

EUROPEAN SOCIAL CHARTER

THE FIRST REPORT

ON THE IMPLEMENTATION OF THE EUROPEAN SOCIAL CHARTER

**SUBMITTED BY THE GOVERNMENT OF THE CZECH
REPUBLIC**

(for the period from 1 January 2000 to 31 December 2000)

**The First Part
(Articles 1, 5, 6, 12, 13, 16, 19 par. 9)**

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REPORT ON THE IMPLEMENTATION OF THE EUROPEAN SOCIAL CHARTER

ARTICLE 1 - THE RIGHT TO WORK

Article 1, paragraph 1

„With a view to ensuring the effective exercise of the right to work, the Contracting Parties undertake:

to accept as one of their primary aims and responsibilities the achievement and maintenance of as high and stable a level of employment as possible, with a view to the attainment of full employment.”

Question A

Please indicate the policy followed by your government in attempting to reach and maintain full employment. Please supplement with details of the measures and programmes implemented to achieve as high and stable a level of employment as possible. Please indicate, if possible, the trend in total employment policy expenditure over the past five years, including the relative shares of “active” (job creation, training, etc.) and “passive” (financial compensation, etc.) measures.

Please indicate the active policy measures taken in order to favour access to employment of groups most exposed to or affected by unemployment (e.g. women, the young, older workers, the long-term unemployed, the disabled, immigrants and/or ethnic minorities). Please give indication on the number of beneficiaries from these measures and information, if possible, on their impact on employment.

The Czech Republic ensures and protects effective implementation of the right to work using all components of its legislative, juridical and executive powers.

1) The **legislative** guarantees this right in the act of the highest legal strength, see the *Act No. 2/1993 Coll. the Charter of fundamental rights and freedoms* which is integral part of the CR rule of law. The Charter has defined the right to work in its article 26 as follows:

- (1) Everyone has the right to free choice of occupation and training for an occupation, as well as the right to engage in an entrepreneurial activity and pursue any other economic activity.*
- (2) The law can stipulate conditions and limitations for the performance of certain occupations or activities.*
- (3) Everyone has the right to obtain the means of livelihood by his or her work. The State shall provide adequate material support to those citizens who, without any fault of their own, cannot enjoy this right.*
- (4) The law can provide different conditions for foreign nationals.*

Article 26 of the Charter is among those provisions the implementation of, which is, in accordance with article 41 of the Charter, contingent upon adoption of the respective law; the right to work can be claimed only within limitations imposed by the respective law. Thus article 41 is to be conceived as an instruction to the legislator to enshrine the right to work and its practical definition in the basic rules of the labour law. These are, in particular, *the act No. 1/1991 Coll. on employment*, as amended. This act prescribes as the aim of employment policies – achievement of full employment in its preamble. Furthermore this act provides detailed conditions for claiming the right to employment which is understood as consisting of

- a) the right to support in job search with a view of finding a suitable work,
- b) the right to training and retraining necessary to gainful employment, as well as
- c) the right to material security before entering the first job, or in the event of unemployment.

Further detailed provisions are contained in the *Act No. 65/1965, the Labour code*, as amended. The whole content of this code protects the contractual principle for establishment of an employment relationship and ensures the right to free choice of employment.

2) The system of general **courts of law**, provides full assurance of the rule of law and enforcement of the right of individuals to legal protection.

Responsible for taking decisions on labour law action within this general system are, in particular, **district courts** of law. The *Act 99/1963 the Code of civil procedure* provides in Article 9 par. 2 cases where decisions have to be taken by major district courts.

Protection of the right to work, i.e. the fundamental right guaranteed by the Charter of fundamental rights and freedoms, is also ensured by **the Constitutional court** which implements review of the constitutionality of all legislative acts and is empowered to order abolition of laws and other regulation or their individual provisions, where they have been found by the Court to be in contradiction with an constitutional act or an international treaty in accordance with article 10 of the *Constitution* (which means ratified and promulgated international treaties on human rights and fundamental freedoms, by which the Czech Republic is bound and which shall be applicable as directly binding regulations, which have priority before the law) or, to order abolition of other regulations where they have been found to be in contravention with law.

Furthermore, the Constitutional court takes decisions on complaints against final judgements or a similar measure taken by a public body constituting interference into the individual's fundamental rights and freedoms that are guaranteed by the Constitution. Such complaint can be submitted by a person - both physical and juridical person in accordance with article 87 par. 1, letter (d) of the Constitution - where he believes that his constitutionally guaranteed fundamental right or freedom, or a right guaranteed by an international treaty in accordance with article 10 of the Constitution has been violated by a final decision of a court in proceedings concerning the said person, or by a similar decision taken by another public body (see the Constitutional court ruling No. 304/98).

3) Within the **executive powers**, the right to work is protected by supervisory activity of labour offices (labour inspection) and it is also provided through active implementation of employment policies, on the central governmental level, but also through the system of bodies of public administration, in particular by the ministry of labour and social affairs and its system of employment services, consisting of the so called labour offices.

3.1 The Government and its employment policy

The implementation of effective employment policies by the government, the aims of these policies and measures directed at their attainment, including the respective timetable and the evaluation of results already achieved, are to be found in the following documents:

- a) ***Proclamation of the Government Programme of 1998***
+ Yearly reports on the progress achieved in its implementation and reports on the government activities
- b) ***the National employment plan of 1999***
+ National action plans on employment adopted in subsequent years
- c) ***Joint assessment of employment policies - Priorities of the Czech republic 2000***

Ad a) The ***Proclamation of the Government programme*** was submitted by the present government to the Parliament in 1998 (after parliamentary elections) and served as a basis for a vote of confidence. This document formulated a vision of a long-term development

of the Czech society. The government was aware both of the traditions, on the one hand, and the need to modernise the society, on the other hand. The government was aware of the need to ensure effective use of manpower and declared the employment problem as one of the most important to tackle. The government exactly stated in this document: “The government believes that social investment, investment in human capital and human potential is the most efficient type of all investment.” However, the government also pointed to the need of full co-operation of those concerned based on their free choice, and to the need of solidarity and mutual communication. For this reason, government fully develops a durable and meaningful social dialogue and actively participates in this dialogue as one among its partners.

Among the specific objective of the government employment policy is the support for creation of new jobs in order to achieve **the lowest possible rate of unemployment**. The government pays special attention to regions with high unemployment rates as well as to groups of citizens threatened by long-term unemployment. The system of training and retraining is adapted to the needs of the labour market. The government also aims at development of a system of education, rehabilitation and life-long employment and social integration of citizens with disabilities.

The government seeks to achieve **abolishment of all forms of discrimination**.

The government builds system of **social protection** based on the principle of creation of humane and dignified living conditions where citizens, including ethnic and other minorities, would have a free choice of social services. The government continually prepares such changes in the system of social benefits, which would stimulate the beneficiaries to acquire new knowledge and skills and to actively seek work.

Ad b) In 1999 government worked up and approved in spirit of European strategy of employment and as the member states of EU the *National employment plan*. This plan, which has more character of middle-term program of employment policy of the Czech Republic, is directed at formulation of specific employment policy objectives and measures in 1999 - 2000, such as

- Introduction of new economic policy measures aimed at creation of new jobs and restructuring the present employment patterns;
- Stimulating people to work and/or return to work by taking measures to increase income from work as compared with income from social assistance;
- Co-ordination of training with the labour market needs;
- Co-ordination of the scope and patterns of migrant workers’ employment with the labour market situation;
- Increasing the scope and efficiency of the labour market policy measures;
- Provision of the necessary organisational, personnel and financial prerequisites for running public employment services that are compatible with expected unemployment levels.

Specific measures aimed at reaching the highest possible and stable employment levels were stated in the National employment plan in eight items under the first pillar “Promotion of employability”. Each item is then developed in full detail in *national action plans on employment* for the respective years (2001, 2002), including tasks distributed among various ministries and timetable for implementation.

Summary of approved measures

1. To implement a **administration and financing reform of the educational system** aimed, in particular, at the intermediate and higher technical education, with a view of creating, by means of such a system, conditions for reaching full balance between skill patterns of school leavers and graduates and labour market needs.
2. In order to facilitate the smooth transition from school to life of work, to introduce in the

curricula of all institutions of compulsory school attendance a **new subject “occupational guidance”**, designed to shape the pupils’, students’, and parents’ attitudes towards labour market integration. The planned co-operation of educational institutions with labour offices is expected to provide inputs on contemporary and expected labour market needs into the teaching at primary, intermediate and higher education.

3. To gradually **increase the levels of income from work** in relation to income from social assistance with special regard to low income groups; to create better conditions for economically active persons compared to persons relying on social assistance. In accordance with this intention to gradually increase the minimum wage levels over and above the minimum subsistence level of a single adult person;
4. To improve and extend the legislative, competency, organisational and financial framework for the operation of **employment services** to enable them to meet the labour market needs;
5. When compiling the budget in respect of the item State employment policy **to increase expenditure on active employment policy** with due regard to unemployment trends;
6. To reconcile **employment of migrant workers** with the labour market situation, in particular to prevent inflow of illegal migrants and all forms of illegal economic activities;
7. To develop a system to promote employment of **citizens with disabilities**, including the provision of the necessary financial support;
 - 7a. To introduce integrated system of rehabilitation services as a basis for integration of disabled citizens into the life of work;
 - 7b. To newly define the range of citizens with disabilities to be provided with enhanced labour market protection;
 - 7c. To create a system of incentives for citizens with disabilities to actively seek employment and to integrate the various existing types of employer support for engaging citizens with disabilities.
8. To implement measures aimed at integrating the **long-term unemployed** job seekers, with special regard to the members of the Roma community.

In accordance with the National employment plan **budget provisions** on active labour market policies were increased by CZK 1 billion in 1999 as compared with the 1998 level, to reach the total of 1,9 billions. As a result of these measures, 43,000 of unemployed persons found new jobs and nearly 23,000 persons, or by 45% more than in 1998, were retrained for a new occupation. A further increase of expenditure on active labour market policies to reach CZK 3,4 billions was made in 2000. This enabled the labour offices to place into new jobs 58,000 unemployed persons, or by 34,9 per cent more than in 1999. 32,000 persons were retrained (or by 39 per cent more than in 1999) to acquire skills demanded by the labour market.

In accordance with point No. 7 of the National employment plan (1999) are gradually fulfilled measures included in the National plan for equalising of opportunities for disabled people (Government resolution No. 256/1998). State pays on support of this plan from state budget 40 – 50 mil. CZK per year, among others on provision of complete rehabilitation of these people.

The **unemployment rate** was kept under 10 per cent, both in 1999 and 2000. By targeted implementation of the National employment plan the government succeeded in gradually reducing the unemployment rate, which declined from 9,5% to 8,4% between April 1999 and April 2000, in real terms by almost 42 thousands persons.

Special attention was paid to **regions** with above average unemployment, in particular to the north-Moravian region and the coal mining districts in Northern Bohemia. The government adopted revitalisation plans for these regions on 2 February 2000, and a programme entitled "Promotion of regional development for North-western Bohemia and the Ostrava regions on 19 April 2000. These plans and programmes make possible to promote investment and business initiatives conducive to restructuring of these industrial areas. The government also approved special measures to cope with adverse social impact of the restructuring of the iron and steel industry and company "the Czech railways". The respective government order provided new incentives to investors for creation of new jobs and for training of employees. Investors obtained CZK 590 millions in 2000 for creation of 8,527 new jobs and training of 7,400 persons.

Active employment policies were aimed, in particular, at groups of persons experiencing particular difficulties in the labour market. In line with increased unemployment rates within these groups the system of retraining placed more emphasis on non-specific training targeted, in particular, on school leavers, young people and women following extended maternity leave. Favourable results were achieved in respect to the group of school leavers where the number of unemployed declined by 13,200 persons in March 2001, compared with March 2000. Nevertheless the figure of 49,475 unemployed in this group (March 2001) is still too high. Lack of suitable jobs for citizens with disabilities is another persistent problem. However, a considerable progress was achieved in the development of a system of integrated rehabilitation. The corresponding proposals will be submitted to public discussion in the end of 2001 or beginning of 2002.

Targeted retraining was directed at obtaining computer literacy, courses in welding, courses in selected machining and building trades, and skills needed in certain services

The period under consideration registered the start of implementation of the new **act No. 118/2000 Coll. on the protection of employees in the event of insolvency of their employer**. Labour offices began with the payment of outstanding wages since August 2000 and expenditure from the State budget on this item reached CZK 135 millions until the end of 2000.

Ad c) The Czech Republic was the first among the candidate countries for membership in EU to sign a joint document with the European union "**Joined assessment of employment policies: priorities of the Czech republic**"*, which defined the approach towards approximation of labour market policies of CR with those promoted by the European union (European strategy of employment). The national action plan on employment 2001 is in full conformity with the said document. It co-ordinates activities undertaken by various ministries and seeks to obtain best possible results from the use of budgetary expenditure.

Problems experienced by ethnic minorities

The right to employment of members of vulnerable groups, including members of the Romany community, tends to be connected in practice with considerable problems. The Romany minority is afflicted with extremely high unemployment rates leading to dependency on social assistance allowances and to various forms of social deprivation. The main causes of high unemployment of the Romanies are low education and skill levels among most of them.

A significant change in the State employment policy is the adoption of the National employment plan by the CR Government on 5 May 1999. Several measures were taken on the basis of this plan which improve a chance of job applicants from among members of vulnerable groups (including Romany job applicants) to find a job and tend to combat discriminatory practices in the labour market. The following provisions need to be mentioned: a) to implement measures leading to employment promotion among the long-term

* Full text of the document is appended to the Report

- unemployed, special account being taken of members of the Romany community;
- b) to take advantage of public tenders to promote employment opportunities for job seekers, in particular of those who encounter specific difficulties in the labour market;
- c) to take advantage of non-recurrent temporary measures in favour of groups of citizens whose access to jobs appears to be markedly difficult;
- d) to reconcile the employment of migrant labour with the labour market situation, eliminating in particular illegal forms of migration and illegal entry in the labour market and all forms of illegal self-employment activities;
- e) to strengthen legal and institutional tools and machinery designed to combat discriminatory practices in the labour market;
- f) to monitor the level of activities designed to promote the right to employment of groups of citizens who face special risks of being discriminated against.

Government provides the measures taken for implementation of the following further principles contained in the National employment plan by help of particular ministries, mainly Ministry of Labour and Social Affairs. They have been stated in the *Government resolution No. 640 concerning measures to promote employment of vulnerable groups (with special regard to members of the Romany community)* in June 1999 and also *Government resolution No. 599 Conception of governmental policy to members of Roma community to help their integration into society* in June 2000. There is special retraining and re-socialisation programmes prepared on the basement of these documents.

3.2 Activities undertaken by the Ministry of labour and social affairs in implementing employment policies

Activities undertaken by the Ministry of labour and social affairs (MOLSA) and labour offices in the sector of employment policy are based on provisions contained in *Act No. 9/1991 Coll. on employment and on activities of the authorities of the CR in the sector of employment*, as amended. In Article 1, the act defines, in a demonstrative manner, various types of these activities. In Articles 11 and 12 the respective **competencies** are distributed between the ministry, on the one hand, and the labour offices, on the other hand. More concretely, the provisions contain the following:

- a) Systematic monitoring and assessment of the labour market situation, elaboration of forecasts and employment programmes, schemes for creating new employment opportunities for employees displaced during major structural and organisational changes;
- b) Free provision of information, advisory and placement services;
- c) Creation of socially beneficial jobs and operation of public works;
- d) Specialised training and retraining and vocational guidance provided to citizens;
- e) Material security provided to unemployed citizens who seek a job or participate in a training course;
- f) Measures aimed at promoting employment of citizens with disabilities;
- g) Operation of a system to register vacancies and job applicants.

3.3 Active employment policy tools implemented by labour offices

Employment policy tools are defined, in particular, by the following legislation:

- a) *Act No. 1/1991 Coll. on employment*, as amended.
- b) *Act No. 9/1991 Coll. on employment and on activities of the authorities of the CR in the sector of employment*, as amended.
- c) *Act No. 72/2000 Coll. on investment incentives*, as amended.

The system of active employment policy tools underwent a number of changes during

its operation. Among them were increases in the financial support, subsidies to wage costs (since 1997). Also, a new system of investment incentives was introduced (in 1998).

Operation of the system continues to be closely monitored by central authorities of the CR. Intensive work is conducted on new measures in accordance with the National employment plan and the National action plan 2001.

The present system comprises the following tools:

1. Active employment policy tools implemented by labour offices

1) Socially beneficial jobs

The purpose and nature of socially beneficial jobs (SÚPM) are stated in Article 5 of act No. 9/1991 Coll. Conditions for granting financial contribution can be found in the MOLSA notification No. 35/1997 Coll.

Conception SÚPM means:

- **A new job created by an employer** on the basis of a written agreement with the labour office for a period of two years, as a rule. The job must be filled with an applicant who was registered at that labour office and for whom no job could be found by other means.
- **A newly created gainful activity for an applicant who was registered at a labour office who starts a self-employment activity.**

There is no legal entitlement to financial contribution for the establishment of SÚPM. However, the labour office may grant it by way of:

- a) **a loan** (“returnable financial assistance”) - in the amount not exceeding CZK 80,000 for 1 SÚPM;
- b) **a subsidy for the payment of wages** (salary), including social insurance contributions and contribution on state employment policy and contribution on general health insurance; the subsidy may be granted up to the amount of the paid wages including social and health insurance; this type of subsidy is not applicable for creation of a self-employment activity;
- c) **a subsidy to payment of interest on loans**, not exceeding CZK 80,000 for on SÚPM;
- d) **other subsidy for a defined purpose** not exceeding CZK 80,000 for one SÚPM.

The subsidies referred to above must be used for the purpose specifically stated in a written agreement.

The purpose sought to be achieved by this tool is to create jobs for vulnerable applicants for whom the labour office cannot find other type of employment. In this way, the existing demand for labour can be extended (jobs created by employers) or the subsidy can enable the beneficiary to start a self-employment activity. The subsidy is provided only for creation of long-term, if possible permanent, jobs. Conditions concerning the establishment of socially beneficial jobs are always stipulated by an agreement concluded between the labour office and the employer.

2) Public works (VVP)

This is a tool by which jobs of a short-term or seasonal nature (not exceeding 12 months) are established. The labour office concludes the respective agreement on public works with an employer, or with a community. There is a possibility to extend the duration of the agreement. The agreement must not be concluded with a central body of state administration, with a district office and a state fund. Jobs in public works are usually created for maintenance of public parks and similar grounds, cleaning of streets, development of infrastructure or work in the social sector. This tool is designed to assist vulnerable job applicants (mostly unskilled ones) to find a useful work for a limited period of time (repeated

placement in public works is possible). In this way, the persons concerned do not lose attitude to regular working and are not dependent on unemployment benefit, or social assistance.

Financial subsidy for wages of workers in these jobs, who were registered as unemployed at the labour office, can be granted to the employer concerned up to the full amount of wages plus social and health insurance.

Act No. 9/1991 Coll., and MOLSA notification No. 35/1997, Coll., on socially beneficial jobs and establishing of public works, as amended regulates Establishment of VPP.

3) **Retraining**

Retraining of job applicants

Labour offices organise retraining in a situation where the pattern of labour market demand does not correspond to the available supply and a retraining course would open a possibility for applicants to find a new job.

Retraining means change of an existing qualification, obtaining new knowledge and skills with a view of finding a new job. Retraining does not include studies in intermediate schools or institutes of higher education, or other types of additional studies.

Retraining is always based on a written agreement between the labour office and the job applicant where conditions and obligations of both parties are stated (MOLSA notification No. 21/1991 Coll. as amended by notification No. 324/1992 Coll.).

The labour office pays, in addition to unemployment benefit, costs of the training course in full and may also contribute towards related costs (meals, accommodation, travel).

In general, two types of retraining are organised:

- **Specific retraining** with a view of obtaining specific skills in connection with a promise made by an employer to employ the person concerned;
- **Non-specifics retraining where, in absence of such promise, participants of the course concerned are trained for skills, which are believed to enhance their employability.**

Retraining of employees

The labour office may also contribute towards the costs of retraining in cases, where an employer organises training courses that are needed to provide employees with new skills. Such contribution may be granted to an employer in a situation of organisational change (a new production programme, introduction of new technology) that might mean job losses for certain employees. Such retraining is designed to assist employees, who might otherwise be dismissed, to obtain new skills enabling them to retain their job in the company concerned.

4) **Jobs for graduates and school leavers**

An employer who **creates a job by offering in-company practical training to graduates (both from intermediate schools and institutes of higher education) registered at labour offices** may be eligible for full or partial reimbursement of wage costs related to the employment of the young people concerned.

The subsidy provided to employers related to the engagement of an unemployed school leaver (young person) assists the person concerned to obtain his first job and contributes towards reducing unemployment levels of young people.

This tool was first used in the period 1992-1993 (notification No. 22/1991 Coll.) and was part of creation of socially beneficial jobs. Following an amendment of act No. 9/1991 Coll. the tool is regulated by Article 6a of this act.

5) **Sheltered workshops and sheltered workplaces for citizens with disabilities**

The legislation of the Czech republic covering the sector of employment defines a person with disabilities as a person with 'altered working capacity' (hereafter "ZPS").

Granting a **subsidy for establishment or operation of a sheltered workshop or sheltered workplace** is regulated by MOLSA notification No. 115/1992 Coll. as amended by notification No. 232/1997 Coll. Sheltered workshops and sheltered workplaces are workshops or workplaces where at least 60 per cent of ZPS workers are employed.

In accordance with the recent amendment, a labour office may grant an employer a subsidy not exceeding CZK 100,000 for the creation of one workstation for a ZPS worker in a sheltered workshop or a sheltered workplace. Jobs in sheltered workshops are established primarily for citizens with serious health or mental handicaps whose performance is seriously restricted and thus cannot be placed in the open labour market. These jobs can also be used for disabled citizens during their training for work in a normal job market.

Jobs of this type must be established for a period of two years, at least, after granting a subsidy. The transaction is based on a written agreement concluded between the labour office and the employer concerned. There is no legal entitlement to subsidy.

The subsidy granted by the labour offices can also be used to provide a disabled citizen with the necessary equipment for starting a self-employment activity. Also in this case, the subsidy must not exceed CZK 100,000.

In addition, the labour office can **grant a subsidy towards the operation of sheltered workshops and/or sheltered workplaces**. In this case, the subsidy may be granted up to CZK 40,000 on ZPS citizen/year.

6) Subsidy for shortened working hours

Where an enterprise starts preparations for a new production programme, the labour office may partially subsidise wage costs concerning those employees, who would otherwise be adversely affected by the new production programme. This tool has been hardly used, as yet.

7) Professional rehabilitation of ZPS citizens

Professional rehabilitation is understood to be a continuous effort to enable ZPS citizens to perform their previous, present or any other suitable job; included are advisory services, occupational guidance, training for employment, placement into suitable jobs and creation of conditions for the performance of a job.

2. The system of investment incentives in accordance with act No. 72/2000 Coll. - subsidy granted to selected regions

Investment incentives granted to investors take the form of tax and duty relief, subsidy towards establishment of new jobs, subsidy towards the costs of training/retraining of workers and/or subsidies towards establishing industrial zones.

Investment incentives are provided in accordance with act No. 72/2000 Coll. on **investment incentives**.

Incentives used for establishment of new jobs and for retraining of workers are co-ordinated by MOLSA. Subsidies are granted on the basis of a written agreement signed by MOLSA, the ministry concerned and the investor. The amount of subsidy depends on the number of newly established jobs, planned costs on workers' retraining and unemployment rate in the district where the investment is situated. Any citizen may fill the newly created jobs, the persons concerned need not be registered as unemployed at the labour office.

A) Financial **subsidy for establishment of new jobs** is provided only in cases where the investor makes his investment in a **district** with average or above-average unemployment rate. Unemployment rate is understood to mean average unemployment rate registered by the ministry of labour and social affairs during the previous 6 months. The subsidy is granted as a loan (returnable subsidy) which is ultimately converted to direct subsidy when the agreed conditions are found to be met. The amount of subsidy for the establishment of new jobs is as follows:

- a) CZK 200,000 on one job in a district where the unemployment rate is higher than the CR average by, at least, 50 per cent,
- b) CZK 120,000 on one job in a district where the unemployment rate is higher than the CR average by, at least, 25 per cent,
- c) CZK 80,000 on one job in a district where the unemployment rate is equal to the CR average.

B) **Subsidies granted to employers who organise employees' retraining** take the form of an interest-free loan limited by a specified level of retraining costs, depending on the unemployment rate in the district concerned. The maximum subsidy amounts to 35 per cent of the planned costs of retraining. When the agreed conditions are met this loan is converted into a direct subsidy the amount of which corresponds to the agreed proportion of the investor's costs. The amount of the material subsidy depends on the unemployment rate in the district concerned, agreed place of the proposed investment and the numbers of retrained workers. Unemployment rate is understood to mean average unemployment rate registered by the ministry of labour and social affairs during the previous 6 months.

The amount of material subsidy on employees' retraining is as follows:

- a) 35% of training and retraining costs in districts where the unemployment rate is higher than the CR average by, at least, 50 per cent,
- b) 30% of training and retraining costs in districts where the unemployment rate is higher than the CR average by, at least, 25 per cent,
- c) 25% of training and retraining costs in districts where the unemployment rate is equal to the CR average.

Included in the retraining costs are:

- Wage costs of trainers and organisers,
- Travel of trainers and participants,
- Other direct costs,
- Depreciation of tools and facilities where the investor can demonstrate the extent in which they were used for training purposes (including part of overhead costs of the training centre),
- Costs on consulting services where the investor can demonstrate that they were necessary for delivery of training,
- The participants' wage costs during the training period up to the maximum amount of the sum of items 1 to 5.

The above overview of tools used in the Czech republic was compiled in accordance with the valid legislation. During the period of operation of the Czech employment services there were several changes of these tools, which consisted mostly of increases of the subsidies concerned. Since 1997, it is possible to grant subsidies towards wage costs (for establishment of socially beneficial jobs). A new system of investment incentives was introduced in 1998.

3. Compulsory share of citizens with disabilities in the total amount of company employees

In addition to the tools referred to above another measure exists in the CR which is designed to promote employment of ZPS citizens. Employers with more than 20 employees are required to employ 5 per cent of ZPS citizens from the total number of their employees. For this purpose, a citizen with a serious disability is counted three times (government decree No. 338/2000 Coll. of 21 June 2000). Requirements contained in the said government decree can be met either by direct employment of ZPS citizens, or by purchasing of products from employers who employ more that 55 per cent of ZPS workers, or by paying an additional tax (levy to the state budget) amounting to 0,5 times the average wage in the national economy on each ZPS citizens, which the employer concerned failed to employ and thus failed to meet the required share of ZPS employees.

Expenditure on employment policy:

CR (total)					
Basic active employment policy indicators (1996-2000)					
	SÚPM numbers of placed applicants	expenditure (actually used amount)	SÚMP to employers actually used amount	of which wages actually used amount	SÚMP-SVČ actually used amount
1996	4 025	102 427	73 709	.	28 717
1997	2 931	66 193	44 588	4 070	21 605
1998	8 178	201 514	146 990	52 050	54 525
1999	15 804	525 563	416 128	265 968	109 435
2000	26 721	989 720	812 025	446 375	177 696

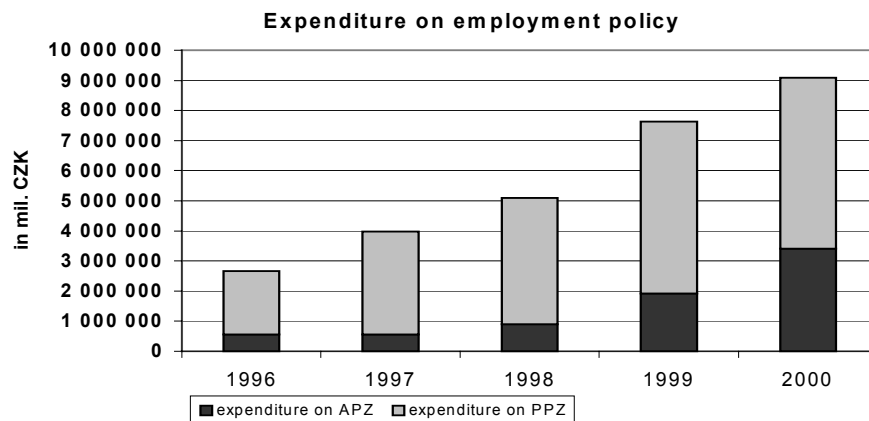
	Public Works		Practical training of young people		Investment incentives
	numbers of placed applicants	actually used amount	numbers of placed applicants	actually used amount	actually used amount
1996	10 259	199 069	4 971	100 334	
1997	11 888	224 926	3 515	101 758	
1998	11 905	280 828	9 232	117 777	
1999	16 069	481 915	10 945	304 790	179 855
2000	20 034	759 308	11 316	358 012	590 730

	Sheltered workshops and workplaces			Retraining		Other
	numbers of placed applicants	actually used amount*)	Operation	numbers of placed applicants	actually used amount	actually used amount
			actually used amount			
1996	562	17 683	39 749	12 107	91 727	7 098
1997	493	15 881	44 005	11 448	90 418	8 814
1998	853	50 505	76 533	16 381	147 325	28 532
1999	951	53 000	109 003	22 938	236 232	31 392
2000	1 368	54 892	132 995	33 331	345 920	174 576

SÚPM = Socially beneficial jobs (SVČ = self-employed person)

The column "other" contains expenditure on state retraining programmes (1996 and 1997), subsidies concerning change of the production programme, publication of information materials at national or regional levels, professional rehabilitation of ZPS citizens, expenditure on research and development. In 2000, the same column includes also expenditure incurred in connection with payment of wages in the event of employers' insolvency in the total amount of CZK 135,623, which are considered as integral part of active employment policies for that year.

Source: the Czech statistical office (CSO).



CR (total)		(Source CSO)			
Selected labour market indicators 1996-2000					
	Average monthly numbers of registered applicants	Average monthly numbers of unemployment benefit recipients	Proportion of unemployment benefit recipients in the average numbers of registered applicants (%)	Average unemployment rate	Average number of applicants placed in active employment policy measures
1996	160 657	75 484	47,0	3,1	31 924
1997	219 502	111 179	50,7	4,3	30 275
1998	311 675	151 956	48,8	6,0	46 549
1999	443 171	193 682	43,7	8,5	66 707
2000	469 967	176 264	37,5	9,0	92 700
	Expenditure on SPZ	Expenditure on APZ	Expenditure on PPZ	Proportion of APZ in the total of SPZ expenditure	
	(thousands of CZK)	(thousands of CZK)	(thousands of CZK)	(in %)	
1996	2 664 493	558 087	2 106 406	20,9	
1997	3 972 034	551 995	3 420 038	13,9	
1998	5 096 712	903 014	4 193 698	17,7	
1999	7 631 216	1 921 750	5 709 466	25,2	
2000	9 086 622	3 406 153	5 680 469	37,5	
	Numbers of applicants placed in APZ	Proportion of applicants under APZ measures in average numbers of applicants (%)	Average costs on one person placed in APZ measures (thousands of CZK)	Monthly amount of unemployment benefit per 1 applicant in CZK (31/12)	
1996	31 924	19,9	17,3	2 306	
1997	30 275	13,8	18,0	2 567	
1998	46 549	14,9	18,9	2 335	
1999	66 707	15,1	25,8	2 635	
2000	92 700				

SPZ = State employment policy
APZ = Active employment policy measures
PPZ = Passive employment policy tools

Question B

Please indicate the trends in employment covering all sectors of the economy. In connection with this indicate, as far as possible, the activity rate, the employment rate and the breakdown of employment by region, by sex, by age, by employment status (employed, self-employed) by type of employment (full time and part time, permanent and fixed term, temporary), and by sector of activity.

Please give the trend of the figures and percentages of unemployed in your country, including the proportion of unemployed in the total work force. Please give the breakdown of the unemployed by region, category, sex, and by length of unemployment.

Employment trends in the Czech republic

During the whole period since the start of economic transition in 1990 the labour market of the Czech republic experienced a steady decline of employment. A moderate increase was registered only between 1994 and 1995 but since 1997 employment continued to decline. This development is primarily related to the economic decline during past years caused, a/o. by mismanaged privatisation, delayed restructuring, low growth rates of productivity and inadequate application of innovation with the corresponding adverse impact on competitiveness.

The year 2000, when compared with employment figures in 1999, was another year of decline. **Average yearly employment** decreased to 4731,6 thousands of persons. The number of employed thus represented 46,1 per cent of the total of CR inhabitants (10,272,100). However, during 2000, the yearly decline of employment (i.e. of the number of employed and self-employed persons - entrepreneurs) was halted and, starting with the 2nd quarter, the number of employed persons in the national economy began to increase. The number of persons with a single or main job reached 4,751.000 in the last quarter of 2000, of which 2,687.100 were men (or 56,6%) and 2,063,900 women (43,4%). Compared with the same period in 1999 the total employment was still by 14,400 lower. In relative terms, the yearly decline in the number of persons with a single or main job was 0,3 per cent.

A positive feature in the above development is the perceived shift **among sectors of employment**. The shares of the primary and secondary sectors continued to decline, whereas the share of the tertiary sector has increased. The share of the primary sector in the total employment has declined to 5,1% from 5,2% in 1999. Also in the future, one can expect a further decline of employment in the primary sector at a similar rate. The share of the secondary sector in the total employment has declined to 39,5% from 40,1% in 1999. The share of the tertiary sector in the total employment has increased to 55,4% from 54,7% in 1999. The proportion of the tertiary sector thus still lags behind the developed countries (average of EU countries is 66%) but this sector appears to be in a situation of growth. Most promising are, in particular the sectors of strategic services, new technologies and e-business, and one can expect a yearly increase of tertiary sector employment by 1 - 2 percentage points.

Employment rates of the population in productive age (15 - 64) have steadily declined during the transition period. In 2000 the decline was 0,7 of one percentage point over 1999 (from 65,9% to 65,2%). The decline was primarily driven by the reduction of the employment rate in the youngest age group (15-24 years), where the decline amounted to 1,9%. The existing rate of employment is relatively favourable when compared with the EU average of 60,5 per cent.

The rate of economic activity (activity rate) of the CR population (measured by the ILO methodology) was 60,4 per cent in 2000. Compared with 1999 the decline was 0,6% whereas the decrease of men's activity rate was more pronounced than that of women. Activity rates in the CR have been traditionally high. They are still among the highest in Europe. For example, average activity rate in the EU Member states (measured by EU

methodology) was 69,2% (see *Employment in Europe, EC, October 2000*) whereas the comparable figure for the CR was 72,2%.

Tables:

Data shown in the tables are based on data of the Czech statistical office, which were obtained by means of labour force surveys.

Employment	VŠPS - yearly average in thousands	1993	1994	1995	1996	1997	1998	1999	2000
Total		4873,5	4926,8	4962,6	4972,0	4936,5	4865,7	4764,1	4731,6
Women	Total	2138,1	2167,9	2177,7	2169,0	2148,3	2108,8	2069,7	2675,7
	proportion in %	43,9	44,0	43,9	43,6	43,5	43,3	43,4	56,5
Men	Total	2735,4	2758,9	2784,9	2803,0	2788,2	2756,9	2694,4	2055,9
Activity rate	Labour force/population 15+	61,4	61,6	61,5	61,2	61,1	61,0	61,0	60,4
Employment rate	Employment 15-64/ population 15-64	69,0	69,2	69,4	69,3	68,7	67,5	65,9	65,2

Employment in national economy			v tis.	1993	1994	1995	1996	1997	1998	1999	2000
The Czech Republic - total			NUTS1 CZ0	4 873,5	4 926,8	4 962,6	4 972,0	4 936,5	4 865,7	4 764,1	4 731,6
Regions			NUTS2 NUTS3								
Prague		CZ01	CZ011	602,8	608,8	617,6	622,2	622,7	624,4	621,0	613,4
Middle Bohemia,		CZ02	CZ021	522,9	528,8	532,5	539,7	539,2	535,8	523,0	520,7
Southwest		CZ03		572,5	581,4	585,8	587,9	582,2	566,4	561,0	566,0
	Budějovice region		CZ031	303,3	307,2	310,1	308,4	307,3	300,5	296,9	299,7
	Plzeň region		CZ032	269,2	274,2	275,7	279,5	274,9	266,0	264,1	266,4
Northwest		CZ04		550,7	541,6	541,5	534,6	535,6	519,7	500,7	499,2
	Karlovy Vary region		CZ041	151,1	152,4	154,2	156,3	154,5	149,9	148,0	150,8
	Ústí n.L. region		CZ042	399,6	389,3	387,3	378,3	381,1	369,7	352,7	348,5
Northeast		CZ05		705,4	724,6	736,2	728,3	722,5	706,0	696,6	694,3
	Liberec region		CZ051	209,8	209,5	211,7	209,8	205,4	199,0	201,2	201,9
	Králové Hradec region		CZ052	259,4	267,6	273,8	271,9	270,4	262,7	258,0	263,5
	Pardubice region		CZ053	236,1	247,5	250,8	246,7	246,6	244,3	237,4	228,9
Southeast		CZ06		767,3	780,8	778,6	779,0	774,1	773,9	757,7	760,5
	Jihlava region		CZ061	235,3	241,8	242,9	243,1	239,4	238,5	232,0	239,3
	Brněnský region		CZ062	532,0	539,0	535,7	535,9	534,8	535,4	525,8	521,3
Middle Moravia		CZ07		577,2	581,1	582,8	581,9	578,2	570,9	561,6	546,9
	Olomouc region		CZ071	298,8	298,1	302,0	299,4	295,8	293,5	290,0	278,6
	Zlín region		CZ072	278,4	283,0	280,8	282,6	282,4	277,4	271,6	268,3
Ostrava region		CZ08	CZ081	574,7	579,6	587,6	598,3	581,9	568,6	542,6	530,5
Men				2 735,4	2 758,9	2 784,9	2 803,0	2 788,2	2 756,9	2 694,4	2675,7
			NUTS2 NUTS3								
Prague		CZ01	CZ011	323,6	323,4	329,0	331,0	332,1	331,7	326,3	326,3
Middle Bohemia,		CZ02	CZ021	299,8	303,8	305,5	309,6	309,2	308,0	303,5	299,9
Southwest		CZ03		321,9	329,2	333,3	336,6	331,4	324,9	321,6	322,9
	Budějovice region		CZ031	170,5	174,1	175,4	177,4	174,1	171,1	169,9	172,5
	Plzeň region		CZ032	151,5	155,1	157,9	159,3	157,3	153,8	151,8	150,4
Northwest		CZ04		308,8	303,8	305,0	300,9	302,8	296,8	286,9	287,0
	Karlovy Vary region		CZ041	83,2	85,1	87,2	87,7	87,4	83,0	80,4	82,2
	Ústí n.L. region		CZ042	225,7	218,7	217,8	213,2	215,5	213,9	206,4	204,8
Northeast		CZ05		395,3	408,0	413,1	409,1	408,6	398,7	392,9	391,4
	Liberec region		CZ051	115,9	116,6	119,3	117,0	116,8	115,6	112,6	111,8
	Králové Hradec region		CZ052	145,9	150,7	151,8	151,8	151,6	145,2	144,5	148,3
	Pardubice region		CZ053	133,5	140,7	142,1	140,3	140,2	137,9	135,8	131,3
Southeast		CZ06		434,6	440,6	438,1	443,5	441,3	443,2	429,2	431,2
	Jihlava region		CZ061	133,8	136,6	138,5	139,4	137,4	139,5	133,7	137,7
	Brno region		CZ062	300,8	304,0	299,6	304,1	304,0	303,7	295,6	293,5
Middle Moravia		CZ07		323,5	324,8	329,8	333,1	328,9	328,8	323,0	315,8
	Olomouc region		CZ071	165,9	165,6	170,1	170,9	167,8	168,4	166,7	162,2
	Zlín region		CZ072	157,6	159,2	159,7	162,1	161,1	160,4	156,3	153,6
Ostrava region		CZ08	CZ081	327,8	325,2	331,0	339,1	333,8	324,8	310,9	301,2
Women				2 138,1	2 167,9	2 177,7	2 169,0	2 148,3	2 108,8	2 069,7	2055,9
			NUTS2 NUTS3								
Prague		CZ01	CZ011	279,2	285,4	288,5	291,2	290,7	292,7	294,6	287,1
Middle Bohemia,		CZ02	CZ021	223,1	225,1	227,0	230,2	230,0	227,8	219,4	220,8
Southwest		CZ03		250,5	252,2	252,5	251,3	250,8	241,5	239,3	243,1
	Budějovice region		CZ031	132,8	133,1	134,7	131,0	133,2	129,3	127,0	127,1
	Plzeň region		CZ032	117,7	119,1	117,8	120,2	117,6	112,2	112,3	116,0
Northwest		CZ04		241,9	237,8	236,5	233,7	232,8	222,9	213,8	212,2
	Karlovy Vary region		CZ041	67,9	67,3	67,0	68,6	67,1	67,0	67,5	68,6
	Ústí n.L. region		CZ042	174,0	170,5	169,5	165,1	165,7	155,9	146,3	143,7
Northeast		CZ05		310,1	316,6	323,1	319,2	313,8	307,3	303,6	302,9
	Liberec region		CZ051	93,9	92,9	92,4	92,8	88,6	83,4	88,6	90,1
	Králové Hradec region		CZ052	113,6	117,0	122,0	120,1	118,8	117,5	113,4	115,2
	Pardubice region		CZ053	102,6	106,8	108,7	106,4	106,4	106,4	101,6	97,7
Southeast		CZ06		332,6	340,2	340,5	335,5	332,8	330,7	328,5	329,3
	Jihlava region		CZ061	101,5	105,1	104,5	103,7	102,0	99,0	98,3	101,6
	Brno region		CZ062	231,1	235,0	236,1	231,7	230,8	231,8	230,2	227,7
Middle Moravia		CZ07		253,7	256,3	253,0	248,9	249,3	242,1	238,6	231,1
	Olomouc region		CZ071	132,9	132,4	131,9	128,4	128,0	125,2	123,3	116,4
	Zlín region		CZ072	120,8	123,9	121,1	120,4	121,2	116,9	115,3	114,7
Ostrava region		CZ08	CZ081	246,9	254,3	256,5	259,2	248,1	243,8	231,7	229,4

Employment in national economy		1993	1994	1995	1996	1997	1998	1999	2000	
Total		4 873,5	4 926,8	4 962,6	4 972,0	4 936,5	4 865,7	4 764,1	4 731,6	
Age group:										
	15 - 19 years	284,9	271,6	221,1	184,2	151,1	127,4	99,9	68,6	
	20 - 24 years	493,5	533,0	576,9	599,4	601,1	593,0	550,2	529,2	
	25 - 29 years	532,5	521,0	525,3	524,4	530,7	551,3	580,2	616,0	
	30 - 34 years	547,2	558,7	576,7	584,2	584,8	584,8	546,4	544,2	
	35 - 39 years	689,6	660,8	629,9	597,4	567,3	545,2	556,6	582,5	
	40 - 44 years	750,4	748,5	739,4	726,8	708,0	675,8	644,5	607,6	
	45 - 49 years	705,7	725,6	739,9	748,6	742,1	715,8	695,7	689,3	
	50 - 54 years	479,2	510,5	536,8	566,4	603,2	635,2	633,9	642,2	
	55 - 59 years	224,0	231,1	248,8	269,5	286,1	287,0	310,1	317,5	
	60 - 64 years	91,0	89,8	94,8	99,0	93,7	87,0	85,1	78,1	
	65 and more years	75,4	76,2	72,9	72,1	68,4	63,3	61,6	56,5	
Selected codes ISCED										
97	level									
	Basic education	1,2	650,2	615,5	587,0	538,6	483,8	441,2	396,5	416,2
	Intermediate-technical	3B,3C	2 224,0	2 256,5	2 260,9	2 289,0	2 269,1	2 221,6	2 140,2	2 056,6
	Intermediate-technical with leaving exam	part 3A, 4	1 295,4	1 356,6	1 378,2	1 395,8	1 433,1	1 460,9	1 485,2	1 482,4
	Intermediate-general (high school)	part 3A	185,0	193,4	201,1	207,7	205,6	190,0	174,3	177,9
	Higher education	5,6	515,6	500,9	532,9	538,3	540,9	532,4	552,1	597,7
Man		2 735,4	2 758,9	2 784,9	2 803,0	2 788,2	2 756,9	2 694,4	2 675,7	
Age group:										
	15 - 19 years	158,1	150,0	128,5	108,6	90,2	76,7	58,9	39,4	
	20 - 24 years	312,8	327,9	348,6	362,7	361,4	349,6	318,7	301,9	
	25 - 29 years	332,6	328,0	327,1	331,7	336,8	346,6	364,8	383,5	
	30 - 34 years	309,3	315,9	329,5	337,7	338,4	340,1	322,6	321,5	
	35 - 39 years	364,6	349,4	333,9	319,7	306,0	297,9	303,8	318,9	
	40 - 44 years	389,9	386,3	381,3	376,0	366,5	353,0	334,9	319,0	
	45 - 49 years	354,2	368,8	377,1	380,6	380,0	370,9	357,7	355,0	
	50 - 54 years	250,0	265,0	278,3	290,7	309,7	327,7	329,1	332,9	
	55 - 59 years	160,6	162,9	175,0	184,6	193,6	194,7	212,0	216,7	
	60 - 64 years	58,8	55,9	60,4	65,9	60,9	57,3	54,3	50,3	
	65 and more years	44,6	48,8	45,0	44,9	44,6	42,3	37,7	36,6	
Selected codes ISCED										
97	level									
	Basic education	1,2	244,8	235,1	233,6	210,7	191,2	184,2	162,8	168,5
	Intermediate-technical	3B,3C	1 451,7	1 466,3	1 467,6	1 491,8	1 479,3	1 446,4	1 393,5	1 364,0
	Intermediate-technical with leaving exam	part 3A, 4	635,9	654,8	672,2	687,1	697,8	715,0	729,0	715,6
	Intermediate-general (high school)	part 3A	68,5	72,0	68,6	67,5	72,3	70,7	59,8	62,2
	Higher education	5,6	333,2	328,7	341,9	344,8	345,3	330,5	341,0	365,0
Women		2 138,1	2 167,9	2 177,7	2 169,0	2 148,3	2 108,8	2 069,7	2 055,9	
Age group:										
	15 - 19 let	126,8	121,6	92,6	75,6	60,9	50,7	41,0	29,2	
	20 - 24 let	180,8	205,0	228,3	236,7	239,7	243,4	231,5	227,3	
	25 - 29 let	199,9	193,0	198,2	192,7	193,9	204,7	215,4	232,4	
	30 - 34 let	237,9	242,8	247,2	246,5	246,5	244,6	223,7	222,7	
	35 - 39 let	324,9	311,4	296,0	277,7	261,3	247,4	252,9	263,5	
	40 - 44 let	360,5	362,2	358,1	350,8	341,5	322,8	309,5	288,6	
	45 - 49 let	351,5	356,8	362,8	368,0	362,0	344,9	338,0	334,3	
	50 - 54 let	229,3	245,5	258,5	275,7	293,5	307,4	304,8	309,3	
	55 - 59 let	63,5	68,2	73,8	84,9	92,5	92,3	98,1	100,8	
	60 - 64 let	32,2	33,9	34,4	33,1	32,8	29,8	30,8	27,8	
	65 and more years	30,8	27,4	27,9	27,2	23,9	21,0	23,9	19,9	
Selected codes ISCED										
97	level									
	Basic education	1,2	405,4	380,3	353,4	327,9	292,6	233,6	247,6	
	Intermediate-technical	3B,3C	772,3	790,2	793,3	797,2	789,8	775,3	746,7	
	Intermediate-technical with leaving exam	part 3A, 4	659,5	701,8	706,0	708,7	735,3	745,9	756,1	
	Intermediate-general (high school)	part 3A	116,5	121,4	132,5	140,2	133,3	114,5	115,7	
	Higher education	5,6	182,4	172,2	191,0	193,5	195,5	201,9	232,7	

Employment in national economy	1993	1994	1995	1996	1997	1998	1999	2000	
Celkem	4 873,5	4 926,8	4 962,6	4 972,0	4 936,5	4 865,7	4 764,1	4 731,6	
CZ-ICS	group								
Employees	1	4 238,6	4 278,0	4 274,4	4 278,1	4 249,0	4 138,4	4 024,1	3971,7
Employers	2	130,5	156,6	188,0	202,3	198,7	202,5	195,7	50,8
Self-employed	3	308,2	338,7	374,6	377,8	388,4	437,5	464,0	486,1
Members of production co-operatives	4	181,6	132,8	99,4	91,3	80,4	64,5	55,1	196,2
Assisting family members	5	14,4	20,2	25,8	22,3	19,9	22,6	25,1	26,6
KZAM	main class								
Legislators, executives, managers	1	214,0	253,6	305,8	333,1	328,0	324,9	313,0	290,7
Science and research workers	2	446,2	435,4	468,3	468,4	478,5	468,6	478,3	504,8
Technical, health and pedagogic workers (including related occupations)	3	873,4	897,4	890,1	889,9	890,8	872,6	878,4	883,0
Lower administrative workers	4	360,5	373,2	378,4	389,5	398,5	394,0	367,8	364,7
Skilled manual workers in agriculture and forestry (including related occupations)	5	517,5	550,1	556,8	566,9	582,7	597,3	576,7	567,8
Skilled manual workers in agriculture and forestry (including related occupations)	6	127,7	123,1	121,9	118,4	110,6	104,7	98,2	95,8
Craftsmen and skilled producers, processing and maintenance workers	7	1 114,8	1 094,3	1 072,4	1 050,5	1 040,2	1 025,7	994,1	965,6
Attendance of machines and equipment	8	643,0	655,1	639,9	638,4	623,8	613,3	608,8	606,6
Auxiliary and unskilled workers	9	495,8	468,4	469,0	456,4	428,2	415,2	392,1	393,3
Members of armed forces	0	71,0	63,8	54,6	57,5	52,1	48,0	55,2	56,1
Non-specified		9,7	12,4	5,5	2,9	3,0	1,3	1,5	3,3
Men	group	2 735,4	2 758,9	2 784,9	2 803,0	2 788,2	2 756,9	2 694,4	2 675,7
CZ-ICS	group								
Employees	1	2 309,4	2 311,5	2 313,6	2 319,4	2 305,8	2 246,8	2 173,0	2 143,3
Employers	2	101,6	122,5	142,6	157,0	153,5	155,5	151,2	32,4
Self-employed	3	213,5	240,0	263,1	268,5	276,3	309,8	329,1	343,2
Members of production co-operatives	4	105,5	78,0	57,7	52,7	47,2	40,0	35,6	150,8
Assisting family members	5	5,3	6,7	7,6	5,5	5,4	4,6	5,4	5,6
KZAM	main class								
Legislators, executives, managers	1	159,8	190,5	223,9	255,7	251,5	243,5	235,9	218,5
Science and research workers	2	220,0	215,8	222,8	217,6	219,8	220,0	225,0	241,1
Technical, health and pedagogic workers (including related occupations)	3	390,5	398,2	410,0	405,5	409,0	399,5	403,2	405,2
Lower administrative workers	4	71,3	69,8	69,4	76,7	78,3	80,4	74,0	75,1
Skilled manual workers in agriculture and forestry (including related occupations)	5	160,9	172,9	177,9	182,0	189,6	195,8	193,4	194,5
Skilled manual workers in agriculture and forestry (including related occupations)	6	60,9	58,5	59,4	60,0	58,1	57,6	55,0	56,5
Craftsmen and skilled producers, processing and maintenance workers	7	916,2	910,5	896,4	886,2	879,7	866,6	836,3	815,3
Attendance of machines and equipment	8	485,7	485,5	481,2	480,0	474,7	472,4	462,6	452,6
Auxiliary and unskilled workers	9	194,0	186,3	186,3	181,3	174,5	172,5	153,9	159,9
Members of armed forces	0	69,9	63,0	53,8	56,1	51,3	47,6	54,0	55,2
Non-specified		6,2	7,8	3,8	1,8	1,7	1,0	1,1	1,9
Ženy	group	2 138,1	2 167,9	2 177,7	2 169,0	2 148,3	2 108,8	2 069,7	2 055,9
CZ-ICS	group								
Employees	1	1 929,3	1 966,5	1 960,8	1 958,8	1 943,2	1 891,6	1 851,1	1 828,3
Employers	2	28,9	34,1	45,4	45,4	45,2	47,0	44,5	18,3
Self-employed	3	94,7	98,7	111,5	109,3	112,2	127,7	134,9	142,9
Members of production co-operatives	4	76,1	54,8	41,8	38,6	33,2	24,5	19,6	45,4
Assisting family members	5	9,0	13,5	18,2	16,8	14,5	18,0	19,6	20,9
KZAM	main class								
Legislators, executives, managers	1	54,2	63,1	82,0	77,4	76,6	81,4	77,1	72,3
Science and research workers	2	226,2	219,6	245,5	250,8	258,7	248,5	253,3	263,7
Technical, health and pedagogic workers (including related occupations)	3	482,8	499,2	480,1	484,4	481,8	473,1	475,2	477,7
Lower administrative workers	4	289,2	303,5	309,0	312,7	320,2	313,7	293,8	289,7
Skilled manual workers in agriculture and forestry (including related occupations)	5	356,6	377,2	378,9	385,0	393,0	401,5	383,3	373,3
Skilled manual workers in agriculture and forestry (including related occupations)	6	66,8	64,6	62,5	58,4	52,5	47,1	43,2	39,3
Craftsmen and skilled producers, processing and maintenance workers	7	198,6	183,8	175,9	164,3	160,5	159,1	157,8	150,3
Attendance of machines and equipment	8	157,3	169,6	158,7	158,5	149,1	141,0	146,1	154,1
Auxiliary and unskilled workers	9	301,8	282,0	282,7	275,1	253,8	242,8	238,3	233,4
Members of armed forces	0	1,0	0,7	0,7	1,3	0,8	.	1,2	0,9
Non-specified		3,5	4,6	1,7	1,1	1,3	.	.	1,3

Type of employment - type of employment relationship , underemployment, altered working capacity												
Employment in the national economy	1997			1998			1999			2000		
	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women
Total	4 936,5	2 788,2	2 148,3	4 865,7	2 756,9	2 108,8	4 764,1	2 694,4	2 069,7	4 731,6	2 675,7	2 055,9
Type of employment contract												
Indefinite duration or self-employed	4 553,0	2 581,8	1 971,1	4 536,6	2 579,8	1 956,8	4 401,0	2 505,4	1 895,6	4 349,3	2 471,6	1 877,7
Fixed-term (including temporary)	348,5	186,2	162,3	306,8	164,2	142,7	343,1	179,1	164,1	359,8	192,5	167,3
Contract covering only the period of studies	8,6	5,6	3,0	7,8	5,7	2,1	4,8	3,5	1,4	5,5	3,5	2,1
Contract covering only the probation period	25,8	14,1	11,7	13,2	6,6	6,6	15,0	6,4	8,5	16,4	7,8	8,6
No reply	0,0	0,0	-	-	-	-	-	-	-	-	-	-
Does not know	0,6	0,5	0,1	1,4	0,7	0,7	0,2	0,0	0,1	0,5	0,3	0,2
Reasons for fixed-term contract												
Could not find permanent job	52,3	24,6	27,7	65,0	27,8	37,2	102,7	45,8	56,9	131,0	62,7	68,3
Finds this type of work convenient	90,7	41,5	49,1	77,6	35,7	41,9	69,1	30,2	38,8	63,9	27,3	36,6
Other reasons	205,6	120,0	85,5	164,2	100,6	63,5	171,4	103,0	68,3	164,9	102,6	62,3
No reply	-	-	-	-	-	-	-	-	-	-	-	-
Does not know	-	-	-	-	-	-	-	-	-	-	-	-
Type of employment												
Full time	4 561,3	2 687,1	1 874,2	4 520,3	2 668,3	1 851,9	4 439,4	2 615,4	1 824,0	4 415,2	2 595,4	1 819,8
Part time	286,7	75,5	211,2	272,9	69,9	202,9	262,4	62,5	199,9	245,5	58,7	186,8
Not working for more than 4 weeks (sickness, etc.)	88,0	25,1	62,9	71,8	17,9	53,9	61,4	15,9	45,5	69,7	20,5	49,2
No reply	0,0	0,0	-	0,2	0,2	-	0,6	0,5	0,1	1,1	0,9	0,2
Does not know	0,6	0,5	0,1	0,6	0,6	0,1	0,3	0,1	0,2	0,1	0,1	-
Reasons for part time												
Cannot find suitable full time work	12,6	1,7	10,9	14,6	2,0	12,6	17,1	2,1	14,9	21,1	2,4	18,7
Employer's initiative	42,7	6,8	35,9	50,6	6,5	44,1	48,5	5,6	43,0	45,6	6,2	39,4
Health reasons	44,9	18,7	26,2	43,4	19,7	23,7	39,9	18,7	21,3	38,2	16,7	21,5
Childcare	52,8	0,8	52,0	48,4	0,6	47,8	47,7	0,3	47,4	38,8	0,6	38,2
School, specialised course	19,2	11,1	8,1	12,4	8,3	4,1	10,1	6,5	3,6	11,7	6,1	5,6
The second job	5,0	2,1	2,9	4,3	1,6	2,6	3,2	2,0	1,3	3,4	1,2	2,2
Part time is convenient	78,2	23,9	54,3	64,2	19,1	45,1	55,5	15,0	40,5	51,1	14,7	36,4
Other reasons	31,2	10,5	20,7	35,0	12,1	22,9	40,3	12,3	28,0	35,6	10,8	24,7
No reply	-	-	-	-	-	-	-	-	-	-	-	-
Does not know	-	-	-	-	-	-	-	-	-	-	-	-
Altered working capacity (ZPS)	133,8	77,6	56,2	122,7	71,6	51,1	103,9	59,7	44,2	90,2	52,3	37,8

ODVĚTVÍ ČINNOSTI ZAMĚSTNANÝCH V NH									
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ZAMĚSTNANÍ V NH		1993	1994	1995	1996	1997	1998	1999	2000
Total		4 873,5	4 926,8	4 962,6	4 972,0	4 936,5	4 865,7	4 764,1	4731,6
	Category								
Agriculture, hunting and related activities	A 01	321,6	284,6	264,1	250,4	229,8	217,8	200,7	190,2
Forestry, fishing, fish-farming	A 02, B	53,4	53,3	61,6	54,9	54,6	49,2	46,6	50,5
Mining of minerals	C	125,7	99,3	97,3	90,1	88,9	85,8	77,2	70,4
Processing industries	D	1 444,4	1 429,1	1 421,6	1 407,4	1 369,5	1 340,8	1 307,8	1281,5
Generation and distribution of electricity, gas and water	E	98,9	98,2	102,0	100,2	92,0	93,3	83,7	77,5
Building industries	F	423,9	451,7	455,4	467,5	480,9	472,0	443,2	439,0
Trade, repairs of motor vehicles and consumer products	G	510,3	589,1	618,6	639,6	658,7	645,5	640,6	612,9
Catering and accommodation	H	148,9	149,4	153,9	155,6	166,2	169,2	157,4	156,3
Transport, warehousing, postal and telecommunication	I	388,1	370,3	381,8	388,2	381,6	378,1	371,0	373,2
banking and insurance	J	68,1	81,3	91,5	94,8	96,6	99,7	98,8	99,6
Real estate, leasing, services to business, research and development	K	219,6	241,6	245,4	256,1	251,9	248,4	256,5	266,0
Public service, defence, social security	L	308,4	322,4	302,3	310,6	320,6	322,8	336,5	342,9
Education	M	315,0	310,6	309,2	311,8	306,4	289,0	286,7	298,9
Health, veterinary services and social protection	N	282,1	279,0	283,0	273,0	272,4	267,7	276,6	290,7
Other public, social and personal services	O	162,9	162,8	170,4	166,2	161,3	182,5	176,1	175,8
Private households with household personnel	P	1,1	.	1,3	2,0	1,2	1,3	1,8	1,7
Exterritorial organisations and associations	Q	1,1	1,4	0,8	1,6	1,8	1,5	1,5	2,0
Not classified		.	2,1	2,4	2,1	2,3	1,0	1,3	2,4
Man		2 735,4	2 758,9	2 784,9	2 803,0	2 788,2	2 756,9	2 694,4	2675,7
	Category								
Agriculture, hunting and related activities	A 01	200,5	173,9	159,3	156,3	148,0	141,7	131,5	124,1
Forestry, fishing, fish-farming	A 02, B	40,6	40,3	47,6	43,8	42,8	37,6	36,5	40,2
Mining of minerals	C	104,9	83,4	83,6	76,4	74,5	73,3	68,2	60,1
Processing industries	D	839,6	837,0	835,5	836,2	823,7	805,3	790,4	780,7
Generation and distribution of electricity, gas and water	E	71,8	70,7	76,3	73,0	68,9	72,2	65,6	60,0
Building industries	F	379,6	405,3	410,5	421,4	439,2	432,4	408,0	402,5
Trade, repairs of motor vehicles and consumer products	G	215,9	251,3	272,5	286,3	294,1	288,3	298,5	284,9
Catering and accommodation	H	62,4	64,2	66,6	67,9	74,1	71,7	67,5	66,4
Transport, warehousing, postal and telecommunication	I	252,5	245,0	256,5	261,2	256,1	263,6	254,7	255,8
banking and insurance	J	21,8	24,0	30,4	31,6	31,0	35,0	32,9	33,9
Real estate, leasing, services to business, research and development	K	117,8	133,9	137,1	144,7	134,2	137,4	142,1	146,8
Public service, defence, social security	L	205,4	205,2	186,1	190,6	198,2	193,0	197,6	206,1
Education	M	84,8	85,2	79,3	73,9	72,8	67,2	66,3	70,3
Health, veterinary services and social protection	N	59,4	59,8	57,8	54,7	52,5	51,0	51,5	58,5
Other public, social and personal services	O	77,6	77,8	83,0	82,3	76,0	85,8	81,3	83,2
Private households with household personnel	P	0,1
Exterritorial organisations and associations	Q	.	0,8	.	0,7	0,9	0,8	0,8	0,9
Not classified		.	1,2	1,8	1,5	1,3	0,7	0,9	1,3
women		2 138,1	2 167,9	2 177,7	2 169,0	2 148,3	2 108,8	2 069,7	2055,9
	Category								
Agriculture, hunting and related activities	A 01	121,1	110,7	104,9	94,1	81,7	76,1	69,3	66,2
Forestry, fishing, fish-farming	A 02, B	12,8	13,0	14,0	11,1	11,9	11,6	10,1	10,3
Mining of minerals	C	20,9	15,9	13,7	13,6	14,4	12,4	9,0	10,4
Processing industries	D	604,8	592,1	586,1	571,2	545,8	535,6	517,4	500,8
Generation and distribution of electricity, gas and water	E	27,2	27,5	25,7	27,2	23,1	21,2	18,1	17,5
Building industries	F	44,3	46,5	44,9	46,0	41,7	39,6	35,1	36,5
Trade, repairs of motor vehicles and consumer products	G	294,4	337,8	346,1	353,3	364,7	357,2	342,1	328,0
Catering and accommodation	H	86,5	85,2	87,3	87,7	92,1	97,5	89,9	89,9
Transport, warehousing, postal and telecommunication	I	135,5	125,3	125,4	127,0	125,5	114,6	116,2	117,4
banking and insurance	J	46,3	57,3	61,1	63,2	65,7	64,7	65,9	65,7
Real estate, leasing, services to business, research and development	K	101,7	107,7	108,3	111,4	117,7	111,0	114,4	119,2
Public service, defence, social security	L	103,0	117,2	116,2	120,0	122,4	129,8	138,8	136,8
Education	M	230,2	225,4	229,9	237,9	233,6	221,8	220,4	228,7
Health, veterinary services and social protection	N	222,7	219,3	225,1	218,3	219,9	216,8	225,1	232,1
Other public, social and personal services	O	85,3	85,1	87,4	83,9	85,3	96,7	94,8	92,6
Private households with household personnel	P	0,8	.	0,9	1,6	1,2	1,3	1,8	1,6
Exterritorial organisations and associations	Q	.	.	.	0,9	0,9	0,7	0,8	1,1
Not classified		.	0,9	.	.	0,9	.	.	1,1

Unemployment trends in the Czech republic

Changes made after 1990 led to an abrupt growth of unemployment in 1991 and to its decline in 1992 and 1993. Thereafter, average **unemployment rate** remained relatively stable at around 3 per cent. A more pronounced increase of unemployment was registered in mid 1997. At the end of 1999 unemployment reached already 9,4 per cent. An improvement of the labour market situation occurred during 2000. By the end of 2000 unemployment rate declined to 8,8 per cent (or 457,400 unemployed) and thus was 0,6 of one percentage point under the 1999 level.

Unemployment afflicts particularly young people, unskilled persons, women with small children and persons with disabilities. The most numerous group in the age structure of job applicants is that of 20-29 (36,2% of the total on 31/12/2000). Most numerous among the skill group affected is that of workers with apprentice diploma.

Tables: Source - Ministry of labour and social affairs

Job applicants	31.12.93	31.12.94	31.12.95	31.12.96	31.12.97	31.12.98	31.12.99	31.12.00
Job applicants – total	185216	166480	153041	186339	268902	386918	487623	457369
Age structure:								
under 19	29138	22431	20399	24139	33418	32566	23551	16167
20-24	28487	24613	22353	27721	46469	95294	120233	103808
25-29	27410	23644	19310	22243	32769	47535	63563	61788
30-34	22565	20117	18128	21453	30215	41911	54072	51991
35-39	21770	19154	16822	19060	25184	35229	47836	47435
40-44	20875	19126	18429	22035	30168	39623	50280	47285
45-49	17987	17371	17946	22835	31567	42178	56299	54783
50-54	12368	14591	14301	19273	28301	38901	53294	54286
55-59	4286	5175	5097	7186	10294	12906	17563	18510
60 and more	330	258	256	394	517	775	932	1316
Skill structure:								
Unskilled	1960	1869	1919	2043	2706	2521	3071	3195
Basic education	67552	62650	59934	68492	86977	114667	143212	141397
Apprentice diploma	74722	66049	57774	71081	105893	160449	198212	187464
Intermediate education (without A level)	3368	3065	2743	3111		4103	11482	11781
Apprentice diploma with A level	4235	3701	3410	5187	9179	17682	26848	21125
ÚSV with A level	6824	5710	5104	6454	9944	13711	16410	14310
ÚSO with A level	22336	19850	18693	25506	42405	62109	72020	62503
Higher education (BA)	181	163	186	282	620	1399	1958	2226
Higher education (MA, PhD, etc.)	4038	3423	3278	4183	7128	10277	14410	13368
Duration of employment:								
Under 3 months	85772	67275	59674	77452	99564	133892	130533	116960
3-6 months	42691	36979	32899	42821	68427	98505	103684	83339
6-9 months	17567	16505	14490	18009	30311	41049	61785	47138
9-12 months	11871	11043	9760	10495	18012	26700	46895	34369
12 months and more	27315	34678	36218	37562	52588	86772	144726	175563

ÚSV - complete intermediate general education with leaving examination

ÚSO - complete intermediate technical education with leaving examination

Women	31.12.93	31.12.94	31.12.95	31.12.96	31.12.97	31.12.98	31.12.99	30.12.00
Job aplicans - women	103592	96632	88113	87569	151772	205401	248120	229804
Age structure:								
under 19	14197	10643	10057	12044	17082	14340	10888	6756
20-24	14509	13015	11607	13843	23619	44548	51147	41960
25-29	17257	15962	12525	14223	21105	28696	35451	34103
30-34	14535	13268	11889	13711	19759	26200	32546	31422
35-39	12858	11849	10306	11350	15171	20572	27053	27196
40-44	11725	11038	10752	12683	17312	22017	26971	25548
45-49	10321	10265	10623	13467	18474	23893	30911	29627
50-54	7133	9504	9240	12068	17028	22669	30156	29795
55-59	914	931	967	1566	2031	2190	2686	2994
60 and more	143	157	147	145	191	276	311	403
Skill structre:								
Unskilled	1153	1094	1116	1121	1381	1195	1394	1440
Basic education	38339	37252	35399	39475	49435	62418	76104	73820
Apprentice diploma	37259	34086	29479	34885	51599	72593	85725	81497
Intermediate education (without A level)	2411	2462	2176	2442	3208	3607	6881	6679
Apprentice diploma with A level	2233	1997	1921	2892	5231	8477	12327	9354
ŮSV with A level	4904	4168	3528	4687	7362	9783	11402	9825
ŮSO with A level	15224	13750	12773	17459	29626	41681	46758	40335
Higher education (BA)	124	107	127	178	407	925	1157	1368
Higher education (MA, PhD, etc.)	1945	1716	1594	1961	3523	4722	6372	5486
Duration of employment:								
Under 3 months	42220	34830	29830	38377	48311	60470	56423	50426
3-6 months	26622	23233	20394	26379	41969	54395	54762	42525
6-9 months	11191	10776	9447	11428	19092	23836	32816	25315
9-12 months	7552	7078	6292	6537	11283	15871	24688	18149
12 months and more	16007	20715	22150	22379	31117	50829	79431	93389

Unemployment rate	31.12.93	31.12.94	31.12.95	31.12.96	31.12.97	31.12.98	31.12.99	30.12.00
Praha	0,3	0,3	0,3	0,4	0,9	2,3	3,5	3,4
Benešov	2,2	1,8	1,7	1,9	2,5	3,5	4,1	3,5
Beroun	2,8	2,1	1,9	2,2	3,4	4,4	5,6	5,0
Kladno	5,5	4,9	4,6	5,1	9,2	8,7	10,2	9,8
Kolín	4,7	4,1	3,8	4,4	6,1	8,5	10,9	9,8
Kutná Hora	3,5	3,2	3,0	4,0	6,6	9,3	11,3	11,3
Mělník	3,3	2,9	2,3	2,9	3,9	5,9	8,5	7,4
Mladá Boleslav	1,7	1,6	1,3	1,4	2,1	2,8	4,5	3,2
Nymburk	4,4	4,3	3,4	4,0	5,8	8,4	9,7	8,9
Praha-východ	1,0	0,7	0,6	0,5	0,7	1,6	2,5	3,0
Praha-západ	1,2	0,6	0,4	0,6	1,1	2,2	3,1	2,8
Příbram	4,5	4,1	3,8	4,3	6,1	8,6	9,0	8,3
Rakovník	3,2	2,6	2,8	3,3	5,1	7,5	8,9	8,6
Middle Bohemia region	3,4	2,9	2,6	3,0	4,6	6,1	7,5	6,8
České Budějovice	1,9	1,5	1,4	1,7	2,8	4,2	4,9	4,4
Český Krumlov	4,2	3,5	3,1	3,6	6,3	8,5	9,5	8,7
Jindřichův Hradec	3,2	1,8	1,1	1,5	2,7	4,8	5,9	4,9
Písek	3,2	2,8	2,8	3,3	5,2	7,3	7,9	7,6
Prachatice	3,5	2,5	3,1	4,0	5,5	6,9	7,7	6,0
Strakonice	3,4	3,7	2,6	3,6		6,6	7,7	6,6
Tábor	2,3	1,7	1,5	2,1	3,2	5,5	6,7	5,6
Budějovice region	2,8	2,2	2,0	2,6	3,9	5,7	6,7	5,8
Domažlice	1,7	1,3	1,1	1,2	2,7	4,6	5,8	4,2
Klatovy	4,1	2,9	2,5	2,7	3,9	5,9	6,5	6,2
Plzeň-město	3,0	2,9	2,6	3,1	4,9	6,7	8,3	7,3
Plzeň-jih	1,5	1,0	0,7	1,3	2,5	4,6	6,1	4,8
Plzeň-sever	3,3	1,8	1,6	2,0	3,7	5,6	7,0	5,7
Rokycany	4,1	3,6	2,8	3,6	5,0	6,3	9,0	7,9
Tachov	5,9	4,1	3,5	4,2	6,5	8,2	8,7	8,5
Plzeň region	3,3	2,6	2,2	2,7	4,2	6,1	7,4	6,5
Cheb	0,7	1,1	1,8	2,7	4,2	5,7	7,3	5,7
Karlovy Vary	1,1	0,9	1,4	2,0	3,9	6,4	9,1	8,2
Sokolov	2,8	3,4	3,4	3,7	6,0	8,6	10,5	9,9
Karlovy Vary region	1,5	1,7	2,1	2,8	4,6	6,9	9,0	8,0
Děčín	5,4	5,5	5,7	7,6	9,3	11,9	14,1	13,6
Chomutov	5,8	6,1	6,4	7,7	12,1	14,8	17,9	16,9
Litoměřice	4,0	3,8	4,5	5,4	8,9	11,8	13,4	13,6
Louny	7,9	6,9	7,1	8,2	11,3	15,5	17,5	17,1
Most	3,8	5,4	7,3	9,4	12,4	15,6	20,0	21,5
Teplice	5,1	6,1	6,5	7,1	10,0	13,2	15,7	17,0
Ústí nad Labem	3,1	3,1	3,3	4,5	6,8	10,5	13,7	14,1
Ústí n.L. region	4,8	5,2	5,8	7,6	10,0	13,2	15,9	16,1
Česká Lípa	3,4	3,1	2,8	3,2	5,1	7,1	8,2	6,7
Jablonec nad Nisou	1,3	0,9	1,0	1,2	3,2	5,1	5,9	4,9
Liberec	3,1	3,0	3,3	4,3	6,8	8,4	8,6	7,3
Semily	1,6	1,7	1,9	2,3	4,2	6,0	7,5	6,1
Liberecký kraj	2,5	2,4	2,5	3,1	5,2	7,0	7,8	6,4
Hradec Králové	2,1	1,9	1,7	2,5	4,1	6,4	8,6	6,5
Jičín	2,8	2,7	2,3	2,9	4,8	6,7	7,7	5,8
Náchod	2,7	2,2	1,8	2,3	3,3	5,2	6,5	5,3
Rychnov nad Kněžnou	2,2	2,1	1,8	2,4	4,1	6,2	6,8	5,0
Trutnov	3,0	2,6	2,5	3,0	4,1	5,8	7,5	6,1
Králové Hradec region	2,5	2,2	2,0	2,7	4,0	6,1	7,5	5,9
Chrudim	3,8	3,2	2,8	3,8	5,3	7,4	10,6	9,4
Pardubice	2,0	1,6	1,5	1,8	2,9	4,9	6,6	5,5
Svitavy	5,5	4,3	4,8	5,4	7,2	8,9	11,6	10,8
Ústí nad Orlicí	3,4	2,9	2,5	3,5	4,6	6,4	8,9	7,3
Pardubice region	3,4	2,8	2,7	3,5	4,7	6,6	9,0	7,9
Havlíčkův Brod	3,3	2,6	2,4	2,9	4,6	6,1	7,9	6,2
Jihlava	4,9	4,4	3,4	4,0	6,0	7,3	8,6	6,3
Pelhřimov	3,1	2,5	2,4	2,6	3,5	4,3	4,9	4,0
Třebíč	6,5	5,3	4,8	5,7	7,7	10,7	13,4	11,8
Žďár nad Sázavou	5,2	3,9	3,5	4,1	5,6	7,8	9,3	7,5
Jihlava region	4,8	3,9	3,4	4,2	5,7	7,5	9,2	7,5
Blansko	3,8	2,9	2,5	3,6	5,4	7,4	9,1	7,0
Brno-město	1,5	1,6	1,6	2,0	3,4	6,0	8,1	7,9
Brno-venkov	3,3	2,0	1,9	2,4	3,5	5,6	7,2	6,7
Břeclav	6,5	5,0	4,7	5,0	7,4	9,6	10,7	10,1
Hodonín	5,2	4,7	3,7	4,5	7,1	11,0	13,5	14,1
Vyškov	6,0	4,0	3,8	4,5	6,5	8,7	10,8	9,4
Znojmo	8,5	6,3	5,7	5,7	9,4	11,9	13,9	13,0

Brno region	3,8	3,2	2,9	3,5	5,4	7,9	9,9	9,3
Jeseník				7,0	9,3	10,3	13,0	13,2
Olomouc	3,8	3,8	3,8	4,8	7,1	9,9	12,1	11,4
Prostějov	4,7	4,1	3,5	4,5	6,8	9,2	10,7	10,4
Přerov	6,1	6,1	5,4	5,7	9,0	12,5	14,5	14,2
Šumperk	7,0	5,3	4,7	5,9	7,0	9,4	12,1	11,3
Olomouc region	5,3	4,7	4,3	5,6	7,6	10,2	12,4	11,9
Kroměříž	4,3	4,3	3,2	3,5	5,7	8,6	10,7	9,8
Uherské Hradiště	2,1	1,6	1,3	1,9	3,2	5,1	6,9	7,2
Vsetín	7,1	5,0	4,0	5,6	6,9	9,3	10,5	9,5
Zlín	2,0	1,9	1,6	2,3	3,5	5,6	7,6	6,9
Zlín region	3,6	3,0	2,4	3,3	4,7	7,0	8,7	8,1
Bruntál	8,7	6,9	5,8	6,5	8,7	11,4	15,6	17,2
Frydek-Místek	5,7	5,5	4,1	4,7	7,2	11,4	14,8	14,1
Karviná	7,4	6,7	6,6	7,7	10,4	13,8	18,2	18,0
Nový Jičín	7,8	7,5	5,9	5,6	6,9	9,5	12,2	12,4
Opava	6,0	4,1	3,3	3,7	5,8	8,8	10,8	10,7
Ostrava-město	5,1	5,6	4,8	5,4	7,5	12,0	15,9	16,6
Ostravský region	6,4	6,0	5,1	6,0	7,8	11,4	14,9	15,1
CR total	3,5	3,2	2,9	3,5	5,2	7,5	9,4	8,8

Question C

Please indicate the trend in the number and nature of vacant jobs in your country.

The trend in the number of vacancies is characterised by a decline that started in 1996 and continued until mid 1999. Then followed a period of moderate growth of vacancies. The reasons for this favourable change are, in particular, moderate economic recovery, active labour market policies implemented by the administration of employment services of MOLSA and labour offices, and operation of the system of incentives provided to companies investing in regions with high unemployment.

Table:

Structure of vacant jobs	31.12.93	31.12.94	31.12.95	31.12.96	31.12.97	31.12.98	31.12.99	31.12.00
Vacancies total	53938	76581	88047	83976	62284	37641	35117	52060
of which:								
Categories (KZAM) total	33993	76581	88047	83976	62284	37641	35117	52060
Grade 1	413	571	576	606	350	326	427	561
Grade 2	2204	4669	4450	3747	2121	1787	2154	3075
Grade 3	3934	8508	8705	6877	5075	3915	3687	5455
Grade 4	1001	1512	1603	1218	617	455	680	1369
Grade 5	3710	7898	8390	8631	5923	3769	3968	6215
Grade 6	908	1680	2268	2070	1283	817	793	1038
Grade 7	15506	35207	41001	38780	30789	17258	14440	21081
Grade 8	3353	9051	10893	10850	8488	5535	6156	
Grade 9	2939	7377	10114	11098	7566	3735	2799	4350
Grade 0	25	108	47	99	72	44	13	25
Skill structure	54967	77851	89481	85594	63825	37641	35117	52060
Absence of any education	535	613	984	1322	522	305	405	595
Basic education	8267	13666	18422	19459	14097	9556	8750	12555
Apprentice training	33127	46192	53183	50482	39442	20429	18142	27981
Intermediate education (without A level)	854	945	1072	893	462	308	920	908
Apprentice training with A level	1598	1884	2082	1672	1367	694	953	1155
ÚSV with A level	787	903	775	511		229	291	454
ÚSO with A level	5857	8656	8409	7677	5120	4125	3529	5366
Higher education (BA)	81	62	102	34	30	36	145	136
Higher education (MA, PhD, etc.)	3845	4822	4445	3536	2355	1959	1958	2873
Higher education (scientific level)	16	108	7	8	2	0	10	21

Article 1, paragraph 2

“With a view to ensuring the effective exercise of the right to work, the Contracting Parties undertake:

to protect effectively the right of the worker to earn his living in an occupation freely entered upon.”

Prohibition of discrimination in employment and occupation

Question A

Please give information concerning legislative or other measures taken to ensure the elimination of all discrimination in employment which might be based on sex, social or national origin, political opinion, religion, race, colour or age and to promote effectively equal opportunities in seeking employment and in taking up occupation

In accordance with its international obligations (a/o. *ILO Convention 111 on discrimination /employment and occupation/*) and the preparations for the forthcoming EU membership the Czech republic made in years 1999-2000 a number of decisive steps with a view to eliminating all possible forms of discrimination. The measures taken are of both legislative and practical nature.

Measures of non-legislative nature

In proclaiming its programme of 1998 the CR government declared its undertaking to make all possible efforts to abolish all forms of discrimination, one of the aims being to provide women with equal opportunities in the labour market, in family and in public life, both in law and real life.

The issue of equal opportunities of all persons is integral part of pillar four of the *National employment plan* of 1999. This document stated the following four objectives:

1. To strengthen legal and institutional tools and machinery with a view to fighting acts of discrimination in the labour market.
2. To create real opportunities for full use of extraordinary temporary measures designed to assist groups of citizens experiencing marked difficulties in access to employment.
3. To monitor the progress achieved in enforcing the right to employment in respect groups of citizens facing discrimination.
4. To contribute towards elimination of unfounded differences in wages of men and women.

Special attention has been paid to equality of men and women. An action plan was developed on this subject called *Government priorities and procedures for enforcing equality of men and women*, which was approved by the government in April 1998. The plan identified seven most important areas where difficulties in enforcing equality between men and women continue to exist. Specific time limited tasks were imposed in this connection on members of the government and heads of state administration bodies. This national action plan is not a document one-and-for-all. A yearly assessment of progress achieved is made and changes are introduced to respond to existing and emerging needs in the society. A third assessment was made in April 2001.

Among the aims and measures that are relevant for elimination of discrimination in employment adopted on the basis of this document the following can be singled out:

1. To continuously **review valid laws and regulations in order to achieve full conformity**

with the principle of equal status of women and men in the society and compliance with requirements of the EU legislation; taking account of the results of such review, to abolish, amend or supplement laws and regulations that violate this principle; when preparing new laws and regulations to make consistent efforts to enforce the equal opportunity principle (Responsibility: all members of the government).

2. To adapt **the method of job evaluation** with a view to achieving its effective contribution towards elimination of discrimination in remuneration of work and to provide a basis for the judiciary and inspection bodies in their efforts to punish discrimination in employment (Responsibility: minister of labour and social affairs).
3. To direct **enforcement of labour legislation** at achieving conformity with provisions concerning prohibition of discrimination based on sex, including the observance of the principle of equal pay for equal work and work of equal value, and observance of provisions concerning special protection of women at work (Responsibility: minister of labour and social affairs).

Legislation on prohibition of discrimination

A number of positive amendments were adopted in laws and regulations, which are aimed at protection against discrimination in employment relations. To this effect amendments of certain acts of major importance were made.

An **amendment of the employment act** (No. 1/1991 Coll. as amended by act No. 167/1999 Coll.) took effect on 1 October 1999. Paragraphs 1 and 2 were added in Article 1. The new paragraphs provided for an explicit all-round prohibition of discrimination in access to employment. Grounds are stated for which individuals must not be denied the right to employment (discrimination based on race, colour, sex, sexual orientation, language, religious belief and religion, political and other opinion, membership or activity in political parties and political movements, trade union organisations and similar associations, nationality, ethnic and social origin, material possession, family descent, health status, age, marital or family status or family responsibilities). At the same time, situations are enumerated where discrimination on these grounds can be regarded as well founded. This is, for example the case where a law so provides or where a material reason exists that is related to prerequisites and requirements for the performance of the job by the citizen concerned and where such prerequisite and requirement is well-founded and indispensable for the performance of the job.

Thus as regards access to employment employers are required to refrain from all action related to recruitment of employees, which would amount to violation of the equal opportunity principle and prohibition of discrimination. In addition to the general non-discrimination principle the employment act expressly prohibits any presentation of vacant jobs, which would be at variance with the equal opportunity principle, for example discriminatory advertising.

Similar provisions can be found in the extensive amendment (No. 155/2000 Coll.) of the **Labour code** (No. 65/1965 Coll.) intended to achieve conformity with EU law. New paragraphs 3 and 4 were added to Article 1. Paragraph 3 provides the employer's obligation to ensure equal treatment of all employees in matters relating to conditions of work, including remuneration of work and provision of other material consideration or consideration in kind of cash value, and equal treatment in training and opportunity for promotion or other progress in employment. Paragraph 4 prohibits any discrimination against employees in employment relations. Prohibited is also such employer action, which does not amount to direct discrimination but implies discrimination as a result (indirect discrimination). At the same time rules are stated for cases where discrimination on specific grounds is well founded.

The amendment defined in detail the principle of equal treatment of men and women

(equal treatment in pay, prohibition of harassment, provision of parental leave, entitlement to remedy for damage caused by discriminatory action, etc.).

The amendments of **acts on pay** also include definitions of the principle of equal pay for equal work or work of equal value and the principle of equal pay for men and women.

The amendment of the *Act No. 99/1963 Coll. (Code of civil procedure)* includes a new principle in Article 133a, which come into effect 1st January 2001. The burden of proof in all cases of alleged discrimination based on sex was transferred on the employer. In accordance with the new provision all allegation of the participant to dispute to the effect that he or she was subjected to discrimination in employment based on sex are taken for granted, unless the court during its proceedings does not find proof of the contrary.

Sanctions and remedies

A citizen can enforce his right to employment free of any unlawful discrimination by taking his case to a court or a labour office.

The **courts** review the cases of alleged discrimination in civil proceedings and, as the case may be, in penal proceedings. At the same time, they ensure enforceability of their judgements.

More specifically, the new text of Article 7, paragraphs 4-6 of the Labour code make it possible for the employee concerned to demand that the employer refrains from his discriminatory action, removes its consequences and provides adequate compensation. In cases where the termination of the wrongdoing would not be sufficient, and where the employee's dignity was seriously violated, the employee has the right to compensation of immaterial damages in cash. The amount of this compensation is determined by the court of law.

Labour offices conduct regular checks of observance of labour legislation and are authorised to take action against an employer, who was found to have discriminated against an individual in **access to employment**. This is the same procedure as in any other cases, where the labour office has the authority to order removal of the shortcomings found and impose a penalty in cases where the employer can be blamed for violation of his obligations. Such penalties can be imposed repeatedly (Articles 8 - 10 of Act No. 9/1992 Coll., as amended).

Labour offices can impose penalties for violation of obligations for which the employer is responsible and which the labour office is authorised to control, up to the amount of CZK 250,000. In cases of repeated violations, where a penalty was already imposed, the maximum amount is CZK 1 million. The penalty can be imposed within the period of one year starting from the day on which the labour office learned about the violation of the employer obligations, however not later than three years from the day on which the violation took place. When imposing the penalty the labour office takes into account the seriousness of the violation, the degree of the employer's responsibility and circumstances in which the violation of obligations occurred.

The total amount of penalties imposed by labour offices for the violation of the prohibition of discrimination was CZK 42,000 in 2000. The wrongdoings found consisted of discriminatory offers of jobs and discriminatory action by employers when recruiting new employees.

Within their inspection activities labour offices check to what extent employers meet their obligation to ensure **equal treatment** to all employees in respect of their working conditions. This includes remuneration of work and provision of other material consideration or consideration in kind of cash value, and equal treatment in training and opportunity for promotion or other progress in employment. In cases of violation of such obligation adequate

conclusion is drawn (penalties and remedial measures are imposed).

In addition to State authorities, trade union bodies also make similar checks.

Question B

Please indicate any methods adopted:

- a. *to seek the co-operation of employers' and workers' organisations and other appropriate bodies in promoting the acceptance and observance of the above policy of non-discrimination;*
- b. *to ensure the acceptance and observance of the above policy through educational efforts.*

Point A

In the fourth pillar of the **National employment plan** the government formulated the objective to strengthen inspection and judicial mechanisms prosecuting discriminatory action, to involve social partners in these proceedings and to promote improvement of general awareness of the human rights legislation, in particular among employers.

The co-ordinating body in this area is the ministry of labour and social affairs, which maintains communication and co-operation with other ministries, central bodies of the State administration and regional employment services (labour offices). The ministry has established co-operation with other interested organisations operating in this area, in particular with social partners.

In the areas of communication and co-operation the **Government's priorities and procedures for enforcing equality of men and women** include two main objectives:

- 1) To promote the principle of equal status of men and women, particularly in respect to pay and working conditions, in all discussion and action of the Council of economic and social agreement (Responsibility: the government representatives in the Council of economic and social agreement CR).
- 2) To ensure that individual ministries and administrative authorities, within their mandate, establish co-operation with non-governmental organisations dealing with issues of equal opportunities of men and women and actively seek and extend such co-operation. Integral part of such co-operation consists of, in particular, soliciting observations to be made by these organisations on the bills and other draft legislation, or on other prepared major decisions (Responsibility: all members of the government).

With a view to promoting a closer co-operation in this area a special equal opportunity unit was established at the government council CR. The ministry of labour and social affairs hosts an inter-ministerial co-ordination committee consisting of representatives appointed by the ministers concerned. At the same time, full co-operation with non-governmental women's organisations is maintained. There are 25-30 organisations of women in the CR. Most of them develop activities of charity nature, only few of them pursue the objective to improve the status of women and, respectively, to implement equal opportunity policies for men and women.

In respect of national/ethnic minorities most extensive attention is paid to the Roma problems. An **inter-ministerial committee on Roma community issues** was established already in 1997. This is an advisory and co-ordination body of the government, which can initiate discussion or action on any problem that is related to the status of the Roma community in the Czech republic.

In particular, the committee

- a) Develops and discusses concepts and implementation proposals to be submitted to the government's consideration and makes observations on proposals made by various state bodies that might have impact on the status of the Roma community;

- b) Evaluates the implementation of resolutions adopted by the government and of measures taken by various ministries which are related to the status of the Roma community;
- c) Co-operates with the state authorities concerned in the development of policy proposals which are related to the Roma population;
- d) Makes proposals on the distribution of financial resources earmarked for supplementary programmes to promote the development of the Roma community; members of the committee participate directly in these programmes and/or assess their suitability and impact;
- e) Collects data on the status and development of the Roma community and prepares, at least once a year, a summary information on the status of the Roma community;
- f) Promotes general awareness and information on the Roma community and on programmes in support of the Roma community;
- g) Co-operates with the various state bodies in methodical guidance of Roma advisors and Roma assistants at district offices;
- h) Co-operates with other state authorities in issues of methodical guidance of Roma advisors and assistants who act at the level of districts;
- i) Co-operates with Roma organisations and organisations promoting the development of the Roma community and takes up their ideas and suggestions.

Within its mandate, the committee submits its ideas and suggestions to the government. Similar ideas and suggestions are also submitted to other bodies of the state administration if they directly concern the terms of reference of these bodies.

In order to deal with the perceived discrimination of members of the Roma community in employment the government and the ministry of labour and social affairs have launched a number of activities aimed at increasing employment among the Roma population. Among the recent activities the following are worth to be mentioned:

- *Government resolution* of 7 April 1999 no. 279 on the programme of government policies towards the members of the Roma community to promote their social integration;
- *Government resolution* of 14 June 2000 no. 599 on the programme of government policies towards the members of the Roma community to promote their social integration;
- *Government resolution* of 11 October 2000 no. 994 on proposed government measures with a view to organise an all-round debate, as well as a specific parliamentary debate on ways and means of improving the relations between majority population and the Roma minority.

These resolutions have imposed specific tasks concerning relevant issues on individual bodies of the state administration. At present, work is in progress in the sectors of education, labour and social affairs (the area of social security), internal affairs, culture, defence, justice (including administration of prisons), health and transport, on extending the present anti-discrimination legislation to cope with various issues that are not yet fully covered.

Point B - Public relations and educational activities

These activities are conducted at all levels of the state administration. Especially the ministry of labour and social affairs is very active in the promotion of equal opportunities. It publishes information on the subject (for example EU directives, judgements of the European court of justice, etc.), prepares special internet pages on equal opportunities of men and women, organises workshops and seminars on equal opportunity issues in co-operation with international partners, co-operates with media (newspapers, magazines, professional publications).

Relatively extended information and educational activities are organised also at regional level, in particular by labour offices.

They consist of:

- Public relations in general;
- Contacts with individuals (job applicants);
- Contacts with employers;
- Contacts with other bodies of the state administration and with non-governmental organisations.

Labour offices constantly remind the editors of regional periodicals of the need to observe the neutrality of advertisement of vacancies in respect of sex of potential applicants. This problem is often dealt with in regular meetings with editors. Public relations are promoted by means of notice boards in the premises of the labour offices and other places of district towns to which citizens have ready access. Articles are published in regional media on the interpretation of the non-discrimination principle. Ministry officials and labour office employees often participate in radio and television debates on the subject. Employer representatives are regularly briefed during the meetings of advisory boards, which were established at all labour offices. Observance of the principle of non-discrimination in employment and occupation is consistently emphasised in personal and telephone contacts with employers.

Representatives of labour offices participate in meetings organised by district women councils that deal with popular education on non-discrimination issues. Information on these meetings subsequently appears in regional newspapers. The need to observe the non-discrimination principle is emphasised also in regional radio broadcasting whenever labour offices are given an opportunity.

Information on the principle of non-discrimination in access to employment is provided individually to all job applicant and all individuals seeking information on vacant jobs, as well as in the announcement of vacancies on the notice boards of the labour offices and other readily accessible places of district towns.

Certain labour offices publish their own bulletin, where the non-discrimination principle in access to employment is systematically emphasised. The bulletins are distributed among businesses and other interested bodies and organisations, including community boards.

Heads of labour offices pay attention to this problem in their lecturing activities, especially at events organised by economic and agricultural chambers and by district offices. The subject of discrimination in employment and occupation and that of preventive measures to cope with such discrimination are also dealt with at the occasion of consultation days organised for employers.

Labour offices draw attention of all their counterparts in connection with the implementation of their tasks, i.e. when collecting and distributing information on vacant jobs, or implementing placement and inspection activities. Labour offices see to it that the principle is observed when introducing information on vacancies in the database of the labour office. Only such announcements of vacant jobs are accepted and published, which meet the spirit of the non-discrimination principle.

In the labour offices premises notices and appeals are put up to citizens to report cases of discrimination they might face. These appeals include full information on the office employees who may be approached in such cases. The non-discrimination principle is also promoted at the level of primary and secondary schools by targeted activities of information and advisory centres.

Education in schools and educational establishments

A number of specific steps have been taken by the **Ministry of education youth and sports** to promote the principles of non-discrimination and equal opportunities of men and women in schools and educational establishments. The ministry already issued several methodical instructions. More concretely, this was *Methodical instruction on education against racism, xenophobia and intolerance* of 1999; *Methodical instruction on prevention of socio-pathologic phenomena experienced by children and youth* of 2000. These instructions

are annexed to organisational orders of the institutions concerned. The contents of basic education and objectives sought to be achieved are defined by *basic education standards*, the observance of which is obligatory for all schools providing basic education. In accordance with these standards pupils are led to display attitudes of tolerance and understanding of principles governing a democratic society and those concerning human rights. They are taught to get an understanding for the way of life of members of other cultures and religions and to respect values, beliefs, traditions and habits of various groups in the Czech society.

The ministry of education, youth and sports makes preparations to include the principle of equal opportunities of men and women into its intention report concerning the “school act” and in the national programme on educational development, the so called “White book”. These documents are under preparation. These problems are also included in study programs at universities, mainly at faculties of pedagogy and philosophy at public universities.

Question C

Please indicate the guarantees, including applicable sanctions and remedies, which prevent any discrimination in regard to members of workers’ organisations at the time of engagement, promotion or dismissal.

Members of workers’ organisations are covered by all provisions referred to above and by the mechanisms of labour legislation dealing with discrimination in general and with issues of equal opportunities and treatment concerning working conditions, in particular. Both the Employment act and the Labour code include in the list of prohibited discrimination grounds that of membership in trade unions and other associations and trade union activity.

Moreover, the Labour code states in Article 25c, par. 1: “*Members of the respective trade union organ, members of the employees’ council and health and safety representatives shall not be discriminated against or otherwise put at a disadvantaged in their entitlements for the sole reason of performance of their duties*”.

Termination of employment on the initiative of their employer is possible only for reasons expressly stated in the Labour code and members of trade union organs enjoy, in addition, a special protection. If the employer intends to serve a notice of dismissal to or immediately terminate employment relationship with a member of a trade union organ during the period of his office, or during one subsequent year after termination of office, he must obtain a preliminary agreement from the respective trade union body. If the competent trade union body does not deny its endorsement of the dismissal within 15 days after having received the employer’s request, such inaction by the trade union body is considered to mean preliminary agreement. Otherwise, without the trade union body’s agreement, the dismissal or immediate termination of employment relationship is null and void. Following the trade union body’s endorsement the dismissal must take place within two months. If the competent trade union body refuses to give its consent under paragraph 2, the notice of termination or immediate termination of employment relationship is thereby invalid; if, however, the other conditions for giving notice of termination or immediate termination are met, and court in a dispute under Article 64 (legal action on the invalidity of severance of an employment relationship by notice) concludes that the employer may not justly be expected to employ such employee further, the notice of termination or immediate termination of the employment relationship shall be valid.

At intervals agreed with the appropriate trade union body, the employer shall notify such body of other cases where the employment relationship has been severed.

Prohibition of forced labour

Question D

Please indicate whether any form of forced or compulsory labour is authorised or tolerated.

The prohibition of forced labour is enshrined in the national legislation, in particular in the *Charter of fundamental rights and freedoms* (article 9) and in the *act No. 140/1961 Coll. Criminal code*, as amended, in Article 231 and following on restriction of personal freedom. In addition, the Czech republic is bound by ratified international treaties and conventions (for example by *Convention for the Protection of Human Rights and Fundamental Freedoms*, *ILO Convention 29 on forced labour*, and *ILO Convention 105 on abolition of forced labour*).

There are no provisions in the CR legislation from which it could be inferred that any form of forced or compulsory labour is allowed or tolerated.

Employment relationship is based on an agreement between the two parties, employer and employee. In accordance with Article 244, paragraph 1 of the Labour code a contract (concerning employment relationship) is considered to be concluded as soon as the parties reach agreement on its terms. Employment contract is a bilateral legal act to which agreement of the two parties is required.

An employer may send his employee on a business trip only with the employee's consent and only in cases where this is foreseen in the employment contract. A business trip means to assign an employee to travel to a place, other than his agreed place of work, and perform specific work for a limited period of time at that place. The terms of business trip are governed by Article 38, paragraphs 1 and 2 of the Labour code.

An employee may be transferred to work in a place, other than that agreed in the employment contract, only with his consent. Also, an employer can assign his employee (with his consent) to perform work with another legal or juridical person for a specific period of time. Such assignment must be based on a written agreement, which must include terms expressly stated in Article 38, paragraph 4 of the Labour code, second sentence. More detailed conditions concerning temporary assignment can be found in Article 2 of the government decree No. 108/1994 Coll., as amended. Transfer and temporary assignment is regulated by Article 38, paragraphs 3 and 4 of the Labour code.

The following is not considered to be forced or compulsory labour: compulsory military service, performance of duties of persons within their active military service, service duties exacted from individuals for the purpose of ensuring the defence of the State, as well as work exacted from members of the army of the Czech republic serving the aims of a rescue operation in situations of natural disasters and in similar emergency situations.

A misuse of rank and file to the so-called other than service duties (which carries features of forced or compulsory labour) is prohibited and prosecuted. These duties are defined as duties, which do not fall into range of duties set in the second part of the third chapter of the Act. No. 219/1999 Coll. on army forces of the Czech Republic. This illegal conduct is detected also by Inspection bodies of armed forces.

Also, and in accordance with ILO Forced Labour Convention No. 29, the term of forced or compulsory labour does not apply to penalties imposed by a court of law on the basis of Articles 45 and 45a of the Criminal code (performance of certain civic obligations), as well as to prison labour, which is described in detail in reply to question G. Such work is exacted as a result of a judicial decision.

The penalty of civic obligations requires the person concerned to perform work of specific nature usually consisting of maintenance or cleaning of streets, public buildings and similar work to the benefit of the community or institutions of general interest dealing with education, health, fire protection, environment, protection of young people, animal protection, humanitarian and social activities, etc. Such work must not serve a gainful purpose. The court can order civic obligations in the extent of 50 to 400 hours. When imposing this type of

penalty the court takes account of the offender's attitude towards the penalty and his health condition. The penalty of civic obligations cannot be passed if the offender is not fit to a systematic performance of work for health reasons.

Question E

If so, please describe the nature and scope of any such labour and indicate the extent to which recourse has been had thereto during the reference period.

Question F

Please indicate what measures are being taken to secure the complete abolition of forced or compulsory labour and the date by which these measures will be fully implemented.

Replies to questions E and F were given under question D.

Question G

Please give information concerning the conditions under which work is carried out in prison establishments.

Employment of imprisoned persons in detention establishments and prison establishments of the Prison service of the Czech republic is subject to two different sets of regulations:

- 1) Concerning incriminated persons under detention,
- 2) Concerning sentenced persons serving a sentence of imprisonment.

1) Employment of persons in detention establishments:

Basic legislation covering employment of persons in detention establishments:

- *Act No. 293/1993 Coll. on the performance of detention, as amended*
- *Notification of the ministry of justice No. 109/1994 Coll. to publish the order on the performance of detention, as amended.*

A detainee may apply for work within facilities which are available to the detention establishment (there is no obligation) for the period of his detention. During such employment it is necessary to observe the provisions of Article 7, paragraph 1 of Act No. 293/1993 Coll. and have regard to safety & health and other requirements.

Employment of detained persons, their work duties, remuneration, health insurance and social security is subject to the same legislation as employment of other persons.

Prison and detention establishments create conditions for employment of incriminated persons

- within their own entrepreneurial activities,
- on the basis of contracts concluded with employers and organisations.

The persons concerned are entitled to wages, which are equal to wages of other employees. Detained persons are employed on the basis:

- of a fixed-term employment contract, or
- an agreement on work performed outside employment relationship (also on a fixed-term basis).

Detained persons may be employed if the nature and type of available work is consistent with their health condition, capacity for work and skills. Taken account of is also their personal status, social situation of their family and possible court decision on alimony payment concerning dependent children.

The agreed employment contract becomes null and void when the detainee is transferred to another establishment, when he is released from detention, or on the day of starting the performance of penalty of imprisonment. The above applies where the said situations arise before the elapse of the agreed period of time.

2) Employment of persons in prison establishments:

Employment of persons in prison establishments is regulated by:

- *Act No. 169/1999 Coll. on the performance of penalty of imprisonment, as amended,*
- *Notification of the ministry of justice No. 345/1999 Coll. to publish the order on performance of a sentence of imprisonment, as amended.*

A person under a sentence of imprisonment is **under obligation** to work if a suitable work is assigned to him and if he is not temporarily incapacitated for work or if he is not recognised as incapacitated for work for health reasons for the whole term of imprisonment. During their employment the prisoners are required to observe measures and instructions concerning occupational health and safety and fire prevention. The imprisoned person is assigned to work by a decision made by the prison's director, as a rule after consultation of the prison personnel.

Prison establishments create conditions for employment of prisoners within:

- their own operation (internal regime),
- their own production,
- their entrepreneurial activities (centres of economic activity),
- contracts with employers and organisations.

When assigning prisoners to work the prison establishment is required to ensure the following:

- in assigning work regard must be had to the prisoner's health condition and account should be taken of his professional knowledge and skills,
- prisoners must be duly remunerated for the work performed,
- conditions should be created to enable the prisoners to acquire new skills or improve their existing skills.

Before assignment to work the prisoner must be briefed about his rights and obligations and about rules applicable to occupational health and safety and fire prevention, as well as other duties he is required to observe. Before starting work prisoners must be adequately trained.

The contract between the prison establishment and another organisation, on the basis of which prisoners are assigned to work, contains detailed conditions under which prisoners will perform their work tasks, and, when required, description of the training for the performance of assigned work and measures designed to improve their skills. In respect of observance the occupational health and safety rules and rules regarding fire prevention the organisation concerned is under the same obligations as in relation of its own employees. **A prisoner must agree in writing with assignment to work with an organisation other than a state institution.** A possible withdrawal of a previous agreement cannot be considered to mean a refusal to work. The organisation, which employs prisoners in the prison establishment or in its own premises, must undertake to perform technical supervision and not to tolerate contact of prisoners with third persons. The contract contains also conditions of remuneration for the prisoners' work and deadlines for payment of the agreed amounts.

Working conditions, working time and conditions for imposing overtime work are regulated by general labour legislation, which is applicable to all employees in employment relationship (*act No. 65/1965 Coll., the Labour code*). The prisoners are entitled to pay in accordance with the work performed, as provided in the *government decree No. 365/1999 Coll. on the amount and conditions of remuneration of imprisoned persons assigned to employment while serving a sentence of imprisonment*. **Remuneration for work** in such cases is income from dependent activity and as such is subject to tax, and social and health insurance contributions. Deductions from prisoners' pay are regulated by the *notification of the ministry of justice No. 10/2000 Coll. on deductions on pay of employed persons serving a sentence of imprisonment and on deductions on pay based on court decisions concerning such persons and inmates of special educational establishments, and on compensation of other costs*.

Prisoners assigned to daily forms of studies are treated as prisoners assigned to work.

Prisoners are held responsible for damage incurred to the prison service or to an organisation, to which they were assigned with a view of performing work, if the damage was caused by intentional violation of obligations related to the fulfilment of work duties, and in direct connection therewith, and subject to conditions provided by laws and regulations applicable to employees in employment relationship.

Health care - Persons performing an order of detention or a sentence of imprisonment are provided with health care services in the same way as other citizens. General laws and regulations regulate their health care. In all prison establishments there is a health centre providing general practitioner and dental services, as well as specialised services for the delivery of which a specialist from a civil health centre is called, as a rule. Hospital in-patient care is provided either by hospitals operated by the Prison service or, when required, by other hospitals.

Workplaces for prisoners are classified according to type of prison and taking account of security requirements and personal characteristics of prisoners, as follows:

- Workplaces with free movement outside the prison establishment (controlled by personnel of the prison establishment once a week);
- Workplaces with free movement within the prison establishment (as a rule, this is paid work mostly connected with maintenance of the prison establishment);
- Workplaces outside the prison establishment not permanently guarded by the prison personnel (the persons concerned work under indirect control of a member of prison personnel);
- Guarded workplaces within or outside the prison establishment (the persons concerned work under constant supervision of a member of prison personnel).

Most prisoners work on not guarded workplaces or workplaces with free movement.

Article 1, paragraph 3

***“With a view to ensuring the effective exercise of the right to work, the Contracting Parties undertake:
to establish or maintain free employment services for all workers;”***

Question A

Please describe the operation of free employment services available in your country, indicating the age, sex and nature of occupation of persons placed by them in employment and persons seeking employment

Please indicate as far as possible the number of vacancies, the placement rate and the duration of unemployment of persons placed.

Bodies of the State administration operate state employment policy in the Czech republic. These bodies have a two-level organisation, i.e. the ministry of labour and social affairs and labour offices*. The implementation of the duties of the State administration in the sector of employment was entrusted to a specific department of the ministry - the administration of employment services headed by a director. The administration of employment services is composed of 5 sections, which are responsible for different tasks. The terms of reference of the administration of employment services are derived from the provisions of Act No. 9/1991 Coll. ***on employment and on activities of the authorities of the CR in the sector of employment, as amended.***

The administration of employment services monitors and evaluates the situation in the labour market and takes measures with a view to balancing supply and demand. It develops documents proposing future state employment policies, including proposals how to cope with major labour market problems. It administers resources designed to the implementation of state employment policies and makes decision on their allocation. Furthermore, it controls and supervises the work of individual labour offices in all sectors of their operation and co-ordinates their activities by issuing methodical guidance in order to ensure a uniform approach in all areas. At the same time it ensures that all applicable rules and regulations are observed in day-to-day implementation of employment policies.

Labour offices are territorial bodies of the state administration in the sector of employment. Their seat a territorial field of competence is the same as is that of district offices. The minister of labour and social affairs appoints the directors of labour offices. Labour offices monitor and evaluate the situation in the labour market, propose measures for employment development in their respective territories, take measures that are conducive to balancing supply and demand in the labour market. Labour offices provide citizens with free services concerning various aspects of employment (Articles 11, 12 and 13 of act No. 9/1991, as amended).

In particular, labour offices perform the following activities:

- **Inform** citizens about opportunities for employment, vocational training and retraining and inform also employers at their demand about available human resources;
- **Provide placement services** with a view of finding a suitable employment for job applicants and other interested citizens who have residence in their territory;
- **Provide advisory services** related to employment, vocational guidance and suitable training to citizens, taking account of current developments in industries, branches and occupations;
- Organise, ensure and oversee **retraining** of job applicants in their territories and develop

* Appended to this report is a booklet: „Ten years in service of citizens: employment services of the Czech republic“ - edited by the Ministry of labour and social affairs in 2000.

programmes to this effect;

- **Run a register** of vacant jobs, a register of job applicants, an inventory of work permits issued to foreign nationals and stateless persons, and where appropriate, also a register of persons interested to take up employment;
- Carry out **inspection activities** in the sector of employment, including imposition of sanctions;
- Make **best use of resources** earmarked for achieving full employment;
- **Monitor and evaluate the labour market development**, prepare plans for favourable employment development in their territories and take measures designed to balance supply and demand in their respective labour markets. To achieve this end, labour offices may require information from employers about their plans and impact of these plans on employment;
- Promote and provide material support to the establishment of socially beneficial jobs and public works in their territories. Co-operate to this effect with employers, communities and competent bodies of the state administration;
- Recommend suitable applicants to employers with a view of recruiting them for socially beneficial projects or public works;
- On the basis of information provided by employers **discuss** ways and means how to find new jobs for employees made redundant in connection with structural change or organisational and other measures. In cases of major import co-operate with employers and with other competent state bodies with a view of developing programmes to alleviate the situation and create new jobs for displaced workers;
- **Issue confirmation** stating that a citizen who makes application for award of an early retirement pension was registered as unemployed for a specific period of time and provide information on payment of unemployment benefits made to that citizen and on the day when the payment was suspended.

Labour offices **make decisions on**:

- Putting job applicants off the register;
- Granting, refusing, withdrawing, suspending or ordering return of the unemployment benefit;
- Issuing and withdrawing employment permits to foreigners and stateless persons and permit to employers to engage migrant workers on vacant jobs.

Tables: Source - Ministry of labour and social affairs*

Article 1, par. 3 - Question A, question F								
Year	Newly registered citizens	Applicants put off the LO register						Placement rate (placed by LO/put off LO register) in %
		Put off total	Placed by LO	Placed by other means	Placed total	Put off because lack of co-operation with LO	Other	
1993 Total	429 832	379 404	132 296	148 746	281 042	38 509	59 853	34,9
Monthly average	35 819	31 617	11 025	12 396	23 421	3 209	4 988	
1994 Total	386 974	405 710	128 771	172 168	300 939	37 170	67 601	31,7
Monthly average	32 248	33 809	10 731	14 347	25 078	3 098	5 633	
1995 Total	352 221	365 660	109 708	153 757	263 465	31 507	70 678	30,0
Monthly average	29 352	30 472	9 142	12 813	21 955	2 626	5 890	
1996 Total	376 763	343 465	102 007	150 150	252 157	29 316	61 992	29,7
Monthly average	31 397	28 622	8 501	12 513	21 013	2 443	5 166	
1997 Total	498 546	415 983	111 166	193 211	304 377	32 259	79 272	26,7
Monthly average	41 546	34 665	9 264	16 101	25 365	2 688	6 606	
1998 Total	638 583	520 567	105 134	257 924	363 058	52 101	105 408	20,2
Monthly average	53 215	43 381	8 761	21 494	30 255	4 342	8 784	
1999 Total	721 126	620 421	120 104	314 083	434 187	61 434	124 800	19,4
Monthly average	60 094	51 702	10 009	26 174	36 183	5 120	10 400	
2000 Total	668 158	698 412	148 217	350 450	496 667	68 911	132 834	21,2
Monthly average	55 680	58 201	12 351	29 204	41 389	5 743	11 070	
Total	4740361	4448034	957 403	1740489	3192559	351 207	702 438	21,5
Monthly average	49 379	46 334	9 973	18 130	33 256	3 658	7 317	

* A MOLSA publication is appended to this report entitled: „Yearbook of labour market statistics CR, 2000“.

Duration of registered unemployment	31.12.98	31.12.99	31.12.00
Applicants put off /quarter	124957	151720	158307
Total duration of registered unemployment (1000 days)	17687	26953	33354
Average duration of registered unemployment (days)	141,5	177,6	210,7

Structure of vacancies	31.12.93	31.12.94	31.12.95	31.12.96	31.12.97	31.12.98	31.12.99	31.12.00
Vacancies (total)	53938	76581	88047	83976	62284	37641	35117	52060

Question B

Please describe the organisation of public employment services in your country indicating the accompanying measures for the unemployed, and where appropriate, the steps taken to revise the geographical distribution of local and regional employment centres and to redeploy resources when the changing patterns of economic activity and of the population so warrant

Public employment services are organised with a view to creating prerequisites for a marked decrease of unemployment. Employment policy is conceived and implemented as an integral part of the government social policy. Recently, active employment policy measures have assumed an increasing proportion in total activities. Active promotion of employment is also achieved by co-operation with other ministries in connection with their policy measures. A contributing factor is also active co-operation with EU member states and other candidate countries.

Labour market analyses are made at all levels of the state administration. Developments in the labour market are monitored with a view to enabling the authorities to effectively respond to changes in economic activity on the whole territory of the CR and to the ongoing demographic change. These efforts are supported by an information system, which enables intercommunication among all labour offices within the whole CR. In this way public employment services are in a position to implement employment policies, which effectively respond to the labour market needs.

Labour offices provide placement services on the whole territory of the Czech republic free of charge. The administration of employment services controls 77 labour offices. In order to improve access of citizens to these services, labour offices have established 56 branch offices and 116 permanent detached workplaces. Transient detached workplaces are established in certain emergency situations, most frequently in premises of employers where great numbers of employees are made redundant.

On the basis of *constitutional Act No. 347/1997 on creation of higher territorial self-government entities* the Czech republic was divided into 14 major districts, as from 1 January 2000. In connection with the establishment of these new major-district self-government bodies the minister of labour and social affairs authorised labour offices in capitals of these major districts (ministerial order No. 13/2000 of 1 December 2000) to assume the role of major district co-ordinators for implementation of the state employment policy in the respective territories.

Public administration reform is co-ordinated with preparations for EU accession. Labour offices promote and co-ordinate employment policy programmes and individual projects co-financed by EU funds (during the pre-accession period mostly by the Phare programme).

Boards of directors exist at the level of all labour offices in major districts, except the capital Prague, to ensure objective assessment of needs and distribution of tasks within the region concerned. These boards discuss and approve the employment policy concept, active employment policy measures to be taken, and suitability of individual tools for the desired human resource development. Members of the board are directors of all labour offices in the major district.

The administration of employment services uses following methodology of monitoring of loading labour offices. The available objective data taken from statistical researches (as a number of job applicants, an unemployment rate, a dispensable manpower, etc.) are used for monitoring of working loading on employees of labour offices at all or particular offices.

It is better to monitor absolute figures (a number of job applicants) at places of direct contact with applicants, than the relative ones, which are influenced by amount of a dispensable manpower in concrete region. It often happens at labour offices with relatively low unemployment rate, that working loading on employees in direct contact with applicants is very high, because number of applicants, that is same or higher than at labour offices with high unemployment rate. It happens usually at labour offices with large territorial sphere of

authority or big amount of a dispensable manpower (as in Prague).

A number of job applicants bases main criterion for assessment of optimal number of employees at labour offices in areas of mediation of a job, payment of benefits, consultancy or retraining. The situation at each labour office is variable. The aim of MOLSA is to ensure the same (average) level of service at all labour offices through raise of number of employees at certain labour offices.

A dispensable manpower is used for assessment of optimal number of employees at labour offices in areas of inspection of observance labour law and wage regulations.

The further criterion came from indications of state budget. The schedule of expenditure at active employment policy (APZ) for each labour office makes limitation leading to economic solution to diversification of available resources.

The organisation structure of labour offices (educational centres, diagnostic centres, and informational division) is also included. Further, it is also necessary to count with certain percentage (c. 25%) of employees, which do not rely on these above-mentioned criterions (technical, informatory, economical, worker's occupations).

The administration of employment services according to these criterion figures out number of necessary employees to reach certain level of loading labour offices. The aim of labour offices is to make the best account of such allocated employees, that means that these employees will be set at the right places in organisation structure of labour offices.

Question C

If both public and private free employment services exist in your country, please describe the steps taken to co-ordinate such services, and to determine the conditions governing the operation of private employment agencies.

Activities related to placement of workers, retraining and professional rehabilitation that could be undertaken both by state bodies and by physical and juridical persons if they are performed in accordance with the employment act (Article 2 of Act No. 1/1991 Coll. on employment).

Labour offices provide placement services free of charge on the whole territory of the Czech republic. Private juridical and physical persons can operate placement services only under conditions stated by the employment act. They can provide their services both free of charge and against payment, provided they have obtained a permit for such activities from the ministry of labour and social affairs. However, payment for placement services must not be required from citizens.

A permit concerning the operation of placement services is issued on the basis of an application submitted by a physical or juridical person. The employment act stipulates conditions for granting or withdrawing permits for operation of these services, as well as relevant terms and conditions, which must be met for obtaining the permit (Articles 4 - 5c of Act No. 1/1991 Coll. on employment). Among the conditions to be met by the applicant are integrity, competency and practical experience, and residence in the CR territory.

Inspection regarding activities of these private employment agencies is carried out by the ministry of labour and social affairs and by individual labour offices.

Co-ordination of activities and co-operation of labour offices with private employment agencies is not a matter of legal regulations because these agencies are private entities and any direct interference by bodies of the state administration in their business activities is excluded. However, co-operation takes place at regional level, mostly at the initiative of the private agencies because they seek information, which is available only in labour offices. Thus both parties obtain information on institutions operating in the district and on general labour market situation. With a view to preventing employers from getting around public employment services and approaching directly private employment agencies concerning vacant jobs to be filled, Article 19 of Act No. 1/1991 Coll. imposes on employers the obligation to report to the labour office all vacancies, including their characteristics, within five calendar days. Non-fulfilment of this obligation is subject to sanctions imposed by the

labour office.

Question D

Please indicate whether and how the participation of representatives of employers and workers in the organisation and operation of the employment services and in the development of employment services policy is provided for.

Participation of representatives of employers and employees in the organisation and operation of employment services and in the development of employment services policy is regulated by law (Article 7 of Act No. 9/1991 Coll. on employment and on activities of the authorities of the CR in the sector of employment, Article 27 of act No. 1/1991 Coll. on employment).

In accordance with these provisions and in order to ensure co-operation of the parties in the labour market advisory boards are established at the level of labour offices.

Their tasks consist in co-ordinating the performance of the state employment policy in the respective regions. They express their views, a/o. on the labour market situation, on the proposed and implemented labour market policies, on the level of information, advisory and placement activities and on issues connected with employment of citizens with disabilities.

Question E

Please indicate what legislation or administrative guarantees are provided to ensure that these services are available to all.

The employment act proclaimed the right to employment for all citizens who are able to work and are available for and actively seek work. The law guarantees these citizens the right to obtain placement services with a view of finding a suitable employment, the right to retraining and material security in unemployment, subject to meeting conditions stipulated by law.

A citizen can seek a suitable job by his own initiative, or with the assistance of the competent labour office, or even he can approach a private employment agency.

A citizen can apply for placement services at the labour office of his residence. However, information and advisory services and information on employment opportunities and vacant jobs is freely available at any labour office. To this effect labour offices keep registers on vacancies. The law imposes on employers the obligation to report in regular intervals to the labour office vacancies, including their characteristics, as well as any engagement of workers to fill these vacancies (Articles 1, 6 and 19 of Act No. 1/1991 on employment).

All activities undertaken by both public and private employment services must be in accordance with the legislation of the CR and with international conventions by which the CR is bound. The ministry of labour and social affairs supervises operation of these services.

List of sources to the article 1

Article 1, paragraph 1

- *Constitutional act No. 1/1993 Coll., Constitution of the Czech republic*, as amended,
- *Constitutional act No. 2/1993 Coll., Charter of fundamental rights and freedoms*, as amended,
- *Act No. 99/1963 Coll., Code of civil procedure*, as amended,
- *Act No. 65/1965 Coll., Labour code*, as amended,
- *Act No. 1/1991 Coll., on employment*, as amended,
- *Act No. 9/1991 Coll., on employment and on activities of the authorities of the Czech republic in the sector of employment*, as amended,
- *Act No. 72/2000 Coll., on investment incentives*,
- *Act No. 118/2000 Coll., on the protection of employees in the event of insolvency of their employer*,
- *Notification MOLSA No. 35/1997 Coll., to provide detailed conditions for establishment of socially beneficial jobs and creation of public works*, as amended,
- *Notification MOLSA No. 22/1991 Coll., on more detailed conditions for the provision of retraining to job applicants and employees*, as amended,
- *Notification MOLSA No. 115/1992 Coll., on the operation or professional rehabilitation services to citizens with altered working capacity*, as amended,
- *Government decree No. 228/2000 Coll., on fixing a compulsory proportion of citizens with altered working capacity in the total number of employers' employees*,
- *Government decree No. 640/1999 concerning measures to promote employment of vulnerable groups (with special regard to members of the Romany community)*,
- *Government decree No. 599/2000 Conception of governmental policy to members of Roma community to help their integration into society*.
- *ILO Convention No. 122 on employment policy*.

Article 1, paragraph 2

1) Prohibition of discrimination in employment and occupation

- *Constitutional act No. 2/1993 Coll., Charter of fundamental rights and freedoms*, as amended,
- *Act No. 140/1961 Coll., Criminal code*, as amended,
- *Act No. 65/1965 Coll., Labour code*, as amended,
- *Act No. 1/1991 Coll., on employment*, as amended,
- *Act No. 9/1991 Coll., on employment and on activities of the authorities of the Czech republic in the sector of employment*, as amended,
- *Act No. 221/1999 Coll., on carrier soldiers*, as amended,
- *Act No. 99/1963 Coll., Code of civil procedure*, as amended,
- *ILO Convention No. 111 on discrimination (employment and occupation)*.

2) Prohibition of forced labour

- *Constitutional act No. 2/1993 Coll., Charter of fundamental rights and freedoms*, as amended,
- *Act No. 140/1961 Coll., Criminal code*, as amended,
- *Act No. 65/1965 Coll., Labour code*, as amended,
- *Act No. 1/1991 Coll., on employment*, as amended,
- *Act No. 219/1999 Coll., on army forces of the Czech Republic*, as amended,

- *Act No. 293/1993 Coll., on detention of suspects*, as amended,
- *Act No. 169/1999 Coll., on the performance of the sentence of imprisonment*, as amended,
- *Government decree No. 108/1994 Coll., to implement the Labour code and certain other acts*,
- *Government decree No. 365/1999 Coll., on the amount and conditions for remuneration of prisoners assigned to employment while serving the sentence of imprisonment*,
- *Notification of the ministry of justice No. 345/1999 Coll., to publish the order of performing the sentence of imprisonment*,
- *Notification of the ministry of justice No 109/1994 Coll., to publish the order concerning detention*.
- *ILO Convention No. 29, Forced labour Convention, 1930*,
- *ILO Convention No. 105, Abolition of forced labour Convention, 1957*.

Article 1, paragraph 3

- *Act No. 1/1991 Coll., on employment*, as amended,
- *Act No. 9/1991 Coll., on employment and on activities of the authorities of the Czech republic in the sector of employment*, as amended,
- *ILO Convention No. 88, Employment services Convention, 1948*,
- *ILO Convention No. 181, Private employment services Convention*.

ARTICLE 5 – THE RIGHT TO ORGANISE

„With a view to ensuring or promoting the freedom of workers and employers to form local, national or international organisations for the protection of their economic and social interests and to join those organisations, the Contracting Parties undertake that national law shall not be such as to impair, nor shall it be so applied as to impair, this freedom. The extent to which the guarantees provided for in this article shall apply to the police shall be determined by national laws or regulations. The principle governing the application to the members of the armed forces of these guarantees and the extent to which they shall apply to persons in this category shall equally be determined by national laws or regulations. “

Question A

a) Please indicate whether any, and if so what, categories of workers and employers are prohibited by law from forming organisations, or restricted in doing so:

Please indicate, inter alia:

- the existence of legislation or special regulations applicable to the forming of organisations by civil servants and other persons employed by the public authorities at central or local level;;*
- to what extent the rights provided for in this Article apply to members of the armed forces and of the police, explaining in particular the nature and functions of any staff associations which may be available to them;*
- whether nationals of other Contracting parties lawfully resident or regularly working in the territory of your county may join or be a founding member of a trade union. Please indicate in particular whether they may hold positions in the administration or management of a trade union;*
- the eligibility of workers, nationals of other Contracting Parties to the Charter, for election to consultation bodies at the enterprise level such as works councils.*

b) Please indicate any conditions of registration or otherwise with which employers' and workers' organisations must comply when they are founded and the provisions with which they must comply in the course of their existence.

c) Please indicate the measures intended to guarantee the exercise of the freedom to organise and in particular those to protect workers' organisations from any interference by employers and by the State. Please indicate how such protection from outside interference applies to employers' organisations.

d) Please indicate, where appropriate, any statutory provisions regarding the affiliation of employers' and workers' organisations with national federations of organisations and with international organisations of the same type.

The right of employees and employers to organise is guaranteed in the Czech Republic law by the **Charter of Fundamental Rights and Freedoms** (Constitutional Act No. Coll.) in its Article 27 that stipulates in its paragraph 1: *„Every person has the right to freely associate with others in order to protect their economic and social interests“*. This right is further specified by the law No. 83/1990 Coll., **on citizens' association**, which stipulates in its Article 1: *„Citizens have the right to freely associate. No permission of any State body is necessary for the exercise of this right“*. In the Article 2 it says: *„Citizens may set up associations, societies, unions, movements, clubs and other civic associations including trade union organisations and associate in them. Even legal entities may become members of such associations. Associations are legal entities. State bodies may intervene in their position and activities only within the extent specified by law. Nobody can be forced to associate, to*

become a member of any association or to participate in their activities. Anybody may leave any association at their will.“

Point A - Limitation for certain categories of persons

- **Persons in public bodies**

The stipulations restricting the rights of persons employed in **public bodies** are contained only *in the Charter of fundamental rights and freedoms* in its Article 27 paragraph 4 and this **only as regards the right to strike** which this article withdraws from judges, State attorneys, members of the armed forces and members of the police forces. The Charter further stipulates in its Article 44, that the law may restrict the right mentioned in the Article 27, paragraph 4 – which is again the right to strike – for the employees of State administration and territorial self-administration in the specified positions.

- **Members of the armed and police forces**

The Charter of fundamental rights and freedoms says in its Article 44 that for the members of the police forces and the members of the armed forces the law may restrict, apart from the right to strike, also the rights related to the freedom to associate mentioned in the Article 27, paragraphs 1 to 3 if this is in connection with their service duties.

This restricting provision is included in the Article 2 paragraph 4 *of the law No. 83/1990 Coll., on citizens' association* which says: „Active soldiers may not set up trade union organisations and associate in them. The extent of the authorisation for the trade unions associating members of the police forces and members of prison guards in the exercising and protection of their social interests is regulated by the special law. “

As regards **soldiers** it is therefore necessary to distinguish between carrier soldiers and drafted soldiers or reserve eventually soldiers drafted for a military exercise.

The carrier soldiers may not, in compliance with the Article 2 paragraph 4 *of the Act No. 83/1990 Coll., on citizens' association* and with the Article 45 *of the Act No. 221/1999 Coll., on carrier soldiers*, create trade unions or become members thereof. However, they may associate in professional associations whose activity has to be covered by an agreement between the Ministry of Defence and by an internal regulation of the Ministry. There are now 11 such associations - members of the National Association "Soldiers in Common" and 3 independent associations.

The right of drafted soldiers or reserve or soldiers drafted for a military exercise to become members of trade unions has not been regulated, therefore it is not restricted. But what is regulated is the activity in such organisations. Soldiers may carry out such activity only during their free time if this is not impaired by the obligations resulting from the exercise of active military service - Article 22 of the *Act No. 220/1999 Coll., on basic military service or alternative military service and military exercises and on some aspects of the reserve soldiers' legal status*.

No restrictions have been set for civil employees to organise in trade unions.

As to the members of the **Czech Republic Police**, the members of the **Czech Republic fire-fighter's Rescue Squad**, the members of the **Czech Republic Prison Guard** and the **customs officers**, their service is regulated by the *Act No. 186/1992 Coll., on the service status of the members of the Czech Republic Police*; this national legal text in force provides sufficient guarantee of the right to organise. The relationship between the police and the trade union laws is regulated in detail by the tenth title of the Act No. 186/1992 Coll. (Articles 139 -144). Here the obligations of the members of the polices forces are regulated (to discuss some decisions, to allow for members of a trade union body to be represented in consulting bodies, to be informed about the use of payroll funds, etc). conclusion of collective agreements, provisions on the activity and protection of trade union activists.

Members of the Czech Republic Police are at present organised in the Independent Trade Union of the Czech Republic Police and members of the fire-fighter's Rescue Squad in

the fire-fighter's Trade Union. Members of the Czech Republic Prison Guard are organised for each prison in the Basic Trade Unions. Council of presidents of the Basic Trade Unions covers all of them. This body is used for collective bargaining with direction of the Czech Republic Prison Guard. The custom officers are organised in Trade Union of State Bodies and Organisations.

The special legislation is connected with members of the Security and Intelligence Service, which may not associate in trade unions. See Article 49 of the *Act No 154/1994 Coll., on the Security and Intelligence Service*.

- **Foreign nationals**

The same regulation is in force for **foreign nationals** as for the Czech Republic nationals even though the *Act No. 83/1990 Coll., on citizens' association* uses the term „citizen.“ But this term may not be interpreted as a restriction of human rights enshrined in the *Charter of fundamental rights and freedoms* since it stipulates, as an integral part of the Czech Republic constitutional order (that is to say *a legal text of higher legal force*) that the rights guaranteed by it are enjoyed also by foreigners unless they are explicitly restricted to nationals – and what is essential – it says in the Article 42 paragraph 3: „*If the existing regulations use the term "citizen" they mean any human being if this concerns the basic rights and freedoms that the Charter determines irrespective of citizenship rights.*“ Therefore the term of the act on citizens' association may be considered as obsolete and the right to associate as guaranteed to everybody irrespective of citizenship. The approach has been the same in practice, because there has not been yet any case of denying this right on grounds of foreign nationality.

- **Works Councils**

In order to ensure the right to information and consultation, the employees of the employer where no trade union is active may elect **the work council**, or possibly **representatives for the area of health and safety at work** (Article 24 and subs. of the Labour Code). The employer shall provide information to the works council and shall discuss matters with it to similar extent as determined for trade unions. The work council may be elected there where the employer employs more than 25 employees on employment contract. The work council has at least three members, maximum being 15. The number of members shall be odd in all cases. Representatives for the area of health and safety at work may be elected there where the employer employs more than 25 employees on employment contract, their number depending on the total number of employees employed by the employer and on the level of risk incurred by the work done but the maximum number of representatives is one per ten employees. The employer following consultation with the election commission shall set the number of the work council members and of the representatives for the area of health and safety at work. The mandate of the work council and of the representatives for the area of health and safety at work will be three years.

All employees of the employer employed on employment contract (regardless of citizenship) have **voting right and are entitled to be elected** in the work council. All the employees of the employer employed on the basis of employment contract (Article 25a paragraph 6 and 7 of the Labour Code) may propose candidates.

Employees of the given company account for one third of members of **supervisory boards of State owned companies** who are elected and removed by the company employees on the basis of the election results. Two thirds of the members of the supervisory board are appointed and removed by the company founder - Article 13 paragraph 2 *Act No. 77/1997 Coll., on State owned companies* as amended.

The supervisory board of a joint stock company according to Article 200 of the *Act No. 513/1991 Coll., Commercial Code*, as amended, shall consist of no fewer than three members, the number of its member must be divisible by three. Two-thirds of its members shall be elected by general meeting, and one-third by employees of the company, provided

that the company employs more than 50 people in an employment relationship and they working time exceeds half the weekly working time prescribed by other statutory provisions at the time when the general meeting is held. The statutes may stipulate that the employees shall elect a large number of members of supervisory board, but this number may not exceed the number of members elected by the general meeting. The statutes may also require that, even if there are fewer than 50 employees, they shall elect a member (members) of supervisory board.

Point B - Registration conditions

The exercise of the right to associate is in general conditioned by the registration by State bodies. The establishment of trade unions and employers' organisations enjoys a waiver specified in the Article 9a of the act on citizens' association. This provision enshrines for the creation of these organisations the principle of notification, which is in compliance with *the Charter of fundamental rights and freedoms* stipulating in its Article 27 paragraph 1 that trade unions are created independently of the State. Thus associations of this type are created on the basis of a mere announcement of its foundation. The organisation becomes a legal entity the day following the day the competent ministry received the proposal to record the organisation.

The following rules apply reasonably for the submission of the proposal to record :

The proposal may be submitted by at least three citizens, one of whom at least has to be older than 18 (the so-called "preparatory committee"). The members of the preparatory committee giving their forenames and names, social security numbers and address of residence shall sign the proposal. They shall further mention which member(s) older than 18 are mandated to act on their behalf. Two copies of the statutes, which have to specify, shall accompany the proposal:

- a) the name of the association,
- b) its headquarters,
- c) the purpose of its activity,
- d) the bodies of the association, how they are established, designation of the bodies and activists entitled to act on behalf of the association,
- e) the provisions on organisational units, if applicable, and if they will act on their own behalf,
- f) the financial principles.

The proposal for record is to be submitted to the Ministry of Interior of the Czech Republic. The Ministry of Interior, will announce the association's creation, its name and headquarters within 7 day following the reception, to the Czech Statistical Office which keeps a record of the associations.

Point C - Measures to prevent interventions by the employers and by the State

The principles of the freedom to associate and of non-discrimination enshrined in the basic sources of law ensure the protection from possible interference in these rights. They are as follows:

- *Charter of fundamental rights and freedoms*, as amended, that stipulates that everybody has the right to freely associate with others in order to protect their economic and social rights (Article 27).
- *Act No. 83/1990 Coll., on citizens' association*, as amended, that says that nobody may be forced to associate. No civil harm may be inflicted on any person that associated, is a member of an association, takes part in its activity or supports it or stands outside of it (Article 3 paragraph 1 and 2).
- *Act No. 65/1965 Coll., Labour Code*, as amended, stipulates that any discrimination of employees is banned in labour law relations on grounds of membership in trade unions or other associations including indirect discrimination (Article 1 paragraph 4 of the Labour Code). Employees' representatives must not be discriminated against or favoured or disadvantages for reasons of their activity (Article 25c paragraph 1 of

the Labour Code). Special procedure to terminate the employment of employees' representatives is determined in the Article 59 of the Labour Code.

- *Act No. 1/1991 Coll., on employment*, as amended, which says that the right to employment may not be denied to citizens on grounds of membership or activity in trade unions and other associations (Article 1).

Sanctions and remedial measures that may be applied are in compliance with the measures applied also in case of other forms of discrimination as they were described in the answer to the question A Article 1 paragraph 2. This deals mainly with the inspection and imposition of fines to the employers by Employment Services in keeping with the Article 8 to 10 of the *Act No. 9/1991 Coll. on employment and on activities of the authorities of the CR in the sector of employment*, as amended.

Special provision is furthermore contained in the *Act No. 140/1961 Coll., Criminal Code*, as amended, which qualifies as an independent fact “**the infringement in the freedom to associate and to assemble**” as follows:

„A person who restricts another's right of association or assembly by using violence, the threat of violence or the threat of serious detriment shall be punished by a term of imprisonment of up to two years or by a pecuniary penalty. A person who, in connection with an assembly which is subject to notification to the competent authority, uses violence or the threat of immediate violence to resist disciplinary measures taken by the organiser of the assembly, or by the designated marshals of such assembly, shall be punished by a term of imprisonment of up one year or by a pecuniary penalty.“

Legal independence of the trade unions themselves is defined by:

- 1) The above mentioned way of creating of trade unions without any influence of the State or of the employers based on mere record keeping by the State,
- 2) The opportunity to adopt their own statutes, internal regulations and other rules of their activity including financial management without any outside interference and to organise their activity accordingly.
- 3) The opportunity to freely elect their representatives.
- 4) The right to stand-alone or to unite into federations and confederations and to join international trade union organisations.

Economic independence

Trade unions have to have their own income sources (membership dues, donations, revenue of their economic activity, etc.) and they have to have their financial management on their own account. The State is not allowed to intervene in trade unions' financial management. Trade unions are liable to tax search of financial offices as other juristic persons. The same situation is with the organisations of employers.

Point D - Joining national federations and international organisations

The organisations of employees and employers have the right to set up federations and confederations and to become their members; each organisation, federation or confederation has the right to become a member of international organisations of employees or employers.

Question B

- a) *Please describe how the right to join a trade union is protected in law and in practice and indicate whether any, and if so which, categories of workers are prohibited from joining a trade union or restricted in doing so.*
- b) *Please indicate whether and how the right of workers not to join a union is protected in law and in practice. Please indicate in particular whether examples exist in practice of an obligation to belong to a trade union (closed shop clauses, etc.) and what are the measures taken in this regard.*

Point A

The right of employees to join trade unions is guaranteed in the Czech Republic law by the *Charter of Fundamental Rights and Freedoms* (Act No 2/1993 Coll.) in its Article 27. This right has been further specified by the *Act No. 83/1990 Coll., on citizens' association*. This act stipulates in its Article 2 paragraph 4 the possibility to limit the right of association for armed units of military character with reference to the special regulation which has been described in detail in the framework of the answer to the question A, point a of the present article.

Point B

Nobody can be forced to associate, to become a member of any association or to participate in his or her activities - Article 3 paragraph 1 of the *Act No. 83/1990 Coll., on citizens' association* as amended later. There is no obligation to become a member of a trade union organisation.

Question C

- a) *Please furnish a complete description of any representativity criteria, i.e. any conditions which trade unions must fulfil in order to be considered representative.*
- b) *If such criteria exist, please also give information on the existence and type of appeal against decisions by the authority or authorities responsible for determining whether a trade union is representative or not. Please indicate the functions, which are reserved for representative unions in respect of the negotiations and conclusion of collective agreements, participation in the nomination of various types of workers' representatives and participation in consultation bodies.*
- c) *Please reply to the questions under a) and b) in respect of representativity of employers' organisations, except when negotiations at enterprise level are concerned.*

Points A to C

The Czech Republic law does not set any criteria for the representativity of trade unions. The State has no right to interfere into the creation or activity of trade unions or employers' organisations.

Certain form of representativity is set for the employers' organisations and trade unions to be on the Council of Economic and Social Agreement; however this has been settled by an agreement of political nature, not by generally mandatory legal regulations.

The Czech Republic Council of Economic and Social Agreement (hereinafter "the CR CESA") is a joint voluntary conciliation and initiative body of trade unions, employers and the government of the Czech Republic for the purpose of tripartite negotiations with the aim of achieving an agreement in the matters of principle regarding economic and social development. The CR CESA bodies are Plenary Meeting, Board, Working teams and groups and Secretariat.

The Plenary meeting of the Czech Republic Council of Economic and Social Agreement, which is the supreme body of this tripartite institute, is made of 7 government representatives, 7 trade union representatives and 7 representatives of the employers. At present the Czech-Moravian Confederation of Trade Unions and the Association of Independent Trade unions are the social partners of the government on behalf of trade unions, the Association of Industry and Transport of the Czech Republic and the Confederation of the Employers' and Business Associations of the Czech Republic on behalf of the employers.

• Criteria for the representativity of the employers in the CR CESA

1) Representatives of large, middle sized and small businesses in industry, building, transport, agriculture, commerce and services where the decisive part of employees and members of co-operatives in these industries are employed or associated.

2) The organisations having their representatives in the CR CESA have national scope of activity, they associate employers' organisations in the regions and in various industries.

3) The organisations have been created and their record is kept according to the *Act No. 83/1990 Coll., on citizens' associations* as amended later.

4) The organisations do not carry out any political activity in keeping with the act on political parties and movements.

5) Each employers' representation willing to participate in the meetings of the CR CESA has to prove having at least 200 000 employees in their organisations.

- **Criteria for the representativity of trade unions in the Council of Economic and Social Agreement of the Czech Republic**

1) Organisations have been created and their record is kept in compliance with *the Act No. 83/1990 Coll., on citizens' association* as amended later and they do not carry out any political activity in keeping with the act on political parties and movements.

2) Organisations carry out trade union activity consisting in the defence of the economic and social interest of the their members, they mainly bargain collectively at enterprise and industry levels.

3) Organisations are independent from the government and employers.

4) Organisations have a confederation structure that is to say at least three trade union federations representing various industries.

5) Organisations have national-wide scope of activity.

6) Any trade union entity asking to participate in the negotiations of the CR CESA must prove having at least 150 000 unionised members.

In a certain way, the Article 143 of the *Act No. 186/1992 Coll., on service status of the members of the Czech Republic police* as amended later is, in its nature, a condition of representativity of trade union organisations since it recognises for trade union bodies and their activists some rights and obligation only in case they associate as least 40% of the policemen of the given unit. These rights are: right to information and conciliation of certain matters, right of representation in advisory bodies, right to conclude collective agreements on behalf of members of police, right of provision of activities of trade union's bodies or protection of their officers. This condition doesn't refer to possibility of trade union to originate, exist or exercise any other rights.

Question D

Please indicate under what circumstances and on which condition trade union representatives have access to the workplace. Please indicate also whether trade unions are entitled to hold meeting on the premises of the enterprise.

The obligation has been explicitly determined for the employers to allow employees to hold elections of employees' representatives and to create, on their own expense, the conditions to properly discharge their tasks and to provide them, within the limits of operational possibilities, with adequate rooms with the necessary equipment and to cover the running cost and the necessary background material (Article 25c paragraph 4 of Labour Code). The respective trade union bodies have the right to carry out inspection with the employers of the respect of labour law regulations and of the undertakings stemming from collective agreements and are entitled to enter the employers' premises and request the necessary information and background material (Article 22 of Labour Code). The remaining aspects are usually regulated by collective agreements.

Question E

Please give information on the measures taken to ensure protection against reprisals on grounds of trade union activities.

Any reprisals of employees on grounds of their trade union activity would be in contradiction with the legal texts on the right to trade union association (see above) and as such it would be understood as illicit discriminatory act punishable as specified earlier in the answer to the question A, point c of the present article.

List of sources to the Article 5:

- *Act No. 2/1993 Coll., Charter of Fundamental Rights and Freedoms*, as amended,
- *Act No. 83/1990 Coll., on citizens' association*, as amended,
- *Act No. 140/1961 Coll., Criminal Code*, as amended,
- *Act No. 221/1999 Coll., on carrier soldiers*, as amended,
- *Act No. 186/1992 Coll., on service status of the Czech Republic police members*, as amended,
- *Act No. 120/1990 Coll., on the regulation of certain relationships between trade union organisations and employers*, as amended.

- *International Covenant on Civil and Political Rights*,
- *International Covenant on Economic, Social and Cultural Rights*,
- *European Convention for the Protection of Human Rights and Fundamental Freedoms*,
- *ILO Convention No. 87 on the freedom of association and the protection of the right to organise* *.

* The Report on application of the ESC is accompanied by a copy of the Report submitted to the ILO on the application of the Convention No. 87.

ARTICLE 6 – THE RIGHT TO COLLECTIVE BARGAINING

Article 6, paragraph 1

*„With a view to ensuring the effective exercise of the right to bargain collectively, the Contracting Parties undertake:
to promote joint consultation between workers and employers;”*

Question

Please indicate the legislative or other steps taken to encourage joint consultation between workers and employers in your country. In what way do the public authorities encourage or participate in such consultation? Please give particulars on the bodies responsible for such consultation, at the national, regional or local levels as the case may be, and on the procedures entailed, together with information on the issues covered (financial issues, social issues, working conditions, etc.) and on the sectors of the economy to which the procedures apply.

1) At the level of individual enterprises, **the right of employees to information and conciliation** is regulated by the *Act No. 65/1965 Coll., the Labour Code* in its Article 18 and subs. Here the Labour Code specifies in detail the matters the employer is obliged to consult with the employees and with trade union bodies.

The employer **has to consult** with the respective trade union body namely

- employer's economic situation,
- standard-setting for the work in keeping with the special law,
- changes in work organisation,
- system of evaluation and remuneration of employees,
- system of training and education of employees,
- measures to create conditions for employment of natural persons,
- especially youngsters, persons rising children under 15
- and persons with altered ability to work, including substantial
- matters of care for employees, measures to improve hygiene
- at work and working environment, organisation of social
- cultural and sporting services,
- other measures concerning a larger number of employees.

The employer **has to inform** the respective trade union body namely about

- the development of wages, salaries, average salary and its various components including the specification according to individual professional groups unless otherwise agreed upon,
- other matters mentioned in the Article 18 paragraph 2)
 - on economic and financial situation of the employer, on the consequences of his activity on the environment and on his environmental measures,
 - on the legal situation of the employer and its changes, on the internal arrangement and on the person entitled to act on behalf of the employer in labour law relationship and on the changes in the employer's activity.
 - on probable development of employment in the employer's business,
 - on intended structural changes, rationalisation or organisation measures and measures related to mass redundancies in keeping with the Article 52, paragraph 2 to 4,
 - on the number and structure of employees, on basic issues of working conditions and

- their changes,
- on safety and health at work.

This right is guaranteed to all trade unions without distinction.

2) At regional level **consultation boards** are being established made up mainly of the representatives of trade unions, employers, co-operative bodies, organisations of disabled and Employment Services. Their purpose is to co-ordinate the implementation of State employment policies in the respective territorial area (Article 7 of the *Act No. 9/1991 Coll., on employment and on activities of the authorities of the CR in the sector of employment*, as amended).

In certain regions (northern Moravia and northwestern Bohemia) there are also regional institutions for social dialogue (Council of Economic and Social Agreement of Ostrava Region, Economic and Social Council of Most region, Economic and Social Council Sokolov region, Economic and Social Council of Chomutov region). All these institutions were set up in the period following the onset of social democratic minority government and they work in industrial regions with overwhelming mining, energy and industrial manufacturing that were very hardly hit by structural changes, high unemployment and very low dynamics of transformation changes leading to overall lagging behind of these two regions within the national framework.

3) At national level central trade union bodies and employers' organisations participate in the legislative procedure on the basis of the Labour Code. The Article 23 of the Labour Code requests from the central bodies that issue the implementing labour law regulations to do so after consultation with these organisations. This is also valid in a similar way for the need to consult draft laws and other legal regulations in this area.

On the basis of a political agreement, national consultations of trade unions, government and employers are also held within the **Council of Economic and Social Agreement**. The Council of Economic and Social Agreement of the Czech Republic has been established as an institution to be a platform for social dialogue between the government, trade unions and employers (tripartite) in 1990. Having gone through quite complex development, it now represents a joint voluntary conciliation and initiative body of the government, trade unions and employers to achieve consensus around fundamental issues of economic and social development. The CR CESA discusses selected issues that are subject of common interest mainly in the following areas:

- economic policy
- labour law relationships, collective bargaining and employment,
- social issues
- salaries, wages
- public service and public administration
- safety at work
- human resources development
- Czech Republic integration into the European Union.

Article 6, paragraph 2

„With a view to ensuring the effective exercise of the right to bargain collectively, the Contracting Parties undertake:

to promote, where necessary and appropriate, machinery for voluntary negotiations between employers or employers' organisations and workers' organisations, with a view to the regulation of terms and conditions of employment by means of collective agreements;“

Question A

Please give a description of the existing collective bargaining machinery and its results in both the private and public sector (indications of the number of negotiations and agreements concluded and other indicators or evaluation criteria.

Collective bargaining process for the purpose of concluding a collective agreement has been regulated in detail in the *Act No. 2/1991 Coll., on collective bargaining* as amended later.

Collective bargaining **is initiated** by the submission of a written proposal to conclude a collective agreement by one contracting party to the other contracting party. The contracting party is obliged to give an answer to the proposal in writing without unnecessary delay and to give its standpoint on those parts of the proposal that were not accepted in the answer. The contracting parties are obliged to hold mutual negotiations and to provide each other with further synergy if this is not in contradiction with their legitimate interests. The contracting parties are obliged to open negotiations on the conclusion of a new collective agreement at the latest 60 days before the existing collective agreement's validity expires. The collective agreement is concluded for the period explicitly specified in it. If no period is specified it is assumed that it was concluded for one year. The contracting parties may agree in the collective agreement on the possibility to change the collective agreement and its scope; the procedure to carry out the change is the same as when concluding the collective agreement. The collective agreement is mandatory for the contracting parties.

The law distinguishes between **enterprise level collective agreements** concluded between the employer and the trade union body within one business (enterprise) and **higher level collective agreements** concluded for a higher number of employers represented by and employers' organisation and the respective higher level trade union body.

The Ministry of Labour and Social Affairs of the Czech Republic may determine by a legal regulation that a higher level collective agreement is mandatory even for the employers who are not members of the employers' organisation that has concluded this agreement. **The extension of the mandatory character** of a higher level collective agreement in keeping with the preceding paragraph is possible only for the employers with similar activity and similar economic and social conditions having their headquarters at the territory of the respective republic and who are not bound, as yet, by a higher level collective agreement.

The Ministry of Labour and Social Affairs keeps the archives of higher level collective agreements (hereinafter "the HLCA"). In 2000 twelve higher level collective agreements were concluded and handed over the Ministry of Labour and Social Affairs. The validity of further fifteen higher level collective agreements concluded in previous years continued into 2000.

The Ministry of Labour and Social Affairs does not keep or register enterprise level collective agreements.

Survey of higher level collective agreements:

Year	Number of concluded HLCA	Number of extended HLCA	Number of employers for whom the HLCA were extended
1991	25	3	119
1992	34	7	650
1993	30	14	280
1994	33	6	56
1995	31	5	12
1996	23	0	0
1997	17	0	0
1998	15	0	0
1999	14	7	2279
2000	12	4	2029

Source of the Ministry of Labour and Social Affairs

Question B

Please indicate whether and how the law encourages or obliges employers or their organisations to bargain with workers' organisations collectively, and whether and how it encourages or obliges workers' organisation to bargain with employers or their organisations. Please also indicate how the question of union recognition is dealt with.

The amendment of the Act No. 65/1965 Coll., **the Labour Code** has considerably extended the room for collective bargaining; in its Article 18b it determines the right for trade union bodies to take part in labour law relationship including collective bargaining while it expressly defines the matters the employer has to consult with trade unions and which information he is obliged to provide. These consultations take place in public as well as private sector.

In accordance with the Czech law, trade unions and trade union bodies are the only legitimate representative bodies of employees in labour relations; only unions have the right to collective bargaining. Trade union bodies represent all employees in labour relations, including those who are not affiliated to any union. Trade union bodies have retained the status of participants in labour relations. Thus trade unions can enter into legal relationships with the employer, negotiate with him on behalf of all employees, and conclude collective and other agreements, which have legal repercussions for all employees. Collective agreements are concluded by trade unions on behalf of all employees, both at the level of enterprises and at that of industries (the so called higher level collective agreements).

The Act No. 2/1991 Coll., **on collective bargaining** provides in detail procedure for concluding a collective agreement. Article 8 of this Act states duty of contracting party to reply in writing to the proposal without undue delay, and express its opinion on those parts of the proposal which it does not accept and also duty of contracting parties to negotiate and provide any further required co-operation, unless it does not accept. It is competence of labour offices to control the observance of these duties in the framework of control of observance labour law regulations including the Act on collective bargaining (see article 26 of Act No. 1/1991 Coll., **on employment**, as amended).

The Act No. 65/1965 Coll., **the Labour Code** provides what can be stated in collective agreements. In accordance to Article 20 of this Code wages or other entitlements ensuing from labour relations may be regulated in collective bargaining agreement, within the framework of the provisions on labour relations. If this Code determines the cases in which it is possible to increase or widen employees' rights (ensuing from labour relations) through

collective bargaining agreements, this applies to employers carrying on business activities. Entitlements which individual employees acquire under collective bargaining agreements are asserted and satisfied like other employees' entitlements ensuing from their employment relationship.

The Labour Code also provides some competence of trade unions bodies towards employers. In accordance with Article 22 of this code the appropriate trade unions bodies have the right to supervise an employer's compliance with labour-law provisions, internal regulations, and obligations ensuing from collective bargaining agreements. They are thereby authorised in particular:

- a) to enter individual employer's workplaces;
- b) to request necessary information and documents from managerial staff;
- c) to submit proposals for the improvement of working conditions;
- d) to request an employer, or an organ superior to such employer, to order the rectification of irregularities which have been found;
- e) to propose to employers, organs superior to them, or other organs entrusted with the supervision of compliance with the law in labour relations that they take suitable measures, in accordance with the statutory provisions, against managerial employees who are in breach of labour-law provisions or duties ensuing to them from collective bargaining agreements;
- f) to demand reports from employers or organs superior to them on measures which were taken to eradicate irregularities discovered during inspection activity and to implement proposals submitted by the trade union bodies which carried out in inspection activity.

Where the inspection activity relates to personal information on an employee, and this information is subject to the provisions on the protection of personhood, such information may be provided only with the prior consent of the employee.

Question C

Please indicate to what extent, under what conditions, according to which procedures and for which types of subject matter the State can intervene in the process of free collective bargaining. Please indicate where State intervention occurred during the reference period.

The State is not allowed to interfere with the process of free collective bargaining. Only in case of failure of communication between the social partners it has means available to renew it. They are institutes established by the *Act No. 2/1991 Coll., on collective bargaining* – mediators and arbitrators of collective disputes. If the parties are unable to agree upon the person of the arbitrator or mediator to solve the collective dispute they may ask that this person be designated by the Ministry of Labour and Social Affairs that keeps a list of mediators and arbitrators. In 2000 the contracting parties asked in 16 cases for the statement of the list of arbitrators and mediators. On the basis of the Article 11 and 13 the Ministry of Labour and Social Affairs designated 6 persons (4 mediators and 2 arbitrators).

The law on collective bargaining further determines in its Article 7 that the Ministry of Labour and Social Affairs may define by a legal regulation that a higher level collective agreement is mandatory even for the employers who are not members of the employers' organisation which concluded the respective agreement. This extension of the mandatory character of a collective agreement is possible for employers with similar activity and similar economic and social conditions who are not bound as yet by any other higher level collective agreement. The Council of Economic and Social Agreement agreed on a certain procedure, which is now followed by both the social partners and the Ministry of Labour and Social Affairs in the implementation of this provision.

This case is not any interference into the procedure of collective bargaining. The State, on request of the contracting parties, takes measures in order to introduce similar working

conditions and social environment in companies of the employers who are not associated in employers' organisations as conditions prevailing in companies of the employers who are associated in employers' organisations and are bound by the collective agreements concluded by these organisations.

The numbers of higher level collective agreements extended for other employers are given in the table within the question A.

Article 6, paragraph 3

„With a view to ensuring the effective exercise of the right to bargain collectively, the Contracting Parties undertake:

To promote the establishment and use of appropriate machinery for conciliation and voluntary arbitration for the settlement of labour disputes;“

Question A

Please describe such machinery as exists by virtue either of law, collective agreements or practice for the settlement of disputes by:

- a. conciliation;*
- b. arbitration or court procedure;*
- c. other methods of dispute resolution.*

Collective disputes

Collective disputes are defined in the Article 10 of the *Act No. 2/1991 Coll., on collective bargaining* as disputes regarding the conclusion of a collective agreement and disputes regarding the implementation of the undertakings in a collective agreement which do not specify individual employee's entitlements.

The mechanism of solution of collective disputes has been described in this law in its Article 10 and subs. They are the following:

1) Proceedings before a mediator

The contracting parties may, following their agreement, choose a mediator. If the contracting parties do not agree on a mediator, the mediator will be determined, on the proposal of any of the contracting parties, by the Ministry of Labour and Social Affairs. The mediator will submit to the contracting parties a written proposal for the dispute's solution within 15 days following the day he was informed of the subject of the dispute, unless the contracting parties agree otherwise.

The proceedings before a mediator are considered as failed if the dispute has not been solved within 30 days since the day the mediator was informed of the subject of the dispute, unless the contracting parties agree otherwise.

2) Proceedings before an arbitrator

If the proceeding before mediator fail, the contracting parties may, following their agreement, ask in writing an arbitrator to decide their dispute. The proceedings before an arbitrator are initiated by the reception of the request by the arbitrator.

If the contracting parties do not agree on an arbitrator and if the dispute is about the conclusion of a collective agreements concerning the organisation where striking is prohibited or a dispute concerning the fulfilment of the undertakings of a collective agreement, the arbitrator will be determined, on the proposal of any of the contracting parties, by the Ministry of Labour and Social Affairs. The arbitrator will submit to the contracting parties a written proposal for the dispute's solution within fifteen days after the day the proceedings were initiated. This agreement is deemed to be concluded by the service of the decision of the arbitrator to the contracting parties in the dispute about the conclusion of a collective agreement.

In case the arbitrator's decision is in contradiction with legal regulations or collective agreements, the contracting party may submit to the regional court a proposal to cancel the decision of the arbitrator on the fulfilment of the undertakings of a collective agreement. If the court has canceled the arbitrator's decision, the same arbitrator will decide the dispute; if any of the contracting parties is in disagreement, it is possible to take a new decision on the

arbitrator. During the new decision-making, the arbitrator is bound by the legal opinion of the court. If no proposal to cancel the arbitrator's decision has been filed to the court within the set time limit or if such proposal has been denied by the court or the proceedings have been stayed, the serviced arbitrator's decision takes effect and such arbitrator's decision on the fulfilment of the collective agreement undertakings is enforceable by the court.

3) Strike

Strike is the last resort in the solution of a dispute to conclude a collective agreement; the Act on collective bargaining says in its Article 16 that if the collective agreement is not concluded even after the proceedings before a mediator and the contracting parties do not ask an arbitrator to solve the dispute, a strike may be called for as the last resort in a dispute to conclude a collective agreement.

Question B

*In so far as certain machinery may be compulsory, please describe:
- the sanctions imposed by law or collective agreements used for its enforcement;
- their significance in practice.*

Before the last resort – the strike – is used in a dispute to conclude a collective agreement the law stipulates for the parties the obligation to try and solve the dispute before a mediator. This provision may be considered as a legal precondition for the possibility to go on strike for the conclusion of a collective agreement. A strike is supposed to be illegal, if the precondition is not performed.

Question C

Please describe the procedures provided, whether by law, staff regulations or practice, for settling disputes between public sector employees and the administration, and show whether existing procedures are open to them.

For the time being, no special procedures have been put in place for public service employees (new regulation is supposed to be in the act on State employees /public service/); here the Act on collective bargaining and the Labour Code are applied. Furthermore, the procedures of negotiations in the Council of Economic and Social Agreement are used.

Article 6, paragraph 4

„With a view to ensuring the effective exercise of the right to bargain collectively, the Contracting Parties undertake: the right of workers and employers to collective action in cases of conflicts of interest, including the right to strike, subject to obligations that might arise out of collective agreements previously entered into.

/The Appendix to the Charter stipulates that it is understood that each contracting party may, in so far as it is concerned, regulate the exercise of the right to strike by law, provided that any further restriction that this might place on the right may be justified under the terms of Article 31./

Question A

Please explain the meaning of collective action in your country specifying what forms of action are recognised (strike, lockout, other forms), what are the permitted objectives of collective action and how the right to collective action is guaranteed...

The Czech Republic ratified (besides the European Social Charter) several international agreements, which regulate the right to strike. They are mainly the **International Covenant on Civil and Political Rights** (No. 120/1976 Coll.), the **ILO Convention No. 87 on the freedom of association and the protection of the right to organise** (No. 489/1990 Coll.) and the **ILO Convention No. 98 on the Application of the Principles of the Right to Organise and to Bargain Collectively** (No. 470/1990 Coll.).

The national law regulates the right to strike in the Article 27 of **the Charter of fundamental rights and freedoms** and together with lockout, it is regulated in detail by the **Act No. 2/1991 Coll., on collective bargaining**, as amended.

The **Charter of fundamental rights and freedoms** regulates the right to strike as one of the fundamental economic, social and cultural rights in the Title four, Article 27. The Charter therefore protects only the strikes to defend economic, social and cultural rights not political strikes. The right to strike is according to Article 41 paragraph 1 guaranteed on conditions provided by the law.

The only form of the **strike** regulated by law in detail up to this day is the strike because of the dispute to conclude a collective agreement. This is defined in the Article 16 paragraph 2 a 3 of the Act No. 2/1991 Coll., on collective bargaining as partial or total stoppage of employees' work, a solidarity strike is a strike in support of employees' demands who are on strike in dispute to conclude another collective agreement. The employer's lockout is defined as well in the Article 27 as partial or total stoppage of work.

The Charter does not further specify which strikes to protect these interests are considered to be legal strikes. This does not exclude the legality of strikes not regulated by law and this is in compliance with the principle set out by the Constitution in the Article 2 paragraph 4 and by the **Charter of fundamental rights and freedoms** in the Article 2 paragraph 3, which stipulates that everybody may do anything that is not prohibited by law and nobody may be forced to do anything that is not stipulated by law. Legal assessment of the legality of a strike consists in court assessment of individual cases (see for instance the decision of the High Court in Prague No. 2 Co 157/97).

Question B

Please indicate who is entitled to take collective action (individuals, groups/coalitions of workers, trade unions, employers or employers' organisations, etc.

The right to strike for protection economic, social and cultural rights is guaranteed by Charter for all people without any distinction. Only the right to strike of certain enumerated categories of people in certain occupations is restricted or prohibited. (see answer of question

C).

The Act on collective bargaining considers as the entity of the right to strike the trade union bodies and this results from the text of the Article 17 saying that „*strike is declared and its beginning is decided by the respective trade union body.*“ According to the Article 27 only employers have the right to declare a lockout.

Until now, a group organised at least in such a way that a trade union body was the strike's organiser and spokesperson of the employees led strikes. There is now a case law on strikes, lockouts have not yet been used in practice.

Question C

If the right to collective action is restricted, please state what the content of these restrictions and whether they are related to the purpose pursued or the methods employed by those taking action, or both, and by which authority they may be imposed).

Please also state any procedural requirements pertaining to collective action (e.g. notice rules, cooling-off periods, conciliation (arbitration, ballot requirements, quorums, etc.)

Legal restrictions of the right to strike

The Article 27 *of the Charter of fundamental rights and freedoms* paragraph 4 withdraws the right to strike from judges, prosecutors, and members of the armed forces and members of the police forces. Further legal possibility to restrict the right to strike is regulated in the Article 44 of the Charter which says: "The law may restrict for the State administration and territorial administration employees in the positions that are specified, the right provided for in the Article 27 paragraph 4; for the police and armed forces members this may also concern the rights provided for in the Article 27 paragraph 1 to 3 if they are related to the exercise of their service duties. The right to strike may be restricted by law for persons in occupations, which are directly needed to protect life and health.

Act No. 2/1991 Coll., on collective bargaining gives a precise list of the reasons of illegality of a strike in its Article 20 and of a lockout in its Article 28. According to these provisions strikes and lockouts may be sanctioned if they are staged:

- in case of military alert in the country and during emergency situations,
- by the employees of health care or social care institutions if the strike might pose a threat to life and health of citizens,
- by the employees operating nuclear power stations, organisations using fission material and employees of pipelines and gas pipelines,
- by judges, prosecutors, members of armed and police forces and employees of air traffic control,
- by the members of fire-fighters' squads, employees of company fire-fighters squads and members of rescue squads established in virtue of special regulations for the respective institutions and telecommunication employees,
- employees working in areas hit by natural catastrophes where the competent State bodies declared emergency situation.

Procedures of collective actions

The procedure of declaring and holding of a **strike** is determined by the *Act No. 2/1991 Coll., on collective bargaining* in the Article 17 and subs.

The strike in the dispute to conclude an enterprise level collective agreement is declared and its opening is decided by the respective trade union body if it is agreed upon by at least one half of the employees concerned by such agreement. The respective trade union body has to take minutes of the results of the voting. The strike in the dispute to conclude a higher level collective agreement is declared by the respective trade union body. The respective trade union body decides its opening if it is agreed upon by at least one half of the employees to be concerned by such higher level collective agreement. The procedure to declare and open a

solidarity strike is similar.

The respective trade union body has to inform the employer in writing, at least three working days in advance, about

- a) the start of the strike,
- b) the reasons and targets of the strike,
- c) list of names of the respective trade union body representatives who are entrusted with the representation of the strikers.

If the strike has not complied with the procedural necessities listed in the Article 20 it may be considered, in virtue of the act on collective bargaining as illegal. This for example happens if the strike was not preceded by the proceeding before a mediator (except for a solidarity strike), the strike was declared or continues after the opening of the proceedings before an arbitrator or after the conclusion of a collective agreement, the strike was not declared or opened under the conditions set in the Article 17.

The procedure to declare a **lockout** is defined by the *Act No. 2/1991 Coll., on collective bargaining* in the Article 27 and subs.

The start of a lockout, its extent, reasons, targets and the list of names of the employees concerned by the lockout have to be announced by the employer to the respective trade union body at least three working days ahead. The employer has to announce, at the same notice, the lockout to the employees concerned by it.

The lockout is considered illegal in virtue of the act on collective bargaining, if it was not preceded by the proceeding before a mediator, or if it was declared or continues after the opening of the proceedings before an arbitrator or after the conclusion of a collective agreement except for a lockout in case of a solidarity strike, or if it was not declared by the employer for the reasons and under the conditions set in the Article 27.

The lockout is terminated if so decided by the employer who declared the lockout. The lockout termination is to be announced, without unnecessary delay, to the respective trade union body and to the employees concerned by the lockout.

Question D

Please indicate whether any existing restrictions to the right to collective action „are prescribed by law and are necessary in a democratic society for the protection of the rights and freedoms of others or for the protection of public interest, national security, public health, or morals“ (Article 31 of the Charter).

All the restrictions of the right to strike have been described above, namely in the answer to the question C. These restrictions result solely from the legislative texts and are enshrined either by *the Charter of fundamental rights and freedoms* or by the Act No. 2/1991 Coll. on collective bargaining. Possible illegal nature of the strike may be reviewed by the court.

Question E

Please state the effect of strikes or lockouts on the continuation of the employment contract and any other consequences, e.g. deduction from wages, liability, etc.

The employment contract of the employees taking part in a strike is maintained. The participation in a legal strike cannot be used as a valid reason to terminate the employment contract. The Act on collective bargaining in its Article 22 and sub., sets the consequences for the strike and lockout in a dispute to conclude a collective agreement but in practice they are applied for other strikes as well.

For the time of participation in a strike the strikers are not entitled to the salary or any salary compensation. The participation in a strike during the period preceding a valid court decision on the illegal nature of a strike is considered as excused absence from work. The

participation in a strike after the valid court decision on the illegal nature of the strike is considered as non-excused absence from work. The employer will allow to the employees not participating in the strike to continue their work. If those employees cannot continue their work on grounds of an ongoing strike, their salary entitlements are regulated by the provisions of the Labour Code on salary for alternative work, or possibly on salary compensation in case of an obstacle in the job caused by the employer.

The striker is liable to the employer for the damage caused by an event that occurred during a strike or the employer to the striker in compliance with the Civil Code. The striker is not liable to the employer and the employer to the striker for the damage caused exclusively by the stoppage of work due to a strike. If the court has decided that the strike is illegal, the trade union organisation whose body declared the strike is liable to the employer for the damage caused by such strike in virtue of the Commercial Code.

During the strike the strikers are not entitled to the sickness benefits or family member care benefit if the conditions set by the regulations on sickness benefits for the granting of these benefits were fulfilled during the participation in the strike.

If an employee was unable to do his work because of the lockout applied for him, this is an obstacle to the work caused by the employer. If the lockout is not illegal, the employee is entitled to the salary compensation amounting only to one half of the average salary. The employee concerned by the lockout is liable to the employer and the employer is liable to the employee concerned by the lockout for the damage caused by an event occurred during the lockout in compliance with the Civil Code. The employee concerned by a lockout is not liable to the employer and the employer is not liable to the employee concerned by a lockout for the damage caused exclusively by the stoppage of work caused by the lockout.

The entitlements resulting from the sickness insurance and social security of the employee concerned by a lockout are considered as if there was no lockout. For the purpose of pension system the lockout period is not included into the reference period for the determination of the average monthly salary. The decrease of income caused by the lockout is taken into consideration when the income for the purpose of granting social care benefits and services to citizens in social need is assessed.

Question F

Please supply available statistics on strikes and lockouts.

The Czech Statistical Office kept a record of strikes and lockouts until 1996. Since then no central statistics are kept of strikes and lockouts. Until now only exceptional strikes were held. In conformity with materials of MOLSA were recognised two cases of strike in 2000:

- 1) in March 2000 – warning strike of railwaymen connected with problems of reclassification of the Czech Railways.
- 2) in December 2000 – strike of employees of the Czech Television connected with problems of leadership of this public television channel.

Any other information about strikes and lockouts was given in answers for questions C and E.

List of sources to the Article 6:

Article 6, paragraph 1:

- *Act No. 65/1965 Coll., Labour Code*, as amended.

Article 6, paragraph 2:

- *Act No. 65/1965 Coll., Labour Code*, as amended,
- *Act No. 2/1991 Coll., on collective bargaining*, as amended,
- *Act No. 1/1991 Coll., on employment*, as amended,
- *ILO Convention No. 98 on the Application of the Principles of the Right to Organise and to Bargain Collectively* *.

Article 6, paragraph 3:

- *Act No. 2/1991 Coll., on collective bargaining*, as amended.

Article 6, paragraph 4:

- *Act No. 2/1993 Coll., Charter of Fundamental Rights and Freedoms*, as amended,
- *Act No. 65/1965 Coll., Labour Code*, as amended,
- *Act No. 2/1991 Coll., on collective bargaining*, as amended,
- *International Covenant on Civil and Political Rights*,
- *ILO Convention No. 87 on the freedom of association and the protection of the right to organise* *.
- *ILO Convention No. 98 on the Application of the Principles of the Right to Organise and to Bargain Collectively* *.

* The Report on application of the ESC is accompanied by a copy of the Report submitted to the ILO on the application of the Convention No. 98.

* The Report on application of the ESC is accompanied by a copy of the Report submitted to the ILO on the application of the Convention No. 87.

* The Report on application of the ESC is accompanied by a copy of the Report submitted to the ILO on the application of the Convention No. 98.

ARTICLE 12: THE RIGHT TO SOCIAL SECURITY

Article 12, paragraph 1

„With a view to ensuring the effective exercise of the right to social security, the Contracting Parties undertake:

to establish or maintain a system of social security.“

In compliance with this provision, the state is obliged to implement and maintain a social security system, the benefits of which cover most of the areas provided for by the ILO Convention No. 102.

The Czech Republic ratified *the ILO Convention No. 102 Concerning Minimum Standards of Social Security in 1991* (all its parts with the exception of unemployment benefits and benefits for occupational injuries and diseases). In 2000, the *European Code on Social Security* was ratified (all its parts with the exception of benefits for occupational injuries and diseases).

The Social security system in the Czech Republic covers the following areas:

1. social insurance – pension insurance, sickness insurance, state employment policy, health insurance,
2. state social support,
3. social assistance.

Legislation:

- *Act No. 2/1993 Coll. the Charter of fundamental rights and freedoms* Article 30 Paragraph 1 stipulates the right of individual to a reasonable material security in old age, incapacity to work, loss of provider, in Article 30 Paragraph 2 the right of all in the state of material need to assistance necessary to provide basic living conditions, in Article 31 the right of all individuals to health protection, free health care, and health aids on the basis of public insurance under conditions set by the law, in Article 32 Paragraph 2 the right of women for special care in pregnancy, and in Article 32 Paragraph 5 the right of parents taking care of children to state assistance. These rights of individuals are inalienable, and can only be limited by law stipulating detailed conditions for the implementation of the rights,
- *Act No.100/1988 Coll., on social security, as amended.*
- *Act No. 114/1988 Coll. on the social security powers of Czech Republic authorities, as amended,*
- *Act No.1/1991 Coll., on employment, as amended.*
- *Act No. 9/1991 Coll. on employment and on activities of the authorities of the CR in the sector of employment, as amended,*
- *Act No. 582/1991 Coll., on organisation and implementation of social security, as amended.*
- *Act No. 589/1992 Coll., on social insurance and contribution toward the state employment policy, as amended.*
- *Act No. 54/1956 Coll., on employee sickness insurance, as amended.*

- *Act No. 32/1957 Coll., on medical assistance in armed forces, as amended.*
- *Act No. 88/1968 Coll., on extension of maternity leave, maternity benefits, and child allowances paid of sickness insurance, as amended.*
- *Act No. 155/1995 Coll., on pension insurance, as amended.*
- *Act No. 42/1994 Coll., on supplementary pensions with state subsidy, as amended.*
- *Act No. 117/1995 Coll., on state social support, as amended.*
- *Act No. 463/1991 Coll., on the subsistence level, as amended,*
- *Act No.482/1991 Coll., on social need, as amended.*
- *Act No.65/1965 Coll., Labour Code, as amended.*
- *Act No.40/1964 Coll., Civil Code, as amended.*
- *Act No.20/1966 Coll., on population health care, as amended.*
- *Act No.48/1997 Coll., on public health insurance, as amended.*
- *Act No.551/1991 Coll., on General Health Insurance Company, as amended.*
- *Act No. 280/1992 Coll., on departmental, sector, enterprise and other health insurance companies, as amended.*
- *Act No. 592/1992 Coll., on general health insurance premiums, as amended.*
- *Act No. 160/1992 Coll., on health care in non-state medical facilities as amended.*

ad 1) Social insurance

1. **Pension insurance** is designed on a general principle, and executed solely by state bodies. All gainfully active individuals defined by law (both employed and self-employed) are obliged to participate in the system, and their periods of contribution are recognised in determining eligibility and amount of pension insurance benefits. Some periods, for which contributions were not made – “**substitute periods of insurance**” (e.g. defined period of study, childcare, obligatory basic military service), are recognised too. In addition to that, individuals can participate in the pension insurance system on voluntary basis by paying contributions for periods that are not insured by law. Pension insurance benefits are indexed according to rules set by the law and on the basis of government decrees issued under statutory authorisation.

The amount of pension insurance benefits depends on the length of the time of insurance and income earned. The pension comprises of a basic amount and a percentage amount. The basic amount amounts to CZK 1310/month and is the same for all. The percentage amount is determined by a percentage rate of a calculation base according to period of insurance achieved before entitlement, and in case of old-age pension also insurance period after entitlement. The percentage amount is equal to 1,5% of calculation base per month for each completed year of insurance period before entitlement. Substitute insurance periods are recognised as well, in some of them defined by law, only 80% of the periods are recognised. The percentage amount for old-age pension increases for insured persons, who were gainfully employed even after entitlement to the pension and did not draw old-age pension or full invalidity pension. The increase amounts to 1,5% of the calculation base for each 90-calendar days of gainful employment.

2. **The sickness insurance** is designed on a general principle too. Employers with more than 25 employees execute sickness insurance on their own, in other cases the system is executed by regional offices of state bodies. All employed individuals are obliged by law to participate in the sickness insurance system, unless their work is occasional (e.g. the job did not or was not expected to last longer than 7 consecutive calendar days or the monthly wage did not exceed 400 CZK).

Sickness insurance of self-employed persons is voluntary and depends on the individual's decision to submit an application for sickness insurance. The following benefits are provided in the sickness insurance system: sickness benefit, maternity benefit, support in case of attendance of the family member, and compensatory allowance in pregnancy and maternity. Self-employed individuals can draw the first two benefits. The cash benefits of sickness insurance are indexed according to average wage development.

Sickness insurance benefits are calculated of a calculation base, that includes all income that is subject to social insurance contributions paid by employees in the decisive period, usually in the previous calendar quarter. The total income is then divided by the number of calendar days in the decisive period (daily calculation base). The amount of sickness benefit, maternity benefit, and support in case of attendance of the family member is calculated from the calculation base by applying a rate of 69%, in the first three calendar days of incapacity to work the sickness benefit amounts to 50% of the calculation base. Daily calculation base is determined according to reduction limits, the amount of which is indexed by government decree in relation to average wage development. The compensatory allowance in pregnancy and maternity can be drawn in a period during which the employee is transferred to a more suitable work. The allowance is equal to the difference between the daily calculation base of the employee and her average income as of the first calendar day after her transfer.

The social insurance system is financed in particular from social security contributions. One portion of the contribution – contribution toward pension insurance – is transferred to a separate state budget account, while the second portion of the contribution – contribution towards sickness insurance – is paid to the state budget without any special destination account. Despite that, a possible deficit of the so-called pension account is compensated from other state budget sources.

ad 2) State social support

The state social support is a system of benefits providing individual assistance to families with children in defined social conditions. The state social support provides benefits that depend on income (child allowance, social allowance, housing allowance, and transportation allowance) as well as other benefits (parental allowance, maintenance allowance, foster care allowances, birth grant, and funeral grant). The state social support is financed by the state budget and is based on the broadest social solidarity. The entitlement to the state social support benefits depends on a number of preconditions (in particular the level of family income, residence in the Czech Republic, a dependent child, health condition etc.).

The level of state social support benefits is linked to the minimum subsistence, which is recognised as a minimum level of income, which if not achieved leads to material shortage. The subsistence determines the level of necessary funds needed by a household to temporarily provide for basic living needs of its members, and it serves as a criterion to assess income shortage for the purposes of social protection of an individual or a family. The subsistence plays an important role in the system of state social support benefits, and it is used to assess entitlement to certain benefits and for calculation of most state social support benefits.

The subsistence comprises of two parts. The first part relates to basic personal needs of household members. These needs include sustenance, clothing, footwear, and other industrial products for short-term usage, services and personal development (information, education). Amounts that cover basic personal needs differ in four levels according to the age

of dependent child, and one level for other citizens. The second part of the subsistence relates to funds needed to provide for joint costs of the household, i.e. in particular housing costs and related services. There are four different levels of subsistence for joint needs, according to the number of household members.

The subsistence is designed in a way that allows differentiating any type of household. The total subsistence is equal to the sum of all personal need amounts of all members of the household and one amount for the joint needs of the household. The amounts of subsistence are uniform throughout the country. The subsistence level is updated by government decree, providing the consumer prices increase by at least 5% from the last update. The increase of subsistence takes into consideration the maintenance of the real level of the amounts.

Subsistence valid as of April 1, 2000 to December 31, 2000 in CZK/month:

The amounts necessary to insure sustenance and other basic personal needs of an individual were equal to:

- a) 1 600 CZK for a child up to 6 years of age,
- b) 1 780 CZK for a child between 6 – 10 years of age,
- c) 2 110 CZK for a child between 10 - 15 years of age,
- d) 2 310 CZK for an dependent child between 15 – 26 years of age,
- e) 2 190 CZK for other citizens.

Amounts needed to cover essential joint needs of a household were equal to:

- a) 1 580 CZK for a 1-member household,
- b) 2 060 CZK for a 2-member household,
- c) 2 560 CZK for a 3 to 4-member household,
- d) 2 870 CZK for households with 5 and more members.

For individual state social support benefits, see answers in Article 16.

ad 3) Social assistance – see answers in Article 13

Article 12, paragraph 2

„With a view to ensuring the effective exercise of the right to social security, the Contracting Parties undertake:

to maintain the social security system at a satisfactory level at least equal to that required for ratification of International Labour Convention (No. 102) concerning Minimum Standards of Social Security.“

Question A

Please indicate the branches of social security in which the social security system in force in your country fulfils or goes beyond the requirements of International Labour Convention No. 102.

The Czech Republic ratified the ILO Convention No. 102 in 1990, and the European Social Security Code in 2000.

1. Health care

The right for health care free of direct charge is confirmed by the constitutional *Bill of rights* and by *Act No. 48/1997 Coll., on public health insurance*, as amended. The Act on public health insurance defines categories of individuals that have health insurance. This law insures residents in the Czech Republic insured as well as non-residents employed by an employer with the place of business in the CR.

Within the group, the following sub-groups are differentiated:

- employees;
- self-employed;
- individuals, for whom the insurance is paid by the state (children, students, unemployed, pensioners, servicemen in basic military service etc.);
- individuals without taxable income.

The scope of health care is defined by Act on population health care, Act on public health insurance, and related legislation.

According to § 13 of *Act on public health insurance* the care paid for by the public health insurance under conditions set by this Act includes:

- medical care, both out-patient and hospital treatment (including diagnostics, rehabilitation, and care of chronically ill patients)
- emergency and ambulance service;
- prophylactic care;
- follow-up care;
- provision of pharmaceuticals, medical devices, and dental care products;
- spa care as well as special paediatric sanatorium;
- company prophylactic care;
- transportation of patients and compensation of travel expenses;
- disability assessments;
- post-mortem examination of deceased insured patients, including transportation.

In case of **outpatient care** the health insurance covers prescribed or individually prepared pharmaceuticals. The health insurance covers at least one pharmaceutical in each category of

pharmaceuticals. In case of **hospital treatment**, all pharmaceuticals are covered by the insurance, and the insured patient does not contribute to their cost (electric wheel chair, earpiece – only on prescription and once in a defined period of time).

Annex B of Act on public health insurance lists medical devices that are not covered by the health insurance. Annex C lists devices that are covered under specified conditions. Other medical devices are covered up to 75% of end-user price, providing they are prescribed for a continuation of treatment, stabilisation of health condition or compensation for health handicap.

For the purposes of health care provision based on health insurance, the legislation does not define any qualifying period and the insurance is not limited in time.

2. Sickness benefits

The Czech Republic provides protected individuals with benefits in case of sickness. In relation to the definition of covered social event as stated in Article 14, i.e. incapacity to work caused by a disease and leading to a loss of income, the protected individuals are provided with a **sickness benefit**. As for the **scope of protected individuals**, the *Act 54/1956 Coll., on health insurance of employees*, as amended, sets a mandatory sickness insurance for all employed individuals. Sickness insurance of self-employed is according to the legislation voluntary.

Sickness benefits are regular payments. According to the sickness insurance regulations, the **qualifying period** (i.e. period of contributions or of employment or any combination of the two – compare with Article 1 Sub-paragraph (i) of the Convention) is not required for the provision of sickness benefits.

These benefits are provided to all protected individuals without the need to determine and review the fulfilment of the qualifying period. The sickness insurance regulations limit the provision of sickness benefit to 52 weeks, with a possibility to prolong this period.

Amount of benefit in relation to previous income

The fulfilment of the Convention is assessed on the basis of a ratio of sickness benefits increased by child allowance to income of a typical beneficiary increased by child allowance.

✓ In CR, this ratio amounted to :

- (a) 80,2 % for a turner in engineering. Thus, the benefit was by 35,2 percentage points higher than the minimum set by the Convention.
- (b) 77,7 % for individuals with a salary equal to 1,25 times the average wage in the national economy. Thus, the benefit was by 35,7 percentage points higher than the minimum set by the Convention.

The calculation used the following preconditions:

- ◆ The sickness benefit was determined in compliance with legislation in force as of Jan 1 2001 (for the first month of sickness).
- ◆ A typical beneficiary of the sickness benefit is:
 - (a) a turner in engineering,
 - (b) an individual with a salary equal to 1,25 times the average wage in the national economy.
- ◆ Gross wage of a turner (7th class of occupations) was determined on the basis of survey results, the survey having been conducted by TRESIMA agency ltd.^{x)} for year 2000.

^{x)} TRESIMA agency ltd. conducts regular quarterly surveys of salaries development in the CR. The survey results are used by the Czech Statistical Office.

- ◆ The beneficiary is a man with a wife and two children. Child allowance was set for children of 9 and 14 years of age. The child allowance depends on the family income, thus an individual with an income equal to 1,25 times the average wage in the national economy would receive lower allowance.

The calculation is detailed in the following table:

a) Calculation of the ration for a turner (in CZK/month)

Salary		Sickness benefit	Child allow. for 2 children	Income before entitlement ³⁾	Income when entitled to benefit ⁴⁾	Ratio of income when entitled / income before entitlement (%)
Gross	Net ¹⁾	Net ²⁾		Net	Net	Net
14 145	11 731	9 162	1 246	12 977	10 408	80,2

b) Calculation of the ration for an individual with a salary equal to 125 % of average (in CZK/month)

Salary		Sickness benefit	Child allow. for 2 children	Income before entitlement ³⁾	Income when entitled to benefit ⁴⁾	Ratio of income when entitled / income before entitlement (%)
Gross	Net ¹⁾	Net ²⁾		Net	Net	Net
16 815	13 722	10269	1090 (1246)	14 812	11 515	77,7

¹⁾ To calculate the Net salary, deductible items were taken note of (dependant wife and 2 children).

²⁾ Benefits are tax-free.

³⁾ Salary + child allowance (amounting to 1 246 CZK for a turner, and 1090 CZK for an individual with a salary equal to 1,25 times the average wage in the national economy).

⁴⁾ Benefit + child allowance (amounting to 1 246 CZK).

Note: To compare: the average wage in the national economy in 2000 amounted to 13 452 CZK.

3. Maternity benefits

According to internal regulations, pregnancy, childbirth, and their consequences represent covered social events.

All employed women are protected. The personal scope of **health care** provided during pregnancy and maternity includes all women, that are citizens of the Czech Republic, and all women working on the territory of the Czech Republic for employers with registered headquarters in the Czech Republic (as for health care, see comments above).

A woman is entitled to the **cash assistance in maternity**, providing she participated in sickness insurance for at least 270 days in the last two years („qualifying period“). This provision also applies to men in specific cases detailed in the Czech legislation (see § 12a of the same Act).

Maternity benefits are paid out periodically.

Amount of benefit in relation to previous income

(calculation according to Article 65 of the ILO Convention and the European Code)

The fulfilment of the Convention is assessed on the basis of a ratio of cash assistance in maternity to net income of a typical beneficiary.

✓ In the CR, this ratio was as follows :

- (a) 86,4 % for individuals with a salary corresponding to that of a turner in engineering. Thus, the level of the benefit was by approximately 41,4 percentage points higher than the minimum level set by the Convention.
- (b) 82,8 % for individuals with a salary equal to 1,25 times the average wage in the national economy. Thus, the level of the benefit was by approximately 37,8 percentage points higher than the minimum level set by the Convention.

The calculation considered the following preconditions:

- ◆ The cash assistance in maternity by determined according to legislation in force as of Jan. 1, 2001.
- ◆ A typical beneficiary of a cash assistance in maternity can be:
 - (a) a person with a salary corresponding to that of a turner in engineering,
 - (b) a person with a salary equal to 1,25 times the average wage in the national economy.
- ◆ Gross wage of a turner (7th class of occupations according to a classification system KZAM-R) was determined on the basis of survey results, the survey having been conducted by TREXIMA agency ltd.^{x)} for year 2000.
- ◆ The beneficiary is a woman (in special cases a man) without dependants.

The calculation is detailed in the following table:

- a) Calculation of the ratio for an individual with a salary equal to that of a turner

Salary (CZK/month)		Maternity benefit in cash ²⁾ (CZK/ month)	Ratio of the benefit / net salary (%)
Gross	Net ¹⁾		
14 145	10 901	9 420	86,4

- b) Calculation of the ratio for an individual with a salary equal to 1,25 times the average wage in the national economy

Salary (CZK/month)		Maternity benefit in cash ²⁾ (CZK/ month)	Ratio of the benefit / net salary (%)
Gross	Net ¹⁾		
16 815	12 757	10 560	82,8

- ◆ For tax purposes, only deductible items of the payer are considered. Benefits are tax-free.
- ◆ Note: To compare: an average wage in the national economy in 2000 amounted to 13 452 CZK.

4. Unemployment benefits

This part was not ratified in *ILO Convention no. 102*, but only in *the European Code on Social Security (1964)*.

In case of unemployment, all persons that fulfil the qualifying period (see bellow) and did not cause the unemployment themselves (i.e. they did not leave a job repeatedly in the last 6 months without any serious reasons, or they were not made redundant due to unsatisfactory performance or due to breach of work commitments) are covered.

^{x)} TREXIMA agency ltd. conducts regular quarterly surveys of salaries development in the CR. The survey results are used by the Czech Statistical Office.

The law specifies a **qualifying period** amounting to 12 months of employment in the last three years or at least 12 months of substitute periods as set by the law. The period during which the benefits are provided is set by the Act on employment to the maximum of 6 months. In case a job-seeker undergoes retraining, he/she receives the benefits during the whole period of retraining corresponding to minimum periods defined in Paragraph 1a). The Act does not explicitly set a waiting period (i.e. a period after inception of entitlement to benefits, for which the benefits are not paid) for the benefits. In real life, the Employment Office has 7 calendar days to find a suitable job for the job-seeker. In case no job is found in the given deadline, the benefits are paid also for these first 7 days.

The benefits set by the Convention and the European Social Security Code were calculated on the basis of the following preconditions:

- ◆ The unemployment benefit was determined according to legislation in force as of Dec. 31 2000.
- ◆ In the first three months, the benefit amounts to 50% of previous income, in the following three months 40% of previous income of the beneficiary.
- ◆ The legislation sets the maximum unemployment benefit to 2,5 times the subsistence of a person over 26 years of age, i.e. CZK 9425 a month. In case of retraining, it amounts to 10556 CZK a month.
- ◆ A turner in engineering is considered a typical beneficiary of unemployment benefit.
- ◆ Gross wage of a turner was set on the basis of a survey conducted on regular basis by TREXIMA agency, ltd. ^{x)}
- ◆ The beneficiary is a man with a dependant wife and two children. Child allowance was set for children of 9 and 14 years of age.

The calculation is detailed in the following table:

Salary (CZK/month)		Benefit 1.-3. month (CZK/ month)	Benefit 4.-6. month (CZK/ month)	Child allow. (CZK/ month)	Income when entitled to benefit ³⁾ 1-3 month (CZK/ month)	Ratio of income 4) after and before entitlement (%)	Income after entitlement to benefit ³⁾ 4-6 month (CZK/month)	Ratio of income 4) after and before entitlement (%)
Gross	Net ¹⁾	Net ²⁾	Net ²⁾	year 2000	Net	Net ²⁾	Net	Net
14 145	11 731	5 865	4692	1246	7111	54,8	5938	45,8

- 1) Deductible items for net salary are set for a payer with a dependant wife and 2 children.
- 2) Benefits are tax-free.
- 3) Unemployment benefit + child allowance for 2 children.
- 4) Salary + child allowance

5. Family benefits

The Czech Republic supports child care through the state social support system. The state social support comprises of a number of benefits that contribute towards costs of living of families with children. The benefits are not covered from insurance, these benefits are non-

^{x)} TREXIMA agency ltd. conducts regular quarterly surveys of salaries development in the CR. The survey results are used by the Czech Statistical Office, and that guarantees the utilization of calculated data.

contributory, paid from the state budget. *Act 117/1995 Coll., on state social support* represents a primary law in this area. This Act sets conditions for a provision of the state social support benefits.

Child allowance is a basic family benefit. More than 95% of dependent children and around 90% of families with children are entitled to receive child allowance.

Protected individuals:

Families of employees - total:	1390 thousand
Economically active members per family:	1,61
Families of employees with children:	799 thousand
Economically active members per family of employee:	1,65
Ratio: $(799\ 000 \times 0,9 \times 1,65) : (1390\ 000 \times 1,61) = 53\ %$	

Child allowance expenditures within the state social support	in the year 1998	11 493 mil. CZK
	in the year 1999	12 474 mil. CZK
	in the year 2000	12 748 mil. CZK

Dependent children	2400 thousand
Gross wage of unskilled worker	8737CZK

Expenditures to claimed family benefits :
 $8737 * 0,015 (1,5\% \text{ of salary}) * 12 (\text{months}) * 2,4 \text{mil (children)} = \text{amounts to } 3,8 \text{ bil. CZK.}$

6. Old-age pension

The retirement age does not exceed 65 years. At this moment, it is 60 years and 8 months for men, and 54 – 58 years for women according to the number of raised children. Each year, the retirement age increases by 2 months for men and by 4 months for women to reach as of Jan 1 2006 62 years for men and 57 – 61 years for women according to the number of raised children.

Home regulations stop payments of old-age pension in months, during which an income from gainful activities exceeded double subsistence.

Persons, that participate or participated in the pension insurance system, are covered. Participation in the pension insurance system is obligatory. All economically active individuals, i.e. both employed and self-employed, are obligatorily insured. By law, other groups are insured without paying contributions, e.g. students, servicemen in basic military service, women taking care of a child up to 4 years of age.

The benefit is a periodical payment calculated according to letter a) of this Article. This provision states, that groups of employees or economically active individuals are covered. The benefit is calculated according to Article 65 of the ILO Convention and the European Code, with reference to the reference salary of a skilled worker – a man.

The benefit is provided to a covered individual, that fulfilled a qualifying period of 25 years (Paragraph 1 a)). The wording of Paragraph 2 is accomplished too, because home regulations set the minimum waiting period for the benefit to 15 years (while another condition of reaching 65 years of age must be fulfilled).

Reaching of the set age is considered a contingency, and the benefit is granted for life.

Amount of benefit in relation to previous income of beneficiary

The fulfilment of the Convention is assessed on the basis of a ratio of old-age pension to previous net income of a typical beneficiary.

- ✓ In the CR, this ratio amounted to 47,4 %. Thus, the level of the benefit was by 7,4 per cent higher than the minimum set by ILO Convention No. 102 and the European Code.

The calculation used the following preconditions:

- ◆ The old-age pension was determined according to legislation in force as of Jan. 1 2001.
- ◆ A turner with a dependant wife is considered a typical beneficiary of the benefit.
- ◆ The calculation base of a turner (7th class of occupations according to a classification system KZAM-R) was determined on the basis of salary survey results, the survey having been conducted by TREXIMA agency ltd.^{x)} for year 2000.
- ◆ The calculation of old-age pension considered, in compliance with ILO Convention No. 102 and the European Social Security Code, a 30-year insurance period (the average insurance period for old-age insurance in the Czech Republic amounts to approximately 40 year.)

The „pension/salary“ ratio for insured persons with lower income than that of a reference person and with the same insurance period, is always higher in the CR, as it is guaranteed by the structure of the old-age pension.

The calculation is detailed in the following table:

Salary (CZK/month)		Pension (CZK/month) ²⁾	Ratio pension/salary (%)	
Gross	Net ¹⁾		Gross	Net
14145	11191	5299	37,5	47,4

¹⁾ The calculation of net salary considers deductible amounts of the payer and dependant wife.

²⁾ Pensions up to CZK 12 000 are not taxed.

Note : To compare – the average gross wage in the national economy in 2000 amounted to CZK 13452, and the average old-age pension paid out as of Dec. 31 2000 amounted to CZK 6296.

7. Invalidity pension

Full or partial disability is considered a contingency. An individual is fully disabled if due to his long-term adversary health condition, his ability to engage in gainful activities decreased by at least 66%, or he is able to engage in gainful activities only under extraordinary conditions. An individual is said to be partially disabled if due to his long-term adversary health condition, his ability to engage in gainful activities decreased by at least 33%, or if his long-term adversary health condition seriously hampers his general conditions of living.

The scope of covered individuals and the calculation of the benefit is similar to that of

^{x)} TREXIMA agency ltd. conducts regular quarterly surveys of salaries development in the CR. The survey results are used by the Czech Statistical Office.

an old-age pension.

The benefit is granted to covered individuals, providing they achieved the required insurance period. In case the full or partial disability resulted from an occupational injury or disease, the insurance period is not required. The same applies in case the full disability originated before 18 years of age of the individual. In that case, residence in the CR is a precondition. For an insured person older than 28 years of age, the required insurance period is 5 years during the 10 years prior to the inception of partial or full disability.

Invalidity pension is not reduced due to a shorter contribution period. In case, full disability is caused by an intentional physical damage to oneself or by an intentional crime, the invalidity pension is reduced.

Full invalidity pension is granted for the whole period of disability, transfer to old-age pension is not mandatory. Partial invalidity pension is reduced or suspended in case it overlaps with gainful activity according to rules set by § 46 of Act on pension insurance.

Calculation according to Article 65 of the European Code and ILO Convention No. 102:

The fulfilment of the Convention is assessed on the basis of a ratio of invalidity pension increased by child allowance to previous net income increased by child allowance of a typical beneficiary.

- ✓ In the CR, this ratio amounts to 49,7 %. Thus, the level of this benefit is by 9,7 per cent higher than the minimum level required by the ILO Convention No. 102 and the European Code.

The calculation used the following preconditions:

- ◆ The full invalidity pension was determined in compliance with regulations in force as of Jan 1 2001. According to the regulations, after 15 years the invalidity pension must not be lower than a set minimum. The minimum represents 45% of a general calculation base 2 years prior to granting of the full invalidity pension, multiplied by a conversion coefficient set to adjust the calculation base. Such a minimum usually needs to be applied for insured persons with subnormal income or short insurance period.
- ◆ A turner in engineering with a dependant wife and two children up to 15 years of age is considered a typical beneficiary. The gross wage of a turner (7th class of occupations according to a classification system KZAM-R) was determined on the basis of a survey conducted by TREXIMA agency ltd.^{x)} for year 2000.
- ◆ According to the provisions of the ILO Convention and the European Code, the granted pension is increased by child allowance to assess the income level of a covered individual. For the purpose of the calculation, child allowance for children of 9 and 14 years of age were considered (the amount of child allowance differs according to the child age and household income).
- ◆ In compliance with the ILO Convention and the European Code, the invalidity pension calculation should consider a 15-year insurance period (the average insurance period in the CR though amounts to roughly 40 years). Thus, the level of pension is a subject to the provisions on minimum level of pension, and due to that the level of invalidity pension of a typical beneficiary is independent of the salary.

^{x)} TREXIMA agency ltd. conducts regular quarterly surveys of salaries development in the CR. The survey results are used by the Czech Statistical Office.

The calculation is detailed in the following table: (in CZK/month):

Salary		Invalidity pension ²⁾	Child allow., 2 children	Income before entitlement to pension ³⁾		Income after entitlement to pension ⁴⁾	Ratio of income before and after entitlement (%)	
Gross	Net ¹⁾			Gross	Net ¹⁾		Gross	Net
14145	11731	5204	1246	15391	12977	6450	41,9	49,7

¹⁾ The calculation of Net salary considers deductible amounts for the payer, dependant wife, and two children.

²⁾ Pensions up to 12 000 CZK are not taxed.

³⁾ Salary in 2000 + child allowance in 2000.

⁴⁾ Pension granted in 2001 + child allowance (in January 2001 the same as in 2000).

Note : To compare – average wage in the national economy in 2000 amounted to CZK 13452, average invalidity pension paid out as of Dec. 31 2000 amounted to CZK 6118.

8. Survivors pension

A death of a provider is considered a covered social event. The condition stated in Paragraph 1 is fulfilled. Survivors benefits are not reduced or taken away in case they overlap with gainful activities.

The scope of covered individuals is similar to that of an old-age pension. The benefit is a repetitive payment. Survivors benefit is granted to a person, whose provider was a recipient of an old-age or full invalidity pension, or the deceased person achieved the required insurance period for entitlement to full invalidity or old-age pension, or the deceased person died of an occupational injury. The minimum insurance period is 5 years.

The Widows or widowers pension is granted for one year after the death of a provider, then according to conditions set out in § 50 of Act 155/1995 Coll., on pension insurance, as amended. An dependent child is a precondition for granting an orphans pension. The „unprovided-for“ status is defined in § 20 Paragraph 3 of Act on pension insurance, and it can be claimed only up to 26 years of age. Entitlement to widows or widowers pension expires as a court decision on intentional death caused by the widow or widower, who acted as a perpetrator, accomplice or a participant of the crime, comes in effect. A new marriage ends entitlement to widows or widowers pension. Child adoption ends entitlement to orphans pension.

Amount of benefit in relation to previous income:

Calculation according to Article 65 of the European Code and ILO Convention No. 102.

The fulfilment of the Convention is assessed on the basis of a ratio of widows (widowers) pension, two orphans pensions, and child allowance to previous net income increased by child allowance of a typical beneficiary.

- ✓ In the CR, this ratio amounts to almost 79 %. Thus, the level of survivors benefit is by 39 per cent higher than the minimum level required by the ILO Convention No. 102 and the European Code.

The calculation used the following preconditions:

- ◆ The survivors pension (a widows pension and two pensions of orphans with one deceased parent) was determined in compliance with regulations in force as of Jan 1 2001. According to the European Code and ILO Convention, the invalidity pension of the deceased was used as a calculation base for the survivors pensions. The deceased person accumulated an insurance period of 15 years. According to regulations

applied in the Czech Republic, after 15 years the invalidity pension must not be lower than a set minimum. The minimum represents 45% of a general calculation base 2 years prior to granting of the full invalidity pension, multiplied by a conversion coefficient. Such a minimum usually needs to be applied for insured persons with subnormal income or short insurance period.

- ◆ A family of a deceased turner in engineering (a dependant wife and two children up to 15 years of age) is considered a typical beneficiary. The gross wage of a turner (7th class of occupations according to a classification system KZAM-R) was determined on the basis of a survey conducted by TREXIMA agency ltd.^{x)} for year 2000.
- ◆ According to the provisions of the ILO Convention and the European Code, the granted pension is increased by child allowance to assess the income level of a covered individual. For the purpose of the calculation, child allowance for children of 9 and 14 years of age were considered (the amount of child allowance differs according to the child age and household income).
- ◆ In compliance with the ILO Convention and the European Code, the survivors pension calculation should consider a 15-year insurance period (the average insurance period in the CR though amounts to roughly 40 years). Thus, the level of pension is a subject to the provisions on minimum level of pension, and due to that the level of invalidity pension of a typical beneficiary is independent of the salary.

The calculation is detailed in the following table:

Salary		1 widow and 2 orphans pensions ²⁾	Child allow., 2 children	Income before entitlement to pension ³⁾		Income after entitlement to pension ⁴⁾	Ratio of income before and after entitlement (%)	
				Gross	Net		Gross	Net
Gross	Net ¹⁾			Gross	Net	Net	Gross	Net
14145	11731	8993	1246	15391	12977	10239	66,5	78,9

- ⁵⁾ The calculation of Net salary considers deductible amounts for the payer, dependant wife, and two children.
- ⁶⁾ Pensions up to 12 000 CZK are not taxed.
- ⁷⁾ Salary in 2000 + child allowance in 2000.
- ⁸⁾ Pension granted in 2001 + child allowance (in January 2001 the same as in 2000).

Note: To compare: the average wage in the national economy in 2000 amounted to CZK 13452, the average widow/widower pension paid out as of Dec. 31 2000 amounted to CZK 4 480, and orphans pension CZK 3 077.

Question B

With regard to the branches of the social security in force in your country which do not reach the level provided for in that Convention, please indicate the differences between your established standards and those of the Convention.

In the Czech Republic there is no special system of benefits granted in case of work accident or occupational diseases. Benefits in kind as well as the cash benefits, which person concerned receives, are granted within the general schemes of health insurance, sickness insurance and pension insurance. The important element is liability of the employer for the damage occurred by the accident or occupational disease.

^{x)} TREXIMA agency ltd. conducts regular quarterly surveys of salaries development in the CR. The survey results are used by the Czech Statistical Office.

Article 12, paragraph 3

„With a view to ensuring the effective exercise of the right to social security, the Contracting Parties undertake: to endeavour to raise progressively the system of social security to a higher level.“

Question A

Please describe any measures taken with a view to fix the social security standards at a higher level and in particular any measures taking the system to a level higher than that of the International Convention No. 102 (Social Security – Minimum Standards).

Please also provide information in relation to the standards of the European Code of Social Security and its Protocols.

The Czech Republic ratified the European Social Security Code in 2000, and it came in force on its territory in Sept. 9 2001.

As against parts ratified by the CR in the ILO Convention No. 102, parts related to unemployment benefits were ratified in the European Social Security Code. Details about individual types of benefits can be found in an answer to Question A for Article 12 Paragraph 2.

The level of state social support benefits is linked to the subsistence, which is recognised as a minimum level of income, which if not achieved leads to material shortage. The subsistence determines the level of necessary funds needed by a household to temporarily provide for basic living needs of its members, and it serves as a criterion to assess income shortage for the purposes of social protection of an individual or a family. The subsistence level is updated by government decree, providing the consumer prices increase by at least 5% from the last update. The increase of subsistence takes into consideration the maintenance of the real level of the amounts. The last update was executed in April 2000.

Question B

As far as any other changes in the social security field are concerned, please include the following elements:

- *the nature of the changes (field of application, conditions for granting allowances, amounts of allowances, lengths, etc.)*
- *the reasons given for the changes, the framework of social and economic policy they come within and their adequacy in the situation which gave rise to them*
- *the extent of the changes introduced (categories and numbers of people concerned, levels of allowances before and after alteration)*
- *the existence of measures for those who find themselves in a situation of need as a result of the changes made*
- *the results obtained by such changes.*

As for pension insurance, the government increases pensions in case the CPI grows by at least 5%. According to the Act on pension insurance, the increase of an average old-age pension is equal to at least 70% of the CPI increase. The Act also sets out conditions and means for taking account of the real wages grows (usually every other year). A minimum

increase of pensions set out by law would result in further drop in a real value of the pensions though, therefore pensions are increased in such a way to at least maintain their real value.

Increase of sickness insurance benefits was conducted for the first time in October 1 1999. As of that date, new reduction limits for calculation of daily base amount used for calculation of the benefit, were set (increased). As of Jan 1 2000, the government, under statutory authorisation, further increases the reduction limits, in case the average gross wage increased according to the Central Statistical Office by an amount set out by law.

There were no changes to the social security system which would aim at decreasing the level of the system.

The above mentioned indexing of subsistence (in April 2000) and a consequent increase of benefits derived from the subsistence represented changes made in the area of the state social support system and social care in the Czech Republic in the reference period. With effect since April 1 2000, further changes were made to the social care system, related to allowance granted for taking care of a relative or another person. The change relates to the assessment of personal, daylong, and due care. Criteria of assessment were loosened up, thus allowing for greater overlap with placing a person to a special-care facility. It is not possible conclude though, that as a result of that change, the scope of beneficiaries of this allowance broadened, or the level of the allowance increased.

Article 12, paragraph 4

„With a view to ensuring the effective exercise of the right to social security, the Contracting Parties undertake:

to take steps, by the conclusion of appropriate bilateral and multilateral agreements, or by other means, and subject to the conditions laid down in such agreements, in order to ensure:

a) equal treatment with their own nationals of the nationals of other Contracting Parties in respect of social security rights, including the retention of benefits arising out of social security legislation, whatever movements the persons protected may undertake between the territories of the Contracting Parties;

b) the granting, maintenance and resumption of social security rights by such means as the accumulation of insurance or employment periods completed under the legislation of each of the Contracting Parties.“

Question A

Please give the list of bilateral and multilateral agreements as provided for in this provision and indicate how they allow, for the various social security benefits, the implementation of principles provided for in sub-paragraph a) and b).

As of Jan 1 1993, based on *Constitutional Act 4/1993 Coll.*, **on provisions related to the break-up of the Czech and Slovak Federal Republic (Article 5)**, the Czech Republic become a successor in international obligations of the CSFR.

The following are bilateral agreements on social security signed by the CR and Contracting Parties of the ESCh:

1. An agreement between the Czech republic and the Slovak Republic on social security (in effect as of Jan 1 1993).

This agreement covers the following areas of social security:

- Pension insurance (old-age, invalidity and survivors pensions);
- Sickness insurance (cash benefits in sickness and maternity);
- State social benefits;
- Social care benefits and services.

The agreement applies to the nationals of the Czech Republic and Slovak Republic and their family members, as regards the sickness cash benefits and pensions it covers all person subject to the insurance of contracting parties. The agreement applies also to refugees, stateless persons, and third countries nationals, that are or were subject to legislation of a Contracting Country, and possibly also their family members, only in the area of pension and sickness insurance.

The agreement sets down **equal treatment** in relation to the application of legislation (Article 4). It also sets a rule, according to which benefits must not be reduced, modified or taken away in case an entitled person resides in the territory of the other contracting state (**export of benefits** – Article 6).

Provisions related to pension and sickness insurance set out a rule of **accumulation of insurance periods**, providing they are needed for the entitlement to benefit.

The state social benefits and social care benefits and services are provided by the contracting party on the territory of which the given individual is resident.

An Agreement between the governments of the Czech Republic and the Slovak Republic on health care (in effect as of Jan 1 1993, suspended).

The agreement applied to the citizens of the Czech Republic and the Slovak Republic, and it provided for health care in the territory of the other contracting party. At this moment, a new Agreement between the Czech Republic and the Slovak Republic on Health Care is applied (in effect as of April 1 2001, replaced the old Agreement).

An agreement between the Czech republic and the Slovak Republic on mutual employment.

The agreement applies to the nationals of the Czech Republic and Slovak Republic.

Apart from regulating mutual employment, it includes a co-ordination provision for granting of unemployment benefits. When the person concerned reside in the territory of other than competent state, the benefit can be paid by the institution of the place of residence and then reimbursed by the competent institution.

Article 5 sets out the rule of **accumulation of periods of employment achieved in both contracting countries** for the purposes of assessment of entitlement to benefit. According to Article 7, the entitlement to unemployment benefits remains valid during stays in both contracting countries.

2. An agreement between the Czech republic and the Republic of Cyprus on social security (in effect as of March 1 2000).

This agreement covers the following areas of social security:

- Cash benefits in sickness and maternity;
- Invalidity, old-age and survivors benefits;
- Cash benefits for occupational injuries and diseases;
- Funeral grant;
- Unemployment benefits;
- Child allowance.

The Agreement applies to all individuals that are or were subject to legislation of one or both contracting parties, and other individuals providing their rights are derived from the above mentioned individuals.

The agreement sets out the rule of **equal treatment** in relation to the application of legislation related to social events covered by the Agreement (Article 4). It also sets out a rule, according to which benefits must not be reduced, modified or taken away in case an entitled person resides in the territory of the other contracting state (**export of benefits** – Article 5). For each social event, the **accumulation of insurance periods** (to the extent necessary for entitlement to benefit) and possibly conversion of these periods is set out separately.

3. An agreement between the Czech republic and the Republic of Bulgaria on social security

(in effect as of Jan 1 2000).

This agreement covers the following areas of social security:

- Cash benefits in sickness and maternity;
- Invalidity benefits;
- Old-age benefits;

- Survivors benefits;
- Cash benefits for occupational injuries and diseases;
- Funeral grant;
- Child allowance.

The Agreement applies to the nationals of the Czech Republic and the Republic of Bulgaria, refugees, and stateless persons (as defined by the Convention on the Legal Status of Refugees and the Convention on the Legal Status of Stateless Persons), and individuals that derive their rights from these persons.

The agreement sets out the rule of **equal treatment** in relation to the application of legislation related to social events covered by the Agreement (Article 4). It also sets out a rule, according to which benefits must not be reduced, modified or taken away in case an entitled person resides in the territory of the other contracting state (**export of benefits** – Article 5). For each social event, the **accumulation of insurance periods** (to the extent necessary for entitlement to benefit) is set out separately.

4. *A convention between the Czech republic and the Peoples Republic of Hungary on co-operation in the area of social policy* (in effect as of Dec 1 1959).

This agreement covers the following areas of social security:

- Health care (necessary and urgent care);
- Cash benefits in sickness and maternity;
- Insurance for cases of occupational injuries and diseases;
- Old-age, invalidity and survivors insurance;
- Family benefits.

The Agreement applies to all individuals that are or were subject to legislation of contracting parties, and their family members.

The agreement sets out the rule of **equal treatment** in relation to the application of legislation related to social security (Article 2). The **rule of export of benefits** is covered by Article 8. General Provisions (Article 7) also included the rule of **accumulation of insurance periods**.

5. *A convention between the Czechoslovak republic and the Republic of Romania on co-operation in the area of social issues* (in effect as of March 20 1958).

This agreement covers the following areas of social security:

- Health care benefits;
- Cash benefits in sickness and maternity;
- Old-age, invalidity and survivors benefits.

The Agreement applies to all individuals that are or were subject to legislation of contracting parties, and their family members.

The agreement sets out the rule of **equal treatment of citizens** in relation to the application of legislation related to social security (Article 2). Special Provisions (Articles 4 and 5) related to individual areas of social security also include the rule of **accumulation of insurance periods**.

As the Agreement is based on a territorial principle, and the benefits are thus granted always according to the legislation of the country of residence of a given individual, the Agreement does not include the rule of export of benefits.

6. *An agreement between the Czechoslovak republic and the Federal Republic of Yugoslavia on social insurance* (Slovenia became a successor in this agreement, Agreement, in effect as of Dec. 1 1957).

This agreement covers the following areas of social security:

- Sickness and maternity insurance (including health care);
- Invalidity, old-age, survivors insurance (including occupational injuries and diseases);
- Child allowance.

The Agreement applies to all individuals, that are or were subject to the legislation of the Czech Republic and the Federal Republic of Yugoslavia (and later Slovenia), and their family members.

The agreement sets out the rule of **equal treatment** in relation to the application of legislation (Article 3). The rule of **accumulation of insurance periods** (Article 4) is set out for all benefits, that require a specific qualifying period. As for citizen of the CR and Slovenia, the rule of **export of benefits** is covered by Article 19.

Health care benefits

These benefits include in particular prophylactic care, treatment in sickness, assistance in maternity, dental care, provision of pharmaceuticals, medical and orthopaedic devices, and necessary transportation.

The above detailed scope of health care (i.e. full health care) is provided to individuals permanently dwelling in the territory of the other contracting party. In case of temporary stay, the entitlement to these benefits arises only if the stay is related to employment.

Other individuals staying temporarily in the territory of the other contracting party (e.g. tourists) are entitled only to the so called **essential and urgent care** required to avert a threat to life or damage to health.

7. *An agreement between the Czechoslovak Republic and the Republic of France on social security, with a Supplementary Agreement and a Final Protocol* (in effect as of July 1 1949).

This agreement covers the following areas of social security:

- Medical and prophylactic care benefits (provided only to persons with pension granted on the basis of this Contract);
- Cash benefits in sickness and maternity;
- Pension insurance;
- Child allowance.

This Agreement applies to the citizens of the Czech Republic and the Republic of France.

The Agreement sets out the rule of **equal treatment** in relation to members of contracting parties (Article 1). The **export of benefits** rule is covered by Special provisions for individual areas of social security (Section 4 Article 15 for pensions, Section 5 Article 20 for occupational injuries and diseases). The Special provisions for individual areas of social security also include the rule of **accumulation of insurance periods**, that do not overlap and are required to maintain the entitlement to a benefit.

8. *A convention between the Czechoslovak Republic and the Republic of Poland on social insurance* (in effect as of October 1 1948).

This agreement covers the following areas of social security:

- Health care benefits;
- Cash benefits in sickness and maternity;
- Accident insurance;
- Pension insurance;
- Unemployment insurance.

The Agreement applies to all individuals, that are or were subject to the legislation of the Czech Republic and the Republic of Poland, and their family members.

The Agreement sets out the rule of **equal treatment** in relation to application of legislation related to social events covered by the Agreement (Article 4 Paragraph 1). The **export of benefits** rule is included in Article 4 Paragraph 2. Special provisions related to individual areas of social security also include the rule of **accumulation of insurance periods**.

9. *An agreement between the Czech republic and the Republic of Austria on social security* (in effect as of July 1 2001).

This agreement covers the following areas of social security:

- Health care (necessary and urgent care);
- Cash benefits in sickness and maternity;
- Unemployment benefits;
- Old-age, invalidity and survivors insurance;

The Agreement applies to all individuals that are or were subject to legislation of contracting parties, and their family members.

The Agreement sets out the rule of **equal treatment of nationals of both contracting countries** in relation to application of legislation of social security (Article 4). **The export of benefits** rule is covered in Article 5. Provisions related to individual social events also cover the **accumulation of insurance periods**.

A note to all bilateral agreements negotiated by the Czech Republic: Apart from the above described rules, all agreements include another very significant rule of co-ordination of social systems – **the rule of one insurance**.

During 2000 and 2001, further steps were taken to enhance the contractual base in the area of social security co-ordination with the following Contracting Parties to the ESCh:

1. The Federal Republic of Germany – Social Security Agreement signed in July 27, 2001, at this moment in ratification process.
2. The Grand Duchy of Luxembourg – Social Security Agreement signed in November 17, 2000, at this moment in ratification process.
3. The Kingdom of Netherlands – Agreement on Export of Social Insurance Benefits signed in May 30, 2001, at this moment in ratification process.
4. The Kingdom of Spain – Agreement is planned to be signed in IVQ2001.
5. The Republic of Italy – Agreement is planned to be signed in IVQ2001.
6. The Republic of Romania – Expert meetings on a new agreement that would replace the current agreement were finished.
7. The Republic of Turkey – Expert meetings were finished.
8. The Republic of Poland – Expert meetings on a new agreement that would replace the current agreement are under way.
9. The Republic of Slovenia – Expert meetings on a new agreement that would replace the current agreement are under way.

As for the number of members of other contracting parties to the ESCh in the Czech Republic, see table bellow.

The following are multilateral international agreements on social security co-ordination,

ratified by the Czech Republic:

- ILO Convention No. 19, on equal treatment of local as well as foreign workers in compensation of occupational injuries (for the CR in force since Jan 1 1993),
- The European Interim Agreement on social security systems for old-age, invalidity, and survivors, and its Protocols,
- The European Interim Agreement on social security with the exception of systems for old-age, invalidity, and survivors, and its Protocols.

(Both Interim Agreements and their Protocols are in the CR in force since Oct. 1 2000.)

Question B

Please indicate whether, in the absence of any bilateral or multilateral agreements, the nationals of other Contracting Parties concerned are granted the implementation of the principles provided for in sub-paragraphs a) and b) for the various social security benefits.

In case there are no bilateral or multilateral agreements, the legislation of the Czech Republic is applied to all foreigners in the individual branches of social security as follows:

1. Health care

Provision of health care and health insurance coverage is not based on a citizenship, but on a residency principle, thus the citizenship of an individual does not influence the scope of his rights under his health insurance.

As for health insurance, the following categories of individuals are obligatorily insured according to the Act on public health insurance:

- Individuals with permanent residence in the CR;
- Individuals employed by an employer with headquarters in the Czech Republic.

The Czech Republic does not apply any waiting or qualifying periods for entitlement of insured persons to the provision of health care. The entitlement to health care in the territory of the CR arises as of the commencement of insurance.

2. Sickness and maternity benefits

Execution of activities specified by law in the territory of the CR serves as a precondition for sickness insurance, with no regard given to the citizenship of the given individual. Providing the person belongs to a category of persons covered by the insurance, his/her citizenship does not influence the right to sickness insurance benefits in any way.

According to § 1 of *Act 54/1956 Coll. on sickness insurance of employees*, the following categories of persons are insured (with the exception of special categories, e.g. MPs, senators, government members or judges etc.):

- employees with employment contract;
- persons with the agreement on working activity.

Self-employed individuals in the CR may participate in the sickness insurance system on voluntary basis.

No qualifying or waiting period applies for the provision of sickness insurance benefits, and it is thus unnecessary to regulate the accumulation of insurance periods. An individual is insured and thus is entitled to benefits as of the commencement of the insurance, providing conditions specified by law are fulfilled.

In case there is no international agreement, the sickness insurance benefits are not paid abroad. The Ministry of Labour and Social Affairs may approve an exception to that rule and specify conditions for the payment of benefits to abroad, especially in cases of international solidarity.

Maternity benefits, i.e. cash assistance in maternity, is granted within the sickness insurance system.

Unlike sickness benefit, the cash assistance in maternity is not a subject to a qualifying period required for entitlement to the benefit. Insurance period achieved abroad (employment, stay, etc.) are not considered in assessing the entitlement to the benefit, unless there is an international agreement. Other rules, see above.

3. Unemployment

According to *Act 1/1991 Coll., on employment*, as amended, foreigners have the same legal status as the citizens of the CR. The only exception is the work permit required for foreigners who wish to work in the CR. Unemployment benefits are not exported to abroad. Periods accumulated abroad and needed for entitlement to unemployment benefits in the CR are not recognised. Insurance periods are accumulated only on the basis of international agreements.

4. Pensions

The bellow stated information relate to old-age, invalidity (full and partial), and survivors (widows, widowers, orphans) pensions.

The participation in the pension insurance system is not decided on the basis of citizenship, but the fact, whether an individual belongs to categories of persons specified in § 5 and 6 of *Act 155/1995 Coll., on pension insurance*, as amended.

These categories include for example:

- employees with employment contract,
- persons with the agreement on working activity,
- self-employed persons.

According to § 66 of the above mentioned Act on pension insurance, the pension insurance benefits are paid to abroad to individuals without permanent residence in the CR or individuals who do not usually stay in the CR (they spend more than 270 calendar days in a calendar year abroad). The amount of benefits paid out corresponds to the insurance period and substitute periods acquired in the CR. These criteria apply to all pensions paid out to abroad, with no regard being given to the citizenship of their beneficiary.

Insurance periods are accumulated only on the basis of bilateral international agreements.

5. Occupational injuries and diseases

There is no separate accident insurance system in the Czech Republic. Individuals suffering of occupational injury or disease are provided with health care and social security within the existing general systems as described above: the system of health care, sickness insurance (during incapacity to work), and pension insurance (e.g. in cases of invalidity or death). Unlike general pension insurance, a qualifying period is not required in cases of invalidity or survivors pension that resulted from occupational injury or disease. Thus, no rule of accumulation of periods needs to be applied (other rules, see Item 4).

Apart from benefits granted within these general systems, an employee suffering of an occupational injury or disease would receive damages from his/her employer.

The Labour Code (*Act 65/1965 Coll.* as amended, §§190 and following) sets out the responsibility of an employer for damages caused by occupational injury or disease, and the

employer is obliged to provide compensation for the damages. The compensation, that the employer is obliged to pay, covers the following areas:

- loss of income;
- pain and abatement of social engagement;
- treatment costs (cost of pharmaceuticals not fully covered by health insurance companies, diet costs etc.);
- physical damage.

The above mentioned damages must be provided by the employer without regard to the citizenship of the afflicted person. The only precondition is whether the given individual was employed by the employer in the given time, and whether there was an occupational injury or disease that caused the damage to the employee. The damages are provided to an authorised individual, that can also live abroad. No qualifying or waiting period is required for the damages, and thus the rule of accumulation of periods does not have to be applied.

Question C

Please indicate the length of the prescribed period of residence before nationals of Contracting Parties become eligible for benefits which are available independently of any contribution.

Without payments of contributions the Czech Republic provides family benefits (child allowance), according to *Act 117/1995 Coll., on state social support*, as amended. These benefits are provided to residents in the Czech Republic. Individuals without residence (both Czechs and foreigners) can receive these benefits after 365 days of stay.

Number of the citizens of the other contracting parties to the European Social Charter, working in the Czech republic

State	1993	1994	1995	1996	1997	1998	1999	2000
Austria	309	381	434	449	475	455	421	384
Belgium	35	72	86	90	86	104	111	120
Bulgaria	633	616	841	1442	3322	2721	1657	1523
Cyprus	5	1	2	3	5	8	6	6
Denmark	28	35	50	55	37	55	60	69
Estonia	0	5	11	10	16	8	11	8
Finland	4	11	22	32	57	62	68	76
France	219	299	391	457	470	540	585	621
Germany	660	1143	1462	1457	1536	1545	1466	1452
Great Britain	885	1096	1224	1233	1252	1207	1129	1112
Greece	11	6	13	16	17	19	27	21
Hungary	33	36	37	79	73	75	66	72
Ireland	75	92	127	124	99	89	72	74
Island	0	1	3	5	4	4	1	2
Italy	79	117	146	209	245	242	235	243
Luxembourg	0	0	0	2	3	2	3	3
Malta	0	2	0	3	6	7	5	8
Netherlands	108	155	223	243	276	329	303	332
Norway	14	19	27	33	24	18	25	26
Poland	10559	8719	12071	12843	13665	9941	6880	7679
Portugal	5	6	8	8	7	3	10	17
Romania	489	724	780	899	1169	1066	742	908
Slovakia	23336	39209	59323	72244	69723	61320	53154	63567
Slovenia	0*	0*	51	36	28	26	24	24
Spain	55	52	69	80	84	86	83	95
Sweden	63	68	90	141	125	138	118	138
Turkey	40	46	97	90	119	147	138	141
Total	37645	52911	77588	92283	92923	80217	67400	78721
Covered by agreement		48987	72653	86558	85128	72968	63108	74400
Percentage of the persons covered by agreements	92%	93%	94%	94%	92%	91%	94%	95%

* no separate records

List of sources to the Article 12:

- *Act No. 2/1993 Coll. the Charter of fundamental rights and freedoms*, as amended,
 - *Act No. 100/1988 Coll., on social security*, as amended,
 - *Act No. 114/1988 Coll. on the social security powers of Czech Republic authorities*, as amended,
 - *Act No. 1/1991 Coll., on employment*, as amended,
 - *Act No. 9/1991 Coll. on employment and on activities of the authorities of the CR in the sector of employment*, as amended,
 - *Act No. 582/1991 Coll., on organisation and implementation of social security*, as amended,
 - *Act No. 589/1992 Coll., on social insurance and contribution toward the state employment policy*, as amended,
 - *Act No. 54/1956 Coll., on employee sickness insurance*, as amended,
 - *Act No. 32/1957 Coll., on medical assistance in armed forces*, as amended,
 - *Act No. 88/1968 Coll., on extension of maternal leave, maternity benefits, and child allowances paid of sickness insurance*, as amended,
 - *Act No. 155/1995 Coll., on pension insurance*, as amended,
 - *Act No. 42/1994 Coll., on supplementary pensions with state subsidy*, as amended,
 - *Act No. 117/1995 Coll., on state social support*, as amended,
 - *Act No. 463/1991 Coll., on the subsistence level*, as amended,
 - *Act No. 482/1991 Coll., on social need*, as amended,
 - *Act No. 65/1965 Coll., Labour Code*, as amended,
 - *Act No. 40/1964 Coll., Civil Code*, as amended,
 - *Act No. 20/1966 Coll., on population health care*, as amended,
 - *Act No. 48/1997 Coll., on public health insurance*, as amended,
 - *Act No. 551/1991 Coll., on General Health Insurance Company*, as amended,
 - *Act No. 280/1992 Coll., on departmental, sector, enterprise and other health insurance companies*, as amended,
 - *Act No. 592/1992 Coll., on general health insurance premiums*, as amended,
 - *Act No. 160/1992 Coll., on health care in non-state medical facilities* as amended,
 - *Constitutional Act No. 4/1993 Coll., on provisions related to the break-up of the Czech and Slovak Federal Republic.*
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- *ILO Convention 102 on minimum level of social security* *
 - *European social security code.*

* The Report on fulfilment of the ESCh is accompanied by a copy of a Report on the ILO Convention No. 102 submitted by the Ministry of Labour and Social Affairs of the Czech Republic to the ILO.

ARTICLE 13: THE RIGHT TO SOCIAL AND MEDICAL ASSISTANCE

Article 13, paragraph 1

„With a view to ensuring the effective exercise of the right to social and medical assistance, the Contracting Parties undertake:

To ensure that any person who is without adequate resources and who is unable to secure such resources either by his own efforts or from other sources, in particular by benefits under a social security scheme, be granted adequate assistance, and, in case of sickness, the care necessitated by his condition.“

Question A

Please describe the general organisation of the current public social and medical assistance schemes.

Social assistance (this expression is not known in the Czech legislation – we use the term „**social care**“) has been part of the system of social protection of persons.

Social Care

Social care constitutes the third systemic part of social security and is granted to those persons whose needs are not sufficiently covered by their income from working activities, by pension or sickness insurance, or by another income, and who, for serious reasons, are not able to increase their income. Their needs are compensated especially by means of social care benefits.

Further, this assistance is rendered to persons who are in need because of their health condition or age, or who cannot overcome a difficult situation in their life without social assistance or are in threat of getting into such situation (the area of social prevention). Those persons receive especially social and legal protection and social services. The objective of providing all these forms of social care is to support or renew personal social independence, to provide personal protection of those in need, to provide the subsistence means, to prevent social pathology, etc.

The objective also is to prevent social exclusion and to support the socially handicapped. Apart from benefits tackling the material need caused by lack of income, the system also includes special benefits for physically handicapped persons to buy technical and compensation aids, to do the dwelling adjustments, to enhance their mobility, etc.

Social care is financed from the state budget, even if paid out by the self-governing municipal authorities upon whom this duty has been partially delegated. In such a case, the state contributes the municipalities to cover the benefit administration costs including payroll for the respective municipal staff. The social care providers differ depending on the benefit type. Benefits to tackle material need are paid out by municipalities on behalf of the state. Benefits to tackle specific problems of the physically handicapped are paid out by the delegated local state administrative body which is the District Office, due to higher personnel skills required. A number of non-governmental bodies (NGO's) have entered this area of

social care (foundations, charities, the Salvation Army, civic initiatives, funds, church establishments etc.).

Legislation:

- *Act No. 2/1993 Coll. the Charter of fundamental rights and freedoms*, stipulates in Art. 30, para. 2, the right of anyone in material need to such assistance which is necessary for that person to achieve subsistence level.
- *Act No. 100/1988 Coll., on social security* (contains basic provisions on social security – its scope and forms, definition of legal proceedings if that be the case, definition of certain benefits – contribution to those taking care of a close or another person).
- *Act No. 114/1988 Coll. on the social security powers of Czech Republic authorities*, as amended, (defines the structure and responsibilities of state administrative as well as self-governing bodies as social security providers).
- *Act No. 583/1991 Coll., on the organisation and implementation of social security*.
- *Act No. 463/1991 Coll., on the subsistence level*, as amended (defines the subsistence level as the socially acknowledged minimum income level, under which the state of individual material need occurs, which the state is obliged to tackle and prevent. The subsistence level consists of two components, its amount depending on the eligible person's age and the number of household members. If the income does not reach the subsistence level and if the person meets conditions of social need, the person's income is compensated up to the subsistence level. The subsistence level is the basis taken for the calculation of the amount of assistance provided and for the definition of persons in social need. The specific current subsistence level is determined by the central government in its rulings, depending on selected macroeconomic indicators).
- *Act No. 482/1991 Coll., on social need* (defines granting of benefits to persons whose income does not reach the subsistence level).
- *MOLSA Notification No. 182/1991 Coll., implementing the Acts on social security and on the social security powers of Czech Republic authorities*, as amended (defining specific conditions for categories of eligible persons concerning the origination of title to social care and individual forms thereof).
- *MOLSA Notification No. 82/1993 Coll., on reimbursement for the stay in social care institutions*, as amended,
- *MOLSA Notification No. 83/1993 Coll., on catering in social care facilities*, as amended,
- *Act No. 71/1967 Coll., Administrative Order*, as amended.

Health Assistance

According to Article 31 of the Charter of Human Rights and Fundamental Freedoms, everybody has the right to the protection of health. Based upon the health insurance, the citizens have the right to a free medical care. Act No. 48/1997 Coll. defines persons with mandatory health insurance:

- Persons with permanent residence within the territory of the Czech Republic
- Persons employed by an employer seated in the Czech Republic

Along with the care ensuing from health insurance, each medical worker is obliged to provide first aid immediately to anybody (both Czech citizens and foreigners), if refusal of such aid would represent a threat to a person's health or danger to the person's life, and if timely assistance cannot be reached in the usual way. Such a person must also be provided, if need be, with a follow-up special care (e.g. institutional care).

According to Section 13 of the Public Health Insurance Act, and conditions defined therein, the free health care includes the following:

- Medical care both out-patient and institutional (including diagnostic care, physical therapy and care of the chronically ill);
- Emergency and rescue service
- Preventive care;
- Dispensary care;
- Provisions of medication, health technology and dentistry products;
- Care offered in spas and specialised children's medical institutions and health resorts;
- Workshop preventive care;
- Transportation of the infirm and travel expenses compensation;
- Expert opinion;
- Inspection of the deceased insured persons and autopsy including transport.

In the outpatient care, health insurance covers: pharmaceuticals prescribed or individually prepared. At least one pharmaceutical in each group of drugs is covered under the health insurance scheme. Pharmaceuticals are fully covered in institutional care, i.e. the insured does not share their disbursement (e.g. electrical wheelchair, the hearing aid – only against a prescription and just once during the defined period).

Annex B to the Public Health Insurance Act enumerates items of health technology not covered under the health insurance. Annex C defines items covered only under defined conditions. Other items of health technology are covered at 75% of their price for the end consumer, if those are prescribed for the purpose of continuous treatment, stabilising the health condition or health handicap compensation.

Health care is being provided regardless of racial, religious, political adherence of the patient, etc. The principle of a free choice of physician is being applied. A free access to health care has been provided.

Health care is being provided according to Act No. 20/1966 Coll., on care of the nation's health, as amended, both out-patient and institutional according to health condition of respective patient. Health care institutions are founded and registered according to the Act No.160/1992 Coll., on health care in non-state health care institutions, as amended.

Question B

Please provide detailed information on the different types of social and medical assistance schemes:

their form (benefits in cash and/or in kind)

the categories of persons covered and number of persons who were in receipt of assistance during the reference period

the conditions for the granting of assistance, the criteria used to assess need, the procedure for determining whether a person is without adequate resources, and the body which decides when assistance is to be granted

as far as possible, information demonstrating the adequacy of assistance with respect to the cost of living.

Social care

Social care is being provided in the following areas:

- Family and child care (advisory and educational care on the issues of partnership – marital and pre-marital advisory centres, family life, child upbringing and nurturing, family and social problems, etc.);
- Care of persons with a serious health handicap (granting extraordinary advantages, ad hoc contributions, home nursing, institutional care etc.);
- Care of elderly people (home nursing services, granting institutional care, pensioners' clubs, pensioners' canteens etc.);
- Care of people requiring special assistance (contributions in cash, job-seeking assistance, improvement of the culture of housing, utilisation of leisure etc.);
- Care of socially non-adjusted people (educational and advisory care, benefits in cash and in kind to cover the needs of living etc.).

Examples of benefits and services granted under social care:

- benefits in cash;
- benefits in kind;
- educational and advisory care;
- social and legal protection;
- institutional social care;
- work therapy;
- care granted by other social care facilities;
- home nursing;
- catering;
- cultural and recreational care;
- interest-free loans.

Persons eligible for social care:

Social care is designed for people whose needs are not sufficiently covered (in the old age, due to incapacity to work loss of family breadwinner etc.). A person in social need is someone whose income together with incomes of other persons to be considered jointly according to the Subsistence Act not to reach the total of respective subsistence amounts (subsistence level being defined as a minimum level of income which is consensual being considered to be the poverty line). The condition for being acknowledged a person in social need is that those persons cannot, with respect to their age, health condition or for other serious reasons, increase their income by their own effort (especially by working, exercising their justified claims – the right to alimony, pension, etc. – by selling or leasing a flat/house, etc.).

With some groups of persons, the ability to increase one's income through work is not considered (e.g. in case of old age persons or disability pensioners, the dependent children). Another condition is that the person is registered as a job applicant with a Labour Office. Persons whose income does not reach the subsistence level but whose overall social situation and property can guarantee them the meeting of their basic living needs are not considered being in social need. On the other hand, persons whose income exceeds the subsistence level can be classified to be in social need if their indispensable costs to meet the basic living needs that are justifiably higher.

Persons without permanent residence in the Czech Republic are not eligible for social care benefits and services. Such persons however can be granted a benefit in cash or in kind, **if they are under a threat of serious health impairment and if assistance cannot be provided otherwise.**

Criteria for granting social care:

In determining the level of benefits granted, the subsistence amounts of all persons considered together are taken into account, as well as the actual justified costs to meet the basic needs of living, and the overall material and social situation of the person. It is also ascertained whether the persons exercised their legal rights to sickness and pension benefits, parenting benefits, or other allowances of the state social support.

The benefits can be granted in a one-off payment (when change of the person's situation is expected to happen soon) or a regular monthly payment (in cases of long-term character). Benefits in kind can be also provided, representing a certain form of performance, e.g. covering children's catering at school, purchasing food or clothing etc. If income does not reach subsistence level and cannot be increased because of age, poor health or other serious reasons by the person's own effort, assistance is granted by the state in the form of social benefits according to Act No. 482/1991 Coll., on social need. Thus, the insufficient income is increased to the subsistence level. Assistance can be granted also above the subsistence level if, based on individual assessment of the household's economic and social situation, justified higher basic needs of living are acknowledged. Those can be caused e.g. by a medically recommended diet, higher housing costs, etc.

The main social care provider is the state through its District Offices and municipalities (both in their independent and delegated responsibilities). Apart from that, both physical and legal persons can also provide social services. The state can contribute to cover costs incurred by the granting of services under the proviso that in such a case the respective state bodies are entitled to check the way these contributions are spent and the quality of services rendered.

Participation of beneficiary in the reimbursement of social care costs:

Social care benefits and services are provided:

- without any coverage of costs by beneficiary;
- with full coverage of costs by beneficiary;
- with partial coverage of costs by beneficiary.

The beneficiary's duty to cover the costs of a social benefit or service is decided by the respective state authority that granted the social respective social care benefit.

These are the social benefits and services for which beneficiary's disbursement of costs can be required:

- extraordinary advantages and benefits in cash for certain groups of seriously physically or mentally handicapped persons and certain necessary acts of the home service;
- educational and advisory care;
- social and legal protection.

The state covers partially or in full on behalf of those in social need the costs of other social benefits and services. However, in the above cases, the state can require from persons responsible for alimentionation of the person in need, coverage of costs of the benefit or service, gradually from the spouse, children or parents of the eligible person. The coverage of costs can be demanded from children just in case their parents have not gained the title to old age or disability pension, and from parents only if the benefit or service was rendered to a dependent child.

If these persons do not come to an agreement with the respective body about the cost reimbursement, a court will decide the case.

The determination of reimbursement level is based upon income, material and family situation of the person from whom disbursement is demanded. This amount will be adjusted to any change of the person's situation.

Reimbursement of costs for institutional care:

In case of stay in institutional care, the persons pay for food, accommodation and the necessary services. The respective Regulation determines the level of disbursement and cases when disbursement is not required.

After paying for their stay in a social care facility, the minimum of 30 % of the person's income must remain to cover alimentation and other basic personal needs as defined by the Subsistence Act.

Benefit types:

1. BENEFITS IN CASH

Benefits in cash paid by the entrusted municipality

a) Social need benefits (complementing the income up to subsistence level)

The entrusted municipality provides these benefits to the person in social need. Persons are considered to be in social need if their income does not reach the subsistence level and if those persons cannot increase that income because of age, poor health or other serious reasons by their own effort, especially by work.

b) Benefits and services for the seriously physically or mentally handicapped and the elderly persons

Contribution to personal transport

The entrusted municipality grants this contribution to persons with serious handicaps of the posture or motion apparatus and to the totally or practically short of sight that do not own a motor vehicle and do not receive a driving contribution. Also parents of dependent children treated for one of enlisted illnesses are entitled to a similar contribution. The contribution for individual transport is a lump sum of CZK 6 000 a year.

One-off benefits in cash and in kind

Municipalities can grant these benefits to persons in social need, with serious physical and/or mental handicaps and to the elderly for the coverage of extraordinary costs which those persons cannot cover from their regular income. The municipality in kind can render benefits for meeting the common needs which the seriously handicapped or the elderly cannot cover themselves due to their age or poor health. Under benefits in kind we also understand the safeguarding of more difficult acts necessary for household running and maintenance, or disbursement thereof, or provision of items necessary for the meeting of the persons' living needs.

Contribution to the increased living expenses

Persons permanently using orthopaedic, compensation or other aids, and also those short of sight, who have been permanently employed or studying or beneficiaries of orphan's income, can be granted by the entrusted municipality a contribution for increased spending

due to the use of the above aids. This contribution is being granted up to CZK 200 per month.

Contribution for dog food

The entrusted municipality can grant this contribution to a person of impaired sight, who is the owner of the guiding dog, up to the amount of CZK 800 per month.

Contribution to payment of the use of free-access apartment

The entrusted municipality to persons with serious handicaps of posture and the moving apparatus grant this contribution and to those short of sight who use a barrier-free apartment, up to 400 CZK per month.

Contribution for the use of a garage

This contribution is granted by the entrusted municipality to persons with serious handicaps of posture and the moving apparatus and to those short of sight up to 200 CZK per month, if they use a barrier-free apartment.

Contribution to a telephone installation

Those in social need with a serious health handicap, who have been granted the extraordinary advantages of 3rd degree, or beneficiaries of increased income on grounds of helplessness, can be granted a contribution from the entrusted municipality for the installation of a telephone line up to 1,000 CZK.

Contribution to the operation of the telephone line

This contribution can be provided by the entrusted municipality to persons in social need with serious health handicap or to persons older than 70 years, living alone, up to the full amount of the basic monthly rate.

Contribution on leaving the institute

The entrusted municipality may grant a contribution when a person is leaving the institute for physically handicapped youth, which is located in the area under the respective municipal authority. This money is designed to be used for purchase of items of everyday use and equipment of the household. This contribution is granted if the ward's savings do not exceed 7 000 CZK, in exceptional cases this contribution may be granted up to the amount of 15 000 CZK. A benefit in kind can be granted instead of a contribution in cash.

Contribution to the purchase of heating oil and the heaters

The entrusted municipality can grant the contribution for heating oil to seriously physically handicapped persons in social need and to the elderly, who use heating oil as their household fuel and due to their age or poor health cannot provide for another way of heating their apartment. This contribution is granted annually, up to 3 000 CZK. If these persons are of age and health which enables them to get another type of heating, an ad hoc contribution to purchase the heating bodies can be granted, up to 2 500 CZK.

c) Other benefits

Allowance in case of taking care for a relative or other persons

This benefit is granted by the entrusted municipality to a person who takes care of a close person (e.g. a relative) which is prevalingly or totally helpless, or older than 80 years and partially helpless, or older than 80 years and in need of another person's care, based upon

a medical opinion. This contribution can be granted also to a parent taking care of a child older than one year and of impaired health, requiring and extraordinary care. The condition for the rise of the title is personal, all day and proper care of the person in need, while the care taking person's income must not exceed 1,6 multiple of the minimum amount for personal needs, or 2,75 multiple of that very amount, if the care is extended to two or more such persons. The contribution's amount evens up the difference between the care taking person's income and the above mentioned subsistence multiples.

Benefits in cash and in kind to parents of dependent children, to pregnant women and to the dependent children

Entrusted municipality for the coverage of ad hoc extraordinary expenditures can grant the above benefits. These ad hoc benefits in cash are granted up to 15 000 CZK. Benefits in kind are granted up to the value of 8 000 CZK, in exceptional cases up to 15 000 CZK. These benefits are not designed to cover common needs.

Benefits to persons are temporarily in exceptionally difficult situation

The entrusted municipality can grant these benefits in cash or in kind to persons who got into transient extraordinarily difficult situation or live under such conditions, to overcome the period, if they meet the condition of social need. Persons who got into an extraordinarily difficult situation as a result of a natural disaster or fire, can receive a benefit in cash up to 30 000 CZK, depending on material situation of the applicant and his/her family. In such case, social need is not investigated.

One-off financial contribution

Each municipality can grant this contribution in its own discretion to persons who got into extraordinarily unfavourable social condition. The municipality is obliged to inform the entrusted municipality or respective District Office that such contribution was granted.

Benefits granted by the District Office

Food allowance

The District Office grants the food allowance to dependent children in social need, for whom the obliged person, living in a separate household, does not pay, the alimony as determined by court. This contribution is granted equal to the alimony, but not higher than the difference between the child's income and its subsistence level.

Contribution to purchase of a motor car

It is granted to persons with serious handicaps of posture or motion apparatus who are dependent upon individual transport. This contribution can also be granted to parents of a dependent child older than 3 years and with serious handicap of posture or motion apparatus, totally or practically short of sight, or with a serious mental handicap. This contribution is granted under the provision that the motor vehicle will be used for the transportation of the seriously handicapped person or dependent child.

The contribution amount will be determined especially in relation to material situation of the applicant and persons considered according to Act on Pension Insurance (155/1995 Coll.) as close persons sharing a common household. Maximum amount of this contribution is 100 000 CZK. This contribution can, apart from some exceptions, be revisited not earlier than in 5-years' time.

Contribution to the complete overhaul of the motor vehicle

This can be granted instead of the contribution to purchase a motor vehicle, provided that the time, which elapsed from the vehicle purchase, is more than 5 years. The maximum amount of this contribution is 60 000 CZK. The sum of all contributions, i.e. for vehicle purchase, general repair and special adjustment of the vehicle, cannot exceed 200 000 CZK in the period of 10 years.

Contribution for special adjustment of the motor vehicle

It is granted to persons with serious handicaps of posture or motion apparatus, if they drive the vehicle themselves and need to adjust the vehicle due to their health handicap. Full price of such adjustment is covered, but again, the total amount of all contributions, i.e. for vehicle purchase, general repair and special adjustment of the vehicle, cannot exceed 200 000 CZK in the period of 10 years.

Contribution to the operation of the motor vehicle

It is provided to persons with the respective degree of health handicaps, who are the motor vehicle holders, and who use that vehicle for their regular transport. This contribution will be also granted to persons using the vehicle to transfer their spouse, child or other close people whose handicap makes them eligible. It is also granted to parents of a child treated at a Teaching Hospital Clinic for malignant tumours or haemoblastosis. The contribution is paid out every calendar year, depending on the degree of health impairment and vehicle type, but maximum 9 124 CZK. This contribution increases if the person covers more than 9 000 km during the year.

Apartment adjustments contribution

It is granted to persons with serious posture or motion apparatus handicap and to persons short of sight who use the apartment as their permanent residence. The amount is determined with regard to the person's and his /her familie's material wealth, and is extended up to 70% of proven costs. However, there is a ceiling of 50 000 CZK, and up to 100 000 CZK, if building adjustments for an elevator installation are involved.

Ad hoc contribution to purchase special aids

It can be granted to seriously handicapped persons for the purchase of aids, which they need to eliminate, alleviate or overcome the consequences of their handicap. This contribution is granted only if the particular aid is not lent or fully covered by the Health Insurance Scheme. The amount corresponds to the price of basic type of given product. MOLSA Notification No. 182/1991 Coll. gives a list of physical therapy and compensation aids for which the contribution is granted. It can be also granted for a comparable aid not mentioned on the list.

Benefits in cash and in kind for the socially poorly-adapted persons

These benefits can be granted to persons which meet the condition of social need, to secure their needs of living up to 1000 CZK. It concerns especially persons released from jail, alcohol and other toxic substance addicts, persons living an undignified way of life or those discharged after reaching adult age from institutional and protective educational facilities, etc.

Interest-free loans

The district Office can also extend an interest-free loan to persons in unfavourable social condition, which they can tackle with the help of the loan and cannot obtain the loan otherwise. This loan can be provided up to 20 000 CZK, with repayment period of 5 years

maximum. Persons with serious posture or motion apparatus handicap can be granted the loan to purchase a motor vehicle up to the amount of 40 000 CZK.

2. Social care services:

a) Assistance to families with children

Respective state bodies grant especially home care and care offered by social care facilities to the parents to meet the wants of dependent children.

These children are provided the care within the so-called SOS Children's Villages, special establishments for foster care, in asylum homes for mother and child.

Governmental bodies in co-operation with schools, health facilities and other organisations prepare children and young people for marriage and responsible parenthood by means of education and consultation. They help create favourable relationships in families threatened by a disruption, and to overcome consequences of such a breakdown. To fulfil these tasks, the respective state bodies establish also the marital and pre-marital advisory centres.

b) Assistance to persons with severe handicap and to seniors

The severely handicapped persons are granted by the respective state bodies, apart from other benefits in cash and in kind, service to overcome problems resulting from their affliction. They are provided especially common catering and recreation, home service and aids necessary to eliminate, alleviate or overcome the consequences of their handicap. Instead of these aids, a monetary contribution can be granted to purchase those.

By law, the state is obliged to grant those persons assistance in finding job and being of use, as well as creating conditions for their inclusion in social and public life.

By December 31, 1999, there were 929 facilities in the Czech Republic providing social care to seniors and handicapped persons, depending on their health and social condition. Year later, by December 31, 2000, there were 957 such facilities.

Services to seniors are provided by two types of institutions – old people's homes which offer a complete care, and homes-pensions for the retired which offer just the necessary services, depending on the inhabitants' health condition. Facilities offering care of the handicapped are classified according to the handicap type they cater for.

c) Assistance to socially unadjusted persons

Educational and advisory care, or other services (possibly also the above mentioned benefits in cash or in kind) are granted to persons who find themselves in extraordinarily difficult situation, or who have lived in such a situation, especially as a result of past life habits and routines, in order that they may overcome this condition, if they are not able to do so on their own.

The socially unadjusted persons (e.g. after finishing the anti-alcoholic or anti-drug treatment, after being discharged from prison), are granted care by the respective state bodies in co-operation with other organisations, to help tackle the social consequences of lack of adjustment, with the objective to create an active attitude to work and society, to help the eligible persons to lead a respectable way of life.

The socially unadjusted persons are especially granted assistance in finding job, educational and advisory care, assistance in finding shelter, admittance in social care facilities, benefits in kind, or the above mentioned benefits in cash and interest-free loans.

Homes for the unadjusted and for persons without shelter, as well as charity homes rank among establishments providing social services to those persons.

Home service for the unadjusted:

Home service is granted to persons in their homes or in homes with home service, in personal hygiene centres, laundries, and catering facilities for pensioners. The most popular services offered are especially preparation and delivery of meals, shopping, personal hygiene services, assistance services for adults and families with children.

3. Medical assistance:

Descriptions of current health care system

The primary care providers, special outpatient and in-patient offer the curative health care facilities (hospitals and specialised medical institutions). The patients have a free choice of physician and health institution, but the procedure should start at the General Practitioner's. However, the law does not stipulate such a duty.

The health facilities network consists of hospitals, specialised medical institutions, health resorts, sanatoriums, polyclinics and joint out-patient facilities, health centres, independent medical offices, independent laboratories, infant and children's homes, child centres and stations, crèches, pharmacies, public health services and other health establishments. The health facilities can be divided into state – established by the Ministry of Health of the Czech Republic or by other ministries (the Ministry of Interior), or by the District Offices. The non-governmental facilities include the public or municipal institutions, private, belonging to the church and those founded by NGOs.

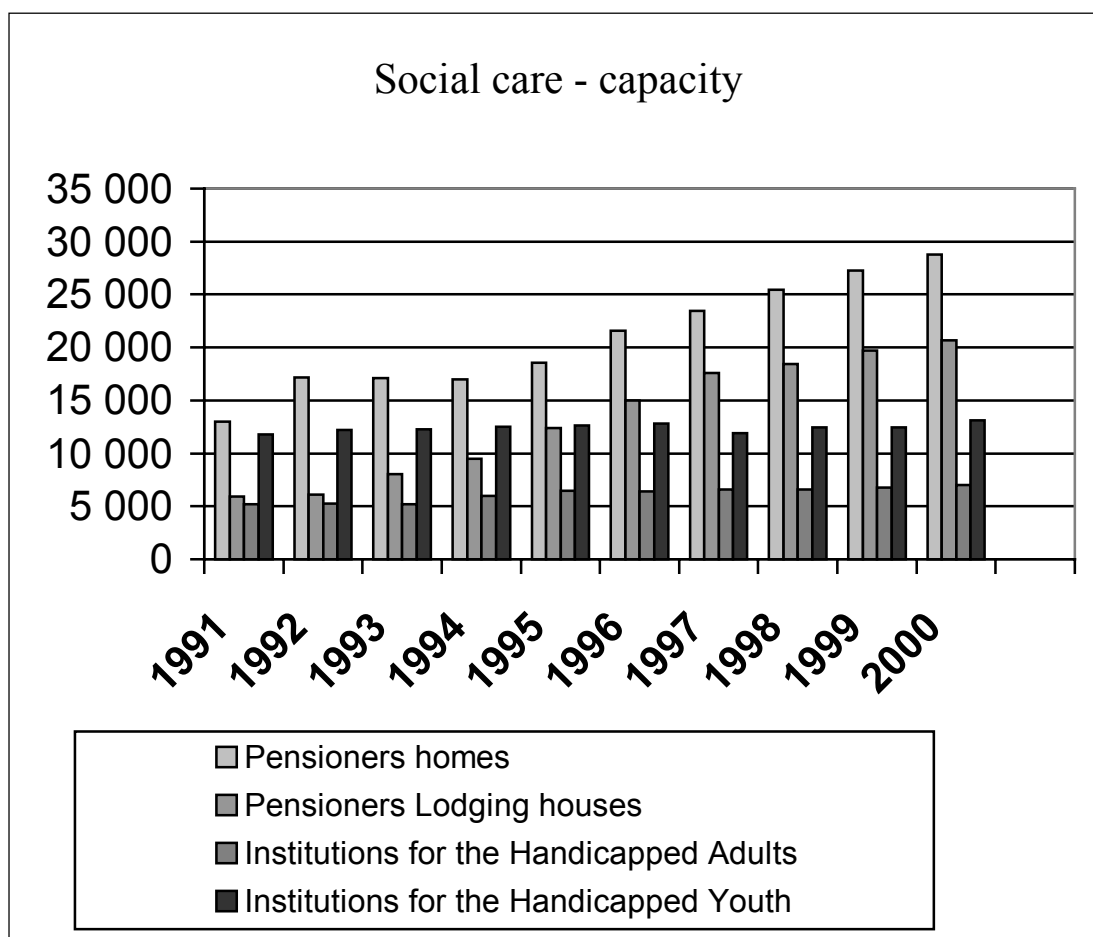
In 1999, total number of health facilities in the country was about 25 000, out of which more than 24 000 were non-governmental – especially private general practitioners' and specialist offices.

Further see the attached study.

Charts of Social Services

Tab. I. Social Care Facilities – Summary Data

Year	Pensioners Homes	Pensioners Lodging Houses	Institutions for Handicapped		Other Facilities	Total
			Adults	Youth		
1991	31 915	5 903	5 187	11 759	1 155	55 919
1992	31 669	6 130	5 280	12 201	1 861	57 141
1993	31 719	7 291	5 189	12 244	1 081	57 524
1994	32 798	10 159	5 994	12 487	2 947	64 385
1995	32 305	11 549	6 448	12 651	3 711	66 664
1996	33 779	11 969	6 402	12 803	4 378	69 331
1997	34 436	12 593	6 748	13 890	4 896	72 563
1998	35 218	12 593	6 585	12 470	4 648	71 514
1999	35 656	12 126	6 743	12 468	4 984	71 977
2000	36 662	12 129	7 022	13 119	5 518	74 450



Tab. II. Social Care Facilities

Year	Indicator No. of	Pensioners homes	Pensioners lodging houses	Institutions for the Handicapped		Other Facilities	Total
				Adults	Youth		
1991	Facilities	269	56	60	140	32	557
	Capacity	31 915	5 903	5 187	11 759	1 155	55 919
	Waiting list	13 018	5 472	826	1 165	.	20 481
1992	Facilities	272	56	62	154	33	577
	Capacity	31 669	6 130	5 280	12 201	1 861	57 141
	Waiting list	17 188	6 645	1 162	1 337	.	26 332
1993	Facilities	283	64	62	158	29	596
	Capacity	31 719	7 291	5 189	12 244	1 081	57 524
	Waiting list	17 099	8 069	1 087	1 336	.	27 591
1994	Facilities	290	106	71	174	98	739
	Capacity	32 798	10 159	5 994	12 487	2 947	64 385
	Waiting list	17 009	9 493	1 012	1 335	.	28 849
1995	Facilities	290	124	76	176	116	782
	Capacity	32 305	11 549	6 448	12 651	3 711	66 664
	Waiting list	18 549	12 364	817	1 157	.	32 887
1996	Facilities	303	137	75	182	136	833
	Capacity	33 779	11 969	6 402	12 803	4 378	69 331
	Waiting list	21 609	14 980	1 535	785	.	38 909
1997	Facilities	314	146	76	181	147	864
	Capacity	34 436	12 593	6 563	11 906**)	4 317	72 563
	Waiting list	23 454	17 612	1 649	825	.	43 540
1998	Facilities	320*)	150	75	181	167	893
	Capacity	35 218	12 593	6 585	12 470**)	4 648	71 514
	Waiting list	25 431	18 443	1 816	741	.	46 431
1999	Facilities	333*)	148	78	185	185	929
	Capacity	35 656	12 126	6 743	12 468**)	4 984	71 977
	Waiting list	27 243	19 678	2 122	792	.	49 835
2000	Facilities	343***)	148	81	182	203	957
	Capacity	36 662	12 129	7 022	13 119**)	5 518	74 450
	Waiting list	28 784	20 652	2 642	746	.	

Notes to Tab.II. Source: MoLSA

*) Includes also 4 shared facilities Pensioners homes and Pensioners lodging houses

***) Accommodation facilities only – without daily stays

****) Includes 5 shared facilities of Pensioners homes and Pensioners lodging houses

. Data not available

Note: In „Other Facilities“ category, the number of applicants is not monitored.

In 1993, the number of applicants was not monitored. The average of previous and following year was used to calculate an approximate calculation.

Question C

Please indicate the means by which the right to assistance is secured, indicating whether individuals may uphold their right before an independent body.

Social benefits and services are governed and granted in administrative proceedings with stipulated exceptions. In the framework of these proceedings, persons can utilise both regular and extraordinary corrective measures (appeal, representation, and resumption of proceedings, review of decision outside the appeals procedure). Decisions in social care area cannot be reviewed by a court or another independent body (Civil Judicial Order – Section 248, Art. 3 –

precludes such a procedure).

In the proceedings of granting a social benefit, the governing law is Act No. 71/1967 Coll., on administrative proceedings, with amendments contained in *Act No. 114/1988 Coll. on the social security powers of Czech Republic authorities*, as amended. The party of the proceedings is entitled to launch an appeal, if not legally stipulated otherwise, with that administrative body who issued the objected decision (Sections 53 and 54 of the Administrative Rules).

Question D

Please give the amount of public funds (central government or local authorities) allocated to social and medical assistance as well as the percentage of GDP this represents, and, if possible, give an estimation of the amount of private funds devoted to assistance.

After the year 1990, churches, civic associations and physical persons have become social care providers apart from the state and municipalities, i.e. the District Offices, Ministry of Labour and Social Affairs, towns and villages. In the last year, the proportion of social services granted by the above providers was: 55.8% the state, 25.7% municipalities, 11.8% churches, 6.7% other providers.

Tab. III. - Expenditures

Social benefits in cash	1998	1999	2000
Benefits to the elderly and the handicapped			
Recurrent benefits in cash – in thousands	96	111	149
- Expenditures in mil. CZK	784	1 047	1 199
Ad hoc benefits in cash – in thousands	173	186	194
- Expenditures in mil. CZK	1 477	1 610	1 706
Benefits for families with children			
Recurrent benefits in cash – in thousands		162	167
- Expenditures in mil. CZK	2 083	2 758	3 427
Recurrent child alimentation benefit – in thousands	18	22	25
- Expenditures in mil. CZK	54	71	88
Ad hoc benefits in cash – in thousands	66	77	81
- Expenditures in mil. CZK	180		360
Benefits for individuals			
Recurrent benefits in cash – in thousands	169	270	285
- Expenditures in mil. CZK	1 840	3 462	4 353
Ad hoc benefits in cash – in thousands	29	57	50
- Expenditures in mil. CZK	104	140	143
Families with dependent children registered under the category of social need	131	155	161

Tab. IV. Costs of Institutional social care and income from contributions

Year	Facility type	Average non-investment expenditures per 1 place and year in CZK	Average contribution by dweller per annum in CZK	Share of contribution in cost per 1 place and year in %
1995	Pensioners homes	91 803	24 746	26.96
1996		104 735	30 112	28.75
1997		111 096	41 230	37.11
1998		120 354	47 982	39.87
1999		131 693	52 831	40.12
2000		136 823	55 427	40.51
1995	Pensioners lodging houses	36 560	8 467	23.16
1996		39 879	9 971	25.00
1997		36 958	12 430	33.63
1998		38 696	15 509	40.08
1999		44 893	17 193	38.30
2000		45 782	17 561	38.36
1995	Homes for Handicapped Adults - Permanent Stay	120 369	23 341	19.39
1996		144 131	32 056	22.24
1997		146 244	42 890	29.33
1998		148 500	46 884	31.57
1999		145 807	51 841	35.55
2000		147 464	52 360	35.51
1995	Social Care Institutions for Youth - Permanent Stay	127 062	16 505	12.99
1996		140 288	18 677	13.31
1997		158 611	37 201	23.45
1998		153 600	39 984	26.03
1999		168 558	37 415	22.20
2000		163 742	38 253	23.36

Tab. V. Care Service

Year	Expenditures on the service in total in thous. CZK	Number of the service recipients	Number of employees	Average annual payment from 1 service recipient in CZK
1990	193	67 043	8 405	112.96
1991	274	71 831	7 959	114.44
1992	674	80 409	7 759	142.93
1993	1 041	83 396	7 164	201.24
1994	1 897	85 533	6 656	330.01
1995	2 526	86 201	6 372	483.17
1996	1 799	89 673	5 660	755.18
1997	1 215	91 030	5 761	985.19
1998	1 493	90 897	5 569	1 183.97
1999	1 331	106 825	5 885	1 210.98
2000	1 540	113 528	5 760	1 316.34

Tab. VI. Resources given to non-governmental, non-profit organisations to cover social services

Service	Amount in the year 2000
Personal assistance	16 028 926
Home Care	30 691 200
Station (Stationary Centre)	44 720 278
Daily Station	35 839 300
Protected workshop	35 841 000
Respite care	2 922 200
Homes for seniors and the handicapped	124 786 086
Protected housing	19 283 930
Contact work	31 497 700
Early care	4 885 400
Advisory Centres, Consultancy	52 998 458
Half-Way Homes	8 322 500
Supported jobs	14 696 000
Therapeutic Communities	18 648 967
Crisis assistance	9 235 400
Asylum housing	65 124 764
Daily centres	2 471 800
Hostels/Dormitories	529 500
Total	518 523 409

Article 13, paragraph 2

„With view to ensuring the effective exercise of the right to social and medical assistance, the Contracting Parties undertake:

To ensure that persons receiving such assistance shall not, for that reason, suffer from a diminution of their political or social rights.“

Question:

Please indicate briefly how this Article is implemented and what measures are used to ensure in particular, the absence of any direct or indirect diminution of political or social rights.

This provision is broken only if discrimination of these persons ensues from an explicitly formulated legislation, e.g. on the right to vote or access to public service.

In the Czech Republic, fundamental human rights are guaranteed by the Constitution and by *the Charter of fundamental rights and freedoms*. They are by no means conditioned by the person's social position. Individual rights can be restricted only in harmony with and based upon the law. Legislation in the Czech Republic does not use the acceptance of help as a criterion for the permission of or ban to the exercise of political and social rights.

In practice, there is not any case known of a threat to social or political rights of social and medical assistance beneficiaries.

Article 13, paragraph 3

"With a view to ensuring the effective exercise of the right to social and medical assistance, the Contracting Parties undertake:

to provide that everyone may receive by appropriate public or private services such advice and personal help as may be required to prevent, to remove, or to alleviate personal or family want."

Question

Please describe the main services covered by this provision, especially the manner in which they are organised and operate, including their geographic distribution.

Please give as far as possible information about: the staff responsible for providing advice and personal help, as well as an indication of their qualifications and duties; measures aimed to ensure an adequate response to the needs of individuals and families.

In the Czech Republic the advisory care and social care services are granted according to the Act no. 100/1988 Coll., on social security, as amended. The beneficiaries are:

- families with dependent children;
- senior persons and persons with disabilities;
- social non-adapted persons; and
- persons who need special care.

The scope of the services granted is governed by above mentioned act and MOLSA Notification No. 182/1991 Coll.

For advisory services is significant the wide range of different activities focused on different target group.

The forms of activities are mainly:

- crisis centres;
- social and legal consultation;
- consultation for children;
- consultation for women;
- consultation for endangered youth;
- social – pastoral and informational centres;
- consultation for persons in need;
- crisis telephone lines;
- consultation for drug addicts.

Advice and personal help is provided also by probation officers and trustee for youth. They focus on the social work with youth.

Advisory social services are provided for by state and also by non-governmental organisations. At present the statistical information on the whole number of employees are not available.

Non profit organisations which provide the advisory services received the grants which in the year 2000 amounted to 52 646 458 CZK.

Article 13, paragraph 4

„With a view to ensuring the effective exercise of the right to social and medical assistance, the Contracting Parties undertake:

To apply the provisions referred to in paragraphs 1, 2 and 3 of this Article on an equal footing with their nationals to nationals of other Contracting Parties lawfully within their territories, in accordance with their obligations under the European Convention on Social and medical Assistance, signed at Paris on 11th December 1953.“

Question:

Please indicate the guarantees, which ensure conformity with this provision. Please describe more specifically the provisions which ensure that any repatriation of nationals of other contracting Parties who are legally within the territory on the sole ground that they are in need of assistance is carried out according to the conditions laid down in Article 6 to 10 of the European Convention on Social and Medical Assistance 1953.

Foreigners with permanent residence within the territory of the Czech Republic enjoy, concerning social and medical assistance, equal rights and obligations to those of Czech nationals. As stated above, persons with permanent residence within the territory of the Czech Republic are entitled to social benefits and services. The minor, who does not meet this condition, can receive a necessary benefit in cash or in kind, only in case of serious threat to his/her health and if assistance cannot be secured otherwise. The Ministry of Labour and Social Affairs can grant an exception from this condition.

Foreigners staying within the territory of the Czech Republic based upon a visa longer than 90 days on job purposes, enjoy the same benefits as Czech nationals since the date of signing the Employment Contract. This also includes the area of social and health insurance.

Medical assistance:

As already stated in the answer to Article 13, Par. 1, health care is granted mainly on the basis of the health insurance. But according to *Act No. 20/1966 Coll., on care of health of the people* (Section 55, Par. 2, letter c), each health worker is obliged to immediately provide first aid to anybody (i.e. including foreigners, regardless if they are insured or not, and regardless of the reason of their stay in the Czech Republic, be it job, studies or tourism), if absence of such aid would represent a threat to the person's life or serious threat to his /her health, and if timely assistance cannot be reached in the usual way. If need be, successive special medical care will be also ensured for such person (e.g. in a health care facility).

Social care:

Persons without permanent residence within the territory of the Czech Republic are not entitled to social care benefits and services. **Such persons (foreigners without the right of permanent residence) can, however, be granted a necessary benefit in cash or in kind, if they are in a serious threat to their health and assistance cannot be secured otherwise.**

Foreigners staying within the territory of the Czech Republic and members of other Contracting Parties to the European Social Charter are subject to Act No. 326/1999 Coll., on the stay of foreigners, as amended.

According to the above Act, foreigners can legally abide within the territory of the Czech Republic especially due to the following titles:

- a) without a visa
- b) based upon a visa granted: **short-term visa** (exit visa, transit visa, airport visa, visa for stay up to 90 days); **long term visa** (visa for the period above 90 days, sufferance visa; visa to provide temporary protection); **diplomatic visa or other special type of visa.**
- c) permission of permanent stay

Foreigners can stay within the territory of the Czech Republic without visas only if it is stipulated in an international treaty and based on other legislative grounds.

Requirements for visas to be granted:

1. Visa up to 90 days

- Passport and a photograph;
- A verified invitation or resources enabling to cover the stay, a document proving a secured accommodation for the foreigner during his/her stay, if he/she does not prove coverage of his/her costs connected with stay otherwise;
- Monetary amount necessary to reach the country of passport provider, or country of the person's permanent residence, by an airline corporation;
- Other documents listed in the Visa Request.

2. Visa above 90 days

- Passport and a photograph;
- Document proving purpose of stay;
- Means to cover costs of stay;
- Document on accommodation secured during whole stay;
- Penal Register statement and corresponding document from the country of the foreigner's national adherence.

If visa is granted with the purpose of employment, a valid working permission in the Czech Republic also has to be submitted.

3. Permanent stay

- Passport and a photograph;
- Document proving purpose of stay (marriage certificate, birth certificate, or another document proving a family relation);
- Penal Register Statement and corresponding document from the country of the foreigner's national adherence;
- Document on accommodation secured ;
- Proof of maintenance.

If the respective authority grants visa, the foreigner has the right to stay during the time period covered by the visa. Visas up to 90 days can be prolonged so that the total length of stay within the territory of the Czech Republic does not exceed 90 days. Visas above 90 days can be repeatedly prolonged by 365 days, provided the purpose for which the visa was granted has not changed.

Termination of stay, for which visa is not required:

Stay of foreigners, for which visa is not required, can be terminated:

- If the foreigner deliberately threatened public order;
- In case of breach of duties resulting from legal regulations on the stay of foreigners;
- In the absence of a valid passport/travelling documentation;
- If the foreigner cannot prove sufficient means to cover costs of stay or travel out of the country.

The consequences of decision on the termination of stay must be adequate to the purpose of termination. Especially the impact upon the foreigner's private and family life is being considered.

Abrogation of visa validity:

Visas up to 90 days can be abrogated:

- If purpose for which the visa was granted is not met;
- If visa abrogation is asked for;
- If the foreigner caused a deliberate breach of public order;
- If obligations ensuing from legal regulations on foreigners' stay were broken by the visa bearer;
- If the foreigner ceased to meet visa requirements;
- If the foreigner does not have a valid passport/travelling documentation;
- If he/she cannot prove sufficient means to cover costs of stay or travelling out of the country.

Visas above 90 days can be abrogated:

- If the foreigner is sentenced for a deliberate criminal act;
- If purpose for which the visa was granted is not met;
- If visa abrogation is asked for;
- If the foreigner ceased to meet visa requirements.

The effect of decision on the termination of visa must be adequate and reasonable in comparison with the reason for the termination. Mainly family and private life is taken into account.

The right to permanent residence becomes extinct if the foreigner receives citizenship of the Czech Republic, is sentenced to expulsion, or dies.

The right to permanent residence can be abrogated:

- If the foreigner does not ask the Police for prolongation of validity;
- If the foreigner has repeatedly and deliberately caused breach of public order, threat to public health or rights and freedoms of others;
- If the foreigner has no accommodation arrangements in the Czech Republic;
- If the validity of permission of stay granted to legal representative who took care of the foreigner, holder of this permission, was abrogated;
- If the foreigner was sentenced by the court of the Czech Republic to more than 3 years of imprisonment;
- If the foreigner did not prove sufficient means to cover the costs of stay according to Section 71.

The right to permanent residence can be revoked only if such decision will be adequate concerning its impact upon private or family life of the foreigner.

Apart from these general institutions, there exist some special cases of foreigners' legal stay within Czech territory.

Temporary protection visa

It is granted to refugees fleeing from the state whose nationals they are or which granted them an asylum

- a) before an armed conflict, civil war or permanent violence
- b) before a natural disaster
- c) on grounds of permanent or mass breach of human rights
- d) on grounds of permanent or mass prosecution because of nationality or religion.

The foreigner to whom **temporary protection** was granted, is, concerning his/her employment or studies considered being a permanent resident (including related rights in the area of health care and social care). If such foreigner is not able to arrange his/her accommodation, the Czech Ministry of Interior will arrange it. Upon request, the foreigner can be granted a contribution up to the subsistence level.

Visas granted for the purpose of sufferance of stay

Such a visa is granted:

- a) upon the foreigners request, if his leaving the territory is prevented by an obstacle independent from his will
- b) to a foreigner whose leaving the country is not possible (should the foreigner leave for or be expelled to a country where his life or freedom would be under threat due to his/her race, religion, nationality, adherence to a social group or due to his/her political opinion, or to the state, where he/she is in danger of torture, inhuman or humiliating treatment or the punishment or his life is endangered due to the armed conflict, or to the state which requires the extradition of this person for the crime, for which he/she can be sentenced to the death, or when it is contradictory to the obligation resulting from the international convention).

The foreigner who was granted the visa for the purpose of sufferance of stay is, concerning coverage of health care costs, considered a foreigner with visa for a temporary protection under the proviso that he/she is not able to cover these costs independently, e.g. by means of health insurance.

Situation of asylum holders

Asylum applicants staying in a reception or residential centre are granted accommodation, meals, or other services and pocket money for free, provided they have suffered actions necessary to ascertain their material situation which is found such that reimbursement of the respective services cannot be asked from those applicants. If the applicant's property or finance makes such reimbursement possible, he/she is obliged to cover such costs either partially or in full. Regarding actual possibilities of the respective receiving or residential centre, the applicant can, instead of catering services, obtain a contribution in cash corresponding to the subsistence amount.

The asylum applicant staying outside the residential centre covers his/her accommodation costs from his/her own resources – with the exception of health care. Based on proven property ownership and financial situation, the applicants can be granted, upon request, a contribution in cash up to the subsistence level.

According to Act No. 325/1999 Coll., on asylum, the asylum holder is entitled to permanent stay within Czech territory during the period of asylum granted. His/her title to social care, health care and social care benefits, is thus identical with the title of other persons with permanent residence within the territory of the Czech Republic.

List of sources to the Article 13

- *Act No. 2/1993 Coll. the Charter of fundamental rights and freedoms*, as amended,
- *Act No. 100/1988 Coll., on social security*, as amended,
- *Act No. 114/1988 Coll. on the social security powers of Czech Republic authorities*, as amended,
- *Act No. 583/1991 Coll., on organisation and execution of social security*, as amended,
- *Act No. 463/1991 Coll., on the subsistence level*, as amended,
- *Act No. 482/1991 Coll., on social need*, as amended,
- *MOLSA Notification No. 182/1991 Coll., implementing the Acts on social security and on the social security powers of Czech Republic authorities*, as amended,
- *MOLSA Notification No. 82/1993 Coll., on reimbursement for the stay in social care institutions*, as amended,
- *MOLSA Notification No. 83/1993 Coll., on catering in social care facilities*, as amended,
- *Act No. 71/1967 Coll., Administrative order*, as amended,
- *Act No. 48/1997 Coll., on public health insurance*, as amended,
- *Act No. 20/1966 Coll., on care of people's health*, as amended,
- *Act No. 160/1992 coll., on health care in non-state health facilities*, as amended,
- *Act No. 326/1999 Coll., on the stay of foreigners*, as amended,
- *Act No. 325/1999 Coll., on the asylum*, as amended.

ARTICLE 16: THE RIGHT OF THE FAMILY TO SOCIAL, LEGAL, AND ECONOMIC PROTECTION

„With a view to ensuring the necessary conditions for the full development of the family, which is a fundamental unit of society, the Contracting parties undertake to promote the economic, legal and social protection of family life by such means as social and family benefits, fiscal arrangements, provision of family housing, benefits for the newly married, and other appropriate means.“

Question A

Please mention if the legislation in your country provides specifically for the legal protection of family, bearing in particular on equality in law between spouses, on family relationships and on marital conflict and also any special measures to facilitate solutions other than divorce to such conflicts.

Please describe the marital property regime in your country.

The basic provisions on the legal protection of family in Czech legislation are those of Article 32, *Charter of Fundamental Rights and Freedoms*, stipulating the legal protection of parenthood and family.

Specific legal provisions on the relationship between spouses, between parents and their children, and between other family members are laid down in the *Family Act No. 94/1963 Coll.*, as amended. The Civil Code, or Act No. 40/1964 Coll., as amended regulates property relations between spouses (called „joint property of spouses“).

Equality between spouses and family relationships

Equality in law between spouses is laid down in the Family Act, Article 18, stipulating equal rights and responsibilities for men and women in marriage. Husband and wife are obliged to live together, be faithful to one another, respect each other's dignity, help one another, take joint care of their children, and build a healthy family environment.

Marriage is defined as a permanent and solid union with the main purpose of starting up family and ensuring proper education of children.

The relationship between parents and children is based on the concept of **parent responsibility** as a sum of rights and responsibilities with respect to care for children, their representation, and administration of their property. Parents are responsible for managing their children's property with proper care. In legitimate cases where the property interests of a child could be in jeopardy, a court may nominate a guardian to ensure better protection of the child's property. The Family Act also stipulates the conditions for determining paternity or maternity, and conditions for adoption, for awarding guardianship, custodianship and fosterage.

In addition, the Act stipulates the duty to support and maintain between parents and children, other relatives, husband and wife, and divorced couples, and to grant an allowance for the maintenance of a child and to reimburse certain costs to single mothers.

With respect to marital conflict solutions other than divorce, the Family Act provides for court judgements to be issued where parents are unable to agree on substantial matters concerning their parental responsibilities, and where parents are unable to agree on the first or last name of their child. Under the Civil Procedure Code, courts are allowed to conduct conciliation procedure before or during trial, and to attempt reconciliation of the parties involved.

Divorce is not allowed where the interests of a child under legal age would be harmed. The first step in any divorce procedure is an attempt to remove the causes of the breakdown and to reconcile the couple.

Marital property regimes

The marital property regime of **joint property of spouses** is regulated in the Civil Code, Title II, and specifically Article 143 and thereafter.

The legal definition joint property of spouses includes, with some exceptions, property acquired and the liabilities incurred by one or both of the couple in the course of their marriage. A couple may choose to expand or limit the prescribed scope joint property of spouses in a contract, or to contractually provide for continuation of joint property even after the possible dissolution of their marriage, both in the form of the notarial record.

Also a man and a woman wishing to marry may similarly regulate their future property relationships during their marriage in a contract concluded in the form of notarial record.

Any property included in joint property of spouses is to be used and maintained jointly by the spouses.

Joint property of spouses is terminated upon dissolution of a marriage. The settlement is done by written agreement or based on a court decision. The principle of an equal share of husband and wife in assets and liabilities is applied to any settlement. Each member of the couple is entitled to compensation for his or her contribution to the estate, and must give compensation for any contributions that have been made from the estate to his or her other property. Similarly, the responsibility for any liabilities incurred by a couple in the course of their marriage is shared equally by the spouses.

At the same time, the needs of any under-age children are considered as well as the individual contribution by each spouse to care for the family in the past, and to building and maintaining joint property of spouses. When determining the scope of such contribution, care for children and for the common household need to be taken into account.

Question B

Please describe the economic measures taken on behalf of the welfare of the family in your country:

- by the award of benefits in cash¹ (e.g. family allowances) which ensure, permanently, financial compensation, at least in part for family expenses, indicating the manner and the levels in which such benefits are given (with relevant statistical data) as well as the number of persons concerned (percentage of the population);

- by the award of occasional benefits in cash or in kind other than social and medical assistance benefits, intended to give material assistance to families in certain specific circumstances (e.g. marriage, setting up or tenancy of housing appropriate to the size of the family, etc.), giving wherever possible, statistical information on the above;

- by alleviating certain expenses (e.g. tax relief for family and children, special transport rates for families). In so far as tax relief is concerned, please specify whether tax concessions vary according to the number of children, and if so, how and to what extent;

- by measures of aid to the newly married.

¹ If your country has accepted Article 12 par. 4, it is not necessary to describe here the measures taken to ensure equal treatment in respect of allocation of family benefits forming part of social security.

State social support cash benefits

Cash benefits for families are regulated in the *State Social Support Act No. 117/1995 Coll.*, as amended. The Act distinguishes between the following types of benefits:

1. Income-defined benefits. Award of these benefits is linked to total family income, among other criteria. These benefits include child benefits, social allowance, housing allowance, and transport allowance.
2. Income-independent benefits, available to anyone who has complied with the relevant material and legal requirements. These benefits include parental allowance, maintenance allowance; foster care allowance, birth allowance, and funeral allowance.

Under Article 3 of the Act, natural persons who are permanent residents in the Czech Republic under special legislation can only claim benefits, as are the persons who are jointly assessed with them for entitlement. The definition of a permanent resident under this Act includes foreign nationals living in the Czech Republic for more than 365 days after their registration as residents under special legislation that governs the stay of foreigners in the territory of the Czech Republic.

Awarding of benefits to minors who have been commissioned into substitute family care or institutional care in the territory of the Czech Republic is not conditional upon registration as permanent or long-term resident.

In legitimate cases, a relevant regional body with delegated powers and local jurisdiction can grant a waiver of the permanent residence requirement.

- **Child benefit**

Child benefit is awarded to any children without means, i.e. children in the compulsory school age or older, but no older than 26, who are under continuous training for their future job, or unable to engage in gainful activity due to illness or injury, or unable to engage in sustained gainful activity due to long-term poor health. The definition of children without means covers children below the age of 18 who have completed compulsory schooling, are registered as unemployed at a Labour Office, and are unable to claim any material support available to job-seekers. Children receiving full disability pension from the state pension scheme cannot be regarded as children without means. In accordance with estimation of MOLSA resulting from single shot investigation from dates of the Czech Statistical Office in year 2000 about 84% of all children were ensured by the benefits.

The amount of child benefit granted to a child without means is (dates valid for period 1st April – 31st December 2000)

- higher where the family income relevant to awarding the benefit stands at or below the family subsistence level multiplied by the factor of 1.10,
- standard where the relevant family income stands at or below the family subsistence level

- multiplied by the factor of 1.80 and above the family subsistence level multiplied by the factor of 1.10,
- lower where the relevant family income stands at or below the family subsistence level multiplied by the factor of 3.00 and above the family subsistence level multiplied by the factor of 1.80.

The amount of child benefit per calendar month represents

- in the higher range, a child's personal needs allowance multiplied x 0.32,
 - in the standard range, a child's personal needs allowance x 0.28,
 - in the lower range, a child's personal needs allowance x 0.14.
- **Social allowance**
Social allowance is granted to a parent taking care of at least one child without means, with the exception of children commissioned into foster care including where the child is entitled to the contribution to cover a child's needs after reaching legal age, and with the exception of children who are provided for directly and in full by a child or youth care institution (facility), on the condition that the relevant family income is lower than the family subsistence level multiplied by a factor of 1.60. In defined socially difficult situations, e.g. where a parent is taking care of a disabled child or the parent is disabled or alone, this justifying the application of a higher factor in calculating the amount of social allowance, the same higher factor is applied to the subsistence level in determining the eligibility threshold.

The amount of social allowance per calendar month is equal to the total amount of a child's personal needs allowance for one or more children without means in a family minus the same total amount multiplied by relevant family income and divided by the family subsistence level x 1.60.

Where relevant family income falls below the family subsistence level, the amount of social allowance is calculated using the family subsistence level instead.

- **Housing allowance**
Housing allowance is granted to any flat owner or tenant who is registered as a permanent resident in that flat provided that his or her relevant family income is lower than the family subsistence level x 1.60.

The amount of housing allowance per calendar month is calculated as family household cost minus that cost multiplied by relevant family income and divided by the family subsistence level x 1.60.

Where relevant family income falls below the family subsistence level, the amount of housing allowance is calculated using the family subsistence level instead.

- **Transport allowance**
A transport allowance is granted to any child without means that attends compulsory schooling outside his or her community of permanent residence, or who is in continuous secondary-school or university training for a future job, and whose family has a relevant income lower than the family subsistence level x 2.00.

The amount of transport allowance is graded depending on the type of educational establishment the child is commuting to and the daily distance he or she must cover. The

amount is determined by the Finance Ministry as a percentage share of the price of a corresponding regular bus line ticket.

- **Parental allowance**

Parental allowance is granted to any parent that takes proper personal full-day care of one or more children aged 4 or younger, or one or more long-term disabled or long-term severely disabled children aged 7 or younger. The definition of a parent includes any person providing permanent foster care to an adopted child, a child committed into foster care by the decision of a relevant body, a child whose parent has died, or a child of the spouse.

The amount of parental allowance per calendar month is calculated as the entitled parent's personal needs allowance multiplied by 1.10.

Parents engaging in gainful activity are eligible for parental allowance provided that the scope of their gainful activity does not prevent them from meeting the basic entitlement criterion, i.e. provision of proper personal full-day care (a parent's income per calendar month after tax and insurance must not be greater than the parent's personal needs allowance). Procedures for assessing eligibility of parents receiving income from "dependent" activity and self-employed parents are different.

A parent receiving parental benefit for a child may place that child in a crèche, nursery or other pre-school childminding facility provided that the child's stay is limited, as prescribed by law, to a maximum of four hours a day for children with a special health condition, and to three calendar days per calendar month for others.

- **Maintenance allowance**

Eligibility for maintenance allowance occurs throughout a man's presence in compulsory or substitute military service or a military exercise of the Army of the Czech Republic or in civil military service provided that no compensation of pay, salary or other income is available during that period under special legislation.

Eligible persons include:

- a military man's child without means considered to be his own or adopted child or a child committed into his foster care based on the decision of a relevant body,
- a military man's wife who is taking care of a child aged 4 or younger, or a child with long-term disability or serious long-term disability aged 7 or younger, or a wife who is fully disabled or unable to engage in gainful activity for other serious reasons including mainly continuous training for a future job or necessary care for a pre-school child aged 4+ where no adequate alternative exists,
- persons receiving, based on a court decision, maintenance and support allowance (alimony) or contribution from a military man and persons having entered into a maintenance and support allowance or contribution agreement with a military man whose engagement in the above-mentioned military service or exercise prevents him from fulfilling his duty to support and maintain.

The amount of maintenance allowance per calendar month is calculated as the amount of personal needs allowance of the entitled person multiplied by a factor of 0.67. Where maintenance allowances is granted because a duty to support and maintain exists, the allowance must not exceed the maintenance and support allowance (alimony) or contribution.

- **Foster care allowances**

Foster care allowances under the State Social Support Act include the child needs allowance, foster parent pay, adoption allowance, and a motor vehicle purchase allowance.

- **Child needs allowance**

This benefit is granted to children under legal age that have been commissioned into foster care. The amount of the benefit per calendar month is calculated as a child's personal needs allowance multiplied by a factor of 1.20; in case of children without means, a factor of 2.00 is applied. The benefit is graded by the child's age and is higher for children living under "special social circumstances" (a factor of 2.10 is applied for children suffering from long-term illness; 2.60 for children with long-term disabilities; 2.80 for children with severe long-term disabilities). The benefit is paid out to the foster parent. The contribution continues to be paid out after the child has reached legal age as long as the child is younger than 26 and provided that the child is without means and lives permanently with and covers the cost of his or her needs jointly with the person who was that child's foster parent until the child reached legal age. Children receiving a pension from the pension insurance scheme are entitled to this benefit only if the amount of their pension is lower; in which case they receive the difference.

- **Foster parent's pay**

Foster parents have a right to be paid for providing foster care. The monthly pay per child commissioned into foster care is calculated as the foster parent's personal needs allowance x 0.50. The claim lasts as long as the child is entitled to child needs allowance.

- **Adoption allowance**

A foster parent is entitled to a lump sum allowance upon adoption of a child into foster care which is equal to the child's personal needs allowance x 4.00.

- **Motor vehicle purchase allowance**

Motor vehicle purchase allowance is granted to foster parents with four children or more in their foster care. The amount of the allowance is equal of 70 per cent of the purchasing price or documented cost of repair, but no higher than CZK 100,000. The total of motor vehicle purchase allowances disbursed to a foster parent in the last 10 calendar years must not exceed CZK 200,000 on the application date. The allowance can be provided non-cash before the purchase. A similar benefit is due to a guardian who takes personal care of a child, and to any person into whose care a child has been commissioned by a court decision on the grounds that the person wishes to become a foster parent.

- **Childbirth allowance**

Childbirth allowance is due to any woman that has delivered a child or to the father of a child whose mother died without the childbirth allowance being received by her or any other person. Childbirth allowance is also due, as of the adoption date, to any person who has taken a child under one year of age into permanent foster care. The amount of the allowance is calculated as the child's personal needs allowance x 4.00 where a single child is born, or the sum of the children's personal needs allowances x 5.00 where twins are born, or the sum of the children's personal needs allowances x 6.00 where three or more children are born in one childbirth. This is a lump-sum allowance.

- **Funeral allowance**

Funeral allowance is due to any person that has paid for the funeral of a persons registered as permanent resident in the territory of the Czech Republic as at his or her death date, and any person that has paid for a funeral which took place in the Czech Republic. Where several persons meet the eligibility requirements, the allowance is paid out only to the first person to make a claim. Entitlement to funeral allowance arises as of the day of the funeral. The amount of funeral allowance currently represents a lump sum of CZK 5,000.

Numbers of beneficiaries:

	in thousands	1999	2000
Child benefit - number of children at year end		1,894	1,910
Social allowance at year end		452	445
Number of children entitled to social allowance due to handicap		25.4	25.7
Childbirth allowance in a year		87	65
Parental allowance at year end		266	262
Foster care (number of children at year end)*		5.6	5.8
Maintenance allowance at year end		0.9	0.8
Transport allowance at year end		390	407
Housing allowance at year end		290	308

* number of children receiving contribution to cover part of a child's needs

Benefit cost:

	1999		2000	
	cost (ths CZK)	% GDP	cost (ths CZK)	% GDP
GDP in current prices (in billion CZK)	1,833		1,910.6	
Child benefit	12,474,050	0.68	12,747,677	0.67
Social allowance	6,251,472	0.34	6,198,589	0.32
Childbirth allowance	565,678	0.03	581,468	0.03
Parental allowance	7,718,211	0.42	7,691,060	0.40
Maintenance allowance	18,604	0.00	15,183	0.00
Foster care benefits	315,255	0.02	339,292	0.02
Transport allowance	993,912	0.05	1,044,691	0.05
Total	28,337,182	1.54	28,617,960	1.49

The shares of components of social support k GNP (in %)

EU 1998, ČR 1999 a 2000

Country	Illness and health protection	Pensions and benefits			Family and children	Unemployment	Housing	Other provisions	Expenditure on administration	Expenditure on social protection together
		disability	old-age	widow(er)'s						
Belgium	6,3	2,3	8,2	2,9	2,2	3,3	-	0,7	1,6	27,5
Denmark	5,6	3,4	11,2	0,0	3,8	3,4	0,7	1,1	0,7	30,0
Finland	6,0	3,8	8,0	1,0	3,4	3,2	0,4	0,6	0,9	27,2
France	8,5	1,4	11,0	1,8	2,8	2,2	0,9	0,4	1,6	30,5
Ireland	5,6	0,7	2,9	0,9	1,9	2,4	0,5	0,3	0,8	16,1
Italy	5,7	1,5	13,0	2,6	0,9	0,7	0,0	0,0	0,8	25,2
Luxembourg	5,7	2,8	9,2	1,0	3,3	0,8	0,1	0,3	0,9	24,1
Germany	7,9	2,2	11,4	0,5	2,8	2,5	0,2	0,6	1,1	29,3
Neatherlands	7,6	3,2	9,6	1,4	1,2	1,9	0,4	1,4	1,7	28,5
Portugal	6,8	2,6	7,2	1,5	1,1	1,0	0,0	0,3	3,0	23,4
Austria	7,2	2,4	10,4	2,8	2,8	1,5	0,1	0,3	0,9	28,4
Greece	5,7	1,5	10,4	2,1	1,9	1,1	0,7	0,3	0,8	24,5
U.K.	6,6	3,0	10,4	1,0	2,2	0,9	1,6	0,2	0,8	26,8
Spain	6,1	1,7	8,8	0,9	0,4	2,8	0,1	0,1	0,6	21,6
Sweedan	7,7	3,8	12,2	0,7	3,5	3,1	0,8	1,0	0,5	33,3
EU 15	7,1	2,2	10,8	1,4	2,2	1,9	0,6	0,4	1,1	27,7
ČR 1999	8,7	2,3	7,2	0,9	1,7	0,4	0,1	0,1	0,4	21,8
ČR 2000	9,1	2,3	7,4	0,9	1,7	0,5	0,2	0,1	0,4	22,6

Rem.: There are not all parameters included in dates of table. This table is prepared for international comparison.

Source: Social Protection Expenditure and Receipts (data 1980 – 1998), Eurostat 2000, MOLSA

An overview of state social support benefits drawn in 1997-2000

Section	Drawn from the account as at 12-31-1997	Drawn as at 12-31-98	Index 98/97	drawn as at 12-31-99	index 99/98	drawn as at 12-31-00	index 00/99
4131 – Child benefit	12,495,065,789	11,492,942,033	91.98	12,474,050,014	108.54	12,747,676,593	102.19
4132 – Social allowance	6,223,799,393	6,272,703,782	100.79	6,251,471,683	99.66	6,198,589,052	99.15
4133 – Childbirth allowance	524,866,362	563,147,667	107.29	565,678,336	100.45	581,468,680	102.79
4134 – Parental allowance	7,611,817,389	7,779,715,310	102.21	7,718,211,116	99.21	7,691,060,866	99.65
4135 –Maintenance allowance	25,461,379	23,040,675	90.49	18,603,664	80.74	15,183,222	81.61
4136 – Foster care benefits	153,592,006	233,083,888	151.76	315,254,708	135.25	339,290,641	107.62
of that:							
a) child needs allowance	93,463,624	158,636,609	169.73	234,129,899	147.59	252,799,909	107.97
b) foster parent pay	54,868,625	67,139,341	122.36	73,174,216	108.99	79,062,568	108.05
c) adoption allowance	3,819,480	5,726,320	149.92	5,960,880	104.10	6,271,520	105.21
d) motor vehicle purchase allowance	1,440,277	1,581,618	109.81	1,989,713	125.80	1,156,644	58.13
4137 – Transport allowance	937,749,129	946,504,209	100.93	993,912,314	105.01	1,044,690,476	105.11
4138 – Funeral allowance	330,729,684	518,912,000	156.90	543,161,316	104.67	540,176,000	99.45
4141 – Housing allowance	812,580,709	1,367,050,228	168.24	2,084,051,801	152.45	2,518,020,155	120.82
4142 –Contrib. to alleviate increased energy prices	66,743,604	276,680,342	414.54	236,273,904	85.40	105,541,387	44.67
4143- Rent allowance	48,930,570	162,666,869	332.44	127,253,934	78.23	72,967,895	57.34
4149 – Other state social support benefits	5,492,901	712,252	12.97	14,787	2.08	5,219	35.29
TOTAL benefits paid out	29,236,828,915	29,637,159,255	101.37	31,327,937,577	105.70	31,854,670,186	101.68
TOTAL drawn from CNB account	29,236,812,024	29,637,143,391	101.37	31,327,925,923	105.70	31,854,671,065	101.68
Difference	- 16,891	- 15,864	93.92	- 11,654	73.46	879	-7.54
Annual plan	32,000,000,000	32,960,000,000	103.00	31,570,438,000	95.78	31,170,438,000	98.73
% performance	23.52	89.92		99.23		102.20	
adjustment in drawdown forecast	31,733,383,000						
% performance on adjustment	23.72						

Source: Ministry of Finance of the Czech Republic

Benefits other than social and medical assistance benefits

No benefits in cash or in kind outside the social and medical assistance framework are regulated by Czech legislation; such benefits are therefore purely voluntary.

Tax relieves

Tax relieves for families with children are regulated in Article 15 of the *Income Tax Act No. 586/1992 Coll., as amended*.

Items deductible from the income tax base currently include the following:

- a) CZK 38,040 per year **per tax-payer**
- b) CZK 23,520 per year **per child maintained** by and sharing a household with the taxpayer. A child's temporary stay outside the household does not affect deductibility of this item. The amount is double for children that are holders of a special status III card (particularly severe handicap requiring the presence of a guide), also called the "ZTP/P card",
- c) CZK 21,720 per annum **per spouse** living in a shared household with the tax-payer and earning no more than CZK 38,040 in the relevant fiscal year. The amount is double for a spouse who is a ZTP/P cardholder.

A child maintained by the tax-payer (own child, adopted child, child in foster care, the child of a spouse, or grandchild whose parents cannot apply the tax-deductible item) is defined under the Income Tax Act and in accordance with special legislation as:

- a minor, or
- an adult up to 26 years of age who does not receive full disability benefit and who is:
 1. in continuous training for a future job under the State Social Support Act, or
 2. unable to undergo continuous training for a future job or engage in gainful activity due to illness or injury, or
 3. unable to engage in sustained gainful activity due to long-term poor health.

Should such a child get married and live in a common household with his or her spouse, the spouse can apply the tax deduction upon compliance with conditions referred to in letter c). If the spouse has no income to apply the deduction to, the deduction can be applied, under letter b), by the child's parent or a taxpayer that is the child's foster parent as long as they live in the same household.

If a child is maintained by several tax-payers in a single household (e.g. by husband and wife), the tax deduction can be applied, upon compliance with the relevant requirements, by only one of those tax-payers in a single fiscal period or calendar month.

Measures of aid to the newly married

In so far as aid to the newly married is concerned, the *legal measure No. 14/1973 Coll. concerning the provision of state-subsidised loans to young couples*, although still in effect, has fallen out of use, and no government contributions are available on condition of very low income of such couples, which can not be higher than 5 000 CZK, but it is lower than present living wage.

Housing support is discussed separately under Question E.

Question C

Please indicate whether in your country there exists social and/or cultural services of particular interest to the family, such as advice to families (either to the whole family or to its members, e.g. to mothers, pregnant women, children of various ages), home-help services, family holiday homes, etc.

Please indicate the childminding services available to families, in particular crèches, nurseries and after-school and holiday schemes for children.

Please give a general description of the organisation and facilities of these services. In your answer please distinguish between public and private services and between services available free or against payment. Please give relevant statistical data.

Family counselling

The Czech Republic currently has 75 “state“ **family, marriage and inter-personal relationships counselling centres**, some of which also have detached offices in some larger municipalities in their region. The counselling centres are established under *the Social Security Act No. 100/1988 Coll. as amended* and *Act No. 114/1988 Coll. on the social security powers of Czech Republic authorities*, as amended. The tasks of these counselling centres are specified in *Notification MOLSA No. 182/1991 Coll.*, implementing the above Acts. The role of these centres is to provide education and counselling on family, marital and inter-personal relationships. The facilities are organised as counselling centres aimed at marriages with a high risk of breakdown, adjustment of relationships between divorced parents and their children, care for parents of disabled children, generation gap issues in families, and unemployed people who need this assistance.

A majority has established of counselling centres where city councils and magistrates of statutory towns were the founders.

Counselling services are provided **free of charge** (Act No. 100/88 Coll., Article 92). The centres require no referrals of their clients who are free to choose a centre and counsellor they like. Clients may wish to remain **anonymous**; the staff is required to keep confidential any information received on the job.

Locally, these centres work together mainly with social and legal child protection bodies, other social services, medical and educational establishments, and relevant courts.

Family counselling services can be provided by private entities, either based on contracts with district authorities, or on a commercial basis (as members of the professional trade of “psychological counselling and diagnostics“).

A family counselling team consists of a psychologist and a social worker who collaborate with other experts, either in-house or out-source, including psychiatrists, sex therapists, gynaecologists, paediatricians, lawyers and educators.

Since 1990 the Ministry of Labour and Social Affairs has acted as a guarantor of a good professional standard of service together with the civic group **Association of Marriage and Family Counsellors**. The group has nearly 300 members from amongst qualified marriage and family counsellors and social workers. In addition to developing and representing the profession, the association’s main goals include protection of clients against unqualified practice, and professional development of counsellors working in the state counselling centres.

The Association has developed its own qualification requirements, and has been

constructing and implementing a system of special qualification as well as on-going training and supervision. It has produced Professional Standards in line with a similar European document.

The “state“ counselling centres employ approx. 300-350 full-time workers and a number of part-time experts as well. Commercial family counselling services are available from no more than 15-20 fully qualified psychologists.

Any Czech Republic national or foreign national who is a long-term or permanent resident in the country can become a **client**.

The annual number of clients who seek out counselling is about 30 to 35 thousand. Clients include individuals, couples and entire families. The centres thus provide direct help to some 60,000 people a year, and indirect help to a number of other people who are connected with the clients by close family, distant family or other ties.

A total of nearly 160,000 counselling sessions are provided annually.

Educational and psychological counselling represent basic **forms of assistance**, supplemented by individual, couple, family or group psychotherapy where necessary. An integral part of the package is direct social work and elementary legal and social rights advice.

In co-operation with the Association of Marriage and Family Counsellors and with the financial assistance of the Labour and Social Affairs Ministry of the Czech Republic, the counselling centres have been expanding the range of their services to include psychotherapy holiday or weekend stays for socially disadvantaged and incomplete families, group training in communication skills, some non-specific relaxation techniques, etc.

Basic types of service include:

- counselling and psychotherapy for married couples and families,
- divorce counselling and post-divorce guidance (aimed at protecting the interests of children under legal age),
- psychological assistance to lonely people,
- pre-marital counselling,
- psychological advice on handling periods of crisis,
- educational, awareness-raising and publishing activities,
- assistance to families affected by unemployment,
- assistance to families whose member/s suffer from physical, social or other handicap,
- assistance in cases of home violence.

Counselling facilities for children

The counselling system in the Czech Republic provides professional and methodology assistance to schools, pre-school facilities, educational institutions, state administration and self-government educational authorities, and parents.

The Education, Youth and Sports Ministry to the Pedagogical and Psychological Counselling Institute of the Czech Republic have delegated counselling service supervision.

The counselling network consists of pedagogical and psychological counselling centres, special education centres, and child and youth educational care centres. The network has been designed with a view to ensuring that every region, within its competence, makes the full range of counselling services available to its inhabitants.

1. Pedagogical and psychological counselling centres

Pedagogical and psychological counselling centres (hereinafter “counselling centres“) are regulated by *Act No. 564/1990 Coll. on state administration and self-government in education*, as amended. A centre’s operating area and number of staff with the required professional and pedagogical capacity are determined by the incorporation with a view to the centre’s tasks and the need to ensure that each professional member of staff must serve no more than 1,500-2,500 children and youth aged 3 or more years below secondary school-leaving age and coming from schools, pre-school facilities and educational institutions.

In accordance with Article 35 of the *Educational Institutions Act No. 76/1978 Coll.*, as amended and *Notification No. 130/1980 Coll., on the Educational Counselling* and with a view to current needs, counselling centres are charged with the following tasks:

- complex psychological, special education and social **diagnostics** aimed at establishing a child’s capability for schooling; the causes of any learning and behaviour disorders and other problems in the personality development and education of children and youth; an individual’s capacity to apply and develop his or her own abilities and talents; and complex pedagogical and psychological diagnoses for the purposes of career advice.
- psychological and special education **counselling services** aimed at personality development, improved self-knowledge and development of pro-social behaviour in children and youth; preventing educational failure and negative social developments in children and youth; managing learning and behaviour disorders and other developmental, educational and learning problems; and helping clients clarify their prospects in life.
- elaboration of **expert opinions** and other expert documentation serving as a decision basis for state administration educational authorities to register or transfer children and youth to schools and educational institutions, and to organise other educational measures where educational legislation so provides,
- administering **consultation** and expert advice to the pedagogical staff of schools and educational institutions involved in the education and teaching of children and youth that require special attention in their psychological and social development, education, teaching and career planning; counselling centres can organise special training in pedagogy, psychology and counselling issues for pedagogical workers,
- collaboration with educational and other institutions, organisations and state administration authorities in the centre’s operating area with the aim of preventing social pathologies and drug addiction,
- psychology and special education services to schools that are unable to secure those services in any alternative way.

The core of the counselling centres’ work is done on an outpatient basis, with counsellors visiting schools, educational institutions and other facilities, and sometimes families. After taking into consideration the structure of the pre-school, school and transport networks and other factors, a centre’s incorporation may decide to establish specialised detached offices in additional locations. All standard services are provided **free of charge**.

The Czech Republic has a total of 99 pedagogical and psychological counselling centres, of which 96 are state-run and 3 are non-governmental facilities that receive subsidies from the national budget or the budget of the Ministry of Education, Youth and Sport (MEYS).

2. Special education centres

Special education centres (hereinafter “special centres“) are established under the *Act No. 564/1990 Coll. on state administration and self-government in the field of education*, as amended. In accordance with Article 5, *MEYS Notification No. 127/1997 Coll. concerning schools and nurseries for children with special needs*, special centres established by state administration educational authorities and municipalities that are considered to be part of schools for children with special needs. A special centre’s catchment area and number of staff with the required professional and pedagogical capacity are determined by its incorporator based on the types and degrees of disability present among clients and the specific conditions for care in the catchment area; one professional member of staff must cover no more than 250-350 disabled children and youth.

In accordance with Article 5 of the *MEYS Regulation No. 127/1997 Coll. concerning schools and nurseries for children with special needs* and with a view to current counselling needs, the special centres’ tasks include the following:

- pedagogical and psychological **counselling for children and students** with sight, hearing or speech impairment, physical disabilities, mental disabilities, or combined disabilities (hereinafter “children and youth **with disabilities**“),
- psychological, special education and social **diagnostics** aimed at establishing a child’s capability for schooling; the causes of any learning and behaviour disorders and other problems in personality development and education of children and youth with disabilities; individual clients’ capacity to apply and develop their abilities and talents; and complex pedagogical and psychological diagnoses for the purposes of career advice to children and youth with disabilities.
- psychological and special education **counselling services** aimed at personality development, improved self-knowledge and development of pro-social behaviour in children and youth with disabilities; preventing educational failure and negative social developments in children and youth; managing learning and behaviour disorders and other developmental, educational and learning problems; and helping clients clarify their prospects in life.
- elaboration of **expert documentation** serving as a decision basis for state administration educational authorities to register or transfer children and youth with disabilities to schools and educational institutions, and to organise other educational measures where educational legislation so provides,

administering **consultation** and expert advice to the pedagogical staff of schools and educational institutions involved in the education and social integration of children and youth with disabilities; counselling centres can organise special training in pedagogy, psychology and counselling issues for pedagogical workers and the wider public.

The centre works on an outpatient basis, its staff visiting pre-school and school facilities, educational and other institutions and families. With a view to the structure of the pre-school, school and transport networks and other characteristics of the given territory, the special centre’s incorporator may decide to establish specialised detached branches in additional locations. All standard services are provided **free of charge**.

The Czech Republic has a **total** of 102 special education centres, including 93 state-run centres and 9 non-governmental facilities that receive a subsidy from the national or MEYS budget).

3. Educational care centres for children and youth

Educational care centres for children and youth (hereinafter “care centres“) are established under *Act No. 564/1990 Coll. on state administration and self-government in the field of education*, as amended. The tasks of these centres are defined in Article 31a of the *Educational Institutions Act No. 76/1978 Coll.*, as amended, and specified in the *Deputy Minister of Education, Youth and Sports Guideline concerning the organisation of educational care centres for children and youth*. Taking into consideration the structure of the school, pre-school and educational institutions network, social pathology rates, the transport situation and other factors, a care centre’s incorporator may decide to establish specialised detached branches in additional locations.

In accordance with the above guideline, care centres deliver the following tasks:

- complex preventive educational care and psychological **assistance to children and youth showing behavioural disorders and signs of negative social development or a high risk of these**. Care is provided on an out-patient, full-time or residential basis with the aim of eliminating or reducing existing behaviour disorders and preventing other serious educational disorders and negative social developments in students that have not been ordered into institutional educational care or protective educational care; care is also provided to their families or substitute family institutions.
- complex preventive educational care and psychological **assistance**, either out-patient, full-time or residential, **to children and youth released from institutional educational care to facilitate their integration into society**,
- application of psychology, special pedagogy, educational and teaching methods and procedures,
- consulting, expert advice and assistance to statutory representatives and pedagogical workers in schools and school facilities on issues related to the education and social integration of students with behavioural disorders and signs of negative social development or a high risk of these,
- collaboration with pedagogical and psychological counselling centres, and in case of handicapped children and youth, special education centres in providing methodology assistance to schools, pre-school and educational institutions, and collaboration with institutions, organisations and state administration authorities in the centre’s catchment area in preventing social pathologies and drug addictions,
- centres can also organise educational events for pedagogical workers and the wider public including parents.

All standard services are provided **free of charge**.

The Czech Republic has a **total** of 47 educational care centres, including detached branches, of which only one is private-run and receives subsidies from the national or MEYS budget.

Counselling for the unemployed youth is provided by the unemployed youth centres, regulated in their activity by the Operating rules for the unemployed youth centres (MEYS Bulletin, Issue 7-8/1993).

Crèches

Care for the youngest children are available in crèches. Together with other “special child care facilities“ such as institutional care facilities for infants and for children up to 3 years of age, and day-care centres, crèches continue to form part of the health care system.

The incorporator covers the cost of care, i.e. mainly from city or local budgets. Under the upcoming Health Care Act, however, crèches are expected to be excluded from the health care system, as they are not providers of any specific health care. With falling birth rates and increasing popularity of parental allowance, now available for children up to 4 years of age, crèches have been experiencing a marked drop in their use.

As of 1 March 2000, a new professional trade called “Day care for children up to 3 years of age“ has been established.

Pre-school and school educational institutions for children

Under the *Educational Institutions Act No. 76/1978 Coll.*, care for children and youth in the Czech Republic is assured through a system of educational facilities, most of which are incorporated by the central government, regions and municipalities, i.e. by public law entities. Churches, religious societies and private providers run a smaller number of facilities.

Statistical data and latest information on the school, pre-school and educational institution network indicate that the Czech Republic has a total of 6,140 **pre-school facilities**, of which 4 are incorporated by the central government, 6,016 by municipalities, 105 by private persons, and 15 by churches and religious societies). In the school year 2000/2001, there were 279,838 children registered in those facilities.

Pre-school facilities include nurseries and nurseries for children with special needs. These establishments follow up on the education children receive in their families, and together with the family, they ensure complex care for children usually **aged 3 to 6**.

In **nurseries**, specific forms of child education are developed and applied, including special techniques for work with children exposed to high levels of health, educational or social risk, and children with special talents.

Nurseries for children with special needs provide care for children with mental or physical disabilities, sensory or speech impairments, combined disabilities, and children who are ill or prone to be ill and have been placed in medical establishments. The Czech Republic has a total of 230 nurseries for children with special needs, of which 180 are incorporated by regional authorities, 28 by local authorities, 18 by private persons, and 4 by churches and religious societies. In the school years 2000/2001, these were 6,247 children registered in these nurseries.

Children with mental or physical disabilities, sensory or speech impairment can be placed in regular nurseries or in nurseries for children with special needs.

Pre-school facilities provide full-day care (5,822), half-day care (47) and residential care (13). The incorporator covers their operating costs, wage costs and income taxes, the cost of teaching aids and further training for pedagogical staff are covered by the MEYS. In accordance with the provisions of Article 19a to 19e of the *Act No. 564/1990 Coll. on state administration and self-government in the field of education*, as amended, local authorities are allowed to collect fees to cover part of the non-investment cost in their nurseries. The contribution must not exceed 30 per cent of the actual non-investment cost per child. Exempt from payment are low-income families whose household income would fall below 125 per cent of the necessary cost of food and other basic personal and household needs if they paid the fee.

Pre-school facilities including residential ones are allowed to provide extraordinary or short-term care to children up to ten years of age against payment.

Nurseries can choose to establish clubs. Depending on the local situation, clubs may

be open to children who are not registered for regular care. Club membership can be paid. Any fees collected must be used toward the nursery's non-investment cost.

The school, pre-school and educational institution network also includes 730 **schooling and educational facilities**, of which 489 are incorporated by central government, 90 by local authorities, 138 by private individuals, and 13 by churches and religious societies. These facilities include special interest schools, convalescent schools, facilities for education outside classes, and educational establishments charged with institutional education, protective education, and preventive educational care.

Leisure time care facilities for children

In accordance with Article 19, *MEYS Notification No. 432/1992 Coll. concerning leisure time centres for children and youth* and *MEYS Notification No. 87/1992 Coll. concerning after-school care centres and school clubs*, **after-school care centres, school clubs and special interest clubs** are established to provide care for children and youth in their leisure time in the areas of sports, natural and social science and aesthetics.

Leisure time activities are also available in **leisure time centres**. The Czech Republic currently has 289 of these centres, incorporated by the central government, municipalities, churches and religious societies, and private individuals (the numbers are 181, 96, 7 and 2 respectively).

The government pays special attention to the development of **civic associations** that are involved in leisure time activities for children and youth, and allocates CZK 180 million annually to support such activities. Civic groups cover a wide range of interests from technology through sport, natural and social science to culture, etc. An important part of their work, and often the culmination of their annual effort, is represented by **summer holiday camps for children**. The government supports summer holiday activities with CZK 40 million a year. Summer holiday camps are organised by government-run establishments (25%), churches and religious societies (5%), civic associations (65%), and private providers (5%). Summer holiday camps are attended by approx. 300,000 children every year. Conditions for organising these camps are regulated in the *Ministry of Health Notification No. 106/2001 Coll. concerning hygienic requirements on recreational events for children*. The MYES and the Health Ministry regular check operational safety in camps and compliance with relevant legal requirements through multi-level inspections. The final inspection report on summer holiday camps is discussed at a MYES management meeting.

Question D

Please indicate if the legislation in your country provides for family representation on advisory or administrative bodies with a view to defending family interests.

As family lacks the status of a legal entity, the above rights have only been set up for natural persons such as parents, pupils and students.

In general, the right to free association is guaranteed in the Czech Republic under Article 20 of the *Charter of Fundamental Rights and Freedoms* and in *Act No. 83/1990 Coll. on citizens' association*, as amended.

In the education sector, school boards can be created as advisory bodies under Articles 17a to 17 h of the *Act No. 564/1990 Coll. on state administration and self-government in the field of education*, as amended.

School boards can be created in schools, enabling statutory representatives of pupils and students under legal age, adult students, the school staff, local citizens and others to participate in school administration.

Where a school board exists, the school's incorporators establish it. Each school can have no more than one school board.

The board consists of six to fifteen members. Headmasters are not allowed to sit on school boards. Board members are elected or nominated for two years. In schools incorporated by the central government, local authorities, and state-registered churches and religious societies:

- a) one third of board members are nominated by the incorporator,
- b) one third of board members are elected by parents, pupils or students, and
- c) one third of board member are elected by teachers from amongst the school staff.

The incorporator issues a school board's deed of foundation.

School boards have the following rights and responsibilities:

1. to approve the school's annual report, draft budget, and report on the school's economic result, thus contributing to the exercise of public control over schools,
2. to comment on any teaching programmes the school develops, on the school's strategic development policy, and appointments and withdrawals of headmasters,
3. in legitimate cases, school boards can file a petition for dismissing the headmaster to the incorporator; elementary school boards file that petition to the relevant state administration educational authority,
4. school boards may request inspections to be conducted by the Czech School Inspection, and audits of schools' economic management to be conducted by regional bodies with relevant delegated powers, except where otherwise provided in relevant legislation.

School headmasters are responsible for allowing school boards access to information on the school, and especially to mandatory school documentation. Headmasters may deny access to such information where special legislation so provides.

Where no school board exists, the headmaster is responsible for discussing the school's annual report, draft budget and economic management report at a school staff meeting, and for presenting these documents to a regional body with relevant delegated powers and to the school's incorporator.

Question E

Please indicate what measures have been taken to promote the construction of family housing, and supply full statistics of the work accomplished.

Housing construction support programmes

Programmes are currently available:

- **Construction support for supported housing with special determination**

The subsidy is earmarked for new construction of communal rental flats in homes with special determination. These flats are intended mainly for senior citizens and people in need of care.

Total volume: CZK 471 mil. in 1999, CZK 578 mil. in 2000, CZK 523 mil. in 2001 (from resources of state budget in chapter for the Ministry for Local Development – MLD)

Number of finished flats: 651 in 1999, 750 in 2000, and estimated 766 in 2001

- **Construction support for rental flats and related infrastructure**

Local communities earmark the subsidy for construction of rental flats and related infrastructure.

Total volume: CZK 3,394 mil. in 1999, CZK 2,904 mil. in 2000, CZK 1,596 mil. in 2001 (MLD)

Number of finished flats: 8,700 in 1999, 7,060 in 2000, and estimated 6,000 in 2001

- **Mortgage subsidies**

The subsidy can be claimed by natural persons in the form of a contribution and by legal entities (local communities, co-operatives) in the form of interest subsidies on loans toward the purchase or construction of new housing, on condition that the construction is not part of the claimant's business activity. The subsidy is also available, although not automatically, to legal entities other than local communities and to natural persons that provide construction and assembly services in housing construction under their trade certificate.

Total volume: CZK 178 mil. in 1999, CZK 276 mil. in 2000, CZK 600 mil. in 2001 (MLD)

- **Support of constructional saving**

The most widespread form of support are the government-subsidised construction saving schemes, regulated by *Act No. 96/1993 Coll. on constructional saving schemes and their support*.

Natural persons who are permanent residents in the Czech Republic or juristic persons with residence in the Czech Republic having identification number under special legislation can be subject of this form of saving.

Such person signs up a written contract with constructional savings bank on constructional saving. The person obliges to save sum of money according to contract and savings bank has to give credit for financing building requirements after certain period. A savings bank controls utilisation of this credit and can claim repayment of the not correctly used sum of money.

The state support is given in the form of nonreversible contribution in 25% of saved amount in one year to the limit 4 500 CZK per month. One person with more contracts is entitled only for one state support.

Total volume: CZK 6,4 mld. in 1999, CZK 7,7 mld. in 2000, CZK 9,2 mld. in 2001.

The State Housing Development Fund

The fund was established under *Act No. 211/2000 Coll. on the State Housing Development Fund* with the purpose of contributing to various forms of new housing construction and reconstruction of existing housing. The fund's task is to gather, expand and invest funds with maximum efficiency into well-targeted housing investment **support programmes** in the following areas:

- new flat construction, with special focus on rental flats,
- repair, modernisation and rehabilitation of existing residential buildings, with a special focus on prefabricated buildings,
- local community investment into technical infrastructure on suitable plots for future residential construction.

The Fund's revenues include transfers from the National Property Fund, government subsidies, returns on bonds and mortgage bonds, credit instalments, interest on deposits, penalty received, insurance claims collected, returns on collections, donations, inherited

estate, EU funds, etc.

The Fund serves as a vehicle for pre-determining funding volumes for specific objectives, its major advantage being that any unspent funds are carried over into the next calendar year instead of being returned into the national budget at year end.

Whereas in 2000, the Fund's priority was to support rental flat construction, in 2001 it has also made considerable volumes available to support the repair of prefabricated residential buildings and additional programmes that are currently under preparation.

- **Construction support for supported housing with special determination** (flats in houses with community care) came from resources of the Fund in accordance with *governmental decree No. 481/2000 Coll. on using resources of State Housing Development Fund to cover proportion of costs of housing construction.*

Total volume : CZK 761 mil. in 2000, CZK 1 980 mil. in 2001

Forthcoming measures:

- **Support of public-benefit housing co-operatives** (the relevant bill was submitted to the Cabinet in April 2001)

The role of public-benefit housing co-operatives is to build and provide rental housing for their members. Good availability is assured through supporting construction with public funds. As co-funding will be required of coop members, the programme will be aimed mainly at middle-income groups.

- **Support of young households in their first housing purchase** (the relevant governmental decree will be presented in 2001)

A governmental decree is now being drafted that will define the conditions for financial support of young people in their first housing purchase. The aim is to make new or existing privately owned and co-operative housing available to young people. The support instruments will be designed as mortgage interest subsidies for buying older privately owned housing, and low-interest loans up to CZK 200,000 for buying privately owned or co-operative housing.

- **Supported housing** (the relevant governmental decree will be submitted in 2001)

A governmental decree is now being drafted to promote housing construction for people with special housing needs. Construction cost subsidies will be available for the construction or adaptation of "adjustable" flats and supported housing for people who are in need of community care due to poor health or old age and people in difficult social circumstances.

Overview of housing construction in the Czech Republic

	Actual in the year		Index (2000/1999)	Share in total
	2000	1999	%	
Flats under construction				
in family houses	12,177	12,489	97.5%	37.6%
in residential buildings	7,097	7,192	98.7%	21.9%
in penthouses, built-in or annexed	7,930	9,014	88.0%	24.5%
of which: penthouses and flats built in or annexed to family house	4,272	5,766	74.1%	13.2%
penthouses and flats built in or annexed to residential buildings	3,658	3,248	112.6%	11.3%
in homes with community care and supported boarding homes	845	1,371	61.6%	2.6%
in non-residential buildings	1,453	1,247	116.5%	4.5%
in converted non-residential facilities	2,875	1,587	181.2%	8.9%
Total	32,377	32,900	98.4%	100.0%
Finished flats				
in family houses	10,466	9,238	113.3%	41.5%
in residential buildings	5,926	6,598	89.8%	23.5%
in penthouses, built-in or annexed	5,250	5,045	104.1%	20.8%
of which: penthouses and flats built in or annexed to family house	2,911	2,539	114.7%	11.5%
penthouses and flats built in or annexed to residential buildings	2,339	2,506	93.3%	9.3%
in homes with community care and supported boarding homes	687	651	105.5%	2.7%
in non-residential buildings	745	767	97.1%	3.0%
in converted non-residential facilities	2,133	1,435	148.6%	8.5%
Total	25,207	23,734	106.2%	100.0%
Semi-finished flats (at period end)				
in family houses	57,974	56,275	103.0%	48.8%
in residential buildings	18,430	17,879	103.1%	15.5%
in penthouses, built-in or annexed	34,077	31,959	106.6%	28.7%
of which: penthouses and flats built in or annexed to family house	27,505	26,649	103.2%	23.2%
penthouses and flats built in or annexed to residential buildings	6,572	5,310	123.8%	5.5%
in homes with community care and supported boarding homes	2,102	1,814	115.9%	1.8%
in non-residential buildings	2,285	1,524	149.9%	1.9%
in converted non-residential facilities	3,917	3,079	127.2%	3.3%
Total	118,785	112,530	105.6%	100.0%
Number of flats that were fully upgraded in the period in question	10,725	8,755	122.5%	x
Share in total finished flats	42.5%	36.9%	x	x

Source: *Housing construction in the Czech Republic in 2000*, Czech Statistical Office, Prague

Question F

Please indicate the measures taken in the field of family planning information.

The Czech Republic has been a long-term promoter of education about reproductive health issues and family planning. There is adequate public access to information and to reliable contraceptive methods and counselling services. Interruption is allowed upon the woman's request within 12 weeks of becoming pregnant; voluntary sterilisation is allowed only on medical grounds.

All elementary school curricula for family education cover sex education. Relevant teacher training and qualification enhancement is provided through teacher preparation and on-going training. The Ministry of Education, Youth and Sports and the Ministry of Health have developed effective co-operation with NGOs, and particularly with the Association for Family Planning and Sex Education, a member of the International Planned Parenthood Federation (IPPF - European Network). Co-operation is developed through joint workshops and publication of documents and periodicals. In addition, the Association for Family Planning and Sex Education runs a contraception and STD prevention hot line.

The effective co-operation and successful sex education have been reflected in a radical drop in interruptions by 76 per cent over the past ten years and a four-fold increase in contraception use, and particularly oral contraception use.

Question G

If your country publishes official statistics concerning the composition of the family and its economic and social position, please provide a summary of the latest available statistics. In so far as the socio-economic position is concerned, describe the manner in which socio-economic categories are classified in your country.

Statistics on the number and composition of families and households are regularly prepared and published by the Czech Statistical office on the occasion of the **population and housing census**. The latest available data is from the 1991 census.

Annexed tables show statistical results for the year 2000 for family files from a basic reporting group defined as 1,800 white-collar households, 300 farming households, 450 self-employed households, and 700 retired households. Their number of reporting months in the given year weight data received from individual households.

Households are selected through intentional quota sampling. Selection criteria for the basic group include the household's social class, number of children without means (or number of people living in a retired person's household), and net income per person. Sex is an additional selection criterion for households composed of one retired person. Numbers of households in the different social classes and numbers of households in the complementary file have not been set proportionately to their share in the overall population, but rather through a compromise between the desire for maximum file size and the need to minimise costs

List of sources to the Article 16:

- *Act No. 2/1993 Coll., the Charter of Fundamental Rights and Freedoms*, as amended,
- *Act No. 94/1963 Coll., the Family Act*, as amended,
- *Act No. 40/1964 Coll., the Civil Code*, as amended,
- *legal measure No. 14/1973 Coll., on the provision of state-subsidised loans to young couples*
- *Act No. 117/1995 Coll. on state social support*, as amended,
- *Act No. 99/1963 Coll., the Code of Civil Procedure*, as amended,
- *Act No. 586/1992 Coll. on income tax*, as amended,
- *Act No. 100/88 Coll. on social security*, as amended,
- *Act No. 114/1988 Coll. on the social security powers of Czech Republic authorities*, as amended,
- *Act No. 564/1990 Coll. on state administration and self-government in the field of education*, as amended,
- *Act No. 76/1978 Coll. on educational institutions*, as amended,
- *MOLSA Notification No. 182/1991 Coll., implementing the Acts on social security and on the social security powers of Czech Republic authorities*, as amended,
- *MOLSA Notification No. 130/1980 Coll., on the Educational Counselling*, as amended,
- *MOLSA Notification No. 127/1997 Coll. concerning schools and nurseries for children with special needs*, as amended,
- *MEYS Notification No. 432/1992 Coll. concerning leisure time centres for children and youth*, as amended,
- *MEYS Notification No. 87/1992 Coll. concerning after-school care centres and school clubs*, as amended,
- *Ministry of Health Notification No. 106/2001 Coll. concerning hygienic requirements on recreational events for children*,
- *Act No. 83/1990 Coll. on citizens' association*, as amended,
- *Act No. 96/1993 Coll. on construction savings schemes and their support*, as amended,
- *Act No. 211/2000 Coll. on the State Housing Development Fund*,
- *governmental decree No. 481/2000 Coll. on using resources of State Housing Development Fund to cover proportion of costs of housing construction.*

ARTICLE 19: THE RIGHT OF MIGRANT WORKERS AND THEIR FAMILIES TO PROTECTION AND ASSISTANCE

Article 19, paragraph 9

„With a view to ensuring the effective exercise of the right of migrant workers and their families to protection and assistance in the territory of any other Contracting party, the Contracting Parties undertake:

to permit, within legal limits, the transfer of such parts of the earnings and savings of such workers as they may desire.“

Question

Please indicate the limits within which migrant workers may transfer their earnings and savings.

There are no such limits in Czech legislation. Migrant workers are free to transfer such parts of their earnings and savings as they may choose of their own free will. The law regulation is contained in *the Foreign Exchange Act No. 219/1995 Coll.*, as amended in the article 4. This article provides, that a **resident** without a foreign exchange permission may undertake contractual obligations towards a non-resident and fulfil obligations (liabilities) arising therefrom in Czech or foreign currency, unless this Act provides otherwise. A resident may acquire foreign exchange values and property abroad and export and import Czech and foreign currencies, unless this Act provides otherwise. A **non-resident** may purchase pecuniary means in this country in foreign currency for Czech currency and vice versa, acquire other foreign exchange values and real estate, and import and export Czech and foreign currency, unless this Act provides otherwise. Whereas a resident is an individual person who has permanent residence in the Czech Republic or legal person whose registered seat is located in this country, a non-resident is any other person.

List of sources to the Article 19 paragraph 9:

- *Act No. 219/1995 Coll., the Foreign Exchange Act*, as amended.