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V. Kalivoda

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v Ecuadoru již v r. 1928; avšak pro nedostatek zkušeností a pro sobeckost některých zaměstnaneckých skupin, které pro sebe vymáhaly zvláštní výhody — autor to vysvětluje tradičním španělským individualismem a přepjatými hospodářskými ambicemi — neměl tento pokus plného úspěchu.

Nedostatky ecuadorského sociálního pojištění způsobily, že se vláda obrátila na Mezinárodní úřad práce v Ženevě s žádostí o technickou pomoc; MÚP vyhověl žádosti tak, že doporučil jako experta prof. Schoenbauma.

Prof. Schoenbaum postavil ecuadorské sociální pojištění na pevný podklad tím, že se svými spolupracovníky provedl nejdříve důkladný průzkum tamních zvláštních podmínek. Veliké zásluhy o rozvoj pojištění nejen v Ecuadoru, ale i v celé Jižní Americe si pak získal zvláště proto, že dovedl přesvědčiti všechny zúčastněné kruhy, že jen úplný systém sociálního pojištění, založeného na myšlence úhrady všech skutečných potřeb pracujících a jejich rodin, je správným řešením v zájmu celého národního kolektivu. Zásluhou prof. Schoenbauma má Ecuador jednu z nejpokročilejších a nejúplnějších soustav sociálního pojištění v Americe, jež sloužila za vzor pro vybudování sociálního pojištění v Mexicu a pro vypracování návrhů sociálního pojištění pro Bolívii a Paraguay.

SOCIAL INSURANCE IN CZECHOSLOVAKIA.

By V. KALIVODA

The National Insurance Act — issued in April 1948 — puts the social insurance in Czechoslovakia on a quite new and modern basis. It is not a mere composition of the previous regulations and organisational unification of the dispersed social insurance institutions for different groups of employed persons, but it is a new work, fearlessly leaving the existing provisions which, in the most part, carried traces of a longer or shorter historical development. The new social insurance has been created, with regard to pensions, on the new principles as to the kinds, conditions and assessment of the benefits, as well as to the method for covering the expenses of benefits. With regard to sickness insurance there are no revolutionary changes in comparison with the hitherto existing state, but this insurance represents for nowadays a most complete structure of care as to benefits in kind as well as benefits in cash for the insured persons and their family members in cases of sickness and maternity.

A reader who wants to get thoroughly acquainted with the contents of the Act, we would draw his attention to the two outstanding publications regarding the present social insurance in Czechoslovakia. It is first of all the text of the Act translated into some world languages (Russian, English, French) which has been issued by the Ministry of Social Welfare with a comprehensive introduction by Mr Evžen Erban, Czechoslovak Minister of Social Welfare; a very good survey about the new social insurance in Czechoslovakia is given in the article „La sécurité sociale en Tchécoslovaquie“ in the Revue Internationale du Travail, Volume LVIII, No 2 of

August 1948, issued in the Bureau International du Travail in Geneva. This article, with a short historical introduction, describes systematically the extent of benefits and the organisation of the insurance and quotes the extracts of the most important parts of financial exposé which enlighten numerically the economic consequences of the Act.

The Act includes all working people - employed persons and self-employed persons — in respect to sickness as well as pension insurance. The regulation of claims is in principle the same for both categories of working people. The single sections of the new insurance branches come into operation in successive periods so that from the 1-st of October 1948 the sickness and pension insurances for employees of all categories have been carried out as well as the pension insurance for the self-employed persons, while the date of the coming into operation of the sickness insurance for self-employed persons will be fixed by the government. It is intended to realize this insurance for different groups of the self-employed persons in a successive way — first of all for the members of the „Co-operative agricultural associations“ (Jednotná hospodářská družstva).

In the article we merely want to deal with the method of covering the expenses in the national pension insurance. The former acts of the Czechoslovak pension insurance contained the stipulation that the fund required for defraying the expenses of benefits according to the insurance mathematical principles had to be provided by means of an average contribution. This average contribution was graduated according to the individual „wages classes“ and determined for the total of insured persons, so that the probable value of the future incomes together with the property of the insurance institute was sufficient according to the insurance mathematical principles to cover all future expenses with the pension insurance benefits as well as the other expenses (special medical care, administrative expenses etc.). According to these prescriptions it was necessary to make up the insurance mathematical balances at fixed time intervals. In these balances, the assets contained the property of the insurance institute and an estimated sum of the expected contributions in the whole future and the liabilities contained the capital fund for the benefits in payment, and further, the estimated value of the claims of active insured persons i. e. the estimated cost of future benefits. The insurance mathematical balances usually showed deficits for different reasons. These deficits occurred principally because of the decreasing interests of property and furthermore because of the economical crisis in the years 1930—1935, which caused, especially in the workers insurance, a remarkable increase of benefits on one side and a decrease of contributions on the other side. These deficits in the insurance mathematical balances were not removed by decreasing the benefits but either by increasing the contributions or by increasing a State subsidy or by increasing both at the same time. These provisions

were carried out at an unsuitable time from an economic point of view. The increased contributions diminished the purchasing power of the widest classes of population, just at the time when the increased consumption of commodities was one of the presuppositions of removing or reducing the economical crisis.

In the national insurance this system has been abandoned. The legislator has taken into consideration that the method of defraying the expenses depends on:

- a) the elected benefit system,
- b) the fact that new national insurance includes practically the whole population,
- c) the reality that in the Czechoslovakian Republic the socialisation of means of production is being accomplished with the parallel realisation of the planned economy which diminishes to the minimum the rise of an economical crisis.

a) The recent pensions in respect of their rates essentially depended on the duration of insurance. The pensions after short and long insurance periods differed considerably although they otherwise occurred under the same circumstances. This construction of benefits has not been taken over into the national insurance, as there are no objective reasons, that the needs of a 65 year old beneficiary should be covered by a twice or three times higher amount than the needs of a 25 or 30 year old beneficiary, both being on the same social level. The dependence of the rate of pension on the insured period still exists in the national insurance, but its importance has been essentially oppressed. The pensions based on the longest contributory periods will be about $1\frac{1}{2}$ times of pensions which will be awarded after 5 years of insurance, the wages being of the same level. The new construction of benefits means therefore a considerable departure from the former system of determining the rates of benefits. Experience has shown the weakness of that system; an income reached 20 or more years ago cannot be a just measure for determining a benefit today. The national insurance law inclines to the principle that the benefit should correspond to the level of the lost earnings and determines the rate of benefit so that it takes into consideration the standard of living achieved in the last 5 years preceding the award of benefit. The advantage of this system is that newly awarded benefits correspond to the contemporary economic figures.

Furthermore it is pointed out the circumstance, that from the former social insurance were purposely excluded all those people with whom „the insurance cases“ had already existed before the coming into force of the social insurance act. These were all persons who could not work at all because of invalidity or old age and then all surviving dependents, widows and orphans of those who died before the act came into force. The national insurance, on the contrary, confers a favour to the persons disabled from

work, old people and dependents, while providing for them the benefits in a form of so called „social benefits“. In spite of that the rate of these social benefits is minimum, they will represent in the aggregate some thousand millions and they will cause at the beginning, a higher expenditure of national insurance so that its additional increase will be milder. The national insurance has also settled accounts with the old beneficiaries whose benefits have been increased to the level of benefits rendered by the national insurance. This means further considerable augmentation of expense items at the beginning and causes also relatively slow increasing of expenses in the future; the result of it is that it is not necessary to accumulate such big financial capitals as were needed in the former principles of social insurance in the capitalistic economy.

b) The circumstance that the national insurance includes all the population means the loss of importance of one of the main advantages quoted in favour of an average premium, i. e. the interest profit. The interest profit which had its significance in the social insurance which related only to some parts of the population loses therefore importance there where the whole nation is insured. The interest which would be paid to the national insurance from the loan rendered to the state from the means of national insurance would not be anything else than contributions in another form.

c) The national insurance is ⁴ connected with the economical life and is losing its isolated position which it had in the past. This isolation and certain independence in the capitalistic economic system was justified so that the social insurance provided the weakening of the unfavourable social consequences which resulted from the economic crises of the capitalistic economy. Nowadays, on the contrary, the national insurance is becoming a part of economic planning. By means of collecting the contributions the consumption of goods and services is diminished with the productive classes of the nation in a certain part and this part increases or enables consumption of commodities with persons unable to work. The social insurance provides therefore a means for distribution of the national income, which distribution is considered to be more just than distribution which would be done if there were no national insurance.

When the tasks of national insurance are taken in the above mentioned way it is not necessary that the awarded benefits are covered from the insurance mathematical point of view by accumulated capitals and there is no matter either that the insurance liabilities towards beneficiaries corresponds to a certain quantity of accumulated money, as it is usual and is required in the section of private insurance. The question is first of all that goods and services, which are at the disposal in a certain period as a result of the work of the whole nation, are justly distributed among all citizens i. e. also among those people who cannot work any more because

of invalidity or old age. The economic structure based on a plan, the aim of which is the gradual raising of the standard of living of all the population, makes it possible to depart from the previous system of financing and to replace it with a system of planned distribution of benefits with a minimum reserve fund, used only to tide over fluctuations caused by temporary economical difficulties. This reserve fund should equal the sum of the accumulated capital on the 31st December 1949.

In connection with this legal order regarding the reserve fund, the rate of the state subsidy has been settled. The state subsidy covers the eventual deficits resulting from the insurance management in the respective years and enables the reserve fund to remain on the above mentioned level.

The reserve fund has therefore in the national pension insurance quite a different significance and task than had the property of the former social insurance institutions. It will only serve, as it has been said above, to remove the financial difficulties which could emerge with sudden but very short fluctuations either in the income or expense items. Its level has not been determined by any insurance mathematical calculations and is not in any relation to the insurance mathematical value of liabilities of social insurance institutions.

The rate of contributions has been fixed, so that the property of the national insurance shall not be consumed in the first 10 years of its duration but, on the contrary, that with the help of the state subsidy, it will create the reserve fund. The rate of contribution does not therefore correspond to the formerly proclaimed principle that the contribution together with the profit of property should cover all expenses in the future. On the other hand it is necessary to take into account that through the new construction of benefits, through the raising of benefits in payment to the level of those of national insurance and through the introduction of „social benefits“ has arisen such a financial state which, without respect to the demographic changes, is not far from the balanced state. The new proceeding gives enough security so that the present level of national insurance will be bearable for the national economy in the future too.

The departure from the defraying system through the average premium does not mean that the national insurance will not make plans and estimates for the future. The same as up to now it is necessary to make financial plans both for the near as well as the far future periods. In estimating the incomes and expenses of the national insurance, all knowledge and information regarding the population will be used in respect of the demographic as well as the economic-political side. The national insurance estimates will not be undertaken separately and independently but always in a near connection with the economic planning with which they have to be in complete harmony.