

Pension reform

Abstract

This master thesis contains analysis of the pension system in the Czech Republic, its comparison with pension systems in several countries and description of historical and contemporary designs of pension reform. My own assessment of this problematics is in conclusion. The introduction of this master thesis describes the theoretical concept of the pension system, contains detailed analysis of valid regulation of the Czech pension system (including its constitutional basis), the main first pillar, which is financed by the pay as you go system and which represents pension insurance, as well as the supplemental pension savings as a voluntary participation pillar. Furthermore, this thesis marginally concerns procedural regulation, thus organization and proceedings in the matter of pension insurance. It describes relations between public authorities that are empowered in the area of pension insurance and description of the procedure itself. This thesis also contains an overview of pension systems in Slovakia, Sweden and the Netherlands. These countries have been selected because the Slovak and Czech pension systems are very comparable and Swedish and Dutch pension systems are generally considered some of the best in the world, whereas each of them stands on different bases. This thesis also examines reasons why the current pension system in the Czech Republic needs to be reformed. These reasons are mainly adverse demographic development caused by population aging and low birth rate, and also financing model of the first pillar, which is the basis of the Czech pension system. Moreover, this thesis outlines historical attempts at pension reform and changes of the pension system that were already adopted by the current government and changes that were announced in the program statement and repeatedly in media appearances of government representatives. The conclusion contains my own opinion on the current setting of pension system, its recent changes and the whole reform planned by the current government.

Key words: Pension reform, pension system, pension insurance