

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

TIME SERIES AND GRAPHS

2018

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CONTENTS

| | |
|--|-----------|
| LIST OF ABBREVIATIONS AND EXPLANATION OF SYMBOLS USED IN TABLES | 5 |
| 1. INTRODUCTION | 7 |
| 1.1 Basic Demographic and Socio-economic Indicators | 8 |
| 2. PENSION INSURANCE | 9 |
| 2.1 Number of Paid Pensions | 10 |
| 2.2 Number of Pensioners | 11 |
| 2.3 Average Monthly Amounts of Solo Paid Pensions | 12 |
| 2.4 Expenditures on Pensions by Type of Pension (civil sector) | 13 |
| 2.5 Expenditures on Pensions in Relation to GDP | 14 |
| 2.6 Share of the Average Old-age Pension and the Average Wage | 15 |
| 2.6.1 Average Old-age Pension in Relation to Average Wage (Graph) | 16 |
| 2.7 Overview of Increases to Paid Pensions | 17 |
| 3. SICKNESS INSURANCE | 19 |
| 3.1 Basic Sickness Insurance Indicators | 20 |
| 3.1.1 Incomes and Expenditures in System of Sickness Insurance (Graph) | 21 |
| 3.2 Average Daily Sickness Benefits, Average Daily Wage and their Ratio | 22 |
| 4. BENEFITS OF STATE SOCIAL SUPPORT AND FOSTER CARE | 23 |
| 4.1 Expenditures on Benefits of State Social Support and Foster Care | 24 |
| 4.1.1 Structure of Expenditures on State Social Support Benefits (Graph) | 25 |
| 4.2 Average Monthly Number of Paid State Social Support and Foster Care Benefits | 26 |
| 5. BENEFITS OF ASSISTANCE IN MATERIAL NEED, BENEFITS FOR PEOPLE WITH DISABILITIES AND CARE ALLOWANCE | 27 |
| 5.1 Benefits of Assistance in Material Need and Care Allowance | 28 |
| 5.2 Expenditures on Benefits for People with Disabilities | 29 |
| 5.2.1 Expenditures on Benefits of Assistance in Material Need, Benefits for People with Disabilities and Care Allowance (Graph) | 30 |
| 6. SOCIAL SERVICES | 31 |
| 6.1 Residential Social Services | 32 |
| 6.2 Structure of Social Services by Founder in 2018 | 33 |
| 6.3 Economic Indicators in Residential Social Services in 2018 | 34 |
| 6.4 Home Care Service | 35 |
| 7. INCOMES OF HOUSEHOLDS | 37 |
| 7.1 Current Incomes of Household Sector and Average Wage | 38 |
| 7.1.1 Current Incomes of Household Sector and Average Wage (Graph) | 39 |
| 7.2 Average Gross Monthly Wage by Branches (CZ-NACE Sections) | 40 |
| 7.2.1 Average Gross Monthly Wage by Branches (CZ-NACE Sections) in 2018 (Graph) | 41 |
| 7.3 Social Incomes of Households | 42 |

| | | |
|-----------|--|-----------|
| 8. | BASIC INFORMATION ON LABOUR MARKET | 43 |
| 8.1 | Basic Indicators of Labour Market | 44 |
| 8.1.1 | Number of Job Seekers and Job Vacancies (Graph) | 45 |
| 8.2 | State Budget Expenditures on State Employment Policy | 46 |
| 9. | EUROPEAN SYSTEM OF INTEGRATED SOCIAL PROTECTION STATISTICS (ESSPROS) | 47 |
| 9.1 | ESSPROS Core System – Expenditures on Social Protection by Functions | 49 |
| 9.1.1 | Social Protection Expenditures in Relation to GDP (Graph) | 50 |
| 9.2 | Social Protection Expenditures in Relation to GDP in selected European Countries | 51 |

LIST OF ABBREVIATIONS AND EXPLANATION OF SYMBOLS USED IN TABLES

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

1. Introduction

The Czech Republic, as an independent state, was established on January 1, 1993 by a split of the former Czech and Slovak Federal Republic. With an area of 78 866 sq. km, population of 10,67 mil. and population density of 135 inhabitants per sq. km, it could be classed as a small Central European state.

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

The economic and social transformation proceeding after 1989 had an impact on certain demographic characteristics of the population. The most significant aspects are postponement of starting a family and birth of children. Number of born children had dropped constantly. Since 1993 the natural population increment has turned into a decrement. However, in 2006 - 2012 number of live-born children has exceeded number of the deaths. In 2018 there were 114,0 thous. of live births and 112,9 thous. of the deaths. As of December 31, 2018 number of inhabitants of the Czech Republic made up ca 10 650 thous.

Growth of GDP in current prices reached the level of 5,6% in 2018 (5,9% in 2017) in the Czech Republic. The domestic demand, in particularly consumption, mostly contributed to this increase. Inflation rate reached 2,1% in 2018 (2,5% in 2017). This was mostly influenced by rising prices in housing and energy (prices in the area of rental rose by 3,0%, in case of electricity, gas and energy by 2,1%), while food prices rose by 1,3%.

The positive economic development in 2018 has improved the situation on the labour market. In terms of the main labour market indicators, the average number of employed person increased by 72 thousand (by 1,4%) to 5.294 mil. people in 2018. Year-to-year, the number of vacancies also increased. While at the end of 2017 this figure was ca 216,6 thous., at the end of 2018 it represented 324,4 thous. Concerning unemployment, the decrease of general unemployment rate continued to decline (ILO methodology). The rate of unemployed persons (the number of unemployed persons aged 15 – 64 years to the population of the same age) reached 3,2% at the end of 2018, i.e. less by 0,7 percentage point than at the end of 2017. The average number of unemployed persons declined year-to-year by 75,7 thous. to 241,9 thous. At the end of December 2018 it reached 231, 5 thous. i.e. less by 49,1 thous (by 17,5%) year-on-year. A positive fact was a significant decrease of the number of the long-term unemployed. In case of job-seekers registered for more than 12 months, there was year-to-year decrease by 34, 0 thous. for job-seekers over 24 months by 24,5 thous. at the end of 2018.

Basic Demographic and Socio-economic Indicators

| Indicator | Unit | Year | | | | | | | | | | |
|-------------------------------------|------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|--|--|
| | | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | | |
| Population as of December 31 | | 10 533 | 10 504 | 10 516 | 10 512 | 10 538 | 10 554 | 10 579 | 10 610 | 10 650 | | |
| 0-14 | | 1 518 | 1 541 | 1 560 | 1 577 | 1 601 | 1 624 | 1 647 | 1 671 | 1 693 | | |
| aged | | 7 379 | 7 263 | 7 188 | 7 109 | 7 057 | 6 998 | 6 943 | 6 899 | 6 870 | | |
| 65+ | | 1 636 | 1 701 | 1 768 | 1 826 | 1 880 | 1 932 | 1 989 | 2 040 | 2 087 | | |
| Live births | | 117 153 | 108 673 | 108 576 | 106 751 | 109 860 | 110 764 | 112 663 | 114 405 | 114 036 | | |
| Deaths | | 106 844 | 106 848 | 108 189 | 109 160 | 105 665 | 111 173 | 107 750 | 111 443 | 112 920 | | |
| Expectancy of life at birth: men | | 74,4 | 74,7 | 75,0 | 75,2 | 75,8 | 75,8 | 76,2 | 76,0 | 76,1 | | |
| women | | 80,6 | 80,7 | 80,9 | 81,1 | 81,7 | 81,5 | 82,1 | 81,9 | 81,9 | | |
| Natural increase of population | | 10 309 | 1 825 | 387 | -2 409 | 4 195 | -409 | 4 913 | 2 962 | 1 116 | | |
| Migration balance | | 15 648 | 16 889 | 10 293 | -1 297 | 21 661 | 15 977 | 20 064 | 28 273 | 38 629 | | |
| Total growth of population | | 25 957 | 18 714 | 10 680 | -3 706 | 25 856 | 15 568 | 24 997 | 31 235 | 39 745 | | |
| GDP in current prices | | 3 962 464 | 4 033 755 | 4 059 912 | 4 098 128 | 4 313 789 | 4 595 783 | 4 767 990 | 5 047 267 | 5 328 738 | | |
| Growth of GDP (current prices) | | 0,8 | 1,8 | 0,5 | 0,9 | 5,3 | 6,5 | 3,7 | 5,9 | 5,6 | | |
| Average inflation rate | | 1,5 | 1,9 | 3,3 | 1,4 | 0,4 | 0,3 | 0,7 | 2,5 | 2,1 | | |
| Average share of unemployed persons | | 7,0 | 6,7 | 6,8 | 7,7 | 7,7 | 6,6 | 5,6 | 4,3 | 3,2 | | |
| Economically active persons | | 5 269 | 5 223 | 5 257 | 5 306 | 5 298 | 5 310 | 5 350 | 5 377 | 5 415 | | |

Source: CSZO, MoLSA

2. Pension Insurance

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

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

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

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

Table No. 2.1

Number of Paid Pensions

in thous.

| Year | Pension | | | | | | | total |
|------|---------|-------------------------------------|-------|-----|---------|-----------|----------|-------|
| | old age | disability for degree of disability | | | widow's | widower's | orphan's | |
| | | III.* | II.** | I. | | | | |
| 1999 | 1 891 | 385 | 150 | - | 623 | 75 | 59 | 3 184 |
| 2000 | 1 919 | 382 | 155 | - | 619 | 79 | 57 | 3 210 |
| 2001 | 1 936 | 380 | 162 | - | 615 | 82 | 55 | 3 230 |
| 2002 | 1 921 | 382 | 171 | - | 612 | 85 | 56 | 3 227 |
| 2003 | 1 933 | 385 | 178 | - | 607 | 86 | 57 | 3 246 |
| 2004 | 1 965 | 388 | 184 | - | 604 | 88 | 56 | 3 285 |
| 2005 | 1 985 | 389 | 189 | - | 600 | 89 | 54 | 3 308 |
| 2006 | 2 024 | 390 | 199 | - | 598 | 91 | 53 | 3 355 |
| 2007 | 2 061 | 389 | 208 | - | 596 | 93 | 51 | 3 397 |
| 2008 | 2 102 | 383 | 216 | - | 594 | 94 | 49 | 3 438 |
| 2009 | 2 147 | 375 | 221 | - | 590 | 95 | 48 | 3 478 |
| 2010 | 2 306 | 248 | 57 | 170 | 587 | 96 | 48 | 3 511 |
| 2011 | 2 391 | 232 | 61 | 162 | 583 | 97 | 47 | 3 573 |
| 2012 | 2 398 | 221 | 65 | 164 | 580 | 98 | 48 | 3 574 |
| 2013 | 2 402 | 212 | 68 | 165 | 575 | 99 | 47 | 3 569 |
| 2014 | 2 420 | 206 | 70 | 166 | 570 | 99 | 46 | 3 576 |
| 2015 | 2 445 | 199 | 71 | 165 | 564 | 99 | 44 | 3 588 |
| 2016 | 2 465 | 194 | 74 | 168 | 560 | 100 | 42 | 3 603 |
| 2017 | 2 476 | 189 | 76 | 170 | 554 | 100 | 40 | 3 605 |
| 2018 | 2 485 | 183 | 77 | 173 | 549 | 100 | 40 | 3 606 |

As % of total

| | | | | | | | | |
|------|------|------|-----|-----|------|-----|-----|-------|
| 1999 | 59,4 | 12,1 | 4,7 | - | 19,6 | 2,4 | 1,8 | 100,0 |
| 2000 | 59,8 | 11,9 | 4,8 | - | 19,3 | 2,5 | 1,8 | 100,0 |
| 2001 | 59,9 | 11,8 | 5,0 | - | 19,0 | 2,5 | 1,7 | 100,0 |
| 2002 | 59,5 | 11,9 | 5,3 | - | 19,0 | 2,6 | 1,7 | 100,0 |
| 2003 | 59,5 | 11,8 | 5,5 | - | 18,7 | 2,7 | 1,7 | 100,0 |
| 2004 | 59,8 | 11,8 | 5,6 | - | 18,4 | 2,7 | 1,7 | 100,0 |
| 2005 | 60,0 | 11,8 | 5,7 | - | 18,1 | 2,7 | 1,6 | 100,0 |
| 2006 | 60,3 | 11,6 | 5,9 | - | 17,8 | 2,7 | 1,6 | 100,0 |
| 2007 | 60,7 | 11,4 | 6,1 | - | 17,5 | 2,7 | 1,5 | 100,0 |
| 2008 | 61,1 | 11,1 | 6,3 | - | 17,3 | 2,7 | 1,4 | 100,0 |
| 2009 | 61,7 | 10,8 | 6,4 | - | 17,0 | 2,7 | 1,4 | 100,0 |
| 2010 | 65,7 | 7,1 | 1,6 | 4,8 | 16,7 | 2,7 | 1,4 | 100,0 |
| 2011 | 66,9 | 6,5 | 1,7 | 4,5 | 16,3 | 2,7 | 1,3 | 100,0 |
| 2012 | 67,1 | 6,2 | 1,8 | 4,6 | 16,2 | 2,8 | 1,3 | 100,0 |
| 2013 | 67,3 | 5,9 | 1,9 | 4,6 | 16,1 | 2,8 | 1,3 | 100,0 |
| 2014 | 67,7 | 5,7 | 2,0 | 4,6 | 15,9 | 2,8 | 1,3 | 100,0 |
| 2015 | 68,1 | 5,5 | 2,0 | 4,6 | 15,7 | 2,8 | 1,2 | 100,0 |
| 2016 | 68,4 | 5,4 | 2,1 | 4,7 | 15,5 | 2,8 | 1,2 | 100,0 |
| 2017 | 68,7 | 5,2 | 2,1 | 4,7 | 15,4 | 2,8 | 1,1 | 100,0 |
| 2018 | 68,9 | 5,1 | 2,1 | 4,8 | 15,2 | 2,8 | 1,1 | 100,0 |

Source: CSSA

Notes:

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

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

* Full disability pensions (as to the 2009).

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

Table No. 2.2

Number of Pensioners

| Year | Old-age | | | | Proportional old-age | Disability for degree of disability | | | Widow's and widower's | Orphan's | Total | |
|-------|-----------|-------------------------|----------------------------|---------|----------------------|-------------------------------------|---------|--------|-----------------------|----------|--------|-------------|
| | total | non-reduced | | reduced | | III. | II. | I. | | | | |
| | | age limit ¹⁾ | after disab. ²⁾ | | | | | | | | | permanently |
| total | | | | | | | | | | | | |
| 2010 | 2 245 707 | 1 709 059 | 108 253 | 425 168 | 3 227 | 14 325 | 244 048 | 54 973 | 167 308 | 46 711 | 46 021 | 2 819 093 |
| 2011 | 2 326 984 | 1 716 138 | 109 057 | 498 803 | 2 986 | 13 163 | 227 640 | 58 034 | 159 359 | 42 131 | 45 693 | 2 873 004 |
| 2012 | 2 329 054 | 1 695 236 | 109 932 | 521 090 | 2 796 | 12 166 | 215 840 | 62 612 | 160 057 | 40 471 | 45 856 | 2 866 056 |
| 2013 | 2 329 050 | 1 675 415 | 110 279 | 540 711 | 2 645 | 11 271 | 206 484 | 65 616 | 161 314 | 38 863 | 45 258 | 2 857 856 |
| 2014 | 2 344 718 | 1 668 540 | 110 252 | 563 424 | 2 502 | 10 426 | 199 377 | 67 264 | 161 657 | 36 205 | 43 563 | 2 863 210 |
| 2015 | 2 369 847 | 1 672 791 | 110 276 | 584 435 | 2 345 | 9 606 | 196 901 | 69 400 | 163 491 | 33 655 | 41 941 | 2 884 841 |
| 2016 | 2 386 432 | 1 672 895 | 110 036 | 601 277 | 2 224 | 8 950 | 190 837 | 71 031 | 163 920 | 31 304 | 39 995 | 2 892 469 |
| 2017 | 2 395 517 | 1 667 195 | 109 480 | 616 744 | 2 098 | 8 416 | 185 457 | 72 708 | 166 077 | 29 266 | 38 522 | 2 895 963 |
| 2018 | 2 402 119 | 1 662 938 | 108 285 | 628 920 | 1 976 | 7 961 | 179 108 | 74 110 | 168 269 | 27 439 | 37 967 | 2 896 973 |
| men | | | | | | | | | | | | |
| 2010 | 832 291 | 610 707 | 46 048 | 173 951 | 1 585 | 1 629 | 129 066 | 29 314 | 88 383 | 7 296 | 20 167 | 1 108 146 |
| 2011 | 873 426 | 615 390 | 46 471 | 210 140 | 1 425 | 1 615 | 120 308 | 31 201 | 83 605 | 6 881 | 22 044 | 1 139 080 |
| 2012 | 879 610 | 611 058 | 46 652 | 220 595 | 1 305 | 1 613 | 114 453 | 33 734 | 82 238 | 6 889 | 22 190 | 1 140 727 |
| 2013 | 885 394 | 607 986 | 46 547 | 229 652 | 1 209 | 1 609 | 109 532 | 35 090 | 81 688 | 6 760 | 21 877 | 1 141 950 |
| 2014 | 896 559 | 609 320 | 46 178 | 239 939 | 1 122 | 1 603 | 105 622 | 35 593 | 80 542 | 6 471 | 21 089 | 1 147 479 |
| 2015 | 911 774 | 615 208 | 46 033 | 249 521 | 1 012 | 1 631 | 104 960 | 36 511 | 80 592 | 6 181 | 20 330 | 1 161 979 |
| 2016 | 926 010 | 622 850 | 45 686 | 256 540 | 934 | 1 691 | 101 588 | 36 888 | 79 482 | 5 917 | 19 455 | 1 171 031 |
| 2017 | 937 360 | 627 632 | 45 217 | 263 645 | 866 | 1 805 | 98 651 | 37 159 | 79 378 | 5 590 | 18 860 | 1 178 803 |
| 2018 | 946 004 | 631 397 | 44 512 | 269 287 | 808 | 1 975 | 95 121 | 37 497 | 79 066 | 5 318 | 18 608 | 1 183 589 |
| women | | | | | | | | | | | | |
| 2010 | 1 413 416 | 1 098 352 | 62 205 | 251 217 | 1 642 | 12 696 | 114 982 | 25 659 | 78 925 | 39 415 | 25 854 | 1 710 947 |
| 2011 | 1 453 558 | 1 100 748 | 62 586 | 288 663 | 1 561 | 11 548 | 107 332 | 26 833 | 75 754 | 35 250 | 23 649 | 1 733 924 |
| 2012 | 1 449 444 | 1 084 178 | 63 280 | 300 495 | 1 491 | 10 553 | 101 387 | 28 878 | 77 819 | 33 582 | 23 666 | 1 725 329 |
| 2013 | 1 443 656 | 1 067 429 | 63 732 | 311 059 | 1 436 | 9 662 | 96 952 | 30 526 | 79 626 | 32 103 | 23 381 | 1 715 906 |
| 2014 | 1 448 159 | 1 059 220 | 64 074 | 323 485 | 1 380 | 8 823 | 93 755 | 31 671 | 81 115 | 29 734 | 22 474 | 1 715 731 |
| 2015 | 1 458 073 | 1 057 583 | 64 243 | 334 914 | 1 333 | 7 975 | 91 941 | 32 889 | 82 899 | 27 474 | 21 611 | 1 722 862 |
| 2016 | 1 460 422 | 1 050 045 | 64 350 | 344 737 | 1 290 | 7 259 | 89 249 | 34 143 | 84 438 | 25 387 | 20 540 | 1 721 438 |
| 2017 | 1 458 157 | 1 039 563 | 64 263 | 353 099 | 1 232 | 6 611 | 86 806 | 35 549 | 86 699 | 23 676 | 19 662 | 1 717 160 |
| 2018 | 1 456 115 | 1 031 541 | 63 773 | 359 633 | 1 168 | 5 986 | 83 987 | 36 613 | 89 203 | 22 121 | 19 359 | 1 713 384 |

Source: CSSA

Notes:

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

Do not include pensions paid abroad.

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

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

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

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

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

Average Monthly Amounts of Solo Paid Pensions

CZK

| Year | Old-age | | | | | | Proportional old-age | Disability for degree of disability | | | Widow's and widower's | Orphan's | Total |
|------|---------|-------------------------|----------------------------|-------------|-------------|-------|----------------------|-------------------------------------|-------|-------|-----------------------|----------|-------|
| | total | non-reduced | | reduced | | III. | | II. | I. | | | | |
| | | age limit ¹⁾ | after disab. ²⁾ | permanently | temporarily | | | | | | | | |
| | total | | | | | | | | | | | | |
| 2010 | 10 138 | 10 531 | 9 670 | 8 989 | 8 456 | 4 407 | 9 656 | 6 671 | 6 140 | 6 575 | 5 194 | 9 506 | |
| 2011 | 10 567 | 11 008 | 10 158 | 9 460 | 8 761 | 4 473 | 10 004 | 6 748 | 6 094 | 6 814 | 5 428 | 9 913 | |
| 2012 | 10 793 | 11 274 | 10 368 | 9 641 | 8 934 | 4 420 | 10 141 | 6 714 | 6 021 | 6 929 | 5 544 | 10 093 | |
| 2013 | 10 985 | 11 498 | 10 535 | 9 806 | 9 082 | 4 405 | 10 245 | 6 675 | 5 989 | 7 046 | 5 657 | 10 249 | |
| 2014 | 11 090 | 11 630 | 10 616 | 9 893 | 9 136 | 4 331 | 10 262 | 6 662 | 5 911 | 7 083 | 5 703 | 10 337 | |
| 2015 | 11 361 | 11 932 | 10 836 | 10 122 | 9 329 | 4 335 | 10 392 | 6 738 | 5 924 | 7 225 | 5 833 | 10 576 | |
| 2016 | 11 475 | 12 068 | 10 904 | 10 216 | 9 364 | 4 274 | 10 395 | 6 745 | 5 883 | 7 277 | 5 874 | 10 675 | |
| 2017 | 11 866 | 12 491 | 11 218 | 10 564 | 9 632 | 4 329 | 10 655 | 6 922 | 5 998 | 7 512 | 6 078 | 11 026 | |
| 2018 | 12 435 | 13 103 | 11 668 | 11 066 | 10 066 | 4 480 | 11 059 | 7 205 | 6 207 | 7 856 | 6 351 | 11 539 | |
| | men | | | | | | | | | | | | |
| 2010 | 11 254 | 11 657 | 10 758 | 10 073 | 9 457 | 4 178 | 10 142 | 6 978 | 6 432 | 5 660 | 5 153 | 10 408 | |
| 2011 | 11 714 | 12 177 | 11 179 | 10 571 | 9 858 | 4 294 | 10 482 | 7 036 | 6 399 | 5 920 | 5 414 | 10 835 | |
| 2012 | 11 962 | 12 472 | 11 396 | 10 762 | 10 074 | 4 285 | 10 597 | 6 997 | 6 336 | 6 076 | 5 534 | 11 034 | |
| 2013 | 12 165 | 12 713 | 11 559 | 10 929 | 10 277 | 4 301 | 10 676 | 6 961 | 6 305 | 6 240 | 5 645 | 11 202 | |
| 2014 | 12 274 | 12 853 | 11 640 | 11 014 | 10 358 | 4 284 | 10 664 | 6 945 | 6 222 | 6 314 | 5 693 | 11 298 | |
| 2015 | 12 562 | 13 179 | 11 855 | 11 257 | 10 642 | 4 319 | 10 759 | 7 013 | 6 231 | 6 475 | 5 825 | 11 550 | |
| 2016 | 12 678 | 13 314 | 11 904 | 11 349 | 10 728 | 4 294 | 10 736 | 7 019 | 6 183 | 6 551 | 5 852 | 11 659 | |
| 2017 | 13 093 | 13 765 | 12 214 | 11 720 | 11 009 | 4 396 | 10 982 | 7 199 | 6 294 | 6 815 | 6 067 | 12 040 | |
| 2018 | 13 703 | 14 421 | 12 648 | 12 263 | 11 509 | 4 608 | 11 378 | 7 492 | 6 504 | 7 137 | 6 332 | 12 595 | |
| | women | | | | | | | | | | | | |
| 2010 | 9 204 | 9 591 | 8 477 | 8 154 | 7 202 | 4 491 | 9 075 | 6 310 | 5 806 | 6 744 | 5 226 | 8 721 | |
| 2011 | 9 599 | 10 031 | 8 867 | 8 559 | 7 445 | 4 545 | 9 435 | 6 405 | 5 752 | 6 989 | 5 440 | 9 102 | |
| 2012 | 9 797 | 10 264 | 9 100 | 8 718 | 7 596 | 4 478 | 9 596 | 6 375 | 5 683 | 7 104 | 5 554 | 9 261 | |
| 2013 | 9 970 | 10 463 | 9 304 | 8 868 | 7 717 | 4 453 | 9 730 | 6 338 | 5 659 | 7 216 | 5 668 | 9 402 | |
| 2014 | 10 065 | 10 580 | 9 420 | 8 947 | 7 755 | 4 354 | 9 784 | 6 338 | 5 598 | 7 250 | 5 713 | 9 481 | |
| 2015 | 10 315 | 10 858 | 9 669 | 9 152 | 7 918 | 4 344 | 9 951 | 6 428 | 5 622 | 7 394 | 5 840 | 9 704 | |
| 2016 | 10 416 | 10 976 | 9 787 | 9 241 | 7 935 | 4 262 | 9 988 | 6 444 | 5 597 | 7 446 | 5 894 | 9 788 | |
| 2017 | 10 772 | 11 359 | 10 133 | 9 558 | 8 210 | 4 281 | 10 266 | 6 627 | 5 724 | 7 677 | 6 089 | 10 107 | |
| 2018 | 11 296 | 11 921 | 10 619 | 10 011 | 8 569 | 4 373 | 10 682 | 6 908 | 5 940 | 8 029 | 6 389 | 10 578 | |

Source: CSSA

Notes:

¹⁾ Old-age pension granted after reaching the retirement age²⁾ Old-age pension granted after reaching 65 years of age

Do not include pensions paid abroad.

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

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

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

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

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

Expenditures on Pensions by Type of Pensions (civil sector)

mil. CZK

| Year | Pension | | | | | | | | | | total | |
|------|---------|-------------------------------------|--------|--------|---------|-----------|----------|--------|--|--|---------|--|
| | old-age | disability for degree of disability | | | widow's | widower's | orphan's | other* | | | | |
| | | III. | II. | I. | | | | | | | | |
| 1997 | 104 198 | 22 363 | 5 188 | - | 13 127 | 608 | 1 794 | 2 | | | 147 281 | |
| 1998 | 114 605 | 24 578 | 6 162 | - | 13 747 | 831 | 1 882 | - | | | 161 805 | |
| 1999 | 123 666 | 25 557 | 6 669 | - | 14 268 | 967 | 1 887 | - | | | 173 014 | |
| 2000 | 130 932 | 26 412 | 7 012 | - | 14 534 | 1 055 | 1 975 | - | | | 181 921 | |
| 2001 | 140 657 | 27 970 | 7 677 | - | 15 938 | 1 200 | 2 373 | - | | | 195 814 | |
| 2002 | 150 772 | 30 222 | 8 501 | - | 17 078 | 1 368 | 2 498 | - | | | 210 440 | |
| 2003 | 156 273 | 31 531 | 9 135 | - | 17 343 | 1 487 | 2 504 | - | | | 218 273 | |
| 2004 | 163 026 | 32 719 | 9 631 | - | 17 408 | 1 532 | 2 567 | - | | | 226 883 | |
| 2005 | 175 669 | 35 028 | 10 575 | - | 18 042 | 1 651 | 2 684 | - | | | 243 648 | |
| 2006 | 188 949 | 37 239 | 11 802 | - | 18 924 | 1 810 | 2 740 | - | | | 261 464 | |
| 2007 | 203 933 | 40 420 | 13 254 | - | 20 382 | 1 984 | 2 904 | - | | | 282 876 | |
| 2008 | 222 105 | 42 446 | 14 952 | - | 20 871 | 2 096 | 3 066 | - | | | 305 536 | |
| 2009 | 243 636 | 44 380 | 16 609 | - | 21 576 | 2 249 | 3 254 | - | | | 331 705 | |
| 2010 | 265 985 | 30 870 | 4 295 | 12 516 | 21 018 | 2 263 | 3 214 | - | | | 340 162 | |
| 2011 | 284 614 | 29 504 | 5 116 | 12 831 | 21 483 | 2 385 | 3 301 | - | | | 359 234 | |
| 2012 | 295 140 | 28 067 | 5 250 | 12 159 | 21 463 | 2 443 | 3 341 | - | | | 367 864 | |
| 2013 | 300 574 | 26 903 | 5 457 | 11 781 | 21 935 | 2 519 | 3 166 | - | | | 372 335 | |
| 2014 | 305 668 | 26 062 | 5 608 | 11 683 | 21 731 | 2 553 | 3 101 | - | | | 376 406 | |
| 2015 | 314 872 | 26 505 | 5 773 | 11 736 | 21 951 | 2 584 | 3 099 | - | | | 386 520 | |
| 2016 | 321 033 | 24 964 | 5 956 | 12 048 | 21 149 | 2 621 | 3 134 | - | | | 390 904 | |
| 2017 | 333 848 | 24 881 | 6 264 | 12 387 | 21 271 | 2 694 | 3 114 | - | | | 404 460 | |
| 2018 | 351 235 | 25 039 | 6 658 | 13 106 | 21 601 | 2 792 | 3 246 | - | | | 423 677 | |

Source: C SSA

Notes:

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

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

* Benefits granted according to legal regulations effective before the Act No. 155/1995 Coll.

Table No. 2.5

Expenditures on Pensions in Relation to GDP

| Year | Expenditures on pensions* (in mld. CZK) | Gross domestic product in current prices (in mld. CZK) | Ratio (in %) |
|------|--|--|--------------|
| 1996 | 126,8 | 1 818,3 | 7,0 |
| 1997 | 150,2 | 1 958,7 | 7,7 |
| 1998 | 166,1 | 2 146,4 | 7,7 |
| 1999 | 177,9 | 2 242,4 | 7,9 |
| 2000 | 186,9 | 2 379,4 | 7,9 |
| 2001 | 201,1 | 2 568,3 | 7,8 |
| 2002 | 213,6 | 2 681,6 | 8,0 |
| 2003 | 225,8 | 2 810,4 | 8,0 |
| 2004 | 230,9 | 3 062,4 | 7,5 |
| 2005 | 247,4 | 3 264,9 | 7,6 |
| 2006 | 272,9 | 3 512,8 | 7,8 |
| 2007 | 289,9 | 3 840,1 | 7,5 |
| 2008 | 312,5 | 4 024,1 | 7,8 |
| 2009 | 339,8 | 3 930,4 | 8,6 |
| 2010 | 346,2 | 3 962,5 | 8,7 |
| 2011 | 368,1 | 4 033,8 | 9,1 |
| 2012 | 382,0 | 4 059,9 | 9,4 |
| 2013 | 382,8 | 4 098,1 | 9,3 |
| 2014 | 385,8 | 4 313,8 | 8,9 |
| 2015 | 395,2 | 4 595,8 | 8,6 |
| 2016 | 399,0 | 4 768,0 | 8,4 |
| 2017 | 414,4 | 5 045,2 | 8,2 |
| 2018 | 433,8 | 5 328,7 | 8,1 |

Source: Ministry of Finance (state closing account), Czech Statistical Office (GDP data after the updating as of July 7, 2019)

* including expenditures on pensions in the armed forces

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

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

Source: MoLSA

Notes:

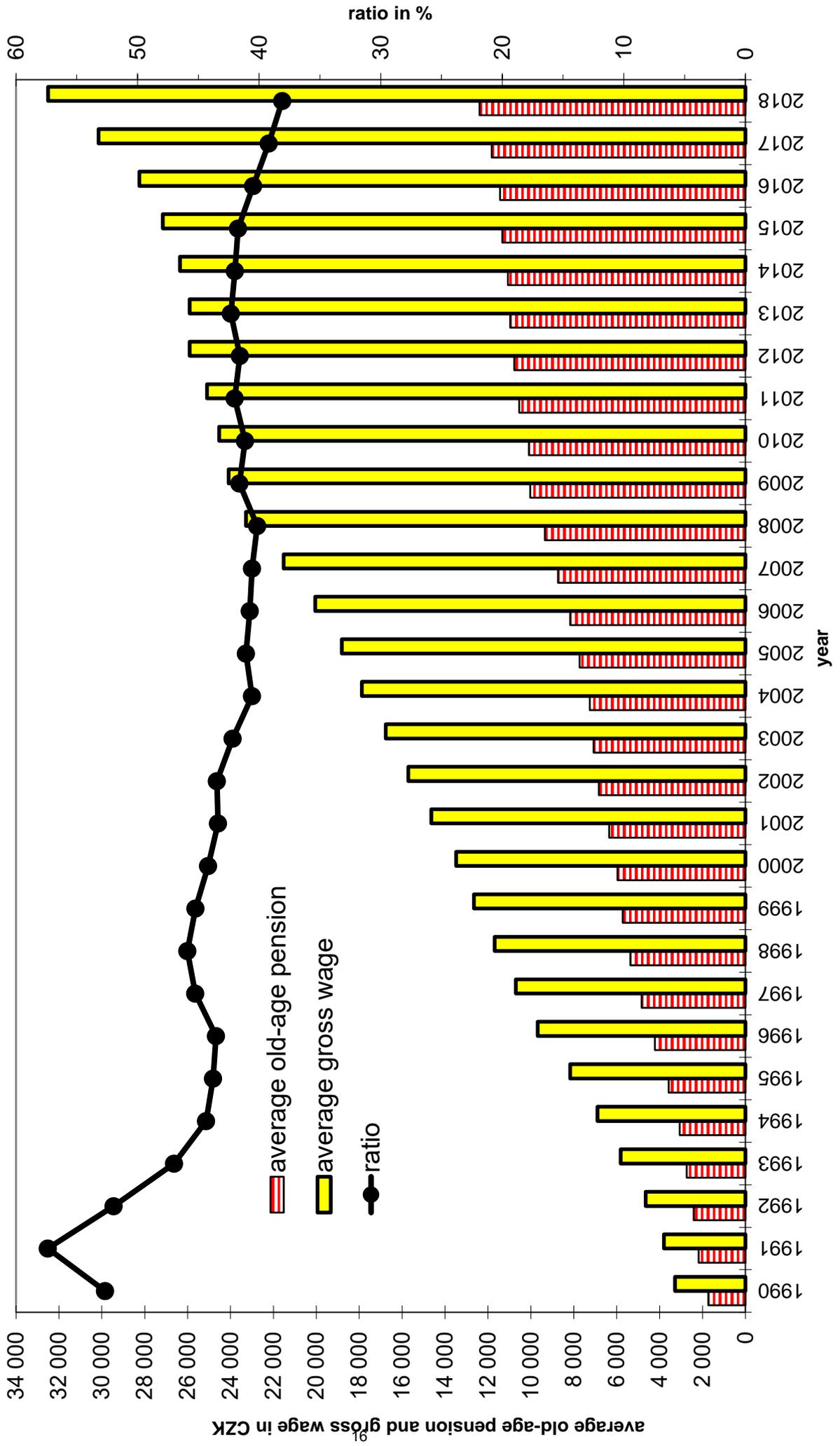
* Monthly average payment of paid solo old-age pension (without survivor's pension).

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

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

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

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



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

Overview of Increases to Paid Pensions

| Month of increase | Increase of the | | | Basic amount of a pension after increase |
|-------------------|-----------------------|-----------------------|--------------|--|
| | assessment of | | basic amount | |
| | old-system pensioners | new-system pensioners | | |
| October 1996 | 6,0% | 6,0% | 140 CZK | 1 060 CZK |
| August 1997 | 8,0% | 8,0% | 200 CZK | 1 260 CZK |
| July 1998 | 9,0% | 5,0% | 50 CZK | 1 310 CZK |
| August 1999 | 7,5% | 5,0% | - | 1 310 CZK |
| December 2000 | 9,0% | 5,0% | - | 1 310 CZK |
| December 2001 | 11,0% | 8,0% | - | 1 310 CZK |
| January 2003 | 4,0% | 3,8% | - | 1 310 CZK |
| January 2004 | 2,5% | 2,5% | - | 1 310 CZK |
| January 2005 | 5,4% | 5,4% | 90 CZK | 1 400 CZK |
| January 2006 | 6,0% | 4,0% | 70 CZK | 1 470 CZK |
| January 2007 | 6,6% | 5,6% | 100 CZK | 1 570 CZK |
| January 2008 | 3,0% | 3,0% | 130 CZK | 1 700 CZK |
| August 2008 | - | - | 470 CZK | 2 170 CZK |
| January 2009 | 4,4% | 4,4% | - | 2 170 CZK |
| January 2011 | 3,9% | 3,9% | 60 CZK | 2 230 CZK |
| January 2012 | 1,6% | 1,6% | 40 CZK | 2 270 CZK |
| January 2013 | 0,9% | 0,9% | 60 CZK | 2 330 CZK |
| January 2014 | 0,4% | 0,4% | 10 CZK | 2 340 CZK |
| January 2015 | 1,6% | 1,6% | 60 CZK | 2 400 CZK |
| January 2016 | - | - | 40 CZK | 2 440 CZK |
| January 2017 | 2,2% | 2,2% | 110 CZK | 2 550 CZK |
| January 2018 | 3,5% | 3,5% | 150 CZK | 2 700 CZK |
| January 2019 | 3,4% | 3,4% | 570 CZK | 3 270 CZK |

Source: MoLSA

Notes:

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

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

3. Sickness Insurance

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

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

Contrary of self-employed people, whose participation in sickness insurance remains voluntary, employees participate on compulsory basis. An employee is subject to sickness insurance if he/she meet conditions stipulated by the Sickness Insurance Act: the performance of work in the Czech Republic and the minimum arranged income (so-called decisive income, its boundary was set from 2012 at the amount of 2 500 CZK).

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

From 2014, sickness benefit belongs from the 15th calendar day of temporary incapacity for work or quarantine (support period lasts no longer than 380 calendar days starting from the beginning of temporary incapacity for work or quarantine order, unless stated otherwise). The salary compensation is provided by employers to their employees under sickness insurance up to a moment of entitlement to sickness benefit. The salary compensation is granted for working days - from the 4th working day of temporary incapacity for work or from the 1st working day in case of quarantine.

Table No. 3.1

Basic Sickness Insurance Indicators

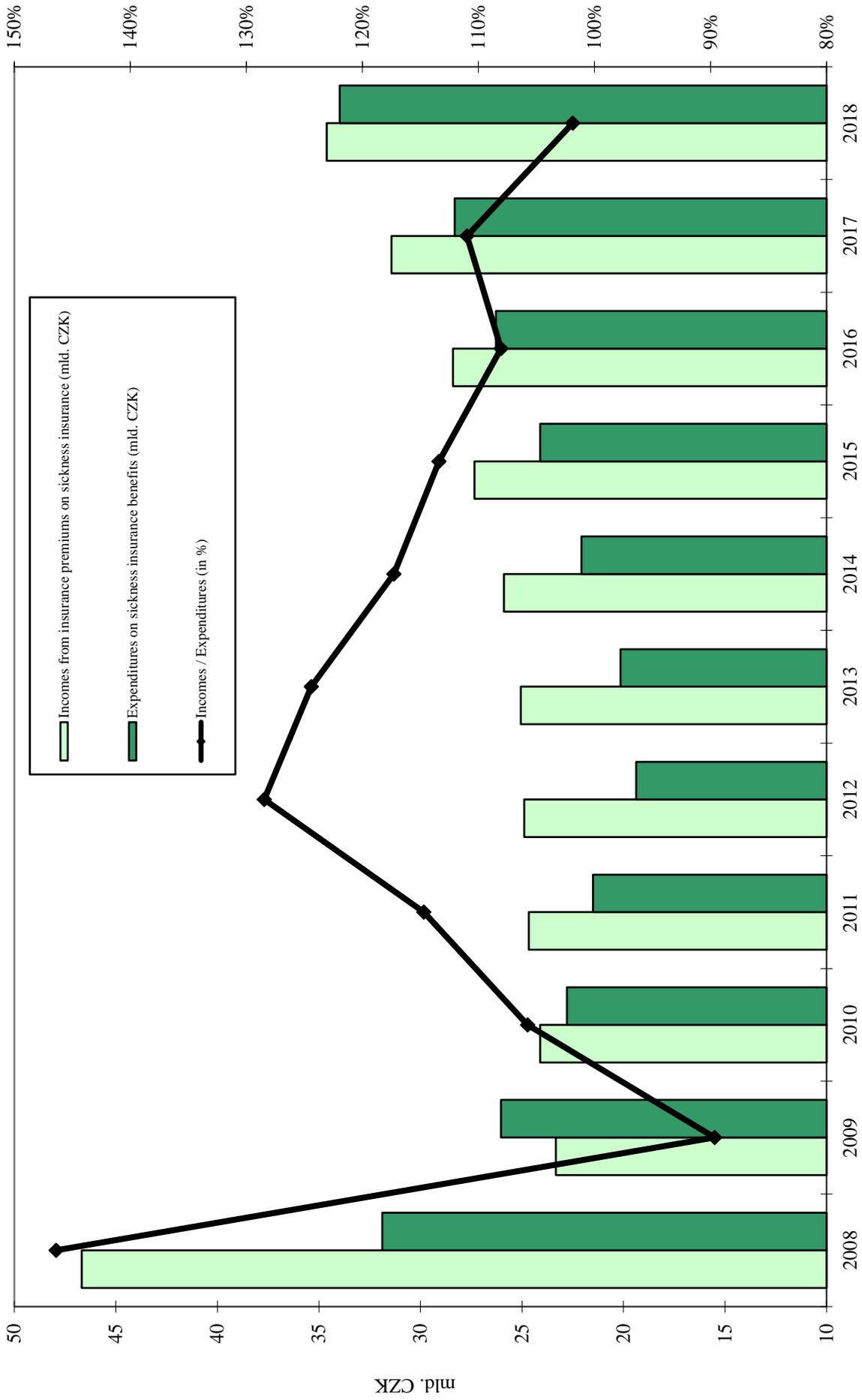
| | Unit | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 |
|----|---|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| 1. | Average number of persons insured under sickness insurance | 4 572 443 | 4 253 139 | 4 310 960 | 4 211 549 | 4 471 889 | 4 440 326 | 4 464 057 | 4 507 012 | 4 571 305 | 4 671 825 | 4 732 737 |
| 2. | Newly notified cases of incapacity for work | 2 221 739 | 1 441 516 | 1 324 926 | 1 268 761 | 1 226 869 | 1 331 477 | 1 314 790 | 1 563 458 | 1 633 347 | 1 707 513 | 1 849 455 |
| 3. | Number of calendar days of incapacity for work | 86 757 | 64 956 | 59 208 | 55 924 | 56 493 | 58 587 | 60 235 | 66 817 | 70 252 | 72 677 | 77 158 |
| 4. | Average period of duration of 1 case of incapacity for work | 39,1 | 45,1 | 44,7 | 44,1 | 46,1 | 44,0 | 45,8 | 42,7 | 43,0 | 42,6 | 41,7 |
| 5. | Average percentage of incapacity for work | 5,18 | 4,18 | 3,76 | 3,64 | 3,45 | 3,62 | 3,70 | 4,06 | 4,20 | 4,26 | 4,47 |
| 6. | Incomes from sickness insurance* (premium) | 46 677 | 23 338 | 24 103 | 24 669 | 24 894 | 25 059 | 25 894 | 27 342 | 28 400 | 31 428 | 34 609 |
| 7. | Expenditures on sickness insurance benefits including: sickness benefits family member care benefits / care benefits maternity leave pregnancy and maternity compensatory benefits paternity benefit long-term attendance allowance | 31 882 | 26 033 | 22 789 | 21 506 | 19 377 | 20 143 | 22 076 | 24 110 | 26 284 | 28 316 | 33 974 |
| | | 24 769 | 18 215 | 14 944 | 13 354 | 11 465 | 12 035 | 13 881 | 15 428 | 16 985 | 18 290 | 22 677 |
| | | 811 | 729 | 431 | 640 | 682 | 843 | 854 | 1 062 | 1 180 | 1 402 | 1 632 |
| | | 6 297 | 7 084 | 7 410 | 7 506 | 7 224 | 7 258 | 7 334 | 7 611 | 8 110 | 8 616 | 9 403 |
| | | 4 | 5 | 4 | 6 | 7 | 7 | 7 | 9 | 9 | 8 | 8 |
| | | - | - | - | - | - | - | - | - | - | - | 221 |
| | | - | - | - | - | - | - | - | - | - | - | 32 |
| 8. | Difference between incomes and expenditures | 14 795 | -2 695 | 1 314 | 3 163 | 5 517 | 4 916 | 3 818 | 3 232 | 2 117 | 3 113 | 635 |
| 9. | Incomes / Expenditures | 146,4 | 89,6 | 105,8 | 114,7 | 128,5 | 124,4 | 117,3 | 113,4 | 108,1 | 111,0 | 101,9 |

Source: Czech Statistical Office, Czech Social Security Administration

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

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

Incomes and Expenditures in System of Sickness Insurance



Average Daily Sickness Benefit, Average Daily Wage and their Ratio

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

Source: MoLSA

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

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

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

4. Benefits of State Social Support and Foster Care

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

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

When entitlement for a benefit is assessed, property of family is not tested. Only family income was subject of testing in case of following benefits in 2018: child allowance, housing allowance and birth grant. Parental allowance, foster care benefits and funeral grant were provided without regard to family income. Income decisive for entitlement to a state social support benefits includes, in particular, income from employment-related activity, income from entrepreneurship or other self-employment activity, sickness and pension scheme benefits, unemployment benefit, including similar income from abroad. Benefits are not subject of taxation.

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

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

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

Table No. 4.1

Expenditures on Benefits of State Social Support and Foster Care

in mil. CZK

| | Year | | | | | | | | | | | | | |
|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 |
| State social support benefits | 11 195 | 11 033 | 10 236 | 6 232 | 4 736 | 3 862 | 3 498 | 3 332 | 3 329 | 3 206 | 3 057 | 2 817 | 2 479 | 2 520 |
| child allowance | 4 779 | 4 418 | 4 607 | 3 174 | 2 962 | 3 100 | 786 | 48 | -2 | -1 | -1 | 0 | 0 | 0 |
| social allowance | 2 459 | 2 287 | 1 565 | 1 619 | 2 280 | 3 521 | 4 641 | 5 732 | 7 404 | 8 843 | 9 161 | 9 261 | 8 622 | 7 689 |
| housing allowance | -3 | -1 | - | - | - | - | - | - | - | - | - | - | - | - |
| transportation benefit* | 12 627 | 13 526 | 28 690 | 28 294 | 28 586 | 27 722 | 25 709 | 24 950 | 24 338 | 22 913 | 22 480 | 22 625 | 22 984 | 24 959 |
| parental allowance | 895 | 1 591 | 2 097 | 1 647 | 1 579 | 1 565 | 292 | 144 | 148 | 143 | 256 | 256 | 218 | 175 |
| birth grant | 533 | 513 | 509 | 71 | 17 | 16 | 15 | 15 | 14 | 13 | 14 | 13 | 13 | 13 |
| funeral grant | 2 | 89 | 57 | 2 | - | - | - | - | - | - | - | - | - | - |
| other** | 32 487 | 33 456 | 47 761 | 41 039 | 40 160 | 39 786 | 34 941 | 34 220 | 35 230 | 35 117 | 34 966 | 34 973 | 34 316 | 35 356 |
| Foster care benefits | 343 | 369 | 402 | 433 | 472 | 516 | 550 | 634 | 799 | 909 | 989 | 1 046 | 1 083 | 1 219 |
| contribution to cover child's needs | 112 | 203 | 353 | 393 | 433 | 471 | 504 | 583 | 1 191 | 1 424 | 1 625 | 1 734 | 1 813 | 2 525 |
| foster care remuneration | 9 | 10 | 10 | 14 | 15 | 14 | 14 | 15 | 20 | 22 | 20 | 19 | 19 | 17 |
| benefit upon the child's acceptance | 3 | 4 | 5 | 4 | 3 | 4 | 4 | 4 | 29 | 12 | 12 | 12 | 13 | 18 |
| contribution for the purchase of passenger motor vehicle | - | - | - | - | - | - | - | - | 13 | 16 | 19 | 21 | 23 | 22 |
| benefit upon the termination of foster care | 467 | 585 | 771 | 844 | 922 | 1 005 | 1 073 | 1 236 | 2 052 | 2 383 | 2 665 | 2 832 | 2 950 | 3 802 |
| Total expenditures on state social support and foster care | 32 954 | 34 041 | 48 533 | 41 883 | 41 082 | 40 791 | 36 014 | 35 456 | 37 279 | 37 500 | 37 631 | 37 805 | 37 266 | 39 158 |

Source: MoLSA

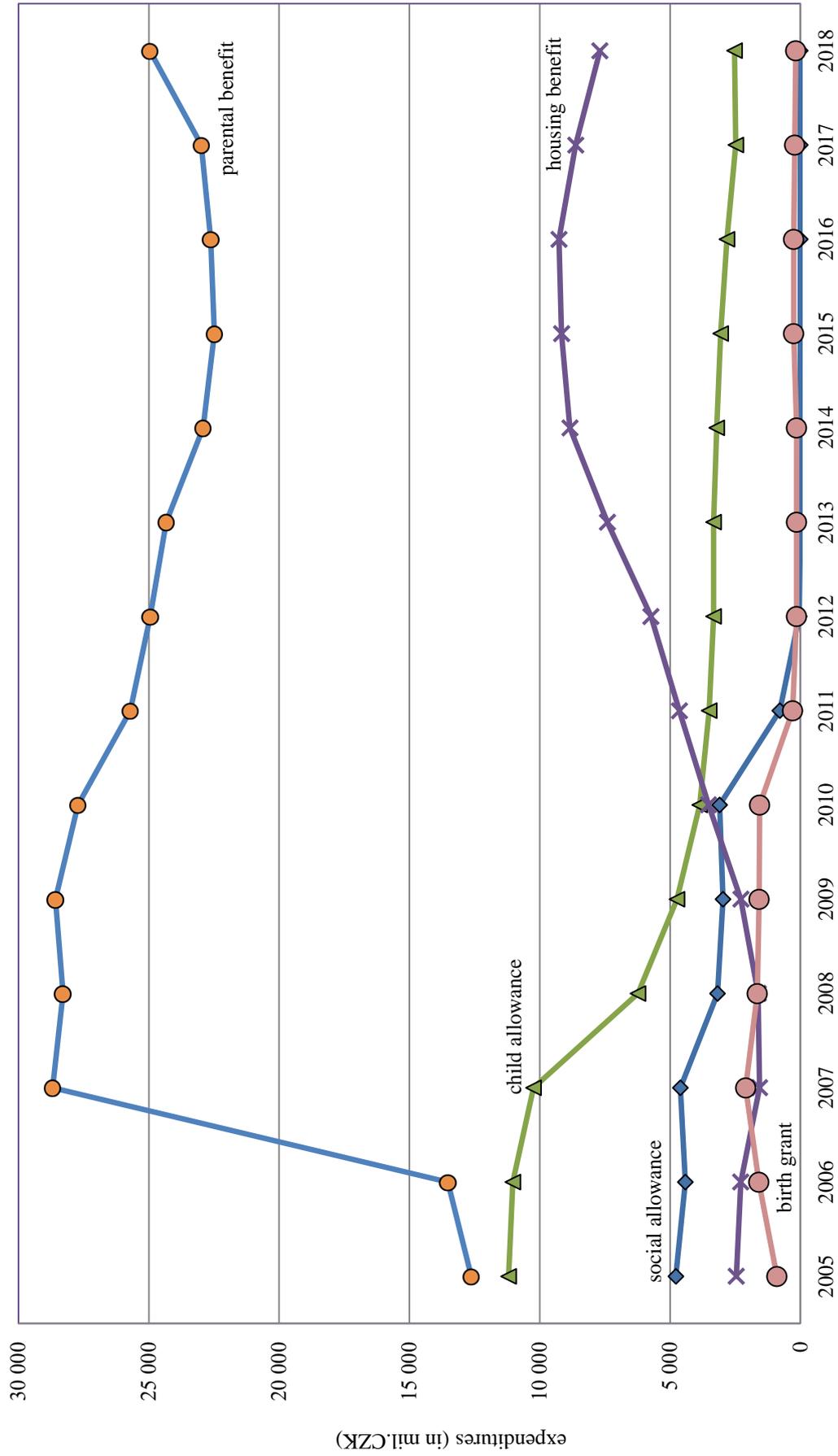
* granting for transportation benefit was terminated on June 30, 2004 (with drawback in 2005 and 2006)

** incl. expenses on providing-for benefit (provided until December 31, 2004), care allowance for a child in a facility (from October 1, 2005 until May 31, 2006) and allowance for school aids (from June 1, 2006 until December 31, 2007)

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

Structure of Expenditures on State Social Support Benefits

Graph No. 4.1.1



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

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

in thous.

| | Year | | | | | | | | | | | | | |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|------------|------------|------------|------------|------------|------------|------------|
| | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 |
| State social support benefits | 1 812 | 1 767 | 1 677 | 893 | 635 | 531 | 486 | 464 | 460 | 444 | 423 | 391 | 343 | 269 |
| child allowance | 332 | 299 | 242 | 167 | 148 | 150 | 27 | 1 | 0 | 0 | 0 | 0 | 0 | 0 |
| social allowance | 265 | 236 | 117 | 87 | 96 | 121 | 143 | 163 | 193 | 220 | 225 | 221 | 207 | 185 |
| housing allowance | 0 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| transportation benefit* | 293 | 308 | 340 | 359 | 364 | 339 | 326 | 308 | 294 | 280 | 277 | 275 | 279 | 282 |
| parental allowance | 8 | 9 | 10 | 10 | 10 | 10 | 2 | 1 | 1 | 1 | 2 | 2 | 2 | 1 |
| birth grant | 9 | 9 | 9 | 1 | 0 | 0 | 0,3 | 0,2 | 0,2 | 0,2 | 0,2 | 0,2 | 0,2 | 0,2 |
| funeral grant | 0 | 5 | 5 | 0 | - | - | - | - | - | - | - | - | - | - |
| other** | 2 719 | 2 633 | 2 400 | 1 517 | 1 253 | 1 151 | 984 | 937 | 949 | 944 | 928 | 889 | 831 | 738 |
| total | 7 | 8 | 8 | 9 | 9 | 10 | 10 | 11 | 12 | 14 | 15 | 16 | 17 | 17 |
| Foster care benefits | 6 | 6 | 6 | 7 | 8 | 8 | 9 | 9 | 10 | 11 | 12 | 12 | 13 | 13 |
| contribution to cover child's needs | 0,1 | 0,1 | 0,1 | 0,1 | 0,1 | 0,1 | 0,1 | 0,1 | 0,2 | 0,3 | 0,3 | 0,3 | 0,3 | 0,3 |
| foster care remuneration | 13 | 14 | 14 | 16 | 17 | 18 | 19 | 20 | 22 | 25 | 27 | 29 | 30 | 30 |
| other*** | | | | | | | | | | | | | | |
| total | 2 732 | 2 647 | 2 414 | 1 533 | 1 270 | 1 169 | 1 003 | 957 | 976 | 969 | 955 | 917 | 861 | 768 |
| Total expenditures on state social support and foster care | | | | | | | | | | | | | | |

Source: MoLSA

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

** incl. providing-for benefit (provided until December 31, 2004), care allowance for a child in a facility (from October 1, 2005 until May 31, 2006) and allowance for school aids (from June 1, 2006 until December 31, 2007)

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

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

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

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

Under the system of material need there are following benefits:

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

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

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

Benefits of Assistance in Material Need and Care Allowance

| | Unit | Year | | | | | | | | | |
|--|------|------|------|------|------|------|------|------|------|------|------|
| | | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 |

Expenditures

| | | | | | | | | | | | |
|---|----------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Benefits of assistance in material need total | | 3 089 | 3 882 | 4 982 | 7 751 | 10 510 | 11 295 | 10 518 | 9 255 | 7 364 | 5 353 |
| allowance for living | | 2 328 | 2 863 | 3 820 | 5 910 | 7 464 | 7 900 | 7 240 | 6 221 | 4 850 | 3 395 |
| of which | mil. CZK | 512 | 686 | 850 | 1 673 | 2 814 | 3 249 | 3 136 | 2 917 | 2 423 | 1 894 |
| supplement for housing | | 249 | 334 | 312 | 168 | 232 | 146 | 142 | 117 | 91 | 64 |
| extraordinary immediate assistance | | 18 697 | 19 599 | 18 084 | 18 391 | 19 545 | 20 402 | 21 167 | 23 046 | 25 120 | 26 013 |
| Care allowance | | | | | | | | | | | |

Average monthly number of paid benefits

| | | | | | | | | | | | |
|---|--------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| allowance for living | | 73 | 91 | 103 | 116 | 150 | 161 | 149 | 126 | 101 | 79 |
| Benefits of assistance in material need | thous. | 20 | 23 | 26 | 41 | 65 | 73 | 71 | 64 | 53 | 41 |
| supplement for housing | | 8 | 9 | 10 | 6 | 7 | 6 | 5 | 4 | 3 | 2 |
| extraordinary immediate assistance | | 308 | 313 | 302 | 309 | 321 | 332 | 337 | 346 | 353 | 361 |
| Care allowance | | | | | | | | | | | |

Expenditures on Benefits for People with Disabilities

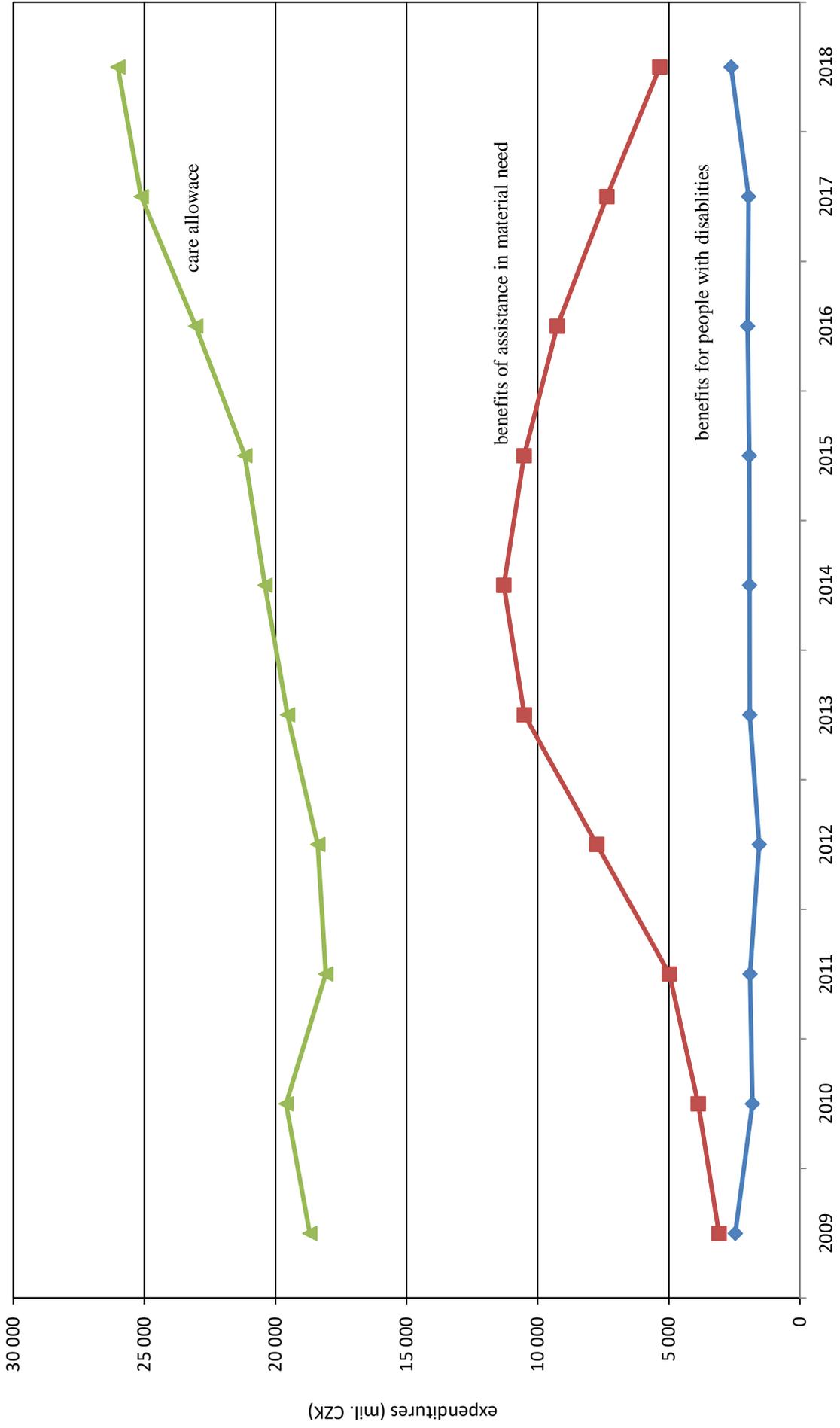
mil. CZK

| | | Year | | | | | | | | | | |
|---|---------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--|
| | | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | |
| Benefits according to the Act No. 329/2011 Coll. | | | | | 1 384 | 1 904 | 1 917 | 1 929 | 1 994 | 1 956 | 2 625 | |
| of which | mobility allowance | | x | | 1 008 | 1 116 | 1 111 | 1 146 | 1 167 | 1 202 | 1 648 | |
| | allowance to special aid | | | | 376 | 788 | 805 | 783 | 827 | 754 | 977 | |
| Benefits according to the Decree of MoLSA No. 182/1991 Coll. | | 2 470 | 1 811 | 1 901 | 1 69 | 5 | 1 | 0,1 | 0 | 0 | 0 | |
| of which benefit for | vehicle purchase | 350 | 335 | 335 | | | | | | | | |
| | general overhaul of motor vehicle | 3 | 3 | 6 | | | | | | | | |
| | special modification of motor vehicle | 17 | 21 | 21 | | | | | | | | |
| | motor vehicle operation* | 1 569 | 931 | 884 | | | | | | | | |
| | flat modification | 60 | 54 | 56 | | | | | | | | |
| | individual transport | 34 | 33 | 32 | 169 | 5 | 1 | 0,1 | 0 | 0 | 0 | |
| | acquisition of special aids | 412 | 405 | 539 | | | | | | | | |
| | blind citizens for a guide dog | 6 | 8 | 8 | | | | | | | | |
| | use of barrier-free flat | 9 | 10 | 9 | | | | | | | | |
| | use of garage | 2 | 2 | 1 | | | | | | | | |
| blind citizens to fee to guide dog | 4 | 5 | 4 | | | | | | | | | |
| Benefits for people with disabilities - total | | 2 470 | 1 811 | 1 901 | 1 553 | 1 909 | 1 918 | 1 929 | 1 994 | 1 956 | 2 625 | |

Source: MoLSA

* annual decline of expenditures in 2010 was influenced by reduction of amount of this benefit (see the Decree of MoLSA No. 451/2009 Coll.)

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



6. Social Services

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

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

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

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

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

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

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

Table No. 6.1

Residential Social Services

| Social service | Year 2016 | | | Year 2017 | | | Year 2018 | | |
|--|--------------|--------------------------------------|-------------------------------|--------------|--------------------------------------|-------------------------------|--------------|--------------------------------------|-------------------------------|
| | number | capacity of service (number of beds) | number of users as of 31. 12. | number | capacity of service (number of beds) | number of users as of 31. 12. | number | capacity of service (number of beds) | number of users as of 31. 12. |
| Week care centres | 57 | 779 | 692 | 57 | 868 | 770 | 51 | 820 | 731 |
| Homes for disabled people | 209 | 12 402 | 11 997 | 204 | 12 231 | 11 815 | 204 | 11 999 | 11 630 |
| Homes for elderly | 514 | 37 247 | 35 829 | 519 | 37 037 | 35 501 | 525 | 37 048 | 35 489 |
| Special regime homes | 307 | 17 784 | 16 856 | 322 | 18 853 | 17 856 | 341 | 20 075 | 18 954 |
| Protected housing | 205 | 3 898 | 3 660 | 207 | 4 014 | 3 766 | 210 | 4 104 | 3 888 |
| Asylum homes | 211 | 7 111 | 5 355 | 214 | 7 199 | 5 451 | 217 | 7 265 | 5 289 |
| Half-way homes | 37 | 408 | 228 | 36 | 396 | 259 | 37 | 407 | 276 |
| Therapeutic communities | 13 | 224 | 171 | 14 | 237 | 194 | 15 | 249 | 171 |
| Crisis centres* | 12 | 43 | 14 | 11 | 42 | 9 | 13 | 48 | 10 |
| Social rehabilitation service centres* | 17 | 283 | 233 | 19 | 361 | 308 | 17 | 299 | 166 |
| Follow-up services* | 19 | 241 | 177 | 20 | 265 | 219 | 23 | 276 | 215 |
| TOTAL | 1 601 | 80 420 | 75 212 | 1 623 | 81 503 | 76 148 | 1 653 | 82 590 | 76 819 |

Source: MoLSA

* incl. only residential form of social service

Structure of Social Services* by Founder in 2018

| Social service | TOTAL | | State | | Regional | | Municipal | | Church | | Other | |
|---|----------------------|---------------|----------------------|--------------|----------------------|---------------|----------------------|---------------|----------------------|--------------|----------------------|---------------|
| | number of facilities | bed capacity | number of facilities | bed capacity | number of facilities | bed capacity | number of facilities | bed capacity | number of facilities | bed capacity | number of facilities | bed capacity |
| Day services centres | 82 | 0 | 0 | 0 | 5 | 0 | 16 | 0 | 25 | 0 | 36 | 0 |
| Day care centres | 264 | 0 | 3 | 0 | 30 | 0 | 80 | 0 | 58 | 0 | 93 | 0 |
| Week care centres | 51 | 820 | 1 | 91 | 24 | 398 | 7 | 83 | 9 | 71 | 10 | 177 |
| Homes for disabled people | 204 | 11 999 | 5 | 626 | 141 | 9 475 | 28 | 1 173 | 13 | 282 | 17 | 443 |
| Homes for elderly | 525 | 37 048 | 0 | 0 | 180 | 16 044 | 167 | 13 833 | 65 | 2 400 | 113 | 4 771 |
| Special regime homes | 341 | 20 075 | 0 | 0 | 121 | 7 243 | 74 | 4 400 | 22 | 653 | 124 | 7 779 |
| Protected housing | 210 | 4 104 | 3 | 94 | 92 | 2 060 | 13 | 200 | 34 | 492 | 68 | 1 258 |
| Asylum homes | 217 | 7 265 | 0 | 0 | 7 | 282 | 46 | 1 346 | 81 | 2 747 | 83 | 2 890 |
| Half-way homes | 37 | 407 | 0 | 0 | 1 | 3 | 3 | 20 | 7 | 75 | 26 | 309 |
| Crisis centres | 41 | 48 | 0 | 0 | 1 | 0 | 2 | 1 | 11 | 9 | 27 | 38 |
| Low-threshold day centres | 64 | 0 | 0 | 0 | 0 | 0 | 5 | 0 | 33 | 0 | 26 | 0 |
| Low-threshold facilities for children and youth | 246 | 0 | 0 | 0 | 2 | 0 | 18 | 0 | 80 | 0 | 146 | 0 |
| Hostels (homeless shelters) | 78 | 0 | 0 | 0 | 1 | 0 | 18 | 0 | 29 | 0 | 30 | 0 |
| Therapeutic communities | 15 | 249 | 0 | 0 | 1 | 15 | 0 | 0 | 2 | 27 | 12 | 207 |
| Social counselling facilities | 519 | 0 | 3 | 0 | 28 | 0 | 36 | 0 | 85 | 0 | 367 | 0 |
| Social therapeutic workshops | 159 | 0 | 1 | 0 | 27 | 0 | 5 | 0 | 36 | 0 | 90 | 0 |
| Social rehabilitation services centres | 284 | 299 | 3 | 66 | 6 | 0 | 3 | 0 | 49 | 86 | 223 | 147 |
| Early intervention care centres | 48 | 0 | 1 | 0 | 1 | 0 | 2 | 0 | 12 | 0 | 32 | 0 |
| Intervention centres | 18 | 0 | 0 | 0 | 6 | 0 | 0 | 0 | 4 | 0 | 8 | 0 |
| Follow-up centres | 44 | 276 | 1 | 11 | 1 | 5 | 1 | 11 | 5 | 21 | 36 | 228 |
| TOTAL | 3 447 | 82 590 | 21 | 888 | 675 | 35 525 | 524 | 21 067 | 660 | 6 863 | 1 567 | 18 247 |

Source: MoLSA

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

Economic Indicators in Residential Social Services in 2018

| Social service | Revenues (in mil. CZK) | | | Expenditures (in mil. CZK) | | |
|--|------------------------|--------------------------------|---------------|----------------------------|----------------|------------|
| | total | from which the payment for | | total | of which | |
| | | accommodation and food service | provided care | | non-investment | investment |
| Week care centres | 387 | 41 | 39 | 385 | 377 | 8 |
| Homes for disabled people | 6 547 | 1 175 | 1 215 | 6 333 | 6 117 | 216 |
| Homes for elderly | 14 602 | 3 923 | 3 112 | 14 611 | 14 247 | 364 |
| Special regime homes | 8 602 | 1 876 | 1 967 | 8 649 | 8 481 | 184 |
| Protected housing | 1 336 | 589 | 158 | 1 300 | 1 249 | 51 |
| Asylum homes | 981 | 167 | 0 | 985 | 944 | 41 |
| Half-way homes | 87 | 9 | 0 | 87 | 78 | 9 |
| Therapeutic communities | 116 | 11 | 0 | 115 | 115 | 0 |
| Crisis centres* | 20 | 0 | 0 | 20 | 20 | 0 |
| Social rehabilitation service centres* | 88 | 8 | 1 | 91 | 84 | 7 |
| Follow-up services* | 74 | 8 | 0 | 74 | 73 | 1 |

Source: MoLSA

* incl. only residential form of social service

Home Care Service

| Year | Total expenditure (in mil. CZK) | Number of users | Average payment by a user per year (in CZK) |
|------|------------------------------------|-----------------|--|
| 2003 | 2 051 | 116 128 | 1 793 |
| 2004 | 2 148 | 109 475 | 1 859 |
| 2005 | 1 593 | 112 927 | 2 028 |
| 2006 | 1 637 | 105 088 | 2 156 |
| 2007 | 1 591 | 98 373 | 4 263 |
| 2008 | 1 643 | 111 871 | 4 261 |
| 2009 | 1 903 | 114 364 | 5 063 |
| 2010 | 1 984 | 113 238 | 5 248 |
| 2011 | 2 101 | 113 607 | 5 802 |
| 2012 | 2 133 | 113 041 | 6 164 |
| 2013 | 2 233 | 111 048 | 6 078 |
| 2014 | 2 317 | 109 962 | 6 484 |
| 2015 | 2 493 | 111 375 | 6 886 |
| 2016 | 2 633 | 106 673 | 7 436 |
| 2017 | 3 000 | 103 604 | 7 652 |
| 2018 | 3 474 | 103 312 | 7 739 |

Source: MoLSA

7. Incomes of Households

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

Current household incomes made up 4 226,7 mld. CZK in 2018. Compared to 2017, they had increased nominally by 8,7% (by 338,9 mld. CZK) and really by 6,5%. The next items included in the current household incomes represent social benefits and mixed pension (ratio ca. 15,0%, resp. 15,5%), property income and so-called other current transfers (compensations from non-life insurance, wins from bets, lotteries etc.) with ca 5% ratio.

The average monthly gross wage is another indicator for evaluation of development of household living situation. This indicator is based on ratio of wages (excl. other personal costs) related to one employee of registered number per month (before reduction by premiums on general health insurance and social security, payments of income tax and other statutory deductions eventually). In the last decade the annual dynamics of this wage has fluctuated in interval from -0,1% to 7,8%, in real form (i.e. reduced by growth of consumer prices) from -1,5% to +5,3%.

Average monthly nominal wage (per number of employees – full-time equivalent) in the national economy made up 31 868 CZK in 2018 and increased annually by 7,5% (by 2 230 CZK), in 2017 it had increased by 6,8% (by 1 874 CZK).

The ratio of social incomes (in the structure of total household incomes) reached 15,6% and was by 0,4 percentage point lower than in 2017. Total amount of social incomes of households amounted to 534,9 mld. CZK, it has represented growth by 5,0% (by 25,6 mld. CZK) compared to 2017. In 2018 the most significant item (78,6%) of social transfers was represented by pension insurance benefits (420,3 mld. CZK), i.e. annual growth by 4,7% (by 18,9 mld. CZK).

Current Incomes of Household Sector and Average Wage

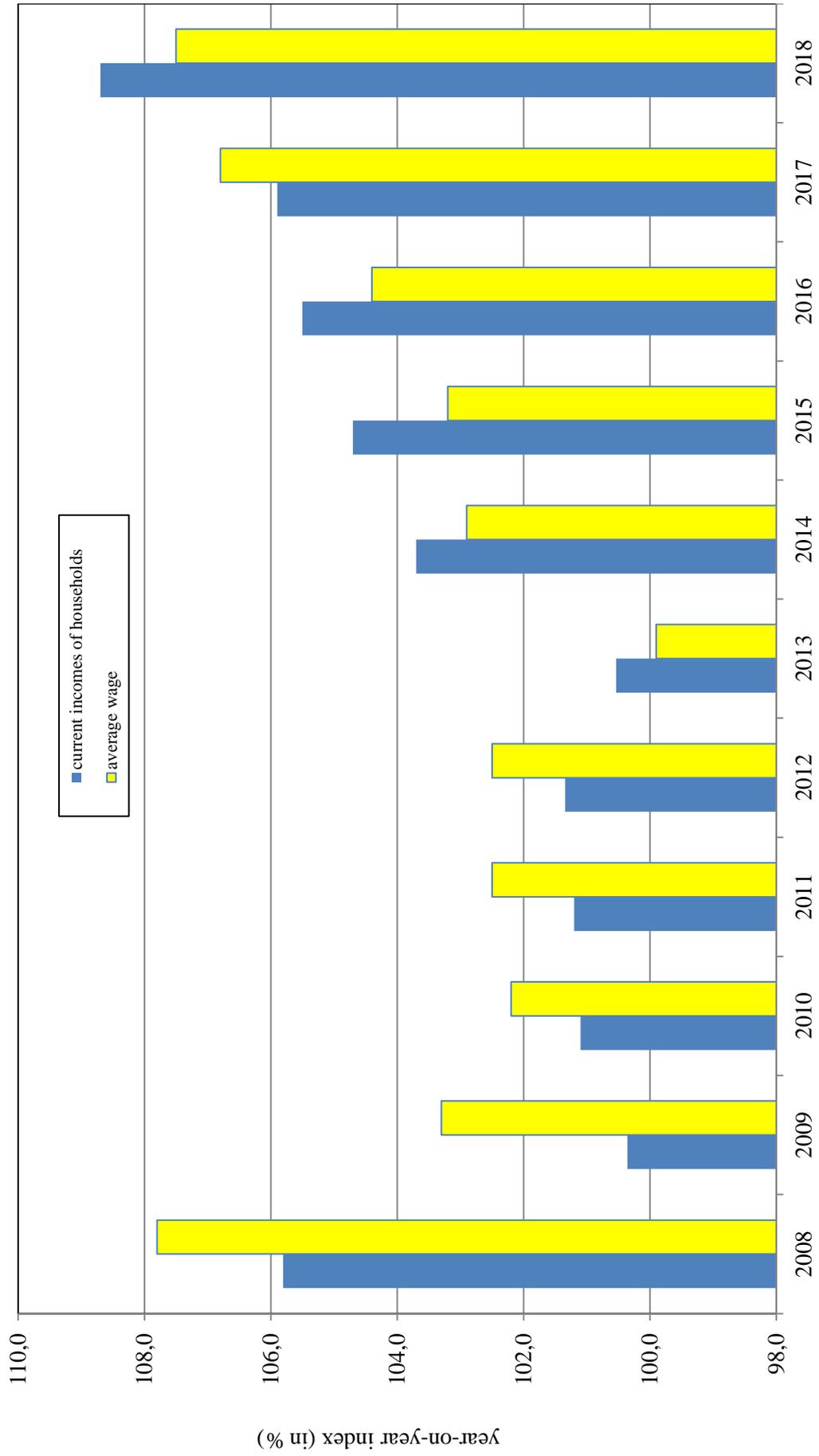
| | Unit | Year | | | | | | | | | | | | | | |
|--|----------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|--|--|--|--|
| | | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | | | | |
| Current incomes of households* | | | | | | | | | | | | | | | | |
| total | mld. CZK | 3 062,7 | 3 074,0 | 3 107,3 | 3 145,6 | 3 187,8 | 3 204,9 | 3 323,5 | 3 480,7 | 3 672,1 | 3 887,8 | 4 226,7 | | | | |
| year-on-year index | % | 105,8 | 100,4 | 101,1 | 101,2 | 101,3 | 100,5 | 103,7 | 104,7 | 105,5 | 105,9 | 108,7 | | | | |
| of which: wages and salaries* | | | | | | | | | | | | | | | | |
| total | mld. CZK | 1 209,1 | 1 190,7 | 1 208,2 | 1 237,3 | 1 272,7 | 1 287,0 | 1 341,0 | 1 410,2 | 1 493,1 | 1 615,8 | 1 760,5 | | | | |
| year-on-year index | % | 106,5 | 98,5 | 101,5 | 102,4 | 102,9 | 101,1 | 104,2 | 105,2 | 105,9 | 108,2 | 109,0 | | | | |
| Average wage in the national economy (full-time equivalent)** | | | | | | | | | | | | | | | | |
| total | CZK | 22 592 | 23 344 | 23 864 | 24 455 | 25 067 | 25 035 | 25 768 | 26 591 | 27 764 | 29 638 | 31 868 | | | | |
| year-on-year index | % | 107,8 | 103,3 | 102,2 | 102,5 | 102,5 | 99,9 | 102,9 | 103,2 | 104,4 | 106,8 | 107,5 | | | | |

Source: Czech Statistical Office

* according to National Account Statistic (CZSO), MoLSA calculation

** CZSO (data as of June 4, 2019), MoLSA calculation

Current Incomes of Household Sector and Average Wage



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

(in CZK)

| | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 |
|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Average gross monthly wage in the CR | 22 592 | 23 344 | 23 864 | 24 455 | 25 067 | 25 035 | 25 768 | 26 591 | 27 764 | 29 638 | 31 868 |
| agriculture, forestry and fishing | 17 765 | 17 644 | 18 465 | 19 003 | 19 855 | 20 545 | 21 320 | 21 668 | 22 634 | 23 831 | 25 386 |
| industry total | 22 118 | 22 625 | 23 639 | 24 392 | 25 132 | 25 336 | 26 176 | 26 857 | 28 000 | 29 910 | 32 017 |
| mining and quarrying | 29 271 | 28 312 | 30 270 | 31 531 | 32 529 | 31 442 | 31 299 | 31 800 | 31 602 | 33 483 | 35 904 |
| manufacturing | 21 564 | 21 968 | 22 982 | 23 781 | 24 472 | 24 796 | 25 710 | 26 457 | 27 676 | 29 585 | 31 670 |
| electricity, gas, steam and air conditioning supply | 35 420 | 39 436 | 40 299 | 40 203 | 42 662 | 40 764 | 41 100 | 40 449 | 41 432 | 43 595 | 46 282 |
| water supply, sewerage, waste management and remediation activities | 21 461 | 22 049 | 23 059 | 23 166 | 23 724 | 23 622 | 24 250 | 24 768 | 25 394 | 26 941 | 28 694 |
| construction | 20 948 | 22 022 | 22 284 | 22 797 | 22 861 | 22 388 | 22 967 | 23 979 | 24 944 | 25 995 | 28 058 |
| wholesale and retail trade, repair of motor vehicles and motorcycles | 21 341 | 21 358 | 22 040 | 22 814 | 23 329 | 23 133 | 23 900 | 24 911 | 26 097 | 28 040 | 29 948 |
| transportation and storage | 22 369 | 23 000 | 23 064 | 23 063 | 23 293 | 23 415 | 23 879 | 24 657 | 25 822 | 27 438 | 29 372 |
| accommodation and food service activities | 12 474 | 12 330 | 13 204 | 13 133 | 13 255 | 13 736 | 13 971 | 14 845 | 15 701 | 17 480 | 18 753 |
| information and communication | 41 800 | 43 083 | 43 793 | 45 336 | 46 652 | 46 158 | 47 872 | 49 003 | 50 146 | 52 814 | 55 525 |
| financial and insurance activities | 45 655 | 46 124 | 46 188 | 47 663 | 50 807 | 46 321 | 48 263 | 48 729 | 50 103 | 52 051 | 54 826 |
| real estate activities | 20 808 | 20 715 | 21 346 | 22 346 | 22 563 | 22 157 | 22 764 | 23 564 | 24 524 | 26 038 | 27 716 |
| professional, scientific and technical activities | 30 244 | 31 789 | 31 603 | 32 384 | 32 825 | 31 833 | 32 564 | 33 891 | 34 863 | 36 864 | 39 017 |
| administrative and support service activities | 15 521 | 15 927 | 15 953 | 16 551 | 17 044 | 16 837 | 17 202 | 17 579 | 18 586 | 19 571 | 20 848 |
| public administration and defence, compulsory social security | 26 209 | 27 045 | 26 939 | 26 328 | 26 711 | 26 753 | 27 584 | 28 869 | 30 488 | 32 982 | 36 299 |
| education | 22 119 | 23 429 | 23 033 | 23 775 | 24 403 | 24 829 | 25 271 | 25 728 | 26 711 | 28 386 | 31 410 |
| human health and social work activities | 21 177 | 23 032 | 23 595 | 24 681 | 25 080 | 25 134 | 25 774 | 26 971 | 28 289 | 30 931 | 33 538 |
| arts, entertainment and recreation | 18 797 | 19 434 | 19 830 | 19 861 | 20 813 | 20 513 | 21 306 | 22 051 | 23 522 | 25 533 | 28 192 |
| other service activities | 17 990 | 18 340 | 18 356 | 19 217 | 19 373 | 19 862 | 20 293 | 20 801 | 21 467 | 22 422 | 23 734 |

Source: Czech Statistical Office (data as of June 4, 2019)

Note:

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

Average Gross Monthly Wage by Branches (CZ-NACE Sections) in 2018

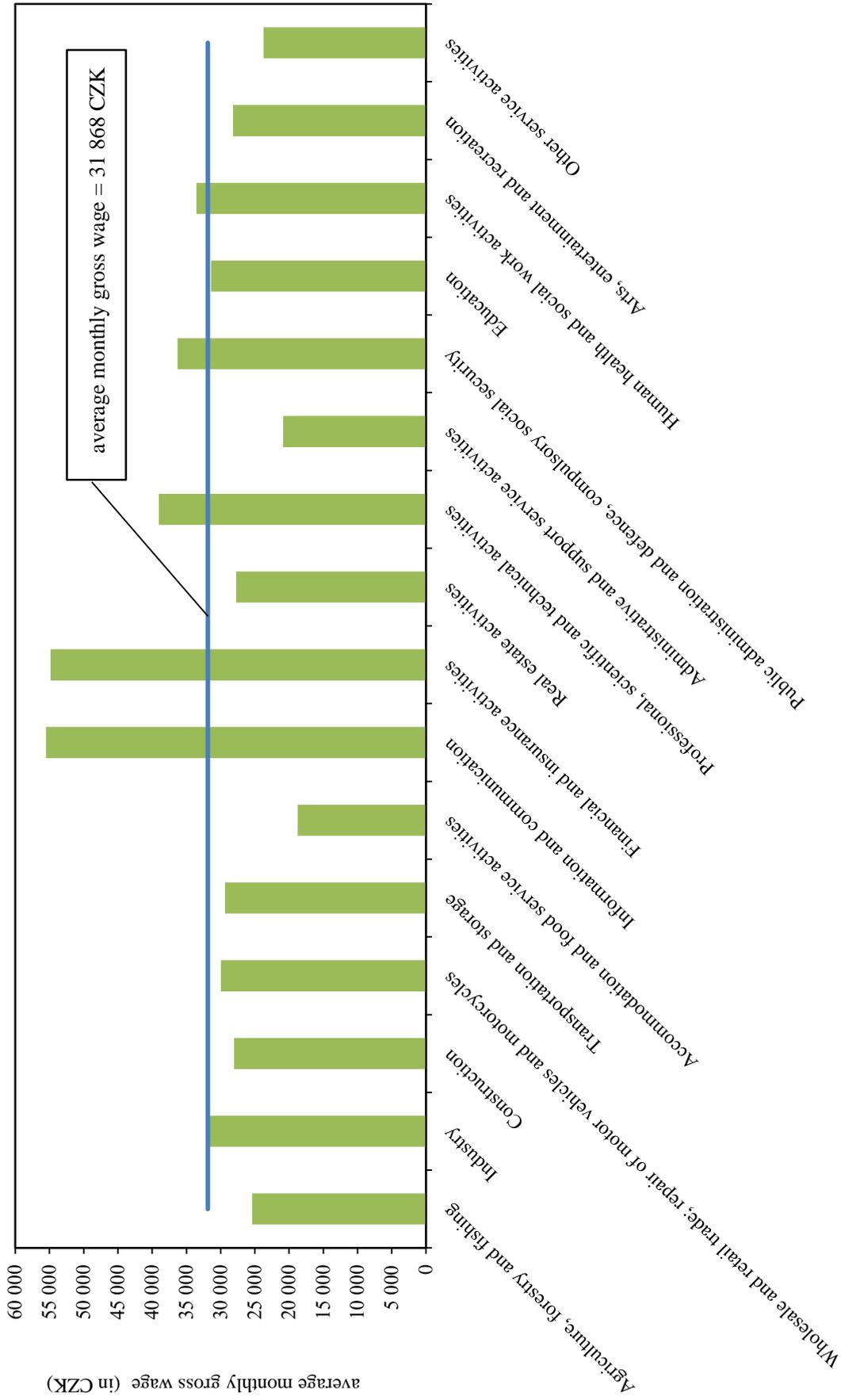


Table No. 7.3

Social Incomes of Households

| | Social incomes (in mil. CZK) | | | | | | Year-on-year index (in %) | | | | | | |
|---|------------------------------|----------------|----------------|----------------|----------------|----------------|---------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 |
| Pension insurance benefits ¹⁾ | 370 589 | 371 098 | 373 938 | 382 876 | 386 373 | 401 437 | 420 289 | 100,1 | 100,8 | 102,4 | 100,9 | 103,9 | 104,7 |
| Sickness insurance benefits ²⁾ | 19 361 | 20 125 | 22 056 | 24 085 | 26 258 | 28 280 | 33 931 | 103,9 | 109,6 | 109,2 | 109,0 | 107,7 | 120,0 |
| State social support and foster care benefits ³⁾ | 35 456 | 37 279 | 37 500 | 37 631 | 37 805 | 37 266 | 39 158 | 105,1 | 100,6 | 100,3 | 100,5 | 98,6 | 105,1 |
| Unemployment benefits ⁴⁾ | 8 737 | 9 653 | 9 263 | 8 278 | 8 221 | 7 821 | 7 514 | 110,5 | 96,0 | 89,4 | 99,3 | 95,1 | 96,1 |
| Benefits for people with disabilities | 1 553 | 1 909 | 1 918 | 1 929 | 1 994 | 1 956 | 2 625 | 122,9 | 100,5 | 100,6 | 103,3 | 98,1 | 134,2 |
| Benefits on assistance in material need | 7 751 | 10 510 | 11 295 | 10 518 | 9 255 | 7 364 | 5 353 | 135,6 | 107,5 | 93,1 | 88,0 | 79,6 | 72,7 |
| Care allowance | 18 391 | 19 545 | 20 402 | 21 167 | 23 046 | 25 120 | 26 013 | 106,3 | 104,4 | 103,7 | 108,9 | 109,0 | 103,6 |
| Social incomes total | 461 838 | 470 119 | 476 372 | 486 484 | 492 952 | 509 243 | 534 882 | 101,8 | 101,3 | 102,1 | 101,3 | 103,3 | 105,0 |

Source: MoLSA

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

²⁾ without armed forces and benefits paid abroad,

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

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

8. Basic Information on Labour Market

The favourable development of economy in 2018 reflected further decline of unemployment. The average number of registered job seekers annually decreased by 75,7 thous. to 241,9 thous., on the contrary the average number of vacancies (285,5 thous.) increased by 107,3 thous. in comparison with previous year. For this reason, there was decrease of average number of job seekers per 1 job vacancy from 1,8 in 2017 to 0,8. The average number of job seekers with unemployment benefit decreased by 10,3 thous. to 76,8 thous. persons in 2018. Their average share to total registered unemployment for the whole year represented 31,7% (compared to 27,4% in 2017). The average share of unemployed person (share of available job seekers in age 15 to 64 years to the population of the same age, as indicator, that replaced the registered unemployment rate from January 2013) declined to 3,2%, in 2018 i.e. by 1,1 percentage point.

At the end of 2018, the total number of job seekers reached 231,5 thous. (in December 2017: 280,6 thous.), there were 324,4 thous. vacancies (at the end of previous year: 216,6 thous.) and the share of unemployed persons declined to 3,1% (in December 2017: 3,8%). The number of job vacancies per one vacancy decreased to 0,7 (at the end of 2017 this indicator amounted to 1,3).

Total number of registered job seekers was significantly involved by persons over 50 years of age. In spite of lower number their share remained at 36,5%. The number of persons under 25 years of age did not decrease so significantly as in previous years, their share slightly increased to 11,3%. The permanent problem is to employ job seekers with lower level of education. The largest group of job seekers is represented by secondary vocational education (35,2%) and persons with primary education, including unfinished education (30,6% from the total number of job seekers). The number of the long-term unemployed (for more than 12 months) decreased from 94,5 thous. at the end of 2017 to 60,5 thous. Their share declined (compared to previous year) from 33,7% to 26,1%. The decline of persons unemployed for more than 24 months was also significant, however they represented nearly 67,6% of long-term unemployed persons.

Average monthly amount of unemployment benefit increased annually from 6 746 CZK in 2017 to 7 316 CZK in 2018. Generally, this growth related to increment of wages and salaries (including minimum wage) as well as to increase of share of elderly job seekers (their decisive income for the calculation of entitlement to unemployment benefit is generally higher than income of other seekers, especially the young ones). Additionally, there is longer support period for job seekers older than 50 years.

Unemployment benefit expenditures made up 7,5 mld. CZK in 2018 and decreased annually just by 310 mil. CZK in comparison with 2017. It was mainly due to increase of average amount of unemployment benefit and (at the time of significantly declined unemployment) due to high number of newly registered job seekers (annually lower by 34,7 thous. only).

Expenditure of MoLSA and the Labour Office on Active Employment Policy from the State budget and from the European Social Fund made up 4,4 mld. CZK in 2018. Compared to 2017, these expenditures decreased by 362 mil. CZK.

Furthermore, within the framework of State Employment Policy it was spent 6,8 mld. CZK on benefit to employers which employed disabled employees at protected labour market and 257 mil. CZK on payments of wage claims to employees in case of employer's insolvency.

The improvement of economic development has generated the decrease of unemployment and growth of employment. According to Labour Force Survey of CZSO, there was growth of employment in all sectors of national economy up to 5 293,8 thous. persons in 2018 (i.e. annual increase by 72,2 thous. persons, i.e. by 1,4%).

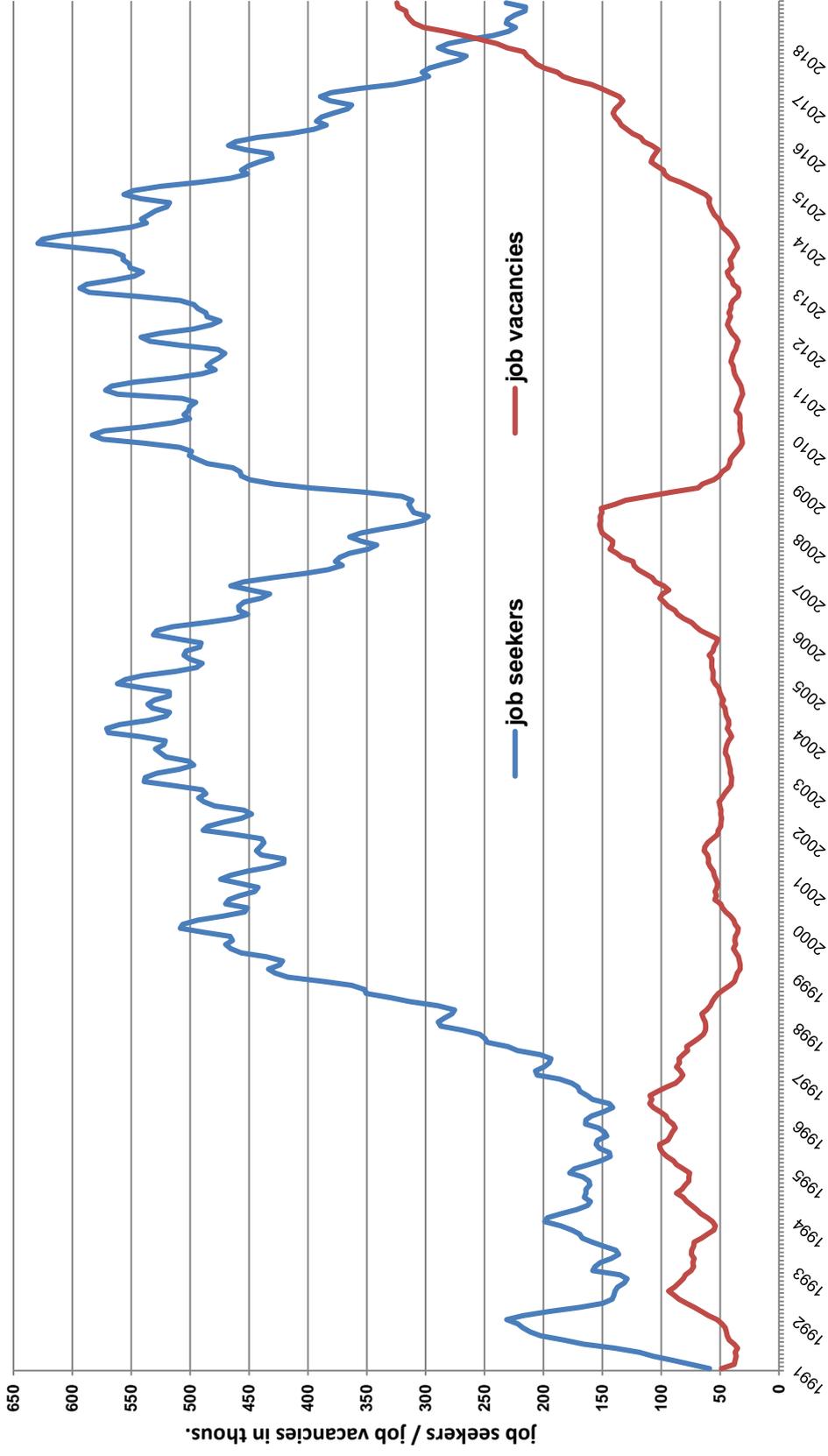
Basic Indicators of Labour Market

| | Year | | | | | | | | | | |
|--|---------|---------|---------|---------|---------|---------|---------|---------|---------|--|--|
| | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | | |
| Average number of the employees (in thous.) | 4 885 | 4 872 | 4 890 | 4 937 | 4 974 | 5 042 | 5 139 | 5 222 | 5 294 | | |
| Average share of unemployed persons (in %)* | 7,0 | 6,7 | 6,8 | 7,7 | 7,7 | 6,6 | 5,6 | 4,3 | 3,2 | | |
| Share of unemployed persons in December (in %)* | 7,4 | 6,8 | 7,4 | 8,2 | 7,5 | 6,2 | 5,2 | 3,8 | 3,1 | | |
| Average number of job seekers | 528 750 | 507 779 | 504 381 | 564 448 | 561 437 | 478 875 | 405 957 | 317 612 | 241 921 | | |
| Number of job seekers as of December, 31 | 561 551 | 508 451 | 545 311 | 596 833 | 541 914 | 453 118 | 381 373 | 280 620 | 231 534 | | |
| of which | 69 499 | 63 092 | 62 038 | 62 789 | 61 146 | 58 584 | 54 555 | 46 009 | 38 268 | | |
| handicapped | 35 357 | 33 508 | 36 120 | 39 546 | 27 504 | 22 023 | 16 976 | 11 440 | 10 257 | | |
| graduates and youth | 268 200 | 250 301 | 266 593 | 289 501 | 268 942 | 227 949 | 191 996 | 140 880 | 117 822 | | |
| women | 273 092 | 264 513 | 290 268 | 346 197 | 322 762 | 253 335 | 201 722 | 135 466 | 93 264 | | |
| unemployed more than 6 months | 178 481 | 184 130 | 192 234 | 236 981 | 237 165 | 187 555 | 144 163 | 94 512 | 60 529 | | |
| unemployed more than 12 months | 178 962 | 129 951 | 107 937 | 120 030 | 115 747 | 108 287 | 102 950 | 85 647 | 82 355 | | |
| entitled to unemployment benefit | 163 481 | 132 421 | 104 472 | 117 946 | 115 908 | 101 789 | 97 870 | 87 129 | 76 792 | | |
| Average number of job seekers entitled to unemployment benefit | 33 147 | 36 493 | 39 878 | 38 964 | 48 682 | 90 339 | 127 926 | 178 150 | 285 472 | | |
| Average number of job vacancies | 30 803 | 35 784 | 34 893 | 35 178 | 58 739 | 102 545 | 132 496 | 216 629 | 324 410 | | |
| Number of job vacancies as of December, 31 | 18,2 | 14,2 | 15,6 | 17,0 | 9,2 | 4,4 | 2,9 | 1,3 | 0,7 | | |
| Number of job seekers per 1 job vacancy as of December, 31 | | | | | | | | | | | |

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

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

Number of Job Seekers and Job Vacancies



State Budget Expenditures on State Employment Policy

in thous. CZK

| | Year | | | | | | | | | | |
|---|-------------------|-------------------|-------------------|-------------------|--------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 |
| Expenditures on state employment policy | 15 680 608 | 23 132 685 | 22 736 413 | 17 836 581 | 15 274 848 | 17 963 913 | 20 117 163 | 22 585 754 | 20 324 185 | 18 457 077 | 18 891 482 |
| passive | 7 114 894 | 15 077 723 | 13 354 778 | 10 349 149 | 8 759 749 | 9 674 752 | 9 279 634 | 8 303 370 | 8 254 527 | 7 853 520 | 7 542 836 |
| active | 6 131 729 | 4 953 467 | 6 171 493 | 3 815 886 | 2 595 049 | 4 285 714 | 6 426 949 | 9 732 826 | 6 866 805 | 4 760 642 | 4 398 223 |
| Active employment policy: | | | | | | | | | | | |
| - socially beneficial jobs | 570 288 | 411 950 | 622 235 | 511 807 | 309 019 | 408 375 | 320 933 | 365 518 | 384 605 | 403 276 | 226 943 |
| - publically beneficial jobs | 465 645 | 292 931 | 401 697 | 550 265 | 273 001 | 379 226 | 166 827 | 187 263 | 389 029 | 1 244 001 | 837 847 |
| - retraining | 271 130 | 119 388 | 96 676 | 85 421 | 101 923 | 166 300 | 62 414 | 69 230 | 117 227 | 21 183 | 9 268 |
| - employment of the disabled | 255 656 | 323 545 | 323 661 | 255 783 | 121 143 | 52 854 | 88 866 | 60 462 | 57 994 | 44 946 | 19 960 |
| in which: | | | | | | | | | | | |
| - <i>establishment of sheltered jobs</i> | 36 137 | 84 475 | 80 967 | 41 518 | 36 718 | 44 513 | 80 006 | 51 354 | 46 704 | 33 858 | 7 196 |
| - <i>working of sheltered job</i> | 210 469 | 231 848 | 234 637 | 207 988 | 80 072 | 3 254 | 3 049 | 2 588 | 2 885 | 2 982 | 3 869 |
| - <i>benefit to the self-employed¹⁾</i> | 5 041 | 4 094 | 4 463 | 3 161 | 2 066 | 2 374 | 2 515 | 2 333 | 2 078 | 1 777 | 2 085 |
| - <i>occupational rehabilitation</i> | 4 009 | 3 129 | 3 594 | 3 116 | 2 286 | 2 713 | 3 296 | 4 186 | 6 326 | 6 317 | 6 810 |
| - targeted programmes ²⁾ | 80 613 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| - ESF programmes ³⁾ | 267 8240 | 2 736 538 | 4 175 475 | 2 156 359 | 1 502 859 | 3 232 952 | 5 755 199 | 9 022 131 | 5 860 679 | 2 948 024 | 3 124 025 |
| - investment incentives ⁴⁾ | 1 721 803 | 1 010 368 | 509 092 | 226 899 | 267 891 | 30 765 | 7 950 | 11 825 | 42 300 | 59 500 | 134 611 |
| - other ⁵⁾ | 88 354 | 58 747 | 42 657 | 29 351 | 19 213 | 15 242 | 24 761 | 16 397 | 14 971 | 39 712 | 45 569 |
| Benefit to employers which employ at least 50% of disabled employees | 2 283 655 | 2 257 461 | 2 712 304 | 3 282 404 | 3 468 251 | 3 670 239 | 4 018 724 | 4 320 059 | 4 952 515 | 5 675 572 | 6 754 655 |
| Insolvency | 150 330 | 844 033 | 497 837 | 389 142 | 451 799 | 333 208 | 391 856 | 229 500 | 250 339 | 167 343 | 257 154 |
| Employment services and administration⁶⁾ | 4 460 873 | 4 695 252 | 4 249 245 | 3 717 353* | 4 468 000** | 4 748 500 | 5 271 666 | 5 641 823 | 5 432 066 | 5 779 194 | 6 321 666 |

Source: MoLSA

¹⁾ benefit to self-employed persons with disability for establishment of protected workplaces²⁾ according to § 120 of the Act No. 435/2004 Coll., Employment Act, as amended (including regionally targeted programmes for solution of unemployment and Programme to support renovation or technical upgrade of tangible fixed assets which support the career prospects for the disabled)³⁾ including Active Employment Policy instruments financed by the ESF (publically beneficial jobs, socially beneficial jobs, retraining)⁴⁾ include investment incentives and programme to establish new workplaces⁵⁾ include costs on information materials published by Labour Office and Employment Service Administration, other programmes for support of employment, cost on Active Employment Policy not specified elsewhere, ESF projects until 2006 and activation job opportunity in 2014 and 2015⁶⁾ include capital and material costs inclusive expenditures on salaries, other payments for done work and premiums

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

** only expenditures of Labour Office in 2012

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

The European System of integrated Social PROtection Statistics (ESSPROS) was developed by the Statistical Office of European communities (Eurostat) in cooperation with member states experts in the 70's of the last century. ESSPROS represents a significant instrument for mutual comparison of social protection level in the Member States. Since its introduction ESSPROS methodology has been amended in a little scope. For implementation of ESSPROS in the Czech Republic the agreement between CZSO and MoLSA on establishment of inter-departmental Working Group (led by the MoLSA) was made in 2000. For the Czech Republic time series of ESSPROS Core system for 1995 - 2017 (including qualitative database containing descriptions of social protection schemes and benefits) and module on number of pension beneficiaries for 2000 – 2017 (methodically in the definitely internationally comparable form since 2006) are available so far. Eurostat methodology for net social protection benefits module was completed by the international Working Group, the methodology guarantees data comparability. Data for the Czech Republic on this module are available for period of 2007 - 2017.

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

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

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

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

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

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

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

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

Expenditures on social protection of ESSPROS Core system according to social protection functions in the time series (1995 - 2017) are in the Table No. 9.1. More detailed data and international comparison of social protection level in the EU member states and other European countries according to the ESSPROS methodology are available on Eurostat web sites. This is the source for data in the Table No. 9.2 on relation of social protection expenditures to GDP in selected European countries.

ESSPROS Core System - Expenditures on Social Protection by Functions

in mil. CZK

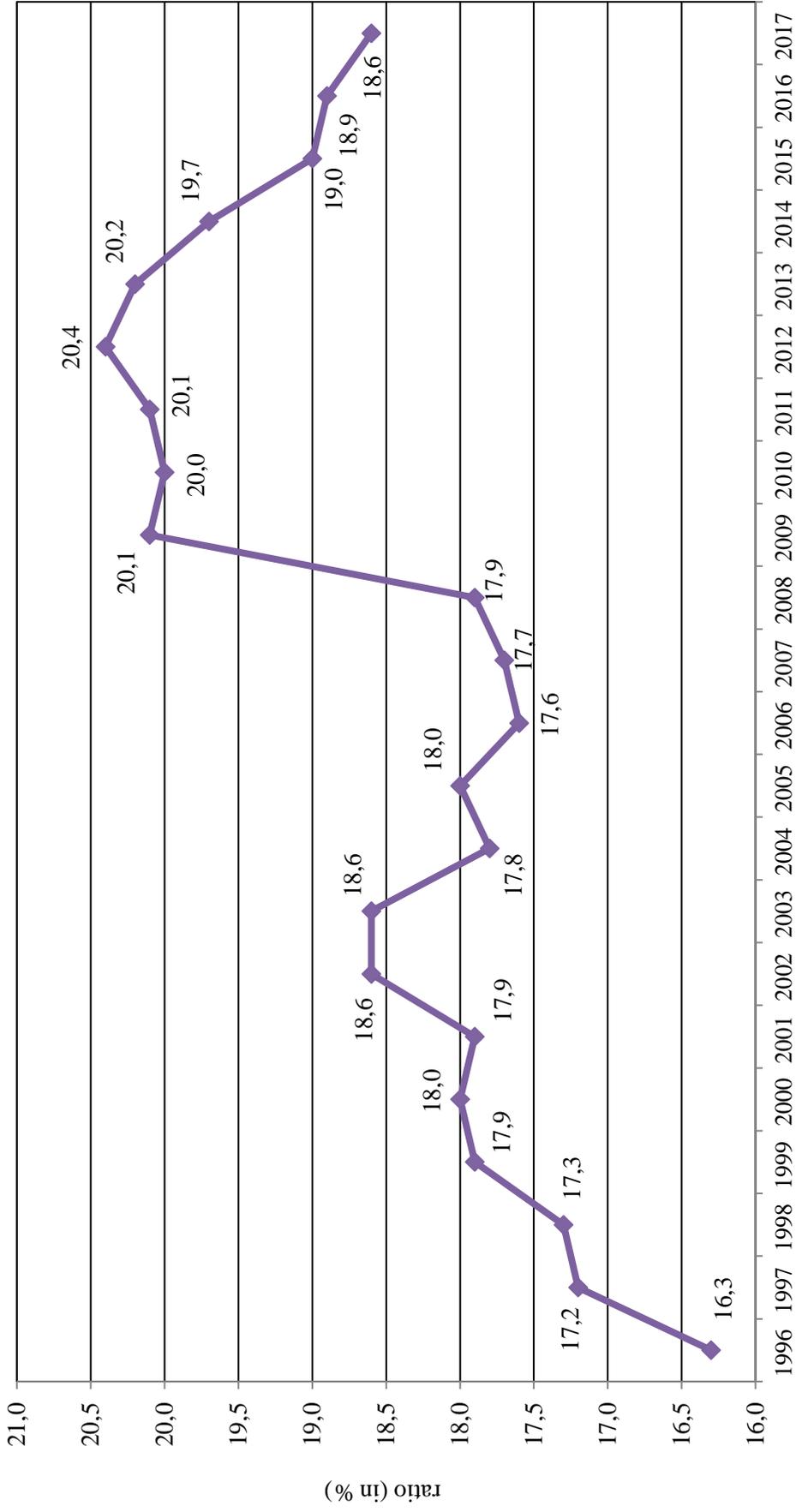
| Social protection by function | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| 1. Sickness/Health care | 178 920 | 185 298 | 195 067 | 199 876 | 215 487 | 222 767 | 239 254 | 239 185 | 241 461 | 245 410 | 244 390 | 258 317 | 268 119 | 283 086 | 297 457 |
| 2. Disability | 40 685 | 41 430 | 43 056 | 49 829 | 52 512 | 54 823 | 57 176 | 57 710 | 57 509 | 55 624 | 54 848 | 54 331 | 55 834 | 56 536 | 57 961 |
| 3. Old age | 185 229 | 194 507 | 212 206 | 227 174 | 254 174 | 281 441 | 310 322 | 321 475 | 340 972 | 358 033 | 352 051 | 360 486 | 371 288 | 381 416 | 399 707 |
| 4. Survivors | 22 589 | 22 739 | 23 670 | 24 864 | 26 741 | 27 182 | 28 297 | 27 824 | 28 575 | 28 696 | 28 719 | 28 523 | 29 003 | 28 687 | 29 419 |
| 5. Family/Children | 38 477 | 44 164 | 56 795 | 59 762 | 74 809 | 79 616 | 80 013 | 79 091 | 73 093 | 71 176 | 72 953 | 71 419 | 74 323 | 77 332 | 79 669 |
| 6. Unemployment | 20 836 | 20 877 | 19 767 | 18 618 | 22 060 | 23 666 | 39 283 | 31 020 | 27 291 | 25 987 | 26 774 | 24 807 | 22 714 | 22 661 | 23 135 |
| 7. Housing | 2 904 | 2 623 | 2 547 | 2 389 | 2 205 | 2 194 | 2 896 | 4 307 | 5 589 | 7 501 | 10 310 | 12 203 | 12 409 | 12 259 | 11 131 |
| 8. Social exclusion not elsewhere classified | 14 742 | 15 153 | 15 136 | 16 202 | 7 353 | 6 444 | 8 819 | 8 560 | 10 234 | 13 106 | 12 661 | 13 512 | 12 684 | 11 928 | 10 338 |
| Total expenditures* | 504 382 | 526 791 | 568 244 | 598 714 | 655 341 | 698 133 | 766 060 | 769 172 | 784 724 | 805 533 | 802 706 | 823 598 | 846 374 | 873 905 | 908 817 |

Source: MoLSA

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

* total expenditures do not include administration costs

Social Protection Expenditures in Relation to GDP



Social Protection Expenditures in Relation to GDP in selected European Countries

in % of GDP

|  | Year | | | | | | | | | | | |
|---|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 |
| EU 28 | . | . | 25,9 | 28,7 | 28,6 | 28,3p | 28,7p | 28,9p | 28,7p | 28,4p | 28,1p | . |
| BE - Belgium | 26,6 | 26,2 | 27,7 | 30,0 | 29,4 | 29,7 | 29,6 | 30,1 | 30,2 | 30,2 | 29,6 | 29,2 |
| BG - Bulgaria | 13,9 | 13,4 | 14,7 | 16,1 | 17,0 | 16,5 | 16,6 | 17,6 | 18,5 | 17,9 | 17,5 | . |
| CZ - Czech Republic | 17,6 | 17,6 | 17,9 | 20,1 | 20,0 | 20,1 | 20,4 | 20,2 | 19,7 | 19,0 | 18,9 | 18,6 |
| DK - Denmark | 28,4 | 29,1p | 28,9 | 32,7 | 32,4 | 32,1 | 32,0 | 32,5 | 32,8 | 32,1 | 31,1 | . |
| DE - Germany | 27,8 | 26,8 | 27,2 | 30,6 | 29,9 | 28,7 | 28,8 | 29,1 | 29,0 | 29,2p | 29,4p | . |
| EE - Estonia | 12,0 | 12,0 | 14,7 | 18,8 | 17,6 | 15,6 | 15,0 | 14,8 | 14,9 | 16,1 | 16,6 | . |
| IE - Ireland | 17,1 | 17,6 | 20,2 | 24,1 | 24,8 | 24,2 | 23,6 | 22,6 | 20,6 | 15,8 | 15,8 | 15,1 |
| EL - Greece | 20,6 | 21,3 | 22,8 | 24,8 | 25,9 | 27,3 | 28,1 | 26,4 | 26,0 | 26,1 | 26,2p | . |
| ES - Spain | 20,0 | 20,3 | 21,4 | 24,4 | 24,6 | 25,3 | 25,5 | 25,8 | 25,4 | 24,6p | 23,7p | 23,3p |
| FR - France | 30,7 | 30,4 | 30,8 | 33,2 | 33,2 | 33,0 | 33,8 | 34,2 | 34,5 | 34,2 | 34,3 | 34,1 |
| HR - Croatia | . | . | 18,8 | 21,0 | 21,3 | 21,0 | 21,6 | 21,4 | 21,8 | 21,8 | 21,3 | 20,9 |
| IT - Italy | 25,6 | 25,7 | 26,7 | 28,8 | 28,9 | 28,5 | 29,3 | 29,8 | 29,9 | 29,9p | 29,5p | 29,2p |
| CY - Cyprus | 16,7 | 16,4 | 17,6 | 19,1 | 18,8 | 20,2 | 20,9 | 22,8 | 20,0 | 19,9 | 19,1 | . |
| LV - Latvia | 11,9 | 10,6 | 12,1 | 16,8 | 18,3 | 15,3 | 14,4 | 14,6 | 14,5 | 14,9 | 15,1p | 14,7p |
| LT - Lithuania | 13,3 | 14,2 | 15,9 | 21,0 | 19,1 | 17,0 | 16,3 | 15,4 | 15,3 | 15,6 | 15,4 | 15,1p |
| LU - Luxembourg | 20,5 | 19,5 | 20,9 | 23,4 | 22,5 | 21,8 | 22,7 | 23,1 | 22,5 | 22,3 | 21,9 | 22,5 |
| HU - Hungary | 21,9 | 22,1 | 22,3 | 22,7 | 22,5 | 21,6 | 21,3 | 20,8 | 19,8 | 19,3p | 19,1 | 18,6p |
| MT - Malta | 17,8 | 17,8 | 18,2 | 19,6 | 19,3 | 18,9 | 19,1 | 18,9 | 18,2 | 16,8 | 16,4 | 16,1 |
| NL - Netherlands | 26,3 | 25,9 | 26,1 | 29,0 | 29,3 | 29,9 | 30,6 | 30,8 | 30,6 | 29,9 | 29,5 | 29,3 |
| AT - Austria | 27,5 | 27,0 | 27,6 | 29,6 | 29,6 | 28,8 | 29,2 | 29,6 | 29,8 | 29,8 | 29,9 | 29,4 |
| PL - Poland | 19,7p | 18,4p | 19,3p | 20,3p | 19,7p | 18,7 | 18,9 | 19,6 | 19,3 | 19,4 | 20,3 | . |
| PT - Portugal | 23,7 | 23,0 | 23,4 | 25,8 | 25,8 | 25,8 | 26,4 | 27,6 | 26,9 | 25,7 | 25,1 | . |
| RO - Romania | 12,9 | 13,3 | 13,7 | 16,2 | 17,5 | 16,6 | 15,4 | 14,9 | 14,7 | 14,6 | 14,6 | . |
| SI - Slovenia | 22,3 | 20,9 | 21,0 | 23,7 | 24,4 | 24,5 | 24,9 | 24,7 | 23,9 | 23,7 | 23,3 | 22,6p |
| SK - Slovakia | 16,0 | 15,7 | 15,7 | 18,5 | 18,2 | 17,8 | 18,0 | 18,3 | 18,5 | 18,2 | 18,3 | 18,1 |
| FI - Finland | 25,4 | 24,5 | 25,1 | 29,0 | 29,3 | 28,9 | 30,1 | 31,1 | 31,9 | 32,0 | 31,9 | 30,9 |
| SE - Sweden | 28,6 | 27,4 | 27,9 | 30,2 | 28,8 | 28,5 | 29,5 | 30,2 | 29,8 | 29,4 | 29,9p | 29,1p |
| UK - United Kingdom | 24,8 | 24,6 | 25,7 | 28,4 | 28,8 | 28,9 | 28,9 | 28,3 | 27,5 | 27,6 | 26,2p | . |
| IS - Iceland | 20,5 | 20,3 | 20,7 | 23,3 | 22,5 | 23,2 | 22,9 | 22,6 | 23,1 | 22,2 | . | . |
| NO - Norway | 22,1 | 22,1 | 21,8 | 25,5 | 25,2 | 24,8 | 24,6 | 25,1 | 26,0 | 27,9 | 29,0 | 28,4 |
| CH - Switzerland | 24,4 | 23,9 | 23,6 | 25,8 | 25,9 | 25,8 | 26,6 | 27,4 | 27,2 | 27,8 | 28,1 | 28,3 |
| RS - Serbia | . | . | 21,6 | 23,1 | 22,6 | 21,4 | 22,6 | 21,9 | 22,0 | 20,7 | 20,3 | 19,5 |
| TR - Turkey | 10,8 | 11,1 | 11,4p | 13,5 | 12,8 | 12,3 | 12,5p | 12,2 | 12,1 | 12,0 | 12,9 | 12,3 |

Source: Eurostat (<http://epp.eurostat.ec.europa.eu/tgm/refreshTableAction.do?tab=table&plugin=1&pcode=tps00098&language=en>), data as of 16/09/2019

p = provisional data

**Basic Indicators of Labour and Social Protection
in the Czech Republic -
Time Series and Graphs
2018**



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