

COUNCIL OF EUROPE

FORM

FOR THE

BIENNIAL REPORT

ON THE

EUROPEAN CODE OF SOCIAL SECURITY

(ARTICLE 76 – PARTS NOT SPECIFIED
IN THE RATIFICATION OF THE CODE
OR IN A NOTIFICATION MADE SUBSEQUENTLY)

STRASBOURG

R E P O R T

For the period from 1 July 2018 to 30 June 2020 made by the Government of the Czech Republic in accordance with Article 76 of the European Code on Social Security on the position of national law and practice in regard to the matters dealt with in Parts of the European Code of Social Security which have not been specified in the ratification of the Code or in a subsequent notification.

I. and II. List of primary legislation

List of laws and regulations

Act No 262/2006 Coll., the Labour Code, as amended

Act No 309/2006 Coll., Stipulating Further Requirements for Health and Safety at Work, as amended

Labour Inspection Act No 251/2005 Coll., as amended

Decree No 201/2010 Coll., Defining the Method of Evidence, Reporting and Notification of Injuries, as amended

Decree No 276/2015 Coll., on Compensation for Pain and Social Impairment Caused by Industrial Injury or by Occupational Disease, as amended

Decree No 290/1995 Coll., Determining the List of Occupational Diseases, as amended

Decree No 125/1993 Coll., Stipulating the Conditions and Rates of Mandatory Statutory Insurance of Liability of an Organization for Industrial Injuries or Occupational Diseases, as amended

Decree No 359/2009 Coll., Regulating the Percentage Rate of Decline in Working Ability and Requirements of Disability Assessment and Providing Work Ability Assessment for Disability.

The fundamental law which addresses the issues related to compensation for industrial injury or occupational diseases is the Act No 262/2006 Coll., the Labour Code.

The protection is provided under a compulsory scheme.

1. Scope

Coverage is granted to all employees.

2. Conditions for Entitlement to Benefits

According to the Labour Code, if an employee suffers industrial injury in connection with the performance of his/her employment task or in direct consequence thereof, or if an occupational disease should be diagnosed which would give rise to damages, such damages must be compensated by the employer. This constitutes an objective liability of the employer. The employer is obliged to provide compensation for such damages even if he was in line with all obligations arising to him from legal and other regulation related to the safety and health protection at work.

Employers may be exempted from such liability for damages in part or in full only for reasons which are defined in an exhaustive list contained in the Labour Code (e.g. if the employee caused injury to himself by his own fault, while being inebriated or otherwise intoxicated or due to breach of safety and health protection rules even though such were made known to him by the employer and their knowledge and compliance was duly enforced and controlled by the employer). Employers may also seek a change in the scope of their rights and obligations in instances where a significant change in circumstances occurred on the part of the injured party which would be decisive for the purposes of determination of the compensation due.

If the employer is not exempted from liability, he/she shall be obliged to provide the employee with the compensation as follows:

- a) For loss of income during sick leave;
- b) For loss of income for the period following the sick leave;
- c) For pain and impairment of social application;
- d) For costs effectively disbursed in connection with treatment;
- e) For material damage.

3. Level of Benefits

(a) Compensation for loss of income during sick leave and for loss of income for the period following the sick leave is provided to employees at the level of an average income achieved prior to the damage occurring.

Compensation for loss of income during sick leave takes into account any sickness benefits provided, and any compensation for loss of income for the period following the sick leave correspondingly takes into account income attained after the injury or diagnosis with the occupational disease, same as any additional potential disability benefits provided for the same reason.

Compensation for loss of income after the termination of incapacity to work, however at the utmost until the end of the calendar month when he/she attains the age of 65 years or

until the date when he/she is granted old-age retirement pension benefit (paid from statutory pension insurance).

Compensation for pain and impairment of social application is regulated by Decree No 276/2015 Coll., on Compensation for Pain and Social Impairment Caused by Industrial Injury or by Occupational Disease, on the basis of a point system. At present time, one point corresponds to the value of CZK **250**.

Compensation of costs effectively disbursed toward treatment shall be borne by the employer and reimbursed to such a person who proves the disbursement of any such costs. Material costs must also be correspondingly proven by an employee.

If an employee passed away as a result of occupational accidents and occupational diseases, the employer:

- a) Compensates purposefully incurred costs connected with the employee's medical treatment;
- b) Compensates adequate costs connected with the employee's funeral;
- c) Compensates the cost of survivors' maintenance;
- d) Provides lump-sum indemnification to the survivors;
- e) Provides compensation for material damage.

Compensation for purposefully incurred costs connected with medical treatment and compensation adequate costs connected with the funeral of the injured party shall be provided to the person who incurred the said costs.

Compensation for the cost of survivors' maintenance shall be due to those survivors whom the deceased maintained, or was under the duty to maintain, until the time until which he/she would have been under such duty, however latest until the end of the month when the deceased would have reached the age of 65 years. Such compensation shall be due to the survivors in the amount of 50 % of the deceased employee's average earnings, as ascertained before his death, if he maintained, or was under the duty to maintain, one person, or 80 % of his average earnings if he maintained, or was under the duty to maintain, two or more persons.

Indemnification in the form of a lump-sum shall be due to the deceased employee's spouse, registered partner¹ or maintained child, where each of them will be paid at least CZK 240,000; to the parents of the deceased if they lived with the deceased in a one household - they shall be paid in total at least CZK 240,000.

The Government may increase, by its Decree, the amount of the lump-sum indemnification in accordance with the changes in wages and living costs.

With respect to material damage, the compensation shall be due to the deceased employee's heirs.

¹ Act No 115/2006 Coll., Registered Partnership Act, as amended, regulating permanent community of two persons of the same sex established by manner prescribed by this Act.

An employee's rights to compensation for a loss of earnings due to an industrial injury or an occupational disease or some damage (harm) to health other than an industrial injury or occupational disease and the rights to the compensation of the cost of survivors' maintenance shall not become statute-barred. However, the rights to individual payments arising therefrom shall become statute-barred.

(b) Compensation for industrial injury and occupational disease rests in the Czech Republic on the principle of settlement, i.e. on compensation of lost earnings. Both industrial injury or occupational disease benefits are provided from the general system of pension insurance and the calculation of its amount corresponds to one of disability levels (an insured individual is disabled, if his/her work ability has dropped by at least 35 %, but not by more than 49 %: **level-one disability**; by at least 50 %, but not by more than 69 %: **level-two disability**; by at least 70 %: **level-three disability**). Similarly, related sickness benefits are provided from the general system of healthcare insurance (same as in cases which occur due to other general causes) and other material benefits [including benefits in kind (medical care, healthcare)] are covered by the national health insurance system.

(c) See paragraph a).

4. **Miscellaneous**

(a) If the employee considers the amount of compensation provided by employer incorrect or if he/she has not been provided with compensation he/she shall have the right to enforce his rights before the court.

(b) Employer who employs at least one employee is insured by law, for the purposes of occurrence of industrial injuries or occupational diseases, with effect from January 1, 1993, and the relevant insurance provider will refund employers providing compensation to employees. Employers pay insurance contribution to an insurance provider; it is calculated on the basis of calculation of social security contributions and the state employment policy contribution. The calculation follows the rates listed in Decree No 125/1993 Coll., Stipulating Conditions and Rates of Mandatory Statutory Insurance of Liability of an Organization for Industrial Injuries or Occupational Diseases, as amended, for each corresponding category determined in connection with the prevalent activities which form the business activities of the organization.

If a claim for compensation arose before January 1, 1993, the employer shall be liable for such compensation without recourse to a refund from the insurance provider.

With regard to the fact that the compensation is provided by insurance providers and employers, the Ministry of Labour and Social Affairs does not keep records of the number of injured who are at present in receipt of such compensation.

(c) The supervision of the application of the laws and regulations is performed by the State Labour Inspection Office Czech Republic.

III.

In 2006, Act No 266/2006 Coll., Regulating Accident Insurance of Employees was adopted. It should have come into effect on January 1, 2008 and was supposed to replace the existing legal regulation of compensation for industrial injuries or occupational diseases as contained in the Labour Code. However, the act never came into effect and was abolished by Act No 205/2015 Coll. Legal regulation of compensation for damage provided by the employer was kept in Labour Code.