

## COUNTRY NOTE

Database on Social Expenditure ([www.oecd.org/social/expenditure.htm](http://www.oecd.org/social/expenditure.htm))  
OECD - Social Policy Division - Directorate of Employment, Labour and Social Affairs

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## CZECH REPUBLIC

### *Nomenclature*

SCC                State compensation contribution

### *Monetary unit*

Social spending is expressed in millions of Czech kronas (CZK).

### *General notes*

The social protection system consists of the following three pillars:

- Social insurance programmes including statutory pension, sickness and employment insurance schemes;
- Income-tested State social subsidies that are granted under certain conditions;
- Means-tested social assistance support.

The individual country notes of the OECD Benefits and Wages ( [www.oecd.org/social/benefits-and-wages.htm](http://www.oecd.org/social/benefits-and-wages.htm)) provide a comprehensive description of characteristics of social programmes (e.g. conditions for receipt, calculation of payment rates, tax treatment of social support, benefit duration, etc.) for the working-age population, including: unemployment insurance and assistance, social assistance, employment-conditional benefits, housing benefits, family benefits, childcare support, and support for sole parent households.

### *Break in series*

Data for public expenditure are underestimated for 1990-91 because data for ALMP are not available for 1990 and data for “Other contingencies” are not available for 1990-91.

Data for Private health insurance before 2003 refer the total health spending function (HC1-HC9, HCR1) as the split in current health spending (HC1-HC9) into the financing schemes is only from 2003 on.

### *Secretariat estimates* .

Childcare pre-primary expenditure is estimated for 2013 based on the average annual growth of 2010-2012. Adjustment for 6 years old in childcare pre-primary expenditure is estimated based on enrolment rates from the OECD Education Database.

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### *Sources*

#### **1990-1994**

Czech Republic Ministry of Labour and Social Affairs.

#### **1995 onwards**

Data provided by EUROSTAT (ESSPROS database), except for:

**1990 onwards**            4. Health: OECD Statistics ([www.oecd.org/health/healthdata](http://www.oecd.org/health/healthdata))

**1998 onwards**            5.2.1.4&5 Childcare (pre-primary education): OECD Education database (<http://www.oecd.org/edu/database.htm>).

**1991 onwards**            6. ALMP: OECD Labour Market Policy database.

(See Table "Passage from ESSPROS to SOCX" next page).

### *Background information*

European Social Statistics, Social Protection, ESSPROS qualitative information  
<http://ec.europa.eu/eurostat/web/social-protection/data/qualitative-information>

MISSOC, Mutual information system on social protection in the Member states of the European Union and of the European Economic Area  
(<http://ec.europa.eu/social/main.jsp?catId=815&langId=en>)

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**Passage from Esspros to SOCX (public / mandatory-voluntary private)**  
**Czech Republic, in millions of CZK**

ESSPROS/SOCX		Code	1995	2000	2010	2015	2016	2017	2018	2019
(1)	<b>ESSPROS Social protection benefits</b>	<b>1100000</b>	<b>247,079</b>	<b>413,601</b>	<b>766,423</b>	<b>845,759</b>	<b>872,730</b>	<b>909,274</b>	<b>969,070</b>	<b>1,056,857</b>
-	(2) - ESSPROS Disability	Economic integration of the handicapped	1,036	1,436	973	491	421	353	301	253
			0	0	0	0	0	0	0	0
			0	0	0	0	0	0	0	0
			0	0	0	0	0	0	0	0
-	(3) - ESSPROS Sickness	Benefits in kind	73,414	111,164	215,252	241,413	253,611	265,380	284,934	310,298
			0	0	0	0	0	0	0	0
-	(4) - ESSPROS Unemployment	Cash - Vocational training allowance	0	119	522	0	0	0	0	0
			0	0	0	0	0	0	0	0
			0	0	0	0	0	0	0	0
			0	0	0	0	0	0	0	0
		Benefits in kind	241	707	782	735	806	843	905	1,014
			0	0	0	0	0	0	0	0
+	(5) SOCX/ Health HEALTH	Public benefits in kind	81,650	122,170	228,767	274,181	279,455	318,318	343,088	374,238
+	(6) SOCX / EDU-EAG FAMILY	Services								
		Child care (pre-primary education)	m	9,224	18,438	24,077	23,421	26,777	29,808	33,183
		Child day care (pre-primary - adjustment for 6yo)	m	-1,947	-2,921	-3,887	-3,839	-4,330	-4,809	-5,340
+	(7) SOCX/ ALMP ACTIVE	LABOUR MARKET PROGRAMMES	1,927	4,294	12,572	19,603	17,169	15,687	16,832	16,096
-	(8) <b>SOCX MANDATORY PRIVATE SOCIAL EXPENDITURE</b>	<b>203.20.90.0.0.0</b>	<b>a</b>	<b>5,766</b>	<b>21,484</b>	<b>19,219</b>	<b>21,618</b>	<b>22,931</b>	<b>23,272</b>	<b>23,565</b>
	ESSPROS Scheme 03	Pension supplementary insurance with state allowance (carried on pension funds)	0	5,766	21,484	19,219	21,618	22,931	23,272	23,565
-	(9) <b>= SOCX VOLUNTARY PRIVATE SOCIAL EXPENDITURE</b>	<b>203.30.90.0.0.0</b>	<b>1,107</b>	<b>1,987</b>	<b>9,410</b>	<b>16,352</b>	<b>17,821</b>	<b>13,203</b>	<b>15,177</b>	<b>17,222</b>
	ESSPROS Scheme 04	Social contributions of employers resulting from collective agreements	610	1,074	726	711	733	778	932	1,108
	ESSPROS Scheme 17	Social assistance carried on non-state organizations	497	913	4,972	6,474	7,026	8,564	10,633	12,269
(10)	SOCX / Health HEALTH	Voluntary private insurance, benefits in kind	a	a	3,887	9,322	10,222	4,021	3,778	4,054
=	(11) <b>SOCX PUBLIC SOCIAL EXPENDITURE</b>	<b>203.10.90.0.0.0</b>	<b>254,857</b>	<b>426,163</b>	<b>778,743</b>	<b>890,846</b>	<b>904,881</b>	<b>967,037</b>	<b>1,033,178</b>	<b>1,126,737</b>

Notes:

- (1) "ESSPROS / Social protection benefits" are Total ESSPROS expenditures (1000000) less Administration costs (1200000) and other expenditure (1400000, property income and other).
- (2) The ESSPROS data within "Disability / Economic integration of the handicapped" are not included in SOCX database to avoid any double counting with SOCX "Active Labour Market Programmes / Measures for the disabled".
- (3) The ESSPROS data within "Sickness / Benefits in kind" are not included in SOCX database to avoid double counting with SOCX "Health / Benefits in kind".
- (4) The ESSPROS data within "Unemployment / Cash Vocational training allowance" "Unemployment / Benefits in kind" are not included in SOCX database to avoid any double counting with SOCX "Active Labour Market Programmes".
- (5) SOCX Health benefits in kind are from "OECD Health Data ([www.oecd.org/health/healthdata](http://www.oecd.org/health/healthdata))".
- (6) SOCX includes public spending on pre-primary education from OECD education database, unless such data are already included in "5.2.1. Day care services".
- (7) SOCX Active Labour Market Programmes are from "OECD database on labour market programmes".
- (8) Spending on some programmes recorded under the schemes below are categorised as Mandatory private in SOCX.
- (9) Spending on some programmes recorded under the schemes below are categorised as Voluntary private in SOCX. (9) Includes (10).
- (10) SOCX Private insurance Health benefits in kind are from "OECD Health Data ([www.oecd.org/health/healthdata](http://www.oecd.org/health/healthdata))".
- (11) = (1) - (2) - (3) - (4) + (5) + (6) + (7) - (8) - (9) + (10)

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<b>Code</b>	<b>Title of the programme</b>	<b>Description of the programme and attached notes</b>
<b>1. OLD AGE</b>		
203.10.1.1.1.1	Old age pension	Expenditures only concern the civilian population, and do not include payments to former policeman and military staff.
203.10.1.1.1.5	Old age spouse supplements: wives	Spouses of those who are entitled to an old-age or invalidity pension or to a pension for years of service, are entitled to a supplement.
203.10.1.1.1.8	Pension for military personnel	This is included in the old-age pension. These figures are not shown in expenditures for the civilian population.
203.10.1.1.1.9	Pension insurance and health care	See 203.10.1.1.1
203.10.1.1.2.1	Individual pension increase for special political activities and other pension	Payments for such special political activities ceased in 1990.
203.10.1.1.2.2	State compensatory contribution	State compensation contribution (SCC) was introduced to compensate for abolishing cost-price reducing subsidies on tax on food and other basic commodities. Since 1994, the SCC for pensioners has become part of pension.
203.10.1.1.2.3	Pension insurance	Anticipated old-age pension for insured person if he acquires an insurance period of no less than 25 years and, he is no more than three years of attaining retirement age on the day from which an old-age pension is granted
203.10.1.1.3.1	Social pension	This was abolished in 1996.
203.10.1.1.3.2	Assistance to the pension for co-operative farmers	This was abolished in 1996.
203.10.1.1.3.3	Supplementary pension insurance	The State-contributory supplementary pension insurance Act came into force on 16 February 1994. From 1 January 2000 a tax allowance has been introduced for fund participants and employers who are contributing to their employees' pension.
203.10.1.1.3.4	Long-term service	This includes pension payments to individuals in selected professions (e.g. aviation and arts) at conditions which are more advantageous than those applying to the general old-age pension. The programme was abolished in 1996.
203.10.1.1.3.5	State contribution to supplementary pension insurance	These are state contributions to voluntary individual pension arrangements, which are established for those not in employments. Voluntary supplementary pension insurance was established in 1994.
203.10.1.1.3.13	Care allowance: Social Assistance in Competence of the Central Government	Care allowance paid out after reaching standard retirement age. It shall be provided to people who, mainly due to their adverse state of health, are dependent on the assistance of another person in the area of common acts of personal care and self-sufficiency.
203.10.1.2.1.1 and, 203.10.1.2.1.2	Accommodation	Includes : 1) Homes for the Elderly - stay-in services provided to persons with reduced self-sufficiency, in particular, due to their age, whose situation requires regular assistance of another physical person. 2) Special Regime Homes stay-in services provided to persons with reduced self-sufficiency due to chronic mental disorder or dependence on addictive substances and to persons with old-age/senile dementia with reduced self-sufficiency due to the above disorders whose situation requires regular assistance of another physical person. 3) Respite care - is a field, ambulatory or stay-in service provided to persons with reduced self-sufficiency.
<b>2. SURVIVORS</b>		
203.10.2.1.1.1	Widow(er)'s pension	Survivor's pension. Under 203.10.2.1.1.5 since 1994.
203.10.2.1.1.2	Orphans' pension	Payment until age 26 (unless the child is adopted in the mean-time). Under 203.10.2.1.1.5 since 1994.
203.10.2.1.1.5	Pension insurance	Includes, Widow's pension, Widower's pension, and Orphan's pension. A widow's pension is due for one year after husband's death and may be extended under some conditions. A dependent child is entitled to

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		orphan's pension in the case of the death of his parent. The entitlement to orphan's pension terminates when the child is adopted."
203.10.2.2.1.1	Funeral grants	Non means-tested, lump-sum grant, towards the costs of funeral arrangements.
<b>3. INCAPACITY RELATED BENEFITS (Disability, Occupational injury and disease, Sickness)</b>		
203.10.3.1.1.1	Invalidity	Disability pension payment to person with reduced work capacity for health reasons and otherwise satisfies the eligibility criteria.
203.10.3.1.1.2	Reduced pension	Payment to someone who is partially disabled (i.e. reduced work capacity by 33%) and has contributed for the minimum insurance period and/or is victim of a work injury.
203.10.3.1.3.1	Work injury benefits	Mandatory statutory insurance to compensate those who have been affected by an occupational accident and disease.
203.10.3.1.4.1	Sickness benefits	Payable to those who satisfy the criteria set out by the sickness insurance institute. Since 1994, sickness insurance for self-employed workers is voluntary.
203.10.3.1.5.1	Family member care benefit	Payments to men/women who cannot work because they care for family members (child up to age 10 years or a sick adult, who live together in the same household).
203.10.3.2.1.3 and, 203.10.3.2.1.4	Accommodation	Social care establishments for handicapped adults and youths.
<b>4. HEALTH</b>		
203.10.4.2.0.0	Public expenditure on health	See <i>OECD Health Statistics</i>
<b>5. FAMILY</b>		
203.10.5.1.1.1	All residents: children's allowance	Child allowance is payable until the end of compulsory education or in case of further education or vocational training until the age of 26 at maximum). Child allowance is income-tested and payment rates vary with the age of the child.
203.10.5.1.1.1	Payable tax credits	Tax credit for dependent child.
203.10.5.1.2.1	Child birth grant	A non-recurrent benefit to mothers to cover related expenses. The amount of the grant depends on the number of children born at one time.
203.10.5.1.2.2	Maternity grant	A non-recurrent grant (and non means-tested) benefit towards maternity costs. Statutory paid maternity leave is 28 weeks.
203.10.5.1.2.4	Parental allowance	Payment to a parent who personally provides full-time and regular care for at least one child up to the age of 4, or up to the age of 7 if it concerns a disabled child. Parental allowance can also be paid to low-income parents in work.
203.10.5.1.2.5 to 203.10.5.1.2.7		Sickness insurance payment to pregnant women whose earnings are reduced for medical reasons (e.g. reduced working hours on medical advice)..
203.10.5.1.3.2	Foster parent care benefit	There are four allowances and grants for foster care in total, of which two allowances are monthly contributions - contribution towards the child's needs and remuneration of the foster parent - and two are one-off contributions - a contribution for adoption and a contribution towards the purchase of a motor vehicle for a foster parent who has at least 4 children in his or her care. Repeated allowances are provided for a child in substitute family care to replace maintenance from parents, and to the foster parent as an appreciation of the fact that he or she is personally caring for another person's child. Under certain conditions, repeated allowances may be provided up to 26 years of age.
203.10.5.1.3.3	Social allowance	Income-tested payment to low-income families, with at least one dependent child.
203.10.5.1.3.4	Maintenance allowance	Payments to the family of a person engaged in national service
<b>6. ACTIVE LABOUR MARKET POLICIES</b>		
		See OECD Labour Market Policy database.
<b>7. UNEMPLOYMENT</b>		

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203.10.7.1.1.1	Unemployment compensation	Unemployment compensation for 6 months (the first three months at 50% of net previous earnings; the other three months at 40% of previous earnings from the applicant's last job. An applicant who is training to change vocation receives 60% of previous earnings during the training period.
<b>8. HOUSING</b>		
203.10.8.2.1.2	Housing allowance	Income-tested housing support to tenants and owners.
203.10.8.2.1.4	Benefit to owner-occupiers: Social Assistance in Competence of the Central Government	Supplement for housing that tackles cases where the income of the person or family, including the entitlement to a housing allowance from the system of state social support, is insufficient to cover justified housing costs.
<b>9. OTHER SOCIAL POLICY AREAS</b>		
203.10.9.1.1.1	Children's allowance	Guaranteed minimum subsistence income for families with dependent children.
203.10.9.2.1.1	Social allowance for parents of dependant children	This does not include social welfare benefits for children.
203.10.9.1.1.5	Income support: Social Assistance in Competence of the Central Government	Includes: 1) Allowance for living. Covers cases of material need and tackles the insufficient income of a person or family. 2) Extraordinary immediate assistance in case of a serious threat to health state. This benefit is provided to persons who find themselves in situations that have to be resolved immediately.
203.10.9.2.1.2	Other social assistance benefits	Means-tested support in cash and/or in kind.
203.10.9.2.2.1	Institutional social care	Institutional social care includes homes for seniors and disabled persons, boarding-houses and social welfare institutions. Homes for seniors and disabled persons provide a number of residential services for people who cannot ensure their own basic needs in the long-term. Boarding-houses offer basic services for clients whose health makes it possible to lead relatively independent lives. Social welfare institutions are for people, who cannot live alone, but who have family or someone who can take care of them for part of the day.
203.10.9.2.2.2	Non-recurrent benefits: contribution towards maintenance costs of automobile	A subsidy towards the general overhaul of a motor vehicle can be granted by the District Office to citizens with severe disabilities..
203.10.9.2.2.3	Non-recurrent benefits: contribution towards buying of automobile	The subsidy can be granted by the District Office to citizens with serious physical disability, handicap of movement, etc. who must rely on personal transport. The benefit can also be granted to parents of a dependent severely disabled, blind or mentally handicapped child over three years of age.
203.10.9.2.2.4	Non-recurrent benefits: contribution towards modification of housing	Support for severely disabled and blind people.
203.10.9.2.2.5	Non-recurrent benefits: contribution towards individual transport	Financial support towards transport costs of the disabled who do not have their own vehicle. Parents of a dependent child who receives treatment for defined diseases are also entitled.
203.10.9.2.2.6	Non-recurrent benefits: assistance in kind (both recurrent and non-recurrent)	In-kind benefits for the severely disabled, and/or the elderly. These benefits include home help services.,
203.10.9.2.2.7	Non-recurrent benefits: other (non-attributable)	Non-recurrent subsidies towards purchase of special aids; subsidy towards establishment of a telephone line, heating benefits (valid until 30 June 2000), etc.
203.10.9.2.2.10	Recurrent benefits: increased living costs	Include payments towards orphans, blind persons and citizens who use orthopedic (and other) equipment.
203.10.9.2.2.11	Recurrent benefits: allowance for individual health care	The allowance for individual health care includes: a subsidy towards the rent of a specially adapted home, a subsidy for renting a garage and contributions towards pet food.
203.10.9.2.2.12	Recurrent benefits: allowance in respect of residential complex aid, rent	Rent benefits were provided until 31 December 2000.
203.10.9.2.2.13	Recurrent benefits: other (non attributable)	Income-tested subsidy towards the telephone costs of the severely disabled, or the children of those over 70 who live alone.