<b>976</b>	<b>969</b>	<b>955</b>	<b>917</b>	<b>861</b>	<b>768</b>	<b>720</b>
<b>Total expenditures on state social support and foster care</b>														

Source: MoLSA

\* granting on transportation benefit was terminated on June 30, 2004 (with drawbacks in 2005 and 2006)

\*\* incl. care allowance for a child in a facility (from October 1, 2005 until May 31, 2006) and allowance for school aids (from June 1, 2006 until December 31, 2007)

\*\*\* incl. benefit upon the child's acceptance, contribution for the purchase of a passenger motor vehicle and benefit upon the termination of foster care (est. since 2013)

## **5. Benefits of Assistance in Material Need, Benefits for People with Disabilities and Care Allowance**

Starting January 1, 2007, the Act No. 111/2006 Coll., on Assistance in Material Need, as amended, came into effect. It has regulated conditions for providing assistance when ensuring basic living requirements (situations connected with insufficient level of nutrition, housing and extraordinary events). Material need is the state when a person or a family does not have enough income and their overall social and property relations prevent them from enjoying what society accepts to be basic living requirements. At the same time, these persons are objectively unable to increase their income (through one's own work, through application of entitlements and claims or through the sale or other disposal of one's own assets), thereby improving their situation through their own actions. The main purpose of the system of assistance in material needs is motivation to active effort to secure resources to meet basic living requirements and to prevent social exclusion.

Administration of benefits of assistance in material need, benefits for people with disabilities and care allowance had been ensured (except state social support) by the relevant municipal authorities to the end of 2011. In the context of social reform these systems were transferred to Labour Office of the Czech Republic as of January 1, 2012.

Under the system of material need there are following benefits:

1. *Allowance for living* - this benefit covers cases of material need that tackles the insufficient income of a person or family. Beneficiaries are entitled to an allowance for living if the income of these persons or families is less than the amount of living subsistence when reasonable housing costs have been deducted. The amount of living is established on a case-by-case basis based on an evaluation of the person's income, efforts and opportunities.
2. *Supplement of housing* - tackles cases where the income of a person or family, including the entitlement to a housing allowance from the system of state social support, is insufficient to cover justified housing costs.
3. *Extraordinary immediate assistance* - is provided to persons (with low income) who find themselves in situations that have to be resolved immediately: suffer from a serious threat to health, serious extraordinary event (a natural disaster, ecological disaster, etc.), risk of social exclusion (for example, homecoming from prison or facility), lack of resources to cover one-off expenditure or to acquire or repair basic furniture or durables, and to cover justified costs relating to the education or special interests of dependent children.

The Act No. 108/2006 Coll., Social Services Act (effective since January 1, 2007) introduced essential innovation in the area of social benefits – care allowance. The care allowance shall be provided to persons dependent on another physical person's assistance for the purposes of arranging for necessary assistance. A person can reimburse (within this allowance) professional social service or cover costs on securing assistance within its family.

Social assistance benefits for people with disabilities tackles unfavorable level of living of these persons by providing means for their need related to housing, transport and provision of special compensatory aids. Until the end of 2011, social assistance benefits for severely handicapped people had been provided in accordance with Decree of Ministry of Labour and Social Affairs No. 182/1991 Coll., through which are applied the Act on Social Welfare and the Act on the Operation of Bodies of the Czech Republic in Social Welfare, as amended. Since 2012 this area has been regulated by the Act No. 329/2011 Coll., on Provision of benefits for People with Disabilities and on Amendment to Related Acts. Through this act former broad number of types of benefits has been substituted by mobility allowance (periodic benefit for people who are not able to manage basic living needs in the area of mobility or orientation and these ones are periodically transported or transport themselves in calendar month) and allowance to special aid (one-off benefit for acquisition of a special aid to people with disabilities for self-care or realization of employment, preparation for further employment, acquiring of information, education or for contact with surroundings).

**Benefits of Assistance in Material Need and Care Allowance**

	Unit	Year									
		2010	2011	2012	2013	2014	2015	2016	2017	2018	2019

**Expenditures**

Benefits of assistance in material need total		3 882	4 982	7 751	10 510	11 295	10 518	9 255	7 364	5 353	4 409
allowance for living		2 863	3 820	5 910	7 464	7 900	7 240	6 221	4 850	3 395	2 751
of which	mil. CZK	686	850	1 673	2 814	3 249	3 136	2 917	2 423	1 894	1 606
supplement for housing		334	312	168	232	146	142	117	91	64	53
extraordinary immediate assistance		19 599	18 084	18 391	19 545	20 402	21 167	23 046	25 120	26 013	29 768
Care allowance											

**Average monthly number of paid benefits**

allowance for living		91	103	116	150	161	149	126	101	79	63
Benefits of assistance in material need	thous.	23	26	41	65	73	71	64	53	41	34
supplement for housing		9	10	6	7	6	5	4	3	2	2
extraordinary immediate assistance		313	302	309	321	332	337	346	353	361	364
Care allowance											

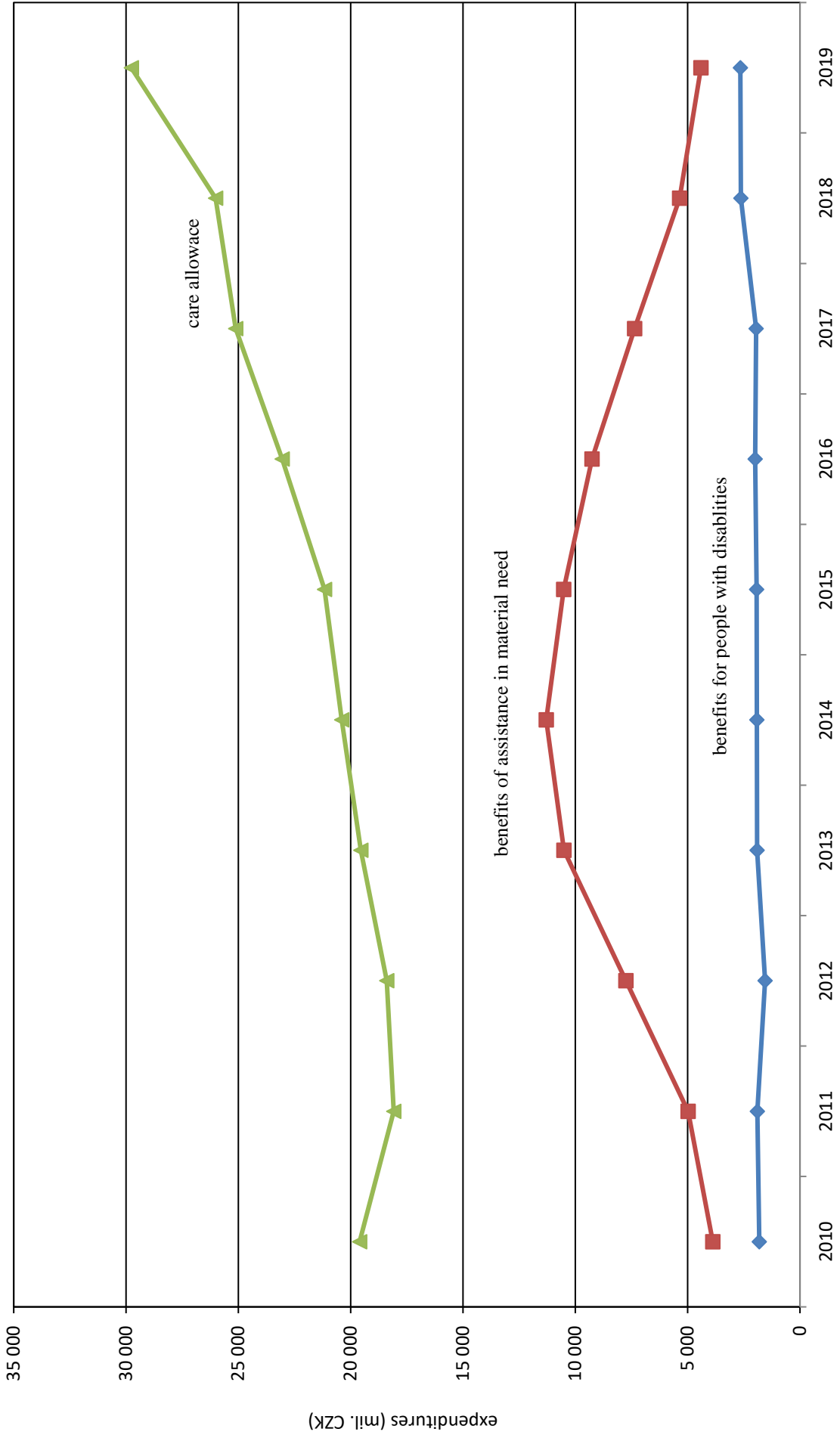
## Expenditures on Benefits for People with Disabilities

mil. CZK

		2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>Benefits according to the Act No. 329/2011 Coll.</b>				1 384	1 904	1 917	1 929	1 994	1 956	2 625	2 654
of which	mobility allowance	x		1 008	1 116	1 111	1 146	1 167	1 202	1 648	1 721
	allowance to special aid			376	788	805	783	827	754	977	933
<b>Benefits according to the Decree of MoLSA No. 182/1991 Coll.</b>		1 811	1 901	169	5	1	0,1	0	0	0	0
	vehicle purchase	335	335								
	general overhaul of motor vehicle	3	6								
	special modification of motor vehicle	21	21								
	motor vehicle operation	931	884								
	flat modification	54	56								
	individual transport	33	32	169	5	1	0,1	0	0	0	0
	acquisition of special aids	405	539								
	blind citizens for a guide dog	8	8								
	use of barrier-free flat	10	9								
	use of garage	2	1								
	blind citizens to fee to guide dog	5	4								
<b>Benefits for people with disabilities - total</b>		1 811	1 901	1 553	1 909	1 918	1 929	1 994	1 956	2 625	2 654

Source: MoLSA

### Expenditures on Benefits of Assistance in Material Need, Benefits for People with Disabilities and Care Allowance



## 6. Social Services

Main importance of social services is to mediate assistance in the care of one's own person, providing meals, accommodation, assistance in running a household, care and assistance with bringing up a child, counselling, mediation of contact with social environments, psychotherapy and social therapy and assistance in assuring one's rights and interests. From the point of view of social services users it covers mainly development, or at least maintenance, of the existing self-sufficiency, return into user's own home environment, renewal or maintenance of original lifestyle, development of user's abilities and opportunity for leading an independent life and limitation of social and health risks associated with the users' lifestyle.

The Act No. 108/2006 Coll., Social Services Act, as amended (effective since January 1, 2007), has brought significant changes in the system of social services. This Act aims to secure assistance to people in unfavourable social situation through newly defined spectrum of social services. The assistance is intended as activities necessary for social inclusion and for dignified living conditions appropriate with level of society development. Provision of assistance is based on:

- availability – with respect to type of assistance, regional availability, access to information and economic availability,
- efficiency – social service has to be convenient for needs of human not for the system needs,
- quality – way and scope of provision of social service correspond to current knowledge and capacity of society,
- safety – provision shall not limit rights and interests of persons,
- economical – public and private expenditures on assistance provision shall maximally cover objective scope of needs.

Persons in unfavorable social situation that require assistance to be self-sufficient are entitled to individual benefit – care allowance (for more see the previous chapter). Its amount corresponds to scope of needs. Care allowances are provided to all entitled persons without regard to form the service is provided (either through natural sources, especially family or through social service providers).

The Act also regulated significant innovation concerning an authorization for social services provision. The introduction of the register of social services providers (<http://iregistr.mpsv.cz>) is basic precondition for obtaining an overview on scope and character of social services net. Registration of social service providers represents important prerequisite for provision of social service and for subsidizing of financial means from public budgets.

On the basis of the Act, the conditions for “safe, quality and effective” provision of social services have been stipulated with an objective to secure protection of persons with reduced capability to assure their rights and interests. These conditions form series of obligations for social services providers and the system of control. Beside the standard control procedure, there is also the system of supervision on quality of social services (introduced by the Act) through inspection of quality of social services based on expert assessment of conditions and procedures of the social services providing. The Act launched conditions of professional skills for performing a profession of social workers.

Henceforth, the state regulates conditions for provision of social services, but does not provide these services except 5 facilities under administration of the MoLSA. The position of the state as a former majority social services provider terminated alongside with abolition of district offices. The state supports regional and local self-administration to assess set of needs of its population for formation of available net of social services.

**Residential Social Services**

Social service	Year 2017			Year 2018			Year 2019		
	number	capacity of service (number of beds)	number of users as of 31. 12.	number	capacity of service (number of beds)	number of users as of 31. 12.	number	capacity of service (number of beds)	number of users as of 31. 12.
Week care centres	57	868	770	51	820	731	49	782	718
Homes for disabled people	204	12 231	11 815	204	11 999	11 630	204	11 854	11 472
Homes for elderly	519	37 037	35 501	525	37 048	35 489	524	36 688	35 275
Special regime homes	322	18 853	17 856	341	20 075	18 954	349	20 904	19 833
Protected housing	207	4 014	3 766	210	4 104	3 888	210	4 063	3 837
Asylum homes	214	7 199	5 451	217	7 265	5 289	211	7 122	5 568
Half-way homes	36	396	259	37	407	276	34	380	228
Therapeutic communities	14	237	194	15	249	171	15	249	189
Crisis centres*	11	42	9	13	48	10	12	45	12
Social rehabilitation service centres*	19	361	308	17	299	166	19	32	201
Follow-up services*	20	265	219	23	276	215	24	296	214
<b>TOTAL</b>	<b>1 623</b>	<b>81 503</b>	<b>76 148</b>	<b>1 653</b>	<b>82 590</b>	<b>76 819</b>	<b>1 651</b>	<b>82 415</b>	<b>77 547</b>

Source: MoLSA

\* incl. only residential form of social service



Table No. 6.2

**Structure of Social Services\* by Founder in 2019**

Social service	TOTAL		State		Regional		Municipal		Church		Other	
	number of facilities	bed capacity	number of facilities	bed capacity	number of facilities	bed capacity	number of facilities	bed capacity	number of facilities	bed capacity	number of facilities	bed capacity
Day services centres	78	0	0	0	5	0	16	0	24	0	33	0
Day care centres	266	0	2	0	30	0	80	0	61	0	93	0
Week care centres	49	782	1	87	21	355	7	83	9	72	11	185
Homes for disabled people	204	11 854	5	626	142	9 405	26	1 099	14	295	17	429
Homes for elderly	524	36 688	0	0	177	15 655	167	13 765	65	2 404	115	4 864
Special regime homes	349	20 904	0	0	125	7 540	74	4 552	23	678	127	8 134
Protected housing	210	4 063	3	94	99	2 144	14	208	34	494	60	1 123
Asylum homes	211	7 122	0	0	8	278	44	1 349	79	2 706	80	2 789
Half-way homes	34	380	0	0	1	3	2	10	7	75	24	292
Crisis centres	44	45	0	0	1	0	2	1	11	9	30	35
Low-threshold day centres	63	0	0	0	0	0	5	0	32	0	26	0
Low-threshold facilities for children and youth	245	0	0	0	2	0	18	0	81	0	144	0
Hostels (homeless shelters)	78	0	0	0	1	0	18	0	29	0	30	0
Therapeutic communities	15	249	0	0	1	15	0	0	2	27	12	207
Social counselling facilities	523	0	2	0	25	0	36	0	86	0	374	0
Social therapeutic workshops	155	0	1	0	27	0	5	0	37	0	85	0
Social rehabilitation services centres	292	320	3	66	6	0	3	0	54	92	226	162
Early intervention care centres	47	0	1	0	1	0	2	0	12	0	31	0
Intervention centres	18	0	0	0	6	0	0	0	4	0	8	0
Follow-up centres	45	296	1	11	1	6	1	11	6	41	36	227
<b>TOTAL</b>	<b>3 450</b>	<b>82 703</b>	<b>19</b>	<b>884</b>	<b>679</b>	<b>35 401</b>	<b>520</b>	<b>21 078</b>	<b>670</b>	<b>6 893</b>	<b>1 562</b>	<b>18 447</b>

Source: MoLSA

\* according to § 34 of the Act No. 108/2006 Coll., Social Services Act, as amended

**Economic Indicators in Residential Social Services in 2019**

Social service	Revenues (in mil. CZK)			Expenditures (in mil. CZK)		
	total	from which the payment for		total	of which	
		accommodation and food service	provided care		non-investment	investment
Week care centres	393	41	45	405	392	13
Homes for disabled people	7 123	1 239	1 235	6 948	6 591	357
Homes for elderly	15 830	4 319	3 145	15 559	15 095	464
Special regime homes	9 831	2 462	2 149	9 735	9 523	212
Protected housing	1 423	296	161	1 401	1 350	50
Asylum homes	1 024	167	0	1 030	990	40
Half-way homes	75	8	0	76	71	5
Therapeutic communities	124	12	0	124	122	2
Crisis centres*	19	0	0	19	19	0
Social rehabilitation service centres*	98	10	3	95	94	1
Follow-up services*	86	8	0	86	86	0

Source: MoLSA

\* incl. only residential form of social service

**Home Care Service**

Year	Total expenditure (in mil. CZK)	Number of users	Average payment by a user per year (in CZK)
2004	2 148	109 475	1 859
2005	1 593	112 927	2 028
2006	1 637	105 088	2 156
2007	1 591	98 373	4 263
2008	1 643	111 871	4 261
2009	1 903	114 364	5 063
2010	1 984	113 238	5 248
2011	2 101	113 607	5 802
2012	2 133	113 041	6 164
2013	2 233	111 048	6 078
2014	2 317	109 962	6 484
2015	2 493	111 375	6 886
2016	2 633	106 673	7 436
2017	3 000	103 604	7 652
2018	3 474	103 312	7 739
2019	3 847	104 658	8 189

Source: MoLSA



## 7. Incomes of Households

The most significant part of current household incomes, as evident from indicators of the national accounts statistics (CZSO), represents compensations paid to employees, especially wages and salaries (basic wages and salaries, bonus and remunerations, compensation money, natural wages not included in basic wage like for example the value of products and services offered to employees free or with discount, the value of uniforms and meal tickets, contributions on holiday, culture, sport etc.). The ratio of wages and salaries (in this conception) on compensation of employees has stagnated during last 11 years (on level of 76%), their rate to current household incomes has fluctuated from 38,7% to 41,7% in this period.

Current household incomes made up 4 596,1 mld. CZK in 2019. Compared to 2018, they had increased nominally by 8,8% (by 371,2 mld. CZK) and really by 5,8%. The next items included in the current household incomes represent social benefits and mixed pension (both ratio ca. 16,0%), property income and so-called other current transfers (compensations from non-life insurance, wins from bets, lotteries etc.) with ca 5% ratio, resp. 6,7%.

The average monthly gross wage is another indicator for evaluation of development of household living situation. This indicator is based on ratio of wages (excl. other personal costs) related to one employee of registered number per month (before reduction by premiums on general health insurance and social security, payments of income tax and other statutory deductions eventually). In the last decade the annual dynamics of this wage has fluctuated in interval from -0,1% to 8,1%, in real form (i.e. reduced by growth of consumer prices) from -1,5% to +5,9%.

Average monthly nominal wage (per number of employees – full-time equivalent) in the national economy made up 34 111 CZK in 2019 and increased annually by 6,4% (by 2 060 CZK), in 2018 it had increased by 8,1% (by 2 413 CZK).

The ratio of social incomes (in the structure of total household incomes) reached 15,5% and was at the same level as in 2018. Total amount of social incomes of households amounted to 578,6 mld. CZK, it has represented growth by 8,2% (by 43,7 mld. CZK) compared to 2018. In 2019 the most significant item (79,0%) of social transfers was represented by pension insurance benefits (456,9 mld. CZK), i.e. annual growth by 8,7% (by 36,6 mld. CZK).

## Current Incomes of Household Sector and Average Wage

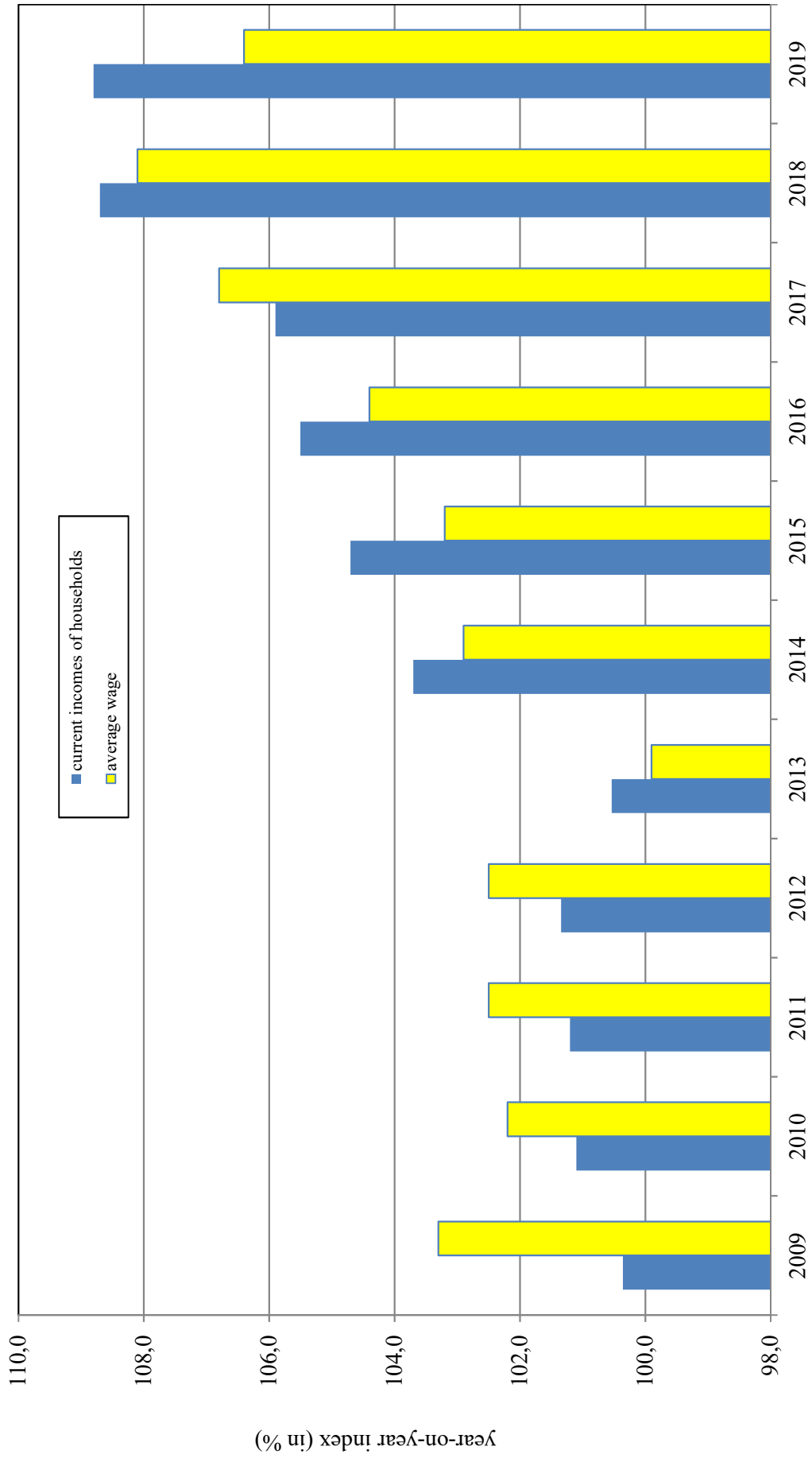
	Unit	Year														
		2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019				
<b>Current incomes of households*</b>																
total	mld. CZK	3 074,0	3 107,3	3 145,6	3 187,8	3 204,9	3 323,5	3 480,7	3 672,1	3 887,8	4 224,9	4 596,1				
year-on-year index	%	100,4	101,1	101,2	101,3	100,5	103,7	104,7	105,5	105,9	108,7	108,8				
<b>of which: wages and salaries*</b>																
total	mld. CZK	1 190,7	1 208,2	1 237,3	1 272,7	1 287,0	1 341,0	1 410,2	1 493,1	1 615,8	1 760,9	1 874,3				
year-on-year index	%	98,5	101,5	102,4	102,9	101,1	104,2	105,2	105,9	108,2	109,0	106,4				
<b>Average wage in the national economy (full-time equivalent)**</b>																
total	CZK	23 344	23 864	24 455	25 067	25 035	25 768	26 591	27 764	29 638	32 051	34 111				
year-on-year index	%	103,3	102,2	102,5	102,5	99,9	102,9	103,2	104,4	106,8	108,1	106,4				

Source: Czech Statistical Office

\* according to National Account Statistics (CZSO), MoLSA calculation

\*\* CZSO (data as of June 4, 2020), MoLSA calculation

### Current Incomes of Household Sector and Average Wage



**Average Gross Monthly Wage by Branches (CZ-NACE Sections)**

(in CZK)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Average gross monthly wage in the CR	<b>23 344</b>	<b>23 864</b>	<b>24 455</b>	<b>25 067</b>	<b>25 035</b>	<b>25 768</b>	<b>26 591</b>	<b>27 764</b>	<b>29 638</b>	<b>32 051</b>	<b>34 111</b>
agriculture, forestry and fishing	17 644	18 465	19 003	19 855	20 545	21 320	21 668	22 634	23 831	25 486	27 278
industry total	<b>22 625</b>	<b>23 639</b>	<b>24 392</b>	<b>25 132</b>	<b>25 336</b>	<b>26 176</b>	<b>26 857</b>	<b>28 000</b>	<b>29 910</b>	<b>32 227</b>	<b>33 963</b>
mining and quarrying	28 312	30 270	31 531	32 529	31 442	31 299	31 800	31 602	33 483	36 028	37 204
manufacturing	21 968	22 982	23 781	24 472	24 796	25 710	26 457	27 676	29 585	31 893	33 586
electricity, gas, steam and air conditioning supply	39 436	40 299	40 203	42 662	40 764	41 100	40 449	41 432	43 595	46 375	49 288
water supply, sewerage, waste management and remediation activities	22 049	23 059	23 166	23 724	23 622	24 250	24 768	25 394	26 941	28 736	30 689
construction	22 022	22 284	22 797	22 861	22 388	22 967	23 979	24 944	25 995	28 193	29 860
wholesale and retail trade, repair of motor vehicles and motorcycles	21 358	22 040	22 814	23 329	23 133	23 900	24 911	26 097	28 040	29 986	31 777
transportation and storage	23 000	23 064	23 063	23 293	23 415	23 879	24 657	25 822	27 438	29 462	31 441
accommodation and food service activities	12 330	13 204	13 133	13 255	13 736	13 971	14 845	15 701	17 480	19 272	20 274
information and communication	43 083	43 793	45 336	46 652	46 158	47 872	49 003	50 146	52 814	56 724	58 836
financial and insurance activities	46 124	46 188	47 663	50 807	46 321	48 263	48 729	50 103	52 051	54 882	59 050
real estate activities	20 715	21 346	22 346	22 563	22 157	22 764	23 564	24 524	26 038	28 116	29 894
professional, scientific and technical activities	31 789	31 603	32 384	32 825	31 833	32 564	33 891	34 863	36 864	39 006	40 742
administrative and support service activities	15 927	15 953	16 551	17 044	16 837	17 202	17 579	18 586	19 571	20 955	22 344
public administration and defence, compulsory social security	27 045	26 939	26 328	26 711	26 753	27 584	28 869	30 488	32 982	36 323	38 673
education	23 429	23 033	23 775	24 403	24 829	25 271	25 728	26 711	28 386	31 464	35 295
human health and social work activities	23 032	23 595	24 681	25 080	25 134	25 774	26 971	28 289	30 931	33 871	36 274
arts, entertainment and recreation	19 434	19 830	19 861	20 813	20 513	21 306	22 051	23 522	25 533	28 404	31 084
other service activities	18 340	18 356	19 217	19 373	19 862	20 293	20 801	21 467	22 422	23 710	25 273

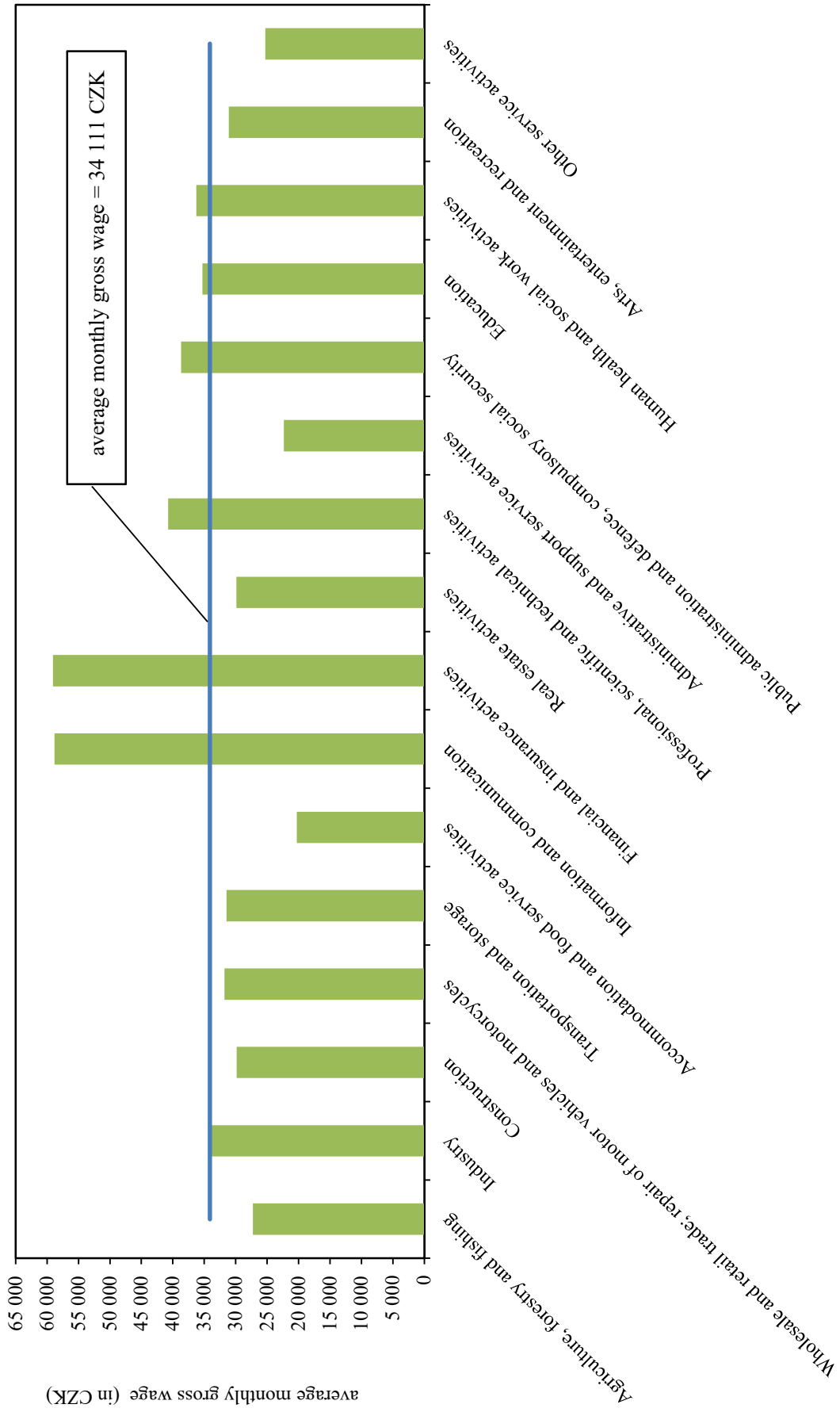
Source: Czech Statistical Office (data as of June 4, 2020)

Note:

Data are related to employees contracted for work by employer. Persons performing public offices, for example deputies, senators, full-time councillors at all levels, judges and others are not included. Data on average wage cover wage to be paid to employees in the given period.



### Average Gross Monthly Wage by Branches (CZ-NACE Sections) in 2019



**Social Incomes of Households**

	Social incomes (in mil. CZK)							Year-on-year index (in %)					
	2013	2014	2015	2016	2017	2018	2019	2014 2013	2015 2014	2016 2015	2017 2016	2018 2017	2019 2018
	Pension insurance benefits <sup>1)</sup>	371 098	373 938	382 876	386 373	401 437	420 289	456 908	100,8	102,4	100,9	103,9	104,7
Sickness insurance benefits <sup>2)</sup>	20 125	22 056	24 085	26 258	28 280	33 931	38 841	109,6	109,2	109,0	107,7	120,0	114,5
State social support and foster care benefits <sup>3)</sup>	37 279	37 500	37 631	37 805	37 266	39 158	37 900	100,6	100,3	100,5	98,6	105,1	96,8
Unemployment benefits <sup>4)</sup>	9 653	9 263	8 278	8 221	7 821	7 514	8 116	96,0	89,4	99,3	95,1	96,1	108,0
Benefits for people with disabilities	1 909	1 918	1 929	1 994	1 956	2 625	2 654	100,5	100,6	103,3	98,1	134,2	101,1
Benefits on assistance in material need	10 510	11 295	10 518	9 255	7 364	5 353	4 409	107,5	93,1	88,0	79,6	72,7	82,4
Care allowance	19 545	20 402	21 167	23 046	25 120	26 013	29 768	104,4	103,7	108,9	109,0	103,6	114,4
<b>Social incomes total</b>	<b>470 119</b>	<b>476 372</b>	<b>486 484</b>	<b>492 952</b>	<b>509 243</b>	<b>534 883</b>	<b>578 596</b>	<b>101,3</b>	<b>102,1</b>	<b>101,3</b>	<b>103,3</b>	<b>105,0</b>	<b>108,2</b>

Source: MoLSA

<sup>1)</sup> excl. expenditures on pensions in the armed forces, pension's and other benefits paid abroad, on the contrary, incl. non-pension insurance, reimbursement with character of rehabilitation and other benefits,

<sup>2)</sup> without armed forces and benefits paid abroad,

<sup>3)</sup> without transfers to deposit accounts, drawbacks for defunct benefits and transfers of overpayments from previous years transferred to state budget,

<sup>4)</sup> unemployment benefits paid by Labour Office and MoLSA without expenditure on bank and postal fees.

## 8. Basic Information on Labour Market

The favourable development of economy in 2019 reflected further decline of unemployment. However, the decline in unemployment was slower than in previous years. The average number of registered job seekers annually decreased by 29,5 thous. to 212,4 thous., on the contrary the average number of vacancies (340,3 thous.) increased by 54,8 thous. in comparison with previous year. There was thus decrease of average number of job seekers per 1 job vacancy from 0,8 in 2018 to 0,6. The average number of job seekers with unemployment benefit increased by 0,8 thous. to 77,3 thous. persons in 2019. Their average share to total registered unemployment for the whole year represented 36,4% (compared to 31,7% in 2018). The average share of unemployed person (share of available job seekers in age 15 to 64 years to the population of the same age, as indicator, that replaced the registered unemployment rate from January 2013) declined to 2,8%, in 2019 i.e. by 0,4 percentage point.

At the end of 2019, the total number of job seekers reached 215,5 thous. (in December 2018: 241,9 thous.), there were 341,0 thous. vacancies (at the end of previous year: 324,4 thous.) and the share of unemployed persons declined to 2,9% (in December 2018: 3,1%). The number of job vacancies per one vacancy decreased to 0,6 (at the end of 2018 this indicator amounted to 0,7).

Total number of registered job seekers was significantly involved by persons over 50 years of age. Despite lower number their share declined from 36,5% to 35,9%. The drop of persons under 25 years of age did not decrease so significantly as in previous years, their share slightly increased to 11,9%. The permanent problem is to employ job seekers with lower level of education. The largest group of job seekers is represented by secondary vocational education (35,1%) and persons with primary education, including unfinished education (30,3% from the total number of job seekers). The number of the long-term unemployed (for more than 12 months) decreased from 60,5 thous. at the end of 2018 to 44,8 thous. Their share declined (compared to previous year) from 26,1% to 20,8%. The decline of persons unemployed for more than 24 months was also significant, however they represented nearly 59,6% of long-term unemployed persons.

Average monthly amount of unemployment benefit increased annually from 7 316 CZK in 2018 to 7 922 CZK in 2019. Generally, this growth related to increment of wages and salaries (including minimum wage) as well as to increase of share of elderly job seekers (their decisive income for the calculation of entitlement to unemployment benefit is generally higher than income of other seekers, especially the young ones). Additionally, there is longer support period for job seekers older than 50 years.

Unemployment benefit expenditures made up 8 144 mil. CZK in 2019 and increased annually just by 602 mil. CZK in comparison with 2018. It was mainly due to decrease of average amount of unemployment benefit and (at the time of significantly declined unemployment) due to high number of newly registered job seekers (annually higher by 3,6 thous. persons).

Expenditure of MoLSA and the Labour Office on Active Employment Policy from the State budget and from the European Social Fund made up 2 347 mil. CZK in 2019. Compared to 2018, these expenditures decreased by 2 051 mil. CZK.

Furthermore, within the framework of State Employment Policy it was spent 7 405 mil. CZK on benefit to employers which employed disabled employees at protected labour market and 278 mil. CZK on payments of wage claims to employees in case of employer's insolvency.

The favourable improvement of economic development has generated the decrease of unemployment and growth of employment. According to Labour Force Survey of CZSO, there was growth of employment in all sectors of national economy up to 5 303,1 thous. persons in 2019 (i.e. annual increase by 9,3 thous. persons, i.e. by 0,2%).

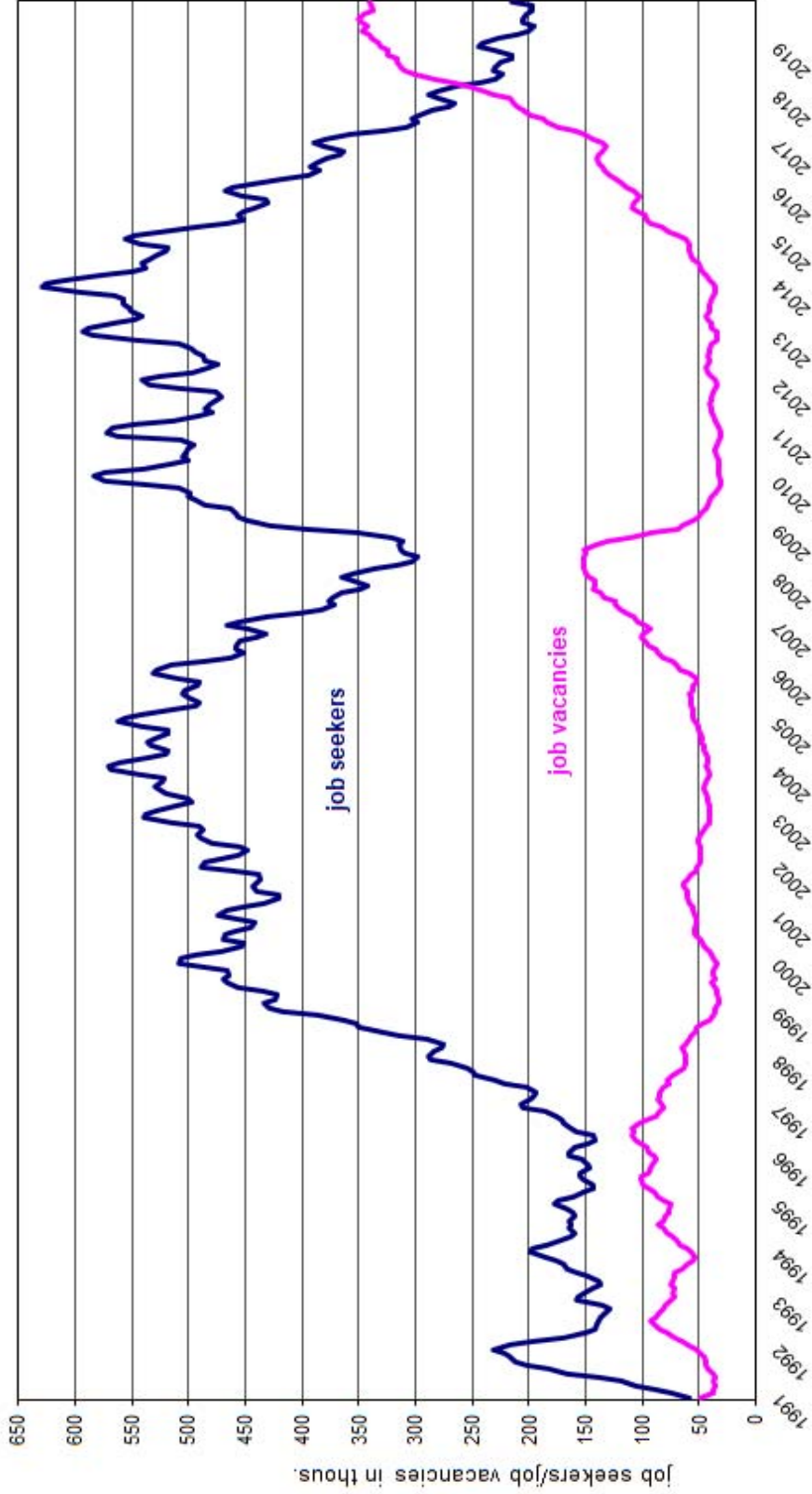
## Basic Indicators of Labour Market

	Year										
	2011	2012	2013	2014	2015	2016	2017	2018	2019		
Average number of the employees (in thous.)	4 872	4 890	4 937	4 974	5 042	5 139	5 222	5 294	5 303		
Average share of unemployed persons (in %)*	6,7	6,8	7,7	7,7	6,6	5,6	4,3	3,2	2,8		
Share of unemployed persons in December (in %)*	6,8	7,4	8,2	7,5	6,2	5,2	3,8	3,1	2,9		
Average number of job seekers	507 779	504 381	564 448	561 437	478 875	405 957	317 612	241 921	212 409		
Number of job seekers as of December, 31	508 451	545 311	596 833	541 914	453 118	381 373	280 620	231 534	215 532		
of which											
handicapped	63 092	62 038	62 789	61 146	58 584	54 555	46 009	38 268	33 726		
graduates and youth	33 508	36 120	39 546	27 504	22 023	16 976	11 440	10 257	9 729		
women	250 301	266 593	289 501	268 942	227 949	191 996	140 880	117 822	108 718		
unemployed more than 6 months	264 513	290 268	346 197	322 762	253 335	201 722	135 466	93 264	77 362		
unemployed more than 12 months	184 130	192 234	236 981	237 165	187 555	144 163	94 512	60 529	44 828		
entitled to unemployment benefit	129 951	107 937	120 030	115 747	108 287	102 950	85 647	82 355	81 579		
Average number of job seekers entitled to unemployment benefit	132 421	104 472	117 946	115 908	101 789	97 870	87 129	76 792	77 282		
Average number of job vacancies	36 493	39 878	38 964	48 682	90 339	127 926	178 150	285 472	340 347		
Number of job vacancies as of December, 31	35 784	34 893	35 178	58 739	102 545	132 496	216 629	324 410	340 957		
Number of job seekers per 1 job vacancy as of December, 31	14,2	15,6	17,0	9,2	4,4	2,9	1,3	0,7	0,6		

Source: MoLSA and Czech Statistical Office (data on employment - Labour Force Survey)

\* The share of unemployed persons, i.e. number of available job seekers aged 15 - 64 years to the population of the same age (starting January 2013 this indicator has replaced the registered unemployment rate, the previous time series 2011 - 2012 is recalculated).

### Number of Job Seekers and Job Vacancies



## State Budget Expenditures on State Employment Policy

in thous. CZK

	Year										
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>Expenditures on state employment policy</b>	<b>23 132 685</b>	<b>22 736 413</b>	<b>17 836 581</b>	<b>15 274 848</b>	<b>17 963 913</b>	<b>20 117 163</b>	<b>22 585 754</b>	<b>20 324 185</b>	<b>18 457 077</b>	<b>18 952 868</b>	<b>18 173 792</b>
passive	15 077 723	13 354 778	10 349 149	8 759 749	9 674 752	9 279 634	8 303 370	8 254 527	7 853 520	7 542 836	8 144 407
active	4 953 467	6 171 493	3 815 886	2 595 049	4 285 714	6 426 949	9 732 826	6 866 805	4 760 642	4 398 223	2 346 964
<b>Active employment policy:</b>											
- socially beneficial jobs	411 950	622 235	511 807	309 019	408 375	320 933	365 518	384 605	403 276	226 943	111 845
- publically beneficial jobs	292 931	401 697	550 265	273 001	379 226	166 827	187 263	389 029	1 244 001	837 847	1 079 778
- retraining	119 388	96 676	85 421	101 923	166 300	62 414	69 230	117 227	21 183	9 268	1 374
- employment of the disabled	323 545	323 661	255 783	121 143	52 854	88 866	60 462	57 994	44 946	19 960	29 659
in which:											
- <i>establishment of sheltered jobs</i>	84 475	80 967	41 518	36 718	44 513	80 006	51 354	46 704	33 858	7 196	19 472
- <i>working of sheltered job</i>	231 848	234 637	207 988	80 072	3 254	3 049	2 588	2 885	2 982	3 869	2 648
- <i>benefit to the self-employed<sup>1)</sup></i>	4 094	4 463	3 161	2 066	2 374	2 515	2 333	2 078	1 777	2 085	1 850
- <i>occupational rehabilitation</i>	3 129	3 594	3 116	2 286	2 713	3 296	4 186	6 326	6 317	6 810	5 688
- targeted programmes <sup>2)</sup>	0	0	0	0	0	0	0	0	0	0	0
- ESF programmes <sup>3)</sup>	273 6538	4 175 475	2 156 359	1 502 859	3 232 952	5 755 199	9 022 131	5 860 679	2 948 024	3 124 025	1 075 315
- investment incentives <sup>4)</sup>	1 010 368	509 092	226 899	267 891	30 765	7 950	11 825	42 300	59 500	134 611	28 000
- other <sup>5)</sup>	58 747	42 657	29 351	19 213	15 242	24 761	16 397	14 971	39 712	45 569	20 995
<b>Benefit to employers which employ at least 50% of disabled employees</b>	<b>2 257 461</b>	<b>2 712 304</b>	<b>3 282 404</b>	<b>3 468 251</b>	<b>3 670 239</b>	<b>4 018 724</b>	<b>4 320 059</b>	<b>4 952 515</b>	<b>5 675 572</b>	<b>6 754 655</b>	<b>7 404 749</b>
<b>Insolvency</b>	<b>844 033</b>	<b>497 837</b>	<b>389 142</b>	<b>451 799</b>	<b>333 208</b>	<b>391 856</b>	<b>229 500</b>	<b>250 339</b>	<b>167 343</b>	<b>257 154</b>	<b>277 672</b>
<b>Employment services and administration<sup>6)</sup></b>	<b>4 695 252</b>	<b>4 249 245</b>	<b>3 717 353*</b>	<b>4 468 000**</b>	<b>4 748 500</b>	<b>5 271 666</b>	<b>5 641 823</b>	<b>5 432 066</b>	<b>5 779 194</b>	<b>6 321 666</b>	<b>6 707 927</b>

Source: MoLSA

<sup>1)</sup> benefit to self-employed persons with disability for establishment of protected workplaces<sup>2)</sup> according to § 120 of the Act No. 435/2004 Coll., Employment Act, as amended (including regionally targeted programmes for solution of unemployment and Programme to support renovation or technical upgrade of tangible fixed assets which support the career prospects for the disabled)<sup>3)</sup> including Active Employment Policy instruments financed by the ESF (publically beneficial jobs, socially beneficial jobs, retraining)<sup>4)</sup> include investment incentives and programme to establish new workplaces<sup>5)</sup> include costs on information materials published by Labour Office and Employment Service Administration, other programmes for support of employment, cost on Active Employment Policy not specified elsewhere, ESF projects until 2006 and activation, job opportunity in 2014 and 2015<sup>6)</sup> include capital and material costs inclusive expenditures on salaries, other payments for done work and premiums

\* including expenditures of MoLSA on services provided only by Gordic company to the Labour Office (expenditure of MoLSA associated with software and services for other suppliers are not available)

\*\* only expenditures of Labour Office in 2012

## 9. European System of integrated Social Protection Statistics (ESSPROS)

The European System of integrated Social PROtection Statistics (ESSPROS) was developed by the Statistical Office of European communities (Eurostat) in cooperation with member states experts in the 70's of the last century. ESSPROS represents a significant instrument for mutual comparison of social protection level in the Member States. Since its introduction ESSPROS methodology has been amended in a little scope. For implementation of ESSPROS in the Czech Republic the agreement between CZSO and MoLSA on establishment of inter-departmental Working Group (led by the MoLSA) was made in 2000. For the Czech Republic time series of ESSPROS Core system for 1995 - 2018 (including qualitative database containing descriptions of social protection schemes and benefits) and module on number of pension beneficiaries for 2000 – 2018 (methodically in the definitely internationally comparable form since 2006) are available so far. Eurostat methodology for net social protection benefits module was completed by the international Working Group, the methodology guarantees data comparability. Data for the Czech Republic on this module are available for period of 2007 - 2018.

ESSPROS is divided into the Core system that includes data on receipts and expenditures in the area of social protection and modules containing additional statistical information. All financial transactions under the ESSPROS should be based on accountancy. In cases when accountancy sources are not available, statistical and administrative sources as well as estimates can be used.

According to the ESSPROS Manual the conception of social protection is defined as all interventions from public or private bodies intended to relieve households and individuals of the burden of a defined set of risks or needs, provided that there is neither a simultaneous reciprocal, nor an individual arrangement involved. The list of risks or needs is defined on the basis of an agreement by eight functions of social protection:

1. Sickness/Health care
2. Disability
3. Old age
4. Survivors
5. Family/Children
6. Unemployment
7. Housing
8. Social exclusion, not elsewhere classified

The Core System includes only social protection provided in the form of cash payments, reimbursements and directly provided goods and services to protect households and individuals. Specific information necessary to perfect monitoring of the functions of the system are then ensured in individual modules.

The ESSPROS Core system defines and describes classification of social protection schemes. A social protection scheme is a distinct body of rules, supported by one or more institutional units, governing the provision of social protection benefits and their financing. Social protection schemes should at all times meet the condition that it must be possible to draw up a separate account of receipts and expenditures. Schemes are classified into categories according to following criterions:

- decision-making (public and private schemes),
- legal enforcement (compulsory and non-compulsory schemes),
- establishments of entitlements (contributory and non-contributory schemes),
- scope (universal, general and special schemes),
- level of protection (basic and supplementary schemes).

Receipts of social protection schemes in the ESSPROS Core system are classified by type (social contributions, general government contributions, transfers from other schemes and other receipts) and origin (institutional sector from which the payment is received). Expenditures of social protection schemes are also classified by type or reason for which are paid.

The ESSPROS system identifies exact reasons for which benefit under given scheme and function is provided. It also defines social protection schemes with regard to national (member states and candidate countries) practices to cover all benefits with social protection dimension under above-mentioned classification. This is the only way how to ensure comparable statistics among countries reflecting their institutional differences in the system of social protection.

Expenditures on social protection of ESSPROS Core system according to social protection functions in the time series (1995 - 2018) are in the Table No. 9.1. More detailed data and international comparison of social protection level in the EU member states and other European countries according to the ESSPROS methodology are available on Eurostat web sites. This is the source for data in the Table No. 9.2 on relation of social protection expenditures to GDP in selected European countries.



**ESSPROS Core System - Expenditures on Social Protection by Functions**

in mil. CZK

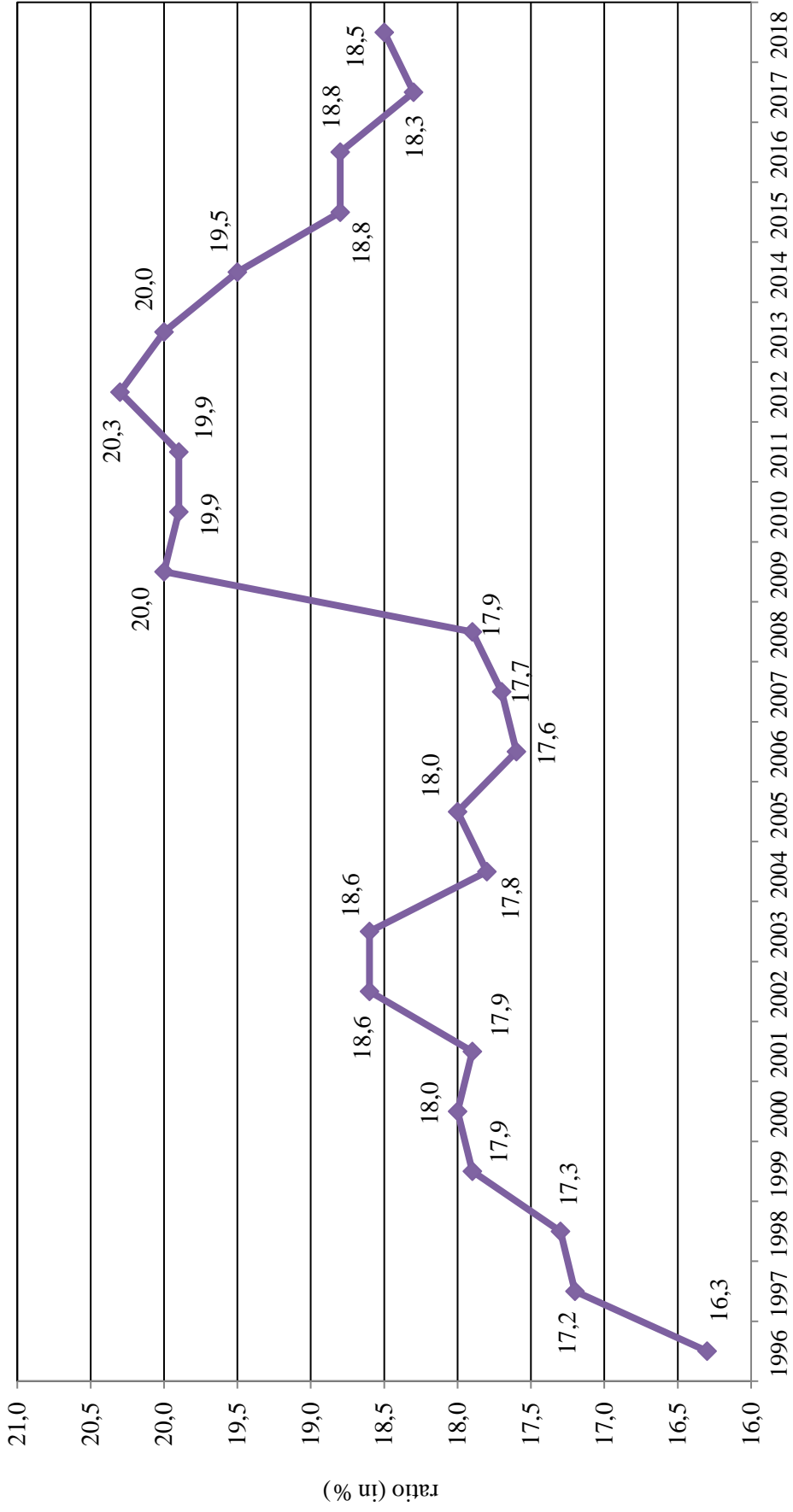
Social protection by function	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
1. Sickness/Health care	185 298	195 067	199 876	215 487	222 767	239 254	239 185	241 461	245 410	244 390	258 317	268 119	283 086	297 457	323 369
2. Disability	41 430	43 056	49 829	52 512	54 823	57 176	57 710	57 509	55 624	54 848	54 331	55 834	56 536	57 961	60 401
3. Old age	194 507	212 206	227 174	254 174	281 441	310 322	321 475	340 972	358 033	352 051	360 486	371 288	381 416	399 707	422 204
4. Survivors	22 739	23 670	24 864	26 741	27 182	28 297	27 824	28 575	28 696	28 719	28 523	29 003	28 687	29 419	30 230
5. Family/Children	44 164	56 795	59 762	74 809	79 616	80 013	79 091	73 093	71 176	72 953	71 419	74 323	77 332	79 669	89 564
6. Unemployment	20 877	19 767	18 618	22 060	23 666	39 283	31 020	27 291	25 987	26 774	24 807	22 714	22 661	23 135	23 890
7. Housing	2 623	2 547	2 389	2 205	2 194	2 896	4 307	5 589	7 501	10 310	12 203	12 409	12 259	11 131	9 675
8. Social exclusion not elsewhere classified	15 153	15 136	16 202	7 353	6 444	8 819	8 560	10 234	13 106	12 661	13 512	12 684	11 928	10 338	9 813
<b>Total expenditures*</b>	<b>526 791</b>	<b>568 244</b>	<b>598 714</b>	<b>655 341</b>	<b>698 133</b>	<b>766 060</b>	<b>769 172</b>	<b>784 724</b>	<b>805 533</b>	<b>802 706</b>	<b>823 598</b>	<b>846 374</b>	<b>873 905</b>	<b>908 817</b>	<b>969 146</b>

Source: MoLSA

Data produced according to the Eurostat methodology for Core system of ESSPROS.


\* total expenditures do not include administration costs

### Social Protection Expenditures in Relation to GDP



## Social Protection Expenditures in Relation to GDP in selected European Countries

in % of GDP

												
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
EU 28	.	26,0	28,8	28,6	28,3	28,7	28,9	28,7	28,4p	28,1p	27,8p	.
BE - Belgium	26,3	27,9	30,2	29,6	29,9	29,7	30,0	30,0	29,8	29,2	28,8	28,8
BG - Bulgaria	13,4	14,7	16,1	17,1	16,5	16,5	17,6	18,5	17,7	17,4	16,9	16,9
CZ - Czech Republic	17,6	17,9	20,1	20,0	20,1	20,4	20,2	19,7	19,0	18,9	18,6	18,7
DK - Denmark	30,4p	30,4	34,3	34,0	33,5	33,6	34,5	34,4	33,7	32,5	32,2	31,5
DE - Germany	27,0	27,4	30,8	30,1	28,8	28,9	29,3	29,1	29,4	29,7	29,7p	.
EE - Estonia	11,9	14,6	18,7	17,4	15,5	14,9	14,8	14,8	16,0	16,6	16,0	.
IE - Ireland	17,7	20,4	24,2	25,1	24,5	23,9	22,9	21,1	16,0	15,7	15,0	14,3
EL - Greece	21,3	22,8	24,8	25,9	27,3	28,1	26,4	26,0	26,1	26,1p	25,2p	.
ES - Spain	20,4	21,6	24,7	24,8	25,5	25,7	26,0	25,5	24,7	23,8p	23,4p	23,6p
FR - France	30,4	30,8	33,2	33,2	33,0	33,8	34,2	34,5	34,3	34,3	34,1	33,8p
HR - Croatia	.	18,8	21,0	21,3	21,0	21,6	21,4	21,8	21,8	21,8	21,6	21,7
IT - Italy	25,6	26,6	28,7	28,7	28,4	29,1	29,7	29,8	29,7p	29,2p	28,9p	28,9p
CY - Cyprus	16,4	17,6	19,1	18,7	20,1	20,9	23,0	20,2	20,1	19,5	18,6	18,4
LV - Latvia	10,6	12,1	16,8	18,2	15,3	14,3	14,6	14,5	14,9	15,1	14,9	15,2p
LT - Lithuania	14,2	15,9	21,0	19,2	17,0	16,3	15,4	15,3	15,7	15,4	15,1	15,9p
LU - Luxembourg	19,5	20,9	23,4	22,5	21,8	22,7	23,1	22,5	22,1	21,3	21,9	22,6
HU - Hungary	22,1	22,3	22,7	22,5	21,6	21,2	20,7	19,8	19,1p	18,9	18,3	17,7p
MT - Malta	17,8	18,2	19,6	19,3	18,9	19,2	18,9	18,2	16,8	16,6	16,1	.
NL - Netherlands	25,9	26,1	29,0	29,3	29,9	30,6	30,8	30,6	29,9	29,5	29,3	.
AT - Austria	27,0	27,6	29,6	29,6	28,8	29,2	29,6	29,8	29,9	29,9	29,4	29,1
PL - Poland	18,4p	19,3p	20,3p	19,7p	18,7	18,9	19,6	19,3	19,4	21,0	20,3	19,8
PT - Portugal	23,0	23,4	25,8	25,8	25,8	26,4	27,6	26,9	25,7	25,1	24,6	24,2
RO - Romania	13,3	13,7	16,2	17,5	16,6	15,4	14,9	14,7	14,6	14,6	14,4	.
SI - Slovenia	21,0	21,0	23,7	24,4	24,5	24,7	24,6	23,9	23,8	23,3	22,6p	22,1p
SK - Slovakia	15,7	15,7	18,4	18,1	17,7	17,8	18,3	18,4	18,0	18,4	18,2	.
FI - Finland	24,4	25,0	28,9	29,1	28,7	29,9	31,0	31,7	31,8	31,6	30,6	.
SE - Sweden	27,4	27,8	29,9	28,4	28,0	29,1	29,9	29,4	29,0	29,4	28,8	28,2p
UK - United Kingdom	24,6	25,5	28,3	28,6	28,6	28,6	28,0	27,2	27,3	25,8	26,3p	.
IS - Iceland	20,3	20,7	23,3	22,5	23,2	22,9	22,6	23,1	22,2	22,3	23,3	.
NO - Norway	22,1	21,8	25,6	25,2	24,8	24,6	25,1	26,1	28,0	29,2	28,4	.
CH - Switzerland	23,9	23,6	25,8	25,9	25,8	26,6	27,4	27,2	27,8	28,0	28,3	27,5
RS - Serbia	.	21,6	23,1	22,6	21,4	22,6	21,9	22,0	20,7	20,3	19,5	19,4
TR - Turkey	11,1	.	13,5	12,8	12,3	12,5p	12,2	12,1	12,0	12,9	12,3	.

Source: Eurostat (<http://epp.eurostat.ec.europa.eu/tgm/refreshTableAction.do?tab=table&plugin=1&pcode=tps00098&language=en>), data as of 08/10/2020

p = provisional data



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