

Social security system in the Czech Republic:

- 1) Insurance
 - a) Health insurance
 - b) Social insurance
- 2) State social support benefits
 - a) Depending on income – **housing allowance**, contributions to cover needs of the child, birth allowances
 - b) Not depending on income – parental allowances, foster care allowances
- 3) Social support
 - a) **Living allowance**
 - b) **Housing supplement**

Housing allowance

The net income of the household

Normative costs of living (if real costs are less than normative, then real costs are counted)

Housing allowance will be counted as normative cost (or real cost if less) – 0,3 of net salary of the family

Example:

Family of 2 adults and 2 kids living together in rented flat in Prague. Their net salary together is 22 000 Czk and their cost of living are 15 000Czk.

15 000 Czk (less than normative) – 7 333 Czk (0,3 of total family salary) = 7 300 (housing allowance which will be paid monthly to the family)

The number of people in the family	Normative costs of housing in rented flats in 2015 monthly/ depending on the population of the city				
	Prague	more than 100 000	50 000 - 99 999	10 000 - 49 999	up to 9 999
one	7 623	6 052	5 767	4 913	4 730
two	10 957	8 807	8 417	7 249	6 998
three	14 903	12 092	11 581	10 053	9 726
four and more	18 674	15 283	14 668	12 825	12 430

Living allowance

To get living allowance the person/ household have to be in material poverty.

The net income of the household

Adequate costs of living

Living wage of the person (depends on minimum living wage and how the person is considered by government official as trying to change his situation)

Counted as: from the net salary of the person/ family adequate costs of living are deducted (max. 30% of incomes in Czech Republic, 35% in Prague). If after this deduction an income is not reaching living wage of the person/ family (more or less minimum living wage, but depends on various conditions), then there will be living allowance in the amount of difference between the deducted salary and living wage.

Minimum living wages:

for one person	3 410
for the 1st person in household	3 140
for the 2nd and every other person in the household	2 830
For the dependant child	
up to 6 years old	1 740
6 to 15 years old	2 140
15 up to 26 years old (dependant, studying)	2 450

Housing supplement

The person has to be eligible to both housing allowance and living allowance to be able to get housing supplement.

If even after getting these two allowances the person/ household is still not able to pay their living costs, the state provide them also housing supplement.

It is counted as: what the person/ household is missing after paying all living costs to reach living wage of the person, will be a living allowance.