***26. SOCIAL SECURITY***

*The social security scheme is the main instrument of the social policy and consists of the schemes of pension insurance, sickness insurance, state social support, assistance in material need, providing of social services (including care allowance) and other systems of benefits.*

*The****pension insurance scheme*** *provides security to citizens for old age, disability, or death of the breadwinner. The compulsory basic pension insurance scheme provides* ***old-age pensions****,* ***disability pensions****,* ***widows’*** *and/or* ***widowers’ pensions****, and****orphan pensions****. The scheme has continuous funding and the legal regulation is unified for all pension insured persons according to the Act No 155/1995 Sb on pension insurance as amended (hereinafter as the Act on Pension Insurance).*

*The****sickness insurance scheme*** *is intended for earning persons who are thereby secured for cases of temporary incapacity for work due to disease or injury by sickness insurance benefits. Sickness insurance is compulsory for employees (including members of the armed forces and security forces), on the contrary to the self-employed participation in the sickness insurance system, which remains voluntary. Since 2009 sickness insurance has been fully regulated by the Act No 187/2006 Sb on sickness insurance as amended (hereinafter as the Act on Sickness Insurance). The sickness insurance scheme of benefits consists of four benefits as follows:* ***sickness benefit****,* ***carer’s allowance****,* ***statutory maternity pay****, and****pregnancy and maternity compensation benefit****.*

*The system of* ***state social support*** *is regulated by the Act No 117/1995 Sb on the state social support as amended (hereinafter as the Act on State Social Support). The system secures targeted assistance to families with dependent children in defined social situations whose solution is beyond own forces and resources of the family. State social support benefits include* ***child allowance****,* ***parental allowance****,* ***housing allowance****,* ***birth grant****, and****funeral grant****. Some of them, as child allowance, housing allowance, and birth grant, are income tested and are provided depending on the income of the applicant and persons assessed jointly with the applicant.*

***Foster care*** *benefits, which were regulated by the Act on State Social Support till the end of 2012, has been forming a part of the Act No 359/1999 Sb on social and legal protection of children as amended. A child is provided with foster care by a registered person who performs foster care for an intermittent period, or by a caring person, namely as foster parent or guardian.*

*The system of* ***help in material need*** *is regulated by the Act No 111/2006 Sb on help in material need as amended. It is a form of assistance to natural persons having insufficient income which shall motivate the persons to make active efforts acquiring resources satisfying their basic needs of life and preventing them from social exclusion. It is established that every person is entitled to get basic information, which not merely help to solve his/her current conditions yet also prevent to occur the material need conditions.*

***Benefits for people with disabilities*** *that means mobility allowance and grant for special aid were introduced by the Act No 329/2011 Sb on providing benefits to the handicapped and on amendment to related acts as amended.*

*The Act No 108/2006 Sb on social services as amended (effective since 1 January 2007) introduced the****care benefit****. The entitled person for this benefit is a person who, due to long-term adverse health, is in need for assistance of other persons while taking care of themselves and providing for self-sufficiency within the extent as defined by law. The persons may, on the basis of their own free will, reimburse professional social services or use the allowance to cover essential expenses for providing care within a family.*

*Such a job seeking person is entitled to get* ***unemployment benefits*** *who complied with conditions as defined by the Act No 435/2004 Sb on employment as amended.*

*Data in tables in Chapter* ***26*** *are taken from the Ministry of Labour and Social Affairs.*

***Notes on Tables***

*Table* ***26****-1* ***Expenditure on social security benefits of the population***

*Respective benefits, allowances, and grants are given in detail breakdowns in following tables of this chapter and described in general in the methodological notes.*

***Pension insurance******benefits*** *include advance payments for pensions to be paid at the beginning of the calendar year. They, conversely, do not include advance payments for pensions paid from the previous calendar year.*

*Benefits* ***for people with disabilities*** *were introduced in 2012 and replaced then applied scheme of benefits for the handicapped, as, for instance, motor vehicle operation allowance, grant for purchase, capital repair, and special modification of a motor vehicle, individual transport allowance, housing adaptation grant, etc.*

*Tables* ***26****-2 to* ***26****-6* ***Pension insurance scheme, types of pension***

*Tables give pensions provided according to the Act on Pension Insurance. The tables do not include data on armed forces of the Ministry of Defence, Ministry of the Interior, and the Ministry of Justice.*

*Entitlement for pension is born by compliance with conditions which are different for each respective type of pension.*

–***full old-age pension*** *may be received either once* ***the age limit for retirement*** *has been reached and then it is a regular old-age pension; or in time before the age limit for retirement has been reached as determined by law and then it is* ***premature old-age pension****. Entitlement for full old-age pension as well as premature one is simultaneously conditioned by acquiring the necessary period of insurance. When retiring to the premature old-age retirement the pension is reduced in accordance with how much time remains to reaching the old-age retirement limit. If the required period of insurance of the full old-age pension the insured person may, after having reached a determined shorter period of insurance and higher age determined by law, be granted a****proportional pension****;*

*–****disability pension*** *is acquired by an insured person whose ability to work was reduced due to long-term adverse health condition by 35%, at least, and who has not reach the age of 65 years or the old-age retirement limit, if it is higher. In order the disability pension may be granted the condition of the necessary period of insurance for the entitlement for disability pension must be complied with as well unless it is disability due to an occupational injury, occupational disease, or due to some of causes related to the national defence. At the age of 65 years the entitlement for disability pension is void and is converted into old-age pension. Depending on the level of the reduction of the ability to work the disability is broken down to* ***disability of the first degree*** *(reduction by 35% to 49%),* ***disability of the second degree*** *(reduction by 50% to 69%), and****disability of the third degree*** *(reduction by 70% and more), and the amount of the disability pension is also derived from;*

*– surviving wife or husband are entitled to* ***widows’ and/or widowers’ pension*** *under condition that the deceased persons was a recipient of old-age pension or disability pension, or by the day of his/her death had met prerequisites for entitlement for disability or old-age pension, or deceased due to an occupational injury (occupational disease). Unless special conditions for further payment of widows’ and/or widowers’ pension entitlement for these types of pension ceases to exist after the period of one year;*

*– entitlement to* ***orphan pension*** *can only be born to a dependent child whose parent passed away (a person who had taken care of the child) was a recipient of old-age or disability pension, or died due to an occupational injury (occupational disease); or in case the deceased person was compliant with the duration of insurance condition established by law; and*

– *the types of pension given may be paid separately, then they are so-called* ***single pensions****. Widows’ and widowers’ pensions may be paid simultaneously with old-age or disability pension (****combined pensions****). If conditions for entitlement for payment of widows’ and/or widowers’ pension are complied with simultaneously then rules for concurrent pensions apply.*

*Table* ***26****-3* ***Pension recipients by type of pension and by sex***

*The table shows data on recipients of single old-age pensions and on recipients of old-age pensions simultaneously with widows’ and/or widowers’ pensions (combined pensions). The category of recipients of disability pensions includes both recipients of single disability pensions and recipients of combined disability and widows’ and/or widowers’ pensions.*

*On the contrary, the category of recipients of widows’ and widowers’ pensions includes merely recipients of these types of pension (single pensions) without any simultaneously paid old-age or disability pensions. The total number of pension recipients is the sum of the categories.*

*Table* ***26****-4* ***Average monthly amount of single pensions paid in December of a given year***

*The table shows for all categories only data on single pensions paid. Data on combined pensions, in which multiple types of pension are paid simultaneously to the same recipient, are not given here.*

*Table* ***26****-5* ***Pension recipients by monthly amount of pension paid***

*The table gives average monthly amounts of pensions paid in December.*

*The amounts concern solely single pensions paid in every category but the widows’ and/or widowers’ pensions. Combined pensions as simultaneously paid multiple types of pensions are given just for the widows’ and/or widowers’ pensions here.*

*Table* ***26****-6* ***New pensions granted – basic indicators by type of pension***

*The table does not include pensions paid abroad. The indicator of the average amount of new pensions granted includes solely single pensions.*

*If the socially secured person has met conditions for full old-age pension by reaching the age limit for retirement (retirement age), he/she may* ***at the age limit for retirement*** *receive regular old-age pension, or may by further performing of gainful activities after, he/she has met conditions of entitlement do old-age pension, increase percentage of the assessment of his/her old-age pension (****delayed retirement****). Entitlement for disability pension ceases to exist by reaching the age of 65 years and, at the same time, entitlement for old-age pension is born (in Table referred to as old-age pension formed after disability pension).*

*Tables* ***26****-7 to* ***26****-9* ***Sickness insurance scheme***

*The indicator of the****average number of the sickness insured*** *shows the average number of persons who are sickness-insured under the Act on Sickness Insurance. Data given in the table include solely the civilian sector, i.e. exclude members of the Police of the CR, Fire and Rescue Service of the CR, Czech Customs Administration, Prison Service of the CR, Security Information Service, Office for Foreign Relations and Information, and professional soldiers.*

*Characteristics of respective sickness insurance benefits:*

*–****sickness benefit*** *– employees or own-account workers are entitled to receive sickness benefits in a case of the incapacity for work due to disease or injury found by a physician or if quarantine is imposed for the period sickness benefit is to be paid as defined by law;*

*–****carer’s allowance*** *is paid to employees taking care of a sick family member, or of a healthy child aged under 10 (in cases when educational or children’s facilities are closed, if quarantine has been imposed to a child, or if a person regularly taking care of a child has fallen ill);*

*–****statutory maternity pay*** *has been since 2011 paid starting on the day, which the insured persons has to determine in the period from the beginning of eighth to the beginning of sixth week prior the anticipated birthday. The period of support is 28 weeks (for the insured who gave birth to two and more children at the same time the period of support is 37 weeks); and*

*–****pregnancy and maternity compensation benefit*** *is provided to female employees who had to be moved to another, less paid job due to pregnancy (maternity or breastfeeding).*

*Expenditure on sickness insurance benefits is observed for the following groups of persons:*

*–****employees*** *– benefits paid to employees having employment contracts with legal persons (including members of producer cooperatives), and benefits paid to employees of natural persons and to employees with employment contract at citizens to provide services for personal needs of the citizens (maids, baby sitters, etc.); and*

*–****own-account workers*** *– benefits paid to persons working to their own account (i.e. persons who perform artistic or other creative activities; persons in business, and other self-employed own-account workers; self-employed own-account farmers utilising agricultural land and earning for their own account, including other persons; and sportspersons, who declare themselves professionals; if there are no labour-legal relations or similar according to appropriate legal regulations).*

*Table* ***26****-10* ***Expenditure on******state social support benefits and foster care benefits***

*Characteristics of some of the benefits:*

*–****child allowance*** *is a basic long-term benefit provided to families with dependent children, which do not reach the multiple of living minimum income determined by law. Its amount depends on the dependent child age;*

*–****housing allowance*** *is a benefit the state contributes to low-income families and individuals to cover their housing costs. Entitlement for the housing allowance is born to the owner or tenant of a dwelling registered to the permanent residence in the dwelling if 30% (35% in Prague) of the family income are not enough to cover housing costs and, simultaneously, these 30% (35% in Prague) of the family income is lower than the appropriate normative costs determined by law;*

*–****parental allowance*** *is provided to a parent who throughout the calendar month personally, round-the-clock, and duly cares for a child who is the youngest in the family till the total amount of CZK 220 000 is drawn, yet to 4 years of the child age at the latest; and*

*– the category of* ***other*** *in the table includes expenditure on benefits as follows: birth grant, funeral grant, provision allowance (paid till 31 December 2004), care allowance for child in an establishment (paid from 1 October 2005 to 31 May 2006), school aids allowance (paid from 1 June 2006 to 31 December 2007), and additional social allowance (paid till 31 December 2011).*

***Foster care******benefits*** *contribute to needs related to the care of a child entrusted to foster care, because his/her own parents are not able or willing to care themselves.*

*At present there are five types of foster care benefits as follows:* ***foster child allowance****,* ***foster parent allowance****, and the category of* ***other*** *includes fostering grant, motor vehicle grant, and since 2013 the newly introduced allowance at termination of foster care.*

*Table* ***26****-11* ***Benefits of help in material need and care benefit***

*The table contains data on average monthly numbers of benefits paid and on all-year expenditure within the system of assistance in material need and in the framework of the care allowance.*

*The system of help in material need distinguishes benefits as follows:*

*–****living******allowance*** *helps persons or families on insufficient income. A person or family whose income is below the amount of living after justified housing costs are deducted are entitled to this allowance. The amount of living is established on a case-by-case basis based on the evaluation of the person efforts and opportunities;*

*–****supplementary housing allowance*** *deals with insufficient income to cover housing costs where the income of the person or family, including the housing allowance from the system of state social support, is insufficient to cover; and*

*–****extraordinary immediate assistance*** *provided to low-income persons who find themselves in conditions that have to be resolved immediately: namely health harm hazard, effects of serious emergency (natural disaster, ecological disaster, etc.), risk of social exclusion (release from custody or from prison), lack of resources to cover a one-time expense or to purchase or repair things of long-term consumption, or potentially to cover justified costs incurred in relation to the education or special interests of dependent children.*

*The****care benefit*** *is for persons, who due to a long-term health condition need assistance of another person when taking care of oneself and providing for self-sufficiency, in the scope as defined by law in the level of dependence. The person may use it to pay either a professional social service or the costs of care provided by the family members at his/her free will. The allowance amount is determined taking into account the level of person’s dependence and his/her age.*

*Table* ***26****-12* ***Benefits for people with disabilities***

*The****mobility allowance*** *is a recurrent benefit for persons who are not able to take care of themselves and provide for self-sufficiency in terms of their mobility or orientation and repeatedly move or are being transported in a calendar month.*

*The****grant for special aid*** *is a onetime allowance for the acquisition of a special aid enabling the disabled person to take care of themselves and work, prepare for future occupation, obtain information, get educated, and/or make contacts with their surroundings.*

*Table* ***26****-13* ***Unemployment benefits***

*A* ***job applicant*** *is entitled to**the****unemployment benefit*** *for a defined support period if he/she has met determined prerequisites and submitted a written application for granting of the unemployment benefit to a regional branch of the Labour Office of the CR at which he/she is kept in the register of job applicants.*

***Compensations of pay-offs, severance and redundancy payments*** *are provided by the Labour Office to an applicant who has become entitled to the unemployment benefit yet the compensation of pay-off, severance, and/or redundancy payment was not paid to him/her within the period determined after his/her employment or service contract had been terminated.*

*The****unemployment benefit is reimbursed to abroad*** *in the case when the unemployment benefits are paid by the country of residence, which is not the country of the person’s last gainful activity. In such case the country of residence shall ask the country of the person’s last gainful activity for reimbursement of a portion of the unemployment benefits, which the country of residence has paid to the unemployed person.*

*Table* ***26****-14* ***Selected residential social service establishments***

*The main sense of* ***social services*** *is to provide for assistance in personal care, providing of food and meals, accommodation, assistance in housekeeping, treatment, assistance with upbringing, consultancies, facilitation of contacts with social environment, psychotherapy and sociotherapy, and assistance in enforcing rights and interests. From the point of view of the social services clients these shall mean namely development, or, at least, maintaining of the current self-subsistence, return to own home environment, recovery or maintaining of the original way of life, furthermore, progress in abilities and enabling independent life, and reduction of social and health risks related to the way of life of the clients.*

*Selected types of social service establishments (pursuant Section 34 of the Act No 108/2006 Sb) are as follows:*

*–****retirement homes*** *offer residential services to people with limited self-sufficiency namely due to old age and their conditions need regular assistance of another person;*

*–****special care homes*** *offer residential services to people with limited self-sufficiency due to chronic mental illness or drug addiction, and to people with senile dementia, Alzheimer’s dementia or other type of dementia who need regular assistance of another person. The care in these establishments is tailored to specific needs of such individuals;*

*–****homes for people with disabilities*** *offer residential services to people with limited self-sufficiency due to disability that need regular assistance of another person;*

*–****reception centres*** *offer short-term residential services to people who are in a difficult social condition accompanied with lost housing;*

*–****sheltered housing*** *provides accommodation services to persons with limited abilities to live independently due to either heath handicap or chronic disease, including mental illness, whose conditions require assistance of other persons; the sheltered housing can be in the form of collective or individual housing;*

*–****week care centres*** *provide accommodation services in specialised establishments to the elderly, persons with disabilities, and persons endangered by abuse of addictive substances, conditions of whose require assistance of another person on a regular basis;*

*–****social rehabilitation service centres*** *provide social rehabilitation**services as a set of specific activities leading to achievement of self-sufficiency, independence and self-sustainability of persons by means of developing their specific skills and competencies, reinforcing habits, and training of everyday activities inevitable for independent living using alternative methods that utilise remaining their skills, potentials, and competencies; and*

*–****halfway houses*** *offer temporary residential services to persons up to 26 years of age who leave educational facilities for the execution of institutional and protective care after reaching their majority. In some cases they provide services also to persons from other institutional facilities for the child and youth care.*

*Table* ***26****-15* ***Selected data on social services provided***

*Selected social services (according to the Act No 108/2006 Sb):*

*–****home care services*** *are provided to children, persons with disabilities, and to the elderly, conditions of whom require assistance of other persons and are provided in their natural environment as well as in specialised institutions. This is a paid service. The services are provided free of charge to families with three or more babies born at the same time, participants in the resistance, and surviving husbands (wives) of the participants in the resistance older than 70 years of age;*

*–****relief services*** *are out-patient or in-patient services provided to persons with disabilities or to the elderly conditions of which require assistance of other persons yet who are otherwise being cared of by an intimate person in the household. The services objective is to enable the caring person to take the necessary rest. This is a paid service;*

*–****personal assistance*** *is provided in the natural social environment to persons with disabilities and to the elderly conditions of which require assistance of other persons with the scope and time agreed in advance. This is a paid service;*

*–****social activation services for the elderly and disabled persons*** *are out-patient or field services provided to the retired or to persons with health handicap in jeopardy of social exclusion;*

*–****supported housing*** *is a on the spot service provided to persons whose self-sustainability is reduced due to health handicap or a chronic disease, including mental disorders, and whose situation requires assistance of other natural person;*

*–****emergency assistance services*** *is a field service providing continuous distance voice and electronic communication with persons exposed to permanent high risks of health damage or life endangerment in case of an abrupt aggravation of their health status and/or abilities; and*

*–****interpreting services*** *are services provided on the spot, or occasional outsourced services, provided to persons with communication disorders caused by, first of all, severe sense impairments which hinder common communication of with the surroundings without having an assistance of other natural person.*

*Table* ***26****-16* ***Expenditure on social protection according to the ESSPROS core system***

*The European System of integrated Social PROtection Statistics (ESSPROS) was developed by Eurostat in accordance with the Regulation (EC) No 458/2007 of the European Parliament and of the Council of 25 April 2007 on the European system of integrated social protection statistics (ESSPROS). The ESSPROS is a common framework enabling comprehensive international comparison of administrative data on social benefits to households and their financing in the EU Member States. In the ESSPROS core system the concept of* ***social protection*** *is defined as all interventions from public or private bodies intended to relieve financial burden of households following from numerous risks or needs. Groups of risks and/or needs relate to respective functions of social protection of the ESSSPROS system, which are established as follows:*

*–****sickness/health care*** *– income maintenance and support in cash or kind in connection with physical or mental illness, excluding disability. Health care ended to maintain, restore or improve health of the people protected irrespective of the origin of the disorder;*

*–****disability*** *– income maintenance and support in cash or kind (except health care) in connection with the inability of physically or mentally disabled people to carry out economic and social activities;*

*–****old age*** *– income maintenance and support in cash or kind (except health care) in connection with old age;*

*–****survivors*** *– income maintenance and support in cash or kind in connection with the death of a family member;*

*–****family/children*** *– support in cash or kind (except health care) in connection with costs of pregnancy, childbirth and adoption, bringing up children, and caring for other family members;*

*–****unemployment*** *– income maintenance and support in cash or kind in connection with unemployment;*

*–****housing*** *– help towards the cost of housing; and*

*–****social exclusion not elsewhere classified*** *– benefits in cash or kind (except health care) specifically intended to combat social exclusion where they are not covered by one of the other functions.*

*The core system deals only with social protection provided in the form of cash payments, reimbursements, and directly delivered goods and services to households and individuals.*

*Methodology of the calculation of expenditure on social protection according to the ESSPROS core system differs from that applied for expenditure on social security benefits used in other tables in the chapter.*

*\* \* \**

Further data can be found on the website of the Czech Statistical Office at:

– [www.czso.cz/csu/czso/social-security](https://www.czso.cz/csu/czso/social-security)

or on the websites of other institutions at:

– [www.mpsv.cz/en/](http://www.mpsv.cz/en/) – Ministry of Labour and Social Affairs

– [www.cssz.cz/en/about-cssa/](http://www.cssz.cz/en/about-cssa/) – Czech Social Security Administration