

# Eurostat

## Labour market policy statistics

### Qualitative report

Czech Republic, 2019

---

## TABLE OF CONTENTS

- A Introduction
- B Inventory of interventions
- C Qualitative information by intervention
- D Reference data
- E Abbreviations

## A - Introduction

## Introduction

The Eurostat Labour Market Policy (LMP) database collects information on labour market interventions implemented by each of the EU Member States and Norway. Data are collected according to a comprehensive methodology, which classifies interventions into three main types – services, measures and supports – and into nine detailed categories according to the type of action (see below). Readers are recommended to refer to the LMP methodology <sup>1</sup> for details of this classification scheme and definitions of terms used in this report.

The LMP database collects quantitative data on expenditure and participants for each intervention. These are published annually and are available online from the Eurostat website <sup>2</sup>. The quantitative data are complemented by a set of qualitative information describing each intervention. This represents an invaluable source of reference to support a harmonised approach to the classification of national interventions and to help interpret the detailed figures on expenditure and participants. These qualitative data are compiled into a series of **Labour market policy statistics: Qualitative Reports** and produced as separate volumes for each country/year.

The reports all have the same structure:

- Part A Introduction

- Part B Inventory of interventions - a list of all interventions reported for the relevant year, grouped by type of action and including a national language version of the intervention name.

- Part C Qualitative information by intervention - presents the available information about each intervention in three sections: *Identification*, *Description*, and *Supplementary information*. The *Description* contains seven sub-sections: Aim, Beneficiaries/participants, Action/instrument, Financing/support, Eligibility, Legal basis, and Recent changes. The *Supplementary information* contains eight sub-sections describing the breakdown of expenditure, target groups, the treatment of unemployment spells, receipt of benefits, planned duration and other characteristics of the intervention. Together, these items summarise the qualitative information collected through the LMP questionnaire.

- Part D Reference data - provides a description of the populations considered as reference data within the LMP database, giving national definitions of those considered as registered unemployed and other groups registered with the public employment services (PES).

- Part E Abbreviations

The qualitative information in the LMP database is updated annually with the contribution of delegates from each country and Eurostat cannot take responsibility for the validity of the content. The reports are published annually by Eurostat in English and reports for other years that are not currently in the online library can be produced on request.

### Classification of interventions by type of action

#### *LMP services*

1. Labour market services

#### *LMP measures*

2. Training
4. Employment incentives
5. Supported employment and rehabilitation
6. Direct job creation
7. Start-up incentives

*LMP supports*

- 8. Out-of-work income maintenance and support
- 9. Early retirement

<sup>1</sup>

[http://epp.eurostat.ec.europa.eu/portal/page/portal/product\\_details/publication?p\\_product\\_code=KS-GQ-13-002](http://epp.eurostat.ec.europa.eu/portal/page/portal/product_details/publication?p_product_code=KS-GQ-13-002)

<sup>2</sup> [http://epp.eurostat.ec.europa.eu/portal/page/portal/labour\\_market/labour\\_market\\_policy](http://epp.eurostat.ec.europa.eu/portal/page/portal/labour_market/labour_market_policy)

## B - Inventory of interventions

Category, intervention number and name (English/National language)

1	Labour market services	
1	Job placement service	Zprostředkování zaměstnání
6	Vocational rehabilitation for disabled	Pracovní rehabilitace osob se zdravotním postižením
14	Other services and overheads of the PES	Další služby trhu práce a náklady PZ
2	Training	
2	Retraining of registered unemployed	Rekvalifikace uchazeče o zaměstnání
26	Self-organized retraining of registered unemployed	Zvolená rekvalifikace uchazečů o zaměstnání
4	Employment incentives	
7	Socially useful jobs (SÚPM)	Společensky účelná pracovní místa (SÚPM)
19	Tutoring allowance for newly hired jobseekers	Příspěvek na zapracování
21	Targeted programmes	APZ - Cílené programy
27	Commuting allowance	Příspěvek na dojíždění do práce
28	Relocation allowance	Příspěvek na přestěhování
4	Contribution for transition to a new entrepreneurial programme	Příspěvek při přechodu na nový podnikatelský program
5	Supported employment and rehabilitation	
5	Contribution for the creation of a job for a person with a disability	Příspěvek na zřízení pracovního místa pro osobu se zdravotním postižením
16	Support for businesses with a high share (>50%) of disabled employees	Příspěvek na podporu zaměstnávání osob se zdravotním postižením na chráněném trhu práce
6	Direct job creation	
8	Public works programme (VPP)	Veřejně prospěšné práce (VPP)
7	Start-up incentives	
12	Contribution for the creation of a job for a person with a disability - self-employment	Příspěvek na zřízení pracovního místa pro osobu se zdravotním postižením - samostatná výdělečná činnost
13	Socially useful jobs (SÚPM) - self-employment	Společensky účelné pracovní místo (SÚPM) - samostatná výdělečná činnost
24	Bridging contribution	Překlenovací příspěvek

8	Out-of-work income maintenance and support	
3	Unemployment benefit	Podpora v nezaměstnanosti uchazečů o zaměstnání
10	Employer insolvency protection	Ochrana zaměstnanců při platební neschopnosti zaměstnavatele
9	Early retirement	

Mixed                    \$\$353

*Number of measures:*    **46**



## C - Qualitative information by intervention

## Identification

Country Czech Republic 2019 Category 1 - Labour market services  
Intervention n°/name 1 Job placement service  
Type of action: 1.1 - Client services

## Description

### Aim:

Mediate employment by matching jobseekers to suitable vacancies and finding suitable workers for employers.

### Beneficiaries:

All persons seeking employment through the labour office.

### Action/Instrument:

Employment brokerage in the terms of law refers to activities focused on seeking suitable employment for citizens who seek a job and activities focused on seeking suitable employees for employers who need new workers. Employment brokerage includes also counselling and the provision of relevant information. It includes e.g.:

- Recommended jobs
- Information on job vacancies
- Psychological and ergodiagnosical examination and counselling
- Individual or group counselling
- Information on retraining
- Jobclubs and Workshops
- Motivational courses
- Complex Assessment
- Traineeship

Employment brokerage is available to all jobseekers. Those who are registered jobseekers and meet the relevant eligibility criteria will receive unemployment benefits. Others may be in receipt of allowances under laws no. 100/1988 Col., on social welfare, no. 117/1995 Col., on state social support, partial disability pension or full disability pension.

Expenditure on these services are provided as a share of total labour costs of Labour Offices corresponding to the share of employees performing brokerage and counselling in total number of employees.

### Financing/Support:

Financial resources are provided from the Central budget.

The Labour Offices are responsible for implementation.

### Eligibility:

### Legal basis:

(Part two of the Law no. 1/1991 col. regarding employment.)

Part two of the Law no 435/2004 col.

### Recent changes:

## Supplementary information

Breakdown of expenditure:	Transfers to service providers
Target groups:	Registered unemployed (All) Other registered jobseekers (All)
Treatment of unemployment spells:	Continuous/Continuous
Receipt of benefits:	Cash benefits (Source: Unemployment benefit)
Planned duration:	Continuously available
Responsible institution(s):	Public employment services

Source: Eurostat LMP database. Date of extraction: 31 March 2021

Area of application: National  
Implementation: *Year started:* 1991 *Year Ended:* Ongoing

## Identification

Country Czech Republic 2019 Category 1 - Labour market services  
Intervention n°/name 6 Vocational rehabilitation for disabled  
Type of action: 1.1.2 - Individual case-management

## Description

### Aim:

This measure aims to enable persons with changed working abilities to retain their current employment or to be employed in a different or new suitable job.

### Beneficiaries:

Persons with official recognition of their changed working abilities.

### Action/Instrument:

Persons with changed working abilities are provided with the vocational rehabilitation. It is a complex process aiming to enable such person to continue with his/her current employment or other suitable employment or in case of unemployment persons find new suitable employment. This includes job counselling, job training, job placement and creation of suitable conditions at the job place. Participants of this measure are persons with changed working abilities who want to work.

The rehabilitation may involve placement of persons onto other measures - CZ-2 Retraining of registered unemployed, CZ-5 Contribution for the creation of a job for a person with a disability. Participants may also receive unemployment benefits covered in CZ-3.

Vocational rehabilitation services are provided in the Labour Offices by the same staff that are involved in job placement service (see CZ-1). Some services are also subcontracted to specialist providers.

### Financing/Support:

Financial resources are provided from the Central budget.

The Labour Offices are responsible for implementation.

### Eligibility:

Persons with official recognition of their changed working abilities.

### Legal basis:

§§ 69 - 74 law no. 435/2004 col., MLSA Note no. 518/2004 col.

### Recent changes:

## Supplementary information

Breakdown of expenditure:	Transfers to service providers
Target groups:	Registered unemployed (Disabled) Other registered jobseekers (Disabled) Employed (Disabled)
Treatment of unemployment spells:	Continuous/Continuous
Receipt of benefits:	Cash benefits (Source: Other LMP intervention)
Planned duration:	Variable
Responsible institution(s):	Public employment services
Area of application:	National
Implementation:	<i>Year started:</i> 1991 <i>Year Ended:</i> Ongoing

## Identification

Country Czech Republic 2019 Category 1 - Labour market services  
Intervention n°/name 14 Other services and overheads of the PES  
Type of action: 1.2 - Other activities of the PES

## Description

Aim:

Beneficiaries:

Action/Instrument:

All PES services other than job placement service (see CZ-1) and vocational rehabilitation for disabled (CZ-6).

The other services and activities covers:

- administration of passive and active measures,
- administration of social benefits (from 2004),
- administration of work permits and registration of foreigners (changed organisation in 2004 according to treatment of EU and non-EU nationals),
- EURES counsellors intermediating the jobs in abroad,
- administration of ESF projects,
- checking (e.g. work security),  
etc.

Financing/Support:

Covers the total costs of Labour Offices (does not include costs of PES centre within MLSA).

Eligibility:

Sources are provided from the Central budget.

Legal basis:

Recent changes:

## Supplementary information

Breakdown of expenditure: Transfers to service providers  
Target groups: No answer  
Treatment of unemployment spells: Not relevant  
Receipt of benefits: None  
Planned duration: Not specified  
Responsible institution(s): Public employment services  
Area of application: National  
Implementation: *Year started:* Not available *Year Ended:* Ongoing

## Identification

Country Czech Republic 2019 Category 2 - Training  
Intervention n°/name 2 Retraining of registered unemployed  
Type of action: 2.1 - Institutional training

## Description

### Aim:

Provide training and retraining of registered unemployed in order to improve employability.

### Beneficiaries:

Registered unemployed

### Action/Instrument:

The measure provides opportunities for the training and retraining of registered unemployed persons in order to provide them with the necessary skills to find employment. The training is tailored to the needs of individual, taking into account their existing qualifications (if any). The courses therefore vary in duration and content and may be theoretical or practical. All courses must be certified by the Ministry of Labour and Social Affairs and participants receive a certificate upon completion. Expenditure on this measure relates to the costs of the training courses, which are provided by specialised schools contracted by the labour offices.

Participants in retraining courses who are eligible for unemployment benefits continue to receive benefits and the amounts are elevated by 20% during the training period. Persons who are not eligible for benefits receive payments of 60% of previous wage, up to a maximum of 2.8 times the minimum subsistence income. At the present time none of this expenditure can be separated from the overall expenditure on unemployment benefits and is included in measure CZ-3 in category 8. There may also be some reimbursement of course related costs - e.g. working clothes, books, etc.

Participants may also be in receipt of allowances under laws no. 100/1988 Col., on social welfare, no. 117/1995 Col., on state social support, partial disability pension or full disability pension.

### Finanacina/Support:

Financial resources are provided from the Central budget and ESF.  
The Labour Offices are responsible for implementation.

### Eligibility:

### Legal basis:

(§ 10 of law no. 1/1991 col., § 6 of law no. 9/1991 col.)  
§ 109 of law. no. 435/2004 col.

### Recent changes:

## Supplementary information

Breakdown of expenditure: Transfers to individuals ( Lump-sum payments), Transfers to employers ( Lump-sum payments), Transfers to service providers  
Target groups: Registered unemployed (All)  
Treatment of unemployment spells: Continuous/Continuous  
Receipt of benefits: Cash benefits (Source: Unemployment benefit)  
Planned duration: Variable  
Responsible institution(s): Public employment services  
Area of application: National  
Implementation: *Year started:* 1991 *Year Ended:* Ongoing

Source: Eurostat LMP database. Date of extraction: 31 March 2021

## Identification

Country Czech Republic 2019 Category 2 - Training  
Intervention n°/name 26 Self-organized retraining of registered unemployed  
Type of action: 2.1 - Institutional training

## Description

### Aim:

The aim of this intervention is to contribute to the employability of the job seeker or person interested in work on the labour market.

### Beneficiaries:

Registered unemployed

### Action/Instrument:

The job seeker or a person interested in work find retraining by himself/herself, chooses the type of work he/she wants to be retrained for as well as the retraining facility. After the completion of retraining, the Labour Office may cover the costs of retraining (upon condition that the retraining contributes to the employability of the registered unemployed on the labour market and is suitable given his/her health condition).

### Financing/Support:

Financial resources are provided from the Central budget and ESF.  
The Labour Offices are responsible for implementation.

### Eligibility:

Registered unemployed or jobseeker

### Legal basis:

§ 109a of Act No. 435/2004 Col., as amended by Act No. 367/2011 Col.

### Recent changes:

## Supplementary information

Breakdown of expenditure: Transfers to service providers  
Target groups: Registered unemployed (All)  
Treatment of unemployment spells: Continuous/Continuous  
Receipt of benefits: None  
Planned duration: Variable  
Responsible institution(s): Public employment services  
Area of application: National  
Implementation: *Year started:* 2012 *Year Ended:* Ongoing

## Identification

Country Czech Republic 2019 Category 4 - Employment incentives  
Intervention n°/name 7 Socially useful jobs (SÚPM)  
Type of action: 4.1 - Recruitment incentives

## Description

### Aim:

Provide job placements for registered unemployed persons who are particularly difficult to place, in order to create and/or maintain their working habits.

### Beneficiaries:

Registered unemployed persons that cannot be found a job through any other means.

### Action/Instrument:

PBWP refers to new working places that are established on the basis of a written agreement between the employer and the labour office. These places can only be filled by registered unemployed persons and particularly those that cannot be placed in work through any other means. The jobs must be maintained by the employer for at least 2 years.

The employer receives a contribution from the labour office in the form of repayable interest-free loan, bank credit interest subsidy, single-purpose grant for purchasing machines and equipment and for the defrayal of other costs incurred in creation such job. The contribution can also be used as a wage subsidy. The maximum amount granted per one working place is 80 000 CZK.

### Financing/Support:

Financial resources are provided from the Central budget and ESF.  
The Labour Offices are responsible for implementation.

### Eligibility:

### Legal basis:

§ 5 law no. 9/1991 col., MLSA Note no. 35/1997 col.

### Recent changes:

## Supplementary information

Breakdown of expenditure: Transfers to employers (Periodic cash payments, Lump-sum payments)  
Target groups: Registered unemployed (All)  
Treatment of unemployment spells: Broken  
Receipt of benefits: None  
Planned duration: Typical: 6 Months, Maximum: 12 Months  
Responsible institution(s): Public employment services  
Area of application: National  
Implementation: *Year started:* 1991 *Year Ended:* Ongoing



### Identification

Country Czech Republic 2019 Category 4 - Employment incentives  
Intervention n°/name 19 Tutoring allowance for newly hired jobseekers  
Type of action: 4.1 - Recruitment incentives

### Description

**Aim:**

Provide help for jobseekers from special target groups to settle into a new job.

**Beneficiaries:**

Jobseekers from special target groups - those who receive a special attention from the Labour office because of their health, age, caring for children, or other serious reasons.

**Action/Instrument:**

On the basis of an agreement with the Labour office, the employer assigns one of the current employees to help the new worker for up to 3 months. The employer then receives an allowance of up to half of the minimum wage in order to compensate for the time that the existing employee spends helping the assigned new one.

**Finanacina/Support:**

Financial resources are provided from the Central budget.

The Labour Offices are responsible for implementation.

**Eligibility:**

The hired jobseeker must be from a special target group as identified in the Employment Act No. 435/2004 Col., §33.

**Legal basis:**

Employment Act No. 435/2004 Col., §33, §116

**Recent changes:**

### Supplementary information

Breakdown of expenditure: Transfers to employers (Periodic cash payments)  
Target groups: Registered unemployed (All, Public priorities and Other)  
Treatment of unemployment spells: Broken  
Reciept of benefits: None  
Planned duration: Typical: 3 Months, Maximum: 3 Months  
Responsible institution(s): Public employment services  
Area of application: National  
Implementation: *Year started:* 2004 *Year Ended:* Ongoing

## Identification

Country Czech Republic 2019 Category 4 - Employment incentives  
Intervention n°/name 21 Targeted programmes  
Type of action: 4.1 - Recruitment incentives

## Description

**Aim:**

To increase employability and employment of job seekers and to reduce unemployment rate in micro-regions.

**Beneficiaries:**

All registered, other registered.

**Action/Instrument:**

Specific programs targeted on people experiencing difficulties on the labour market or on microregions with problems. When these programs are implemented at regional or district level, they are proposed by the office of work to the Ministry of Labour and Social Affairs, and in case of national level they are authorized by the government. They are usually short-term programs (mostly one year). They are applied on graduates of school, adolescent and/or groups of applicants with disability. At micro level, they mainly solve problems of employment in under-developed areas (for example during the closure of a factory or enterprise; employees at risk of unemployment in specific areas). They are funded by the ministry, from reserve of resources for active labour policy.

**Financing/Support:**

Financial resources are provided from the Central government budget and European Social Fund (ESF).  
The Central government is responsible for implementation.

**Eligibility:**

Registered jobseekers, whom PES gives from law increasing care.

**Legal basis:**

Employment Act No. 435/2004 Col., §110

**Recent changes:**

## Supplementary information

Breakdown of expenditure: Transfers to employers (Periodic cash payments)  
Target groups: Registered unemployed (All, Youth, Disabled)  
Treatment of unemployment spells: Continuous/Continuous  
Receipt of benefits: Cash benefits (Source: Unemployment benefit, Other LMP intervention)  
Planned duration: Typical: 5 Months, Maximum: 1 Years  
Responsible institution(s): Central government  
Area of application: National  
Implementation: *Year started:* 2005 *Year Ended:* Ongoing

## Identification

Country Czech Republic 2019 Category 4 - Employment incentives  
Intervention n°/name 27 Commuting allowance  
Type of action: 4.1.2 - Temporary

## Description

### Aim:

Promote employment of disadvantaged people in the labour market and offset regional differences in supply and demand for labour.

### Beneficiaries:

Job seekers registered with the employment department of the Czech Republic for more than 5 months.

Job seekers who cannot find employment in their place of residence due to their individual characteristics.

Persons who are or have been threatened by the loss of employment due to declared collective redundancy by the employer.

### Action/Instrument:

The allowance is provided on a flat-rate basis for a maximum of 12 months and is based on the distance to the place of work (allowance for commuting).

The benefit has been first implemented in the regions of Ústecký, Jihomoravský, Olomoucký, Moravskoslezský, Karlovarský and Královéhradecký (from July 2016). Since November 2016, it has been extended to the whole of the Czech Republic.

### Financing/Support:

Funding is from national funds.

### Eligibility:

Unemployed and job seekers.

### Legal basis:

Employment Act No. 435/2004

### Recent changes:

## Supplementary information

Breakdown of expenditure: Transfers to individuals (Periodic cash payments)

Target groups: Registered unemployed (All)  
Other registered jobseekers (All)

Treatment of unemployment spells: Continuous/Continuous

Receipt of benefits: Cash benefits (Source: Current intervention)

Planned duration: Typical: 12 Months, Maximum: 12 Months

Responsible institution(s): Public employment services

Area of application: National

Implementation: *Year started:* 2016 *Year Ended:* Ongoing

## Identification

Country Czech Republic 2019 Category 4 - Employment incentives  
Intervention n°/name 28 Relocation allowance  
Type of action: 4.1.2 - Temporary

## Description

### Aim:

Supporting the regional mobility of jobseekers and applicants.

### Beneficiaries:

Jobseekers (who find employment outside their place of residence and who are disadvantaged on the labour market - persons unemployed for more than 5 months, jobseekers who can not work with their qualifications, age, health or childcare in the place of residence; applicants and jobseeker who has lost his previous employment as a result of collective redundancies)

### Action/Instrument:

Applicants and jobseekers are provided with a flat-rate financial contribution for a maximum of 12 months to cover additional costs related to commuting (eg transport costs, childcare, etc.). The amount of the contribution is dependent on the commuting distance in 4 bands (up to 10 km, 10-25 km, 25-50 km, over 50 km). A transfer allowance is also provided if the person moves for a distance of more than 50 km.

In the case of employment, it is provided on a monthly basis, in the case of a one-time transfer. In the case of support for commuting, the amount of the allowance is CZK 1,000 to CZK 3,500 per month, in the case of relocation of CZK 50,000 one-off.

### Financing/Support:

Financial resources are provided from the Central budget.  
The Labour Offices are responsible for implementation.

### Eligibility:

Primarily jobseekers, secondary applicants

### Legal basis:

§ 106 of Act No. 435/2004 Coll., On Employment, as amended

### Recent changes:

## Supplementary information

Breakdown of expenditure: Transfers to individuals (Periodic cash payments)  
Target groups: Registered unemployed (LTU, Youth, Older, Disabled)  
Treatment of unemployment spells: Continuous/Continuous  
Receipt of benefits: Cash benefits (Source: Current intervention)  
Planned duration: Maximum: 12 Months  
Responsible institution(s): Public employment services  
Area of application: National  
Implementation: *Year started:* 2016 *Year Ended:* Ongoing

## Identification

Country Czech Republic 2019 Category 4 - Employment incentives  
Intervention n°/name 4 Contribution for transition to a new entrepreneurial programme  
Type of action: 4.2 - Employment maintenance incentives

## Description

**Aim:**

Ensure continued employment of workers affected by updating of the production system at their workplace.

**Beneficiaries:**

Employees at risk of losing their job during the updating of the production system.

**Action/Instrument:**

If the employer is not able to arrange for employees job tasks in the agreed week volume due to transition to new production programme and aiming to prevent from reducing its working forces cuts down temporarily in agreement with the labour office its production activities for time spell not exceeding 6 months and due to these circumstances will not give job tasks to employees in minimum volume of 10% of the given week working hours, than such employer is entitled according the agreement with labour office for a contribution for partial coverage of wages due in accordance with labour law. The monthly contribution for 1 employee amounts at most to half of the minimum monthly wage.

**Finanacina/Support:**

Financial resources are provided from the Central budget.

The Labour Offices are responsible for implementation.

**Eligibility:**

The employer must submit the detailed business plan on the new production program and must not have any arrears of taxes or social and health contributions.

**Legal basis:**

(§ 20 law no. 1/1991 col., MLSA Notice no. 399/1992 col.)

§ 117 law. mo435/2004 col.

**Recent changes:**

## Supplementary information

Breakdown of expenditure: Transfers to employers (Periodic cash payments)  
Target groups: Employed (All)  
Treatment of unemployment spells: Not relevant  
Receipt of benefits: None  
Planned duration: Maximum: 6 Months  
Responsible institution(s): Public employment services  
Area of application: National  
Implementation: *Year started:* 1991 *Year Ended:* Ongoing

## Identification

Country Czech Republic 2019 Category 5 - Supported employment and rehabilitation

Intervention n°/name 5 Contribution for the creation of a job for a person with a disability

Type of action: 5.1 - Supported employment

## Description

### Aim:

This measure aims to support the employment of persons with working limitations.

It compensates for increased operational costs due to necessary adjustments of work-places and to the production programme in order to take account of the differing capabilities of persons with working limitations.

### Beneficiaries:

Disabled workers.

### Action/Instrument:

Employers can obtain a contribution for establishing and running sheltered work places if these are established in agreement with the local labour office.

The maximum amount of contribution to employer for establishing a sheltered working place for the person with working limitations depends on how seriously the person is disabled and on the number of disabled employees in the company. The contribution can be provided as an advance payment and has to be accounted for within six months. The contribution is provided if the employer accepts in written agreement an obligation to run the sheltered working place(s) for three years from the date of receiving the contribution. In the case that the employer fails to fulfil the agreement for establishing the workplace or keeping the job open for the specified time he is obliged to return the contribution to the labour office either in full or in proportion to the time that the job is not maintained.

After 12 months from the date when the sheltered working place was filled or established the employer can claim contribution for partial coverage of operating costs of the sheltered working place. The annual amount of the contribution may amount to a maximum of 48,000 CZK per one person.

### Finanacia/Support:

Financial resources are provided from the Central budget.

The Labour Offices are responsible for implementation.

### Eligibility:

Employers establishing sheltered working places if these are established in agreement with the local labour office.

### Legal basis:

§ 75 and 76 law no. 435/2004 col., MLSA Note no. 518/2004 col.

law no. 367/2011 col. former sheltered workshop are abolished, there are only sheltered working places instead.

### Recent changes:

## Supplementary information

Breakdown of expenditure: Transfers to employers ( Lump-sum payments, Reimbursements)

Target groups: Registered unemployed (All, Disabled)

Treatment of unemployment spells: Broken

Receipt of benefits: None

Planned duration: Maximum: 3 Years

Responsible institution(s): Public employment services

Area of application: National

Implementation: *Year started:* 1991 *Year Ended:* Ongoing

Source: Eurostat LMP database. Date of extraction: 31 March 2021

## Identification

Country Czech Republic 2019 Category 5 - Supported employment and rehabilitation

Intervention n°/name 16 Support for businesses with a high share (>50%) of disabled employees

Type of action: 5.1 - Supported employment

## Description

### Aim:

Partial compensation of increased costs related to the employment of disabled persons.

### Beneficiaries:

Disabled workers

### Action/Instrument:

Employers with more than 50% disabled employees working in the sheltered working place can receive partial compensation for the increased costs of employing disabled workers. The increased costs include necessary organisational, technical, and staff measures in arrangement of the workplace, production process, and business activities that moderate the impact of the higher sickness rate and lower working capacity of these employees.

The employer receives partial refund of the sum paid for the wages of the employees and other costs.

### Financing/Support:

The employer gets 75% refund of the costs on wages and other costs up to 8 000 Kč for one employee per month. 12 months after filling the sheltered working place (or establishing sheltered working place) an employer can claim extra contribution for another costs connected with employment of the disabled worker (wages paid to assistants of the disabled workers, transport costs from and to work...) up to 2,000 Kč for one employee per month.

### Eligibility:

Only employers who have more than 50% of employees working in the sheltered working places with a recognised disability and who have adapted working conditions accordingly are eligible for support.

### Legal basis:

§ 78 of the law no. 435/2004 Col., MLSA Notice n. 518/2004 Col.

### Recent changes:

## Supplementary information

Breakdown of expenditure: Transfers to employers ( Lump-sum payments)

Target groups: Employed (All, Disabled)

Treatment of unemployment spells: Not relevant

Receipt of benefits: None

Planned duration: Variable

Responsible institution(s): Public employment services

Area of application: National

Implementation: *Year started:* 2002 *Year Ended:* Ongoing

## Identification

Country Czech Republic 2019 Category 6 - Direct job creation  
Intervention n°/name 8 Public works programme (VPP)  
Type of action: 6 - Direct job creation

## Description

**Aim:**

Maintain the working habits of unemployed persons that cannot be placed in a job through any other means.

**Beneficiaries:**

Difficult to place registered unemployed (e.g. minorities, ex-prisoners, homeless).

**Action/Instrument:**

PBW refers to new working places created by municipalities and other employers on the basis of a written agreement with the labour office. These working places are aimed at the short-term employment of registered jobseekers and typically include maintenance of municipal parks and open public spaces, cleaning, construction of municipal infrastructure or work in the area of social care. The labour office may fully subsidise the wages actually paid to the participants, including health and social insurance.

**Financing/Support:**

Financial resources are provided from the Central budget and ESF.  
The Labour Offices are responsible for implementation.

**Eligibility:**

Municipalities and other employers create short term working places for registered unemployed on the basis of an agreement with the labour office.

**Legal basis:**

§ 7 law no. 9/1991 col., MLSA Note no. 35/1997 col.

**Recent changes:**

## Supplementary information

Breakdown of expenditure: Transfers to employers (Periodic cash payments)  
Target groups: Registered unemployed (All, Immigrants/ethnic minorities, Public priorities and Other)  
Treatment of unemployment spells: Broken  
Receipt of benefits: None  
Planned duration: Maximum: 12 Months  
Responsible institution(s): Public employment services  
Area of application: National  
Implementation: *Year started:* 1991 *Year Ended:* Ongoing



## Identification

Country Czech Republic 2019 Category 7 - Start-up incentives  
Intervention n°/name 12 Contribution for the creation of a job for a person with a disability - self-employment  
Type of action: 7 - Start-up incentives

## Description

**Aim:**

Enable persons with working limitations to perform suitable self-employment.

**Beneficiaries:**

Registered unemployed persons with officially recognized working limitations who want to become self-employed.

**Action/Instrument:**

The labour office can provide a registered unemployed person with working limitations a contribution for working equipment if such a person starts self-employment. The maximum amount of the contribution is 100,000 Kc. The contribution is subject to a written agreement and in the case that the self-employment is terminated within two years of the date of the the contribution, the labour office can claim back a pro-rata share of the contribution (up to whole amount), depending on the reasons for the termination. The contribution cannot be reclaimed if the termination was caused by medical (health) reasons. Maximum duration is 3 years.

**Finanacing/Support:**

Financial resources are provided from the Central budget.  
The Labour Offices are responsible for implementation.

**Eligibility:**

**Legal basis:**

§ 23 law no. 1/1991 col., MLSA Note no. 115/1992 Col.

Law no. 367/2011 Sb

**Recent changes:**

## Supplementary information

Breakdown of expenditure: Transfers to individuals ( Lump-sum payments)  
Target groups: Registered unemployed (All, Disabled)  
Treatment of unemployment spells: Broken  
Receipt of benefits: Cash benefits (Source: Current intervention)  
Planned duration: Typical: 36 Months, Maximum: 36 Months  
Responsible institution(s): Public employment services  
Area of application: National  
Implementation: *Year started:* 1991 *Year Ended:* Ongoing

## Identification

Country Czech Republic 2019 Category 7 - Start-up incentives  
Intervention n°/name 13 Socially useful jobs (SÚPM) - self-employment  
Type of action: 7 - Start-up incentives

## Description

Aim:  
Provide job placement for the registered unemployed through self employment.

Beneficiaries:  
Registered unemployed persons who want to become self-employed.

Action/Instrument:  
If a registered unemployed person is interested in becoming self employed with the support of the labour office, he/she should submit to the labour office a business plan with estimated start-up costs. The labour office, following a written agreement, can then provide the unemployed person with either a loan or a contribution. A contribution can cover interest on a loan or other costs connected with self employment start-up. The maximum amount of contribution per working place is 80,000 Kc.

Agreements can only be signed with registered unemployed and include an obligation for the participant to repay to the labour office a pro-rata part of the contribution in the case that the self-employment is terminated within the specified two year period. This obligation is not applied if the self employment is terminated due to medical reasons or death of the participant.

Financing/Support:  
Financial resources are provided from the Central budget.  
The Labour Offices are responsible for implementation.

Eligibility:

Legal basis:  
§ 5 law no. 9/1991 col., MLSA Note no. 35/1997 col

Recent changes:

## Supplementary information

Breakdown of expenditure: Transfers to individuals ( Lump-sum payments)  
Target groups: Registered unemployed (All)  
Treatment of unemployment spells: Broken  
Receipt of benefits: Cash benefits (Source: Current intervention, Other LMP intervention)  
Planned duration: Typical: 24 Months, Maximum: 24 Months  
Responsible institution(s): Public employment services  
Area of application: National  
Implementation: *Year started:* 1991 *Year Ended:* Ongoing

## Identification

Country Czech Republic 2019 Category 7 - Start-up incentives

Intervention n°/name 24 Bridging contribution

Type of action: 7 - Start-up incentives

## Description

### Aim:

This intervention helps unemployed people who start their own business.

### Beneficiaries:

Self-employed persons who have ceased to be job applicants because of an agreement with the Labour Office of the Czech Republic. They set up for themselves subsidised new working places.

### Action/Instrument:

Overarching contribution is provided to people who have started self-employment according to an agreement with the Labour Office. This agreement is concluded between the Labour Office and registered jobseekers, who cannot find a job by another way due to their individual characteristics (long-term unemployment, age, disability, parenthood, etc.). It is provided to persons with some kind of disadvantage on the labour market.

The contribution must be requested within 30 days of the conclusion of the agreement. The contribution is specifically designed to cover running costs for a period of five months, with a monthly contribution equal to 0.25 x the average wage in the national economy. The contribution is paid only once (it is a single payment equal to 5 x 0.25 average wage in the national economy).

### Financing/Support:

Financial resources are provided from the Central budget.  
Public Employment Service.

### Eligibility:

In order to support self-employed who have ceased to be job applicants.

### Legal basis:

Employment Act No. 435/2004 Col., §114.

### Recent changes:

## Supplementary information

Breakdown of expenditure: Transfers to individuals ( Lump-sum payments)

Target groups: Registered unemployed (All)

Treatment of unemployment spells: Broken

Receipt of benefits: Cash benefits (Source: Current intervention)

Planned duration: Typical: 5 Months, Maximum: 5 Months

Responsible institution(s): Public employment services

Area of application: National

Implementation: *Year started:* 2011 *Year Ended:* Ongoing

## Identification

Country Czech Republic 2019 Category 8 - Out-of-work income maintenance and support

Intervention n°/name 3 Unemployment benefit

Type of action: 8.1.1 - Unemployment insurance

## Description

### Aim:

Provide financial support for eligible registered unemployed.

### Beneficiaries:

Registered unemployed.

### Action/Instrument:

Financial support is provided to eligible registered unemployed persons based on their previous employment history.

### Benefits are payable for:

- 5 months if the unemployed is under 50
- 8 months if the unemployed is between 50-55
- 11 months if the unemployed is over 55.

The amount of unemployment benefit is based on the net average income of the unemployed in his/her last employment: 50% during the first 3 months and 45% of the remaining time (60% for entitled unemployed in retraining).

Persons in receipt of benefits and who participate in retraining (see measure CZ-2) may continue to receive benefits elevated by 20% throughout training and this period does not contribute towards their benefit entitlement period.

### Financing/Support:

Financial resources are provided from the Central budget.

The Labour Offices are responsible for implementation.

### Eligibility:

A registered unemployed person becomes entitled to unemployment benefit if he/she is not mediated a suitable employment or provided with retraining for a new suitable job within seven calendar days of registration. It is also a condition that the unemployed person has a history of at least 12 months of employment within the last three years.

### Legal basis:

§ 39 through 50 law no. 435/2004 col. Employment Act

### Recent changes:

## Supplementary information

Breakdown of expenditure: Transfers to individuals (Periodic cash payments)

Target groups: Registered unemployed (All)

Treatment of unemployment spells: Not relevant

Receipt of benefits: Cash benefits (Source: Current intervention)

Planned duration: Maximum: 11 Months

Responsible institution(s): Public employment services

Area of application: National

Implementation: *Year started:* 1991 *Year Ended:* Ongoing

## Identification

Country Czech Republic 2019 Category 8 - Out-of-work income maintenance and support

Intervention n°/name 10 Employer insolvency protection

Type of action: 8.5 - Bankruptcy compensation

## Description

### Aim:

Protection of employees when employer goes bankrupt. Providing wages due to eligible employees that are owed to them by their employer due to bankruptcy.

### Beneficiaries:

Employees and former employees of the employer that went bankrupt.

### Action/Instrument:

Funds are paid from the state budget to eligible employees to compensate for unpaid wages due to insolvency of the employer.

Unpaid wages can be claimed for a maximum of 3 months in the period of 6 months prior to bankruptcy. On average, employees receive compensation for 2 months wages. The employee can also claim for other contract-related payments that have not been fulfilled by the employer. The total amount paid to one employee per month should not exceed the 1.5 times the fixed amount (the fixed amount is stated in the MLSA Note on the 1st of May each year, is valid for the next 12 months, and is related to the average wage for the previous year in the national economy). An employee can claim compensation for unpaid wages from the same employer only once in three years.

### Financing/Support:

Compensation is financed from the state budget. Claims are administered by the labour offices.

### Eligibility:

In order to be eligible to claim compensation for unpaid wages, employees must have a valid work contract with the employer at the date of bankruptcy or have had their contract within six months prior to the date of bankruptcy.

### Legal basis:

Law no. 118/2000 Col., regarding protection of employees if the employer goes bankrupt

### Recent changes:

## Supplementary information

Breakdown of expenditure: Transfers to individuals ( Lump-sum payments)

Target groups: Employed (All)

Treatment of unemployment spells: Not relevant

Receipt of benefits: Cash benefits (Source: Current intervention)

Planned duration: One-off

Responsible institution(s): Public employment services

Area of application: National

Implementation: *Year started:* 2000 *Year Ended:* Ongoing

## D - Reference data

## R.1.1 Registered unemployed

### 15 Registered unemployed

Persons aged 15 or more may register as unemployed if they fulfil these conditions at the same time:

- register with Labour Office with the aim to find a job
- keeps in touch with Labour Office in accordance with specific requirements of the Labour Office (1 in two weeks, 1 a month, etc.)
- is not student in formal education
- is not conscript on military service
- has no job (nor is self-employed or in a state official post) excluding jobs for which the monthly wage is lower than half of minimum monthly wage and total weekly hours are lower than half of full time, or is not a suitable job and last less than 3 months only.

1. Minimum age to be Registered Unemployed: 15.

- Students in formal education cannot be RU (even during holidays).
- No specific restrictions for school-leavers/first-time jobseekers.

2. Maximum age to be Registered Unemployed: -.

- No fixed upper limit for unemployment registration.
- People beyond retirement age can still be RU, but this happens very rarely. If they are recipients of the old-age pension, they cannot be entitled to neither UB nor retraining benefit.

### 23 Individual action plans

Unemployed to increase their possibility to obtain job.





# Abbreviations

Abbreviation, Description