

Austria

Redundant employees entitlement to public support

Phase	Public Employment Service Act (AMSG)
Native name	Arbeitsmarktservicegesetz (AMSG)
Type	Redundant employees entitlement to public support
Added to database	11 May 2015
Access online	Click here to access online

Article

32-34, 38a, 38c

Description

The public employment service has to provide services to match job seekers with vacancies and to maintain employment. This comprises particularly the following activities:

- Provision of information on the labour market
- Advice in selecting an occupation
- Support in maintaining or creating employability of workers
- Support in education and training of workers
- Support of companies looking for suitable workers and in designing company internal human resource plans
- Support of job seekers in their search and choice of a job
- Support of companies and workers as regards the creation and retention of jobs

The public employment service can provide these services itself or through contractors (for example, training providers). The services have to be provided free of charge for workers and companies in general. For specific services an adequate fee can be charged on companies. Services towards workers, the unemployed and job seekers have to be provided free of charge in any case.

A particular focus of the regional public employment services should be the provision of measures fostering qualification and employment potentials in order to achieve sustainable and permanent employment. It should aim at offering individuals suitable employment within four weeks or if this is not possible, the participation in qualification or reintegration measures. Particular attention should be devoted to people wishing to reenter the labour market after periods of childcare. Furthermore, it should offer education and training measures to unemployed people that are younger than 25 or older than 50 if they cannot be offered adequate employment within three months.

For each unemployed person the regional public employment service has to draft a support plan, specifying the planned measures under consideration taking into account the specific characteristics of the unemployed person (such as qualifications). The public employment service should try to get the unemployed person's agreement regarding the support plan. If such an agreement cannot be reached, the public employment service can unilaterally decide upon it, taking into account the interests of the individual as far as possible. The support plan has to be communicated to the unemployed person.

If the above mentioned services are not sufficient, the public employment service has to provide one-time or recurring financial subsidies to: * overcome financial bottlenecks to take up employment; * support occupational education or training, also in preparation to take up a new job; * support (re)integration into the labour market; * support the retention of employability.

However, there is no legal entitlement to these additional subsidies as mentioned in AMSG, § 34.

Commentary

In cases of insufficient unemployment compensation, the unemployed may apply for additional means-tested benefit, which guarantees an individual minimum income of €855 in 2019 (Bedarfsorientierte Mindestsicherung, BMS). In addition, the federal states of Austria may offer an extra benefit for coverage of housing costs ([information from the Federal Ministry of Labour, Social Affairs and Consumer Protection]).

From 2020 the minimum level will be replaced by maximum benefit rate.

Additional metadata

Cost covered by National government

Involved actors other than national government	Public employment service Other
Involvement (others)	Contractors (for example, education/training providers)
Thresholds	Affected employees: No, applicable in all circumstances Company size: No, applicable in all circumstances Additional information: No, applicable in all circumstances

Sources

Citation

Eurofound (2015), Austria: Redundant employees entitlement to public support, Restructuring legislation database, Dublin

Belgium

Redundant employees entitlement to public support

Phase

Ordinance of 18 January 2001 on the organisation and functioning of the Brussels Regional Employment Service; Decree of 6 May 1999 on the Walloon Office for Vocational Training and Employment; Decree of 7 May 2004 on the establishment of the public law external autonomous agency 'Vlaamse Dienst voor Arbeidsbemiddeling en Beroepsopleiding'; Decree of 17 January 2000 on the establishment of an employment office for the German-speaking Community; Cooperation Agreement of 24 February 2005 concluded between the Brussels-Capital Region, the Walloon Region, the Flemish Region, the Flemish Community, the German-speaking Community and the French-speaking Community for inter-regional mobility of job seekers

Native name	Ordonnance portant organisation et fonctionnement de l'Office régional bruxellois de l'Emploi du 18 janvier 2001/Ordonnantie houdende organisatie en werking van de Brusselse gewestelijke Dienst voor Arbeidsbemiddeling van 18 januari 2001; Décret du 6 mai 1999 relatif à l'Office wallon de la formation professionnelle et de l'emploi (French only); Décret du 7 mai 2004 relatif à la création de l'agence autonomisée externe de droit public 'Vlaamse Dienst voor Arbeidsbemiddeling en Beroepsopleiding'/Decreet van 7 mei 2004 tot oprichting van het publiekrechtelijk vormgegeven extern verzelfstandigd agentschap 'Vlaamse Dienst voor Arbeidsbemiddeling en Beroepsopleiding'; Décret du 17 janvier 2000 portant création d'un Office de l'emploi en Communauté germanophone/Decreet van 17 januari 2000 tot oprichting van een dienst voor arbeidsbemiddeling in de Duitstalige Gemeenschap; Accord de coopération du 24 février 2005 conclu entre la Région de Bruxelles-Capitale, la Région wallonne, la Région flamande, la Communauté flamande, la Communauté germanophone et la Commission communautaire française concernant la mobilité interrégionale des chercheurs d'emploi/Samenwerkingsakkoord van 24 februari 2005 gesloten tussen het Brussels Hoofdstedelijk Gewest, het Waals Gewest, het Vlaams Gewest, de Vlaamse Gemeenschap, de Duitstalige Gemeenschap en de Franse Gemeenschapscommissie betreffende de interregionale mobiliteit van de werkzoekenden
Type	Redundant employees entitlement to public support
Added to database	16 December 2015
Access online	Click here to access online

Article

Ordinance of 18 January 2001: 1-40 (Actiris); Decree of 6 May 1999: 1- 61 (Forem); Decree of 7 May 2004: 1-26 (VDAB); Decree of 17 January 2000: 1-21 (Arbeitsamt); Cooperation Agreement of 24 February 2004: 1-8

Description

These laws define the principles and terms that the regional employment services have to follow. The regional employment services have signed a management contract with the federal public employment service in order to improve the collaboration between the different regional employment services (for instance, aiming at improving information exchange, creating more transparency, and setting up transregional training programmes).

In Belgium, there are four regional public employment organisations:

- [Forem](#) in Wallonia;
- [VDAB](#) in Flanders;
- [Actiris](#) in Brussels; and
- [Arbeitsamt](#) for the German-speaking community.

Among others, occupational integration and vocational training are managed by regional public employment organisations. These regional public employment services aim at helping unemployed people or people without a job to find a (new) job. In some cases, vocational training is proposed to those people in order to help them being in line with the labour market expectations. For these missions, the regional employment services do not make any distinction between unemployed people, young people without a job or redundant workers.

However, the four organisations also provide, in cooperation with the social partners, collective support to redundant workers by implementing a regional reemployment unit in the so-called 'reconversion cell' form, which is a type of outplacement unit). These outplacement units are legally binding for 45+ redundant workers.

In 2005, the four regional employment services signed a cooperation agreement which defines a collaboration protocol between them. This agreement plans that, if a collective layoff of a minimum of 250 workers occurs in a region with a minimum of 50 workers domiciled in another region, an outplacement unit is set up. However, the regional employment services may cooperate also in cases of collective layoffs affecting fewer than 250 workers.

Commentary

No information available.

Additional metadata

Cost covered by	National government
Involved actors other than national government	Employer organisation Public employment service Trade union
Involvement (others)	None
Thresholds	Affected employees: No, applicable in all circumstances Company size: No, applicable in all circumstances Additional information: No, applicable in all circumstances

Sources

Citation

Eurofound (2015), Belgium: Redundant employees entitlement to public support, Restructuring legislation database, Dublin

Bulgaria

Redundant employees entitlement to public support

Phase	Law on encouragement of employment
Native name	Закон за насърчаване на заетостта
Type	Redundant employees entitlement to public support
Added to database	15 July 2015
Access online	Click here to access online

Article

Articles 24 and 25

Description

The law on encouragement of employment foresees that all redundant employees may be included in programmes for employment and employment measures. These workers are entitled to unemployment benefits, participation in schemes for retraining and use of General Labour Directorate services to find work. When conducting a collective redundancy, the employer is obliged to cooperate with the employment authorities in order to arrange the appropriate measures for administrative services (employment mediation, qualification courses, start-up support, employment programmes) to the affected employees and helping them to find employment or retraining.

The procedure of information in case of mass dismissals is described at Art. 24.

Commentary

The regulations of the law on encouragement of employment are in accordance with the Labour Code, Article 130a and the right of information and consultation in case of collective dismissals.

Additional metadata

Cost covered by	National government
Involved actors other than national government	Public employment service Other
Involvement (others)	General Labour Inspectorate, Labour Offices
Thresholds	Affected employees: No, applicable in all circumstances Company size: No, applicable in all circumstances Additional information: No, applicable in all circumstances

Sources

Citation

Eurofound (2015), Bulgaria: Redundant employees entitlement to public support, Restructuring legislation database, Dublin

Croatia

Redundant employees entitlement to public support

Phase	Act on Labor Market 118/18, 32/20, 18/22; Act on Social Welfare 18/22, 46/22, 119/22, 71/23; Decision on Calculation of the Amount of Other Rights from the Social Welfare System 23/22; Decision on the payment of a one-time cash payment to beneficiaries of rights in the social welfare system, the pension system and the care system for Croatian veterans from the Homeland War in order to mitigate the consequences of the rising cost of living 107/23, Regulation on Conditions and Manner of Unemployment Benefits Paid as a One-time Amount 28/19
Native name	Zakon o tržištu rada 118/18, 32/20, 18/22; Zakon o socijalnoj skrbi 18/22, 46/22, 119/22, 71/23; Odluka o osnovici za izračun iznosa drugih prava iz sustava socijalne skrbi 23/22; Odluka o isplati jednokratnog novčanog primanja korisnicima prava u sustavu socijalne skrbi, mirovinskome sustavu i sustavu skrbi o hrvatskim braniteljima iz Domovinskog rata radi ublažavanja posljedica rasta troškova života 107/23, Pravilnik o uvjetima i načinu isplate novčane naknade u jednokratnom iznosu (28/19).
Type	Redundant employees entitlement to public support
Added to database	13 May 2017
Access online	Click here to access online

Article

Act on Labor Market: Article 44, 46, 52, 53, 54, 55, 64; Act on Social Welfare: Article 21, 22, 23, 24, 25; 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 49; Decision on Calculation of the Amount of Other Rights from the Social Welfare System: Article 1; Regulation on Conditions and Manner of Unemployment Benefits Paid as a One-time Amount: Article 2-7

Description

Redundant employees can be entitled to two types of social welfare: Unemployment benefit (UB) and Subsistence benefit (SB).

Eligibility

Unemployment benefit (UB) (novčana naknada za vrijeme nezaposlenosti) is received by unemployed people who have worked for at least 9 months during the last 24 months. The job termination should not be voluntary or caused by the employee's violations of working obligations; other conditions apply (Act on Labor Market, article 46).

Subsistence benefit (SB) (pomoć za uzdržavanje, stalna pomoć, zajamčena minimalna naknada) is a means-tested benefit intended for households whose income is below the 'means of subsistence' (Act on Social Welfare, article 26). The latter represent the amount of money necessary to satisfy the basic needs of the particular household. They are obtained as a sum of individual contributions depending on household members' characteristics. When calculating means of subsistence, children, older people and people with disabilities are automatically counted; individuals between 18 and 65 years of age are not taken into account unless they are registered as unemployed (Act on Social Welfare, article 29)

Benefit amounts

UB - The benefit is proportional to the average income earned in the three-month period prior to unemployment. According to article 52 of the Act on Labour Market, the benefit is equal to 60% of the average income during the first 90 days, it falls to 30% for the rest of the period. Article 53 of the Act on Labour Market stipulates that the maximum amount of UB may not be higher than 70% of the average income for the first 90 days and may not be higher than 50% for the remaining time paid in legal entities of the Republic of Croatia according to the latest officially released statistics. Article 53 of the Act on Labour Market defines that the lowest amount of UB may not be lower than 50% of the minimum wage deducted for mandatory social contributions, unless the amount of UB is determined by the percentage of time spent at work.

SB - a means-tested benefit intended for households whose income is below the 'means of subsistence'. The amount of the benefit depends on the number of members in the family (Act on Social Welfare, article 30).

Duration

UB - The duration of benefit increases with the insurance record: from a minimum of 90 days for fewer than 2 years of employment to 450 days for people who have spent more than 25 years of employment (Act on Labour Market, article 54). For those having worked

for more than 32 years and who will satisfy the statutory age condition for retirement in fewer than five years, the duration of benefit is unlimited. At her request, an unemployed person entitled to UB may receive the benefit as lump-sum for the purpose of self-employment (Act on Labour Market, article 55).

Access to paid training (Act on Labour Market, article 64)

Allowance and refund of expenses in the training of unemployed (novčana pomoć i naknada troškova tijekom obrazovanja) is received by unemployed people who are involved in education programmes organised by the public employment service. The benefit includes a cash allowance, which is equal to 50% of net minimum wage in the current year deducted for mandatory social contributions, augmented by compensations for transportation, food and other expenses.

Commentary

For people who were uninterruptedly unemployed for more than 12 months, the duration of UB was extended by 30 to 120 days. This measure was called the 'extended unemployment benefit' (produžena novčana naknada) and was abolished in January 2014. In September 2022, out of the total number of registered unemployed, 22,817 persons (or 21.6 per cent) claimed the unemployment benefit. If compared to the previous year, the number of unemployment benefit recipients decreased by 2,516 persons or 9.9 per cent.

Additional metadata

Cost covered by	National government
Involved actors other than national government	Public employment service
Involvement (others)	None
Thresholds	Affected employees: No, applicable in all circumstances Company size: No, applicable in all circumstances Additional information: No, applicable in all circumstances

Sources

Citation

Eurofound (2017), Croatia: Redundant employees entitlement to public support,
Restructuring legislation database, Dublin

Czechia

Redundant employees entitlement to public support

Phase	Employment Act (Law No. 435/2004 Coll.) - Part 5
Native name	Zákon o zaměstnanosti, zákon č. 435/2004 Sb. (část 5)
Type	Redundant employees entitlement to public support
Added to database	02 July 2015
Access online	Click here to access online

Article

104, 105, 112

Description

According to the Employment Act, active employment policy measures are in particular:

- retraining;
- investment incentives;
- community services;
- socially meaningful jobs (for example cleaning of public areas, buildings, streets, etc. according to §112 (1) of Act No. 435/2004 Coll., Employment Act);
- bridging allowance;
- incorporation allowance;
- support for self-employment (that is, contribution to the transition to a new business programme).

Active employment policy measures also include:

- advisory services/counselling provided or arranged by the regional branches of the labour office;
- promoting the employment of people with disabilities;

- shared recruitment;
- targeted programmes to address employment.

Active employment policy measures target the following groups of job seekers, regardless of the reason for losing the job:

- long-term registered job seekers;
- applicants up to the age of 25, including school-leavers with no experience;
- applicants caring for a child under 10 years of age;
- applicants over 50 years of age;
- people with disabilities;
- parents returning from maternity or parental leave;
- candidates who are expected to be long-term job seekers.

Based on an agreement, the regional branch of the labour office may provide counselling through specialised facilities, such as educational and psychological counselling centres and diagnostic centres, and pay costs associated with this activity.

External service providers are typically educational-psychological advisory centres and diagnostic centres. Services are provided on the basis of an agreement between the local labour office and the pedagogical-psychological advisory centre. These counselling and diagnostic centres provide professional services for which labour offices are not qualified.

Commentary

The national labour office is responsible for the implementation of active labour market policy. In 2018 the total active public expenditure on employment policies in the Czech Republic reached CZK 4.4 billion (€170 million as at 31 December 2018), which represents a decrease compared to CZK 4.7 billion in 2017 (€186 million as at 31 December 2017). The fund is promoting job opportunities for disabled people, other socially meaningful jobs, trainings and retraining.

In 2016 the expenditure reached CZK 6.86 billion (€254 million as at 31 December 2016) which represents a decrease of 29% compared to CZK 9.67 billion in 2015 (€358 million as at 31 December 2015).

Additional metadata

Cost covered by National government

Involved actors other than national government	Public employment service Regional/local government
Involvement (others)	None
Thresholds	Affected employees: No, applicable in all circumstances Company size: No, applicable in all circumstances Additional information: No, applicable in all circumstances

Sources

Citation

Eurofound (2015), Czechia: Redundant employees entitlement to public support, Restructuring legislation database, Dublin

Estonia

Redundant employees entitlement to public support

Phase	Labour Market Services and Benefits Act
Native name	Tööturuteenuste ja toetuste seadus
Type	Redundant employees entitlement to public support
Added to database	11 May 2015
Access online	Click here to access online

Article

Labour Market Services and Benefits Act §4

Description

According to the Labour Market Services and Benefits Act, all those who are registered as unemployed in the Unemployment Insurance Fund ([Töötukassa](#)) are entitled to receive career counselling, which means receiving recommendations on their further education, career choices, training or work, corresponding to their personal characteristics, education and skills. Also, all those registered as unemployed are to be provided with 'employment mediation' to help them find a suitable job.

Employees who have received their redundancy notice but are not yet unemployed have the right to register themselves as job-seekers in the Unemployment Insurance Fund. In that case, they have the right to receive job mediation and career counselling services.

In the Employment Programme 2021-2023 (Tööhõiveprogramm 2021-2023), additional measures are provided for. The Employment Programme is established on the basis of the Labour Market Services and Benefits Act §4.1 by the governments' regulation and is used to increase the flexibility and efficiency of organisation of labour market policies. It allows to provide more services and benefits on more favourable conditions than provided for in the Labour Market Services and Benefits Act, based on the changes in the labour market or on the forecast of labour supply and demand. With the programme, additional

measures are provided to those who have received notice of redundancy and are registered as job-seekers - labour market training, work practice and business start-up subsidy. These measures are generally provided only for those registered as unemployed. Additional measures provided for in the programme and which can be used by job-seekers are: mediation of career information, job-seeking counselling and support for obtaining qualifications (compensation of the costs for certificate or examination fees etc).

In cases of large redundancies (not further specified in the law), interviews with potential new employers are organised by the Unemployment Insurance Fund. The needs and possibilities are decided case-by-case.

There are also information days organised by the Fund, where information on the possibilities and rights before and after the actual loss of job is provided.

The provision of other measures available is decided case-by-case taking into account the nature of this specific case of collective redundancy. However, these measures are not provided in all cases of redundancies and are thus not equally accessible to all persons.

The Estonian Ministry of Education and Research (Haridus- ja Teadusministeerium) also offers courses free-of-charge to all interested persons. Registered unemployed are excluded (they are eligible for courses provided by Unemployment Insurance Fund), but those who have received the redundancy notice, but are not yet registered as unemployed, can take the courses.

Commentary

No information available.

Additional metadata

Cost covered by	National government
Involved actors other than national government	Public employment service
Involvement (others)	None

Thresholds

Affected employees: No, applicable in all circumstances

Company size: No, applicable in all circumstances

Additional information: No, applicable in all circumstances

Sources**Citation**

Eurofound (2015), Estonia: Redundant employees entitlement to public support,
Restructuring legislation database, Dublin

Finland

Redundant employees entitlement to public support

Phase	Unemployment security act (1290/2002), Act on public employment and business service (916/2012)
Native name	Työttömyysturvalaki (1290/2002), Laki julkisesta työvoima- ja yrityspalvelusta (916/2012)
Type	Redundant employees entitlement to public support
Added to database	14 July 2015
Access online	Click here to access online

Article

whole regulations of Unemployment security act (1290/2002) and Act on public employment and business service (916/2012)

Description

[The Unemployment security act](#) outlines the conditions under which the unemployed person will receive unemployment benefit. Unemployment benefit, provided by the national Social Insurance Institution (Kela), is normally available for unemployed people aged 17-64. The local government of the place of residence of the unemployed is liable to pay part of the costs. The type and amount of the benefit depends on the duration of unemployment and whether the person has been employed before. Other income, such as other benefits, temporary wages, or entrepreneurial revenues, may also affect the amount of unemployment benefit to be paid.

[The Act on public employment and business service](#) defines the responsibilities and scope of public employment services (PES). PES must inform the unemployed of the available services and terms and conditions of job seeking, and keep regular contact with the unemployed. A first interview is normally arranged within two weeks after the unemployed registers as a job seeker. In cooperation with the PES, the unemployed will draw up a personalised employment plan based on his or her objectives and estimated needs. The

unemployed is obliged to follow the employment plan, to actively look for work opportunities and training, and to take up employment measures. If the unemployed fails to draft an employment plan, or to follow the plan, he or she may be denied the right to unemployment benefit for a predefined period of time. The employment plan must be updated jointly by the unemployed and PES at least every three months.

An unemployed who without an acceptable reason has resigned, caused her/his own dismissal, or refused a job offer may be denied the right to unemployment benefit for a predefined period.

PES and/or the regional Centres for Economic Development, Transport and the Environment (ELY centres) advice and distribute information on:

- vacant positions and job seeking;
- labour force availability and acquisition;
- training and skills development opportunities;
- the labour market, occupational sectors and occupations;
- business start-up and development activities;
- services, subsidies and compensations.

Beginning 2025, the responsibility for these tasks will be transferred to the municipalities.

PES, ELY centres and Kela together offer financial and non-financial support for different employment measures. These include (but may not be limited to):

- long-distance commuting;
- counselling and financial support for starting a business;
- job trials;
- education and training;
- subsidised employment.

Further, the "Nordic labour market service model" - a new model for employment services - entered into force on May 2nd, 2022. In this new model, jobseekers apply for work on their own initiative and receive individual and intensive support for their job search at an earlier stage. Jobseekers are required to apply for a certain number of jobs in order to continue their right to receive unemployment security. A jobseeker will receive a reminder in the first case of forgetfulness or neglect. Thus, the three pillars that the new model is constructed upon are: a thorough assessment of individual service needs; intensive support for job search and other related services; and job searching on one's own initiative.

In order to receive unemployment benefits, jobseekers have to apply for work. As a rule, jobseekers must apply for four job opportunities per month. However, the situation of each jobseeker is assessed individually, and thus the required number of applications may vary.

The first time a jobseeker fails to submit job applications due to forgetfulness or neglect to submit job applications, the jobseeker will receive a reminder. The next time, the jobseeker will be sanctioned to lose the benefits for seven days on which benefits are paid. If this happens again, jobseekers will lose the benefits for 14 days. After that, jobseekers lose their right to unemployment benefit until further notice.

Commentary

Unemployment funds, often tied to trade unions, provide additional financial support for their members.

In 2021, the local government pilots on employment started. In this pilot, certain groups of job-seekers will be transferred to the municipalities that participate in this pilot. The aim of the pilot is to develop supporting services for jobseekers that better match their needs. The pilot will run until the nationwide transferring of the employment services (TE-services) to the municipalities, that is, January 1st, 2025.

Additional metadata

Cost covered by	National government
Involved actors other than national government	Public employment service Regional/local government Other
Involvement (others)	The Social Insurance Institution (Kela)
Thresholds	Affected employees: No, applicable in all circumstances Company size: No, applicable in all circumstances Additional information: No, applicable in all circumstances

Sources

Citation

Eurofound (2015), Finland: Redundant employees entitlement to public support,
Restructuring legislation database, Dublin

France

Redundant employees entitlement to public support

Phase	Labour Code
Native name	Code du travail
Type	Redundant employees entitlement to public support
Added to database	30 November 2015
Access online	Click here to access online

Article

L5312-1, L5421-1 to L5421-4, L5422-1 to L5422-2-2, L5422-9 L5425-1 to L5425-2

Description

The law entrusts public employment services (Pôle emploi) with the following two missions:

- Insuring employees in case of unemployment: public employment services calculate unemployment allowances and pay benefits on behalf of the unemployment insurance scheme (Unédic) and the government;
- Facilitating the return of job seekers into employment: public employment services provide job seekers as well as companies with services like collection of job offers, assistance in recruitment, assistance for job search and career guidance.

Unemployment benefits

For new jobseekers, the compensation rules have changed since 1 February 2023. The length of time unemployed people receive compensation will depend on the economic climate. The current unemployment insurance rules have been extended until 31 December 2023. By the end of the year, the social partners must conclude an agreement (unemployment insurance agreement) that will determine how the unemployment insurance scheme will operate from 1 January 2024. If no agreement is reached, the

government will extend or adapt the current arrangements by decree.

Main features

Employees eligible for unemployment insurance

In order to receive back-to-work allowance (ARE), a private-sector employee must be involuntarily unemployed. The termination of the employment contract must be the result of one of the following situations: * Redundancy for personal or economic reasons or, in the case of the civil service, dismissal. * Termination by mutual agreement allows the employer and the employee on a permanent employment contract (CDI: Contrat de travail à durée indéterminée) to mutually agree on the terms of termination of the employment contract between them. * Non-renewal of a fixed-term contract (CDD) * Resignation considered legitimate (for example, to follow the person with whom you are living as a couple).

Duration of affiliation

To be entitled to ARE, a jobseeker must have worked for at least 6 months (i.e. 130 days or 910 hours) in the 24 months prior to the end of their employment contract. This minimum period of work is known as the qualifying period. In the event of loss of employment, jobseekers are entitled to resume their initial entitlements until they are exhausted. This option only applies if the jobseeker has returned to work before exhausting his or her rights. Jobseekers thus benefit from so-called "rechargeable" rights. They must have worked for 6 months (i.e. 130 days or 910 hours) in the last 24 months to benefit from new rights with a new duration of compensation.

Amount of the allowance

The gross daily amount of the ARE comprises : * a fixed part equal to €12.95 *and a variable part equal to 40.4% of the daily reference salary used to calculate the allowance. This sum cannot be less than 57% and cannot be more than 75% of the SJR. The net amount of the ARE cannot be less than €31.59.

Degressivity of the allowance

If the daily allowance is higher than an average gross daily previous salary of €159.68 (i.e. an average gross monthly salary of €4,857.81), a reduction of 30% is applied from the 7th month of payment. After degressivity, the allowance cannot be less than €91.02 gross per day (i.e. approximately €2,730 gross for a 30-day month).

Changes since 1 February 2023

The law of 21 December 2022 on emergency measures relating to the operation of the labour market with a view to full employment authorises the government to extend the current unemployment insurance rules until 31 December 2023 and to prescribe new rules for compensating the unemployed in line with the state of the labour market. The implementing decree of 26 January 2023 on the unemployment insurance scheme sets out the new rules for compensating jobseekers.

Duration of compensation can be adjusted according to the state of the labour market

For new jobseekers whose employment contract ends on or after 1 February 2023, the duration of unemployment benefit depends on the labour market. If it is favourable, the duration of benefit will be shortened by 25%. A coefficient equal to 0.75 is applied to the initial benefit period. If the economic situation worsens, the current benefit period will be maintained. New rules on the duration of unemployment benefit depending on the labour market situation: * If the overall unemployment rate is below 9% and has not risen by +0.8 points over a quarter, the duration of compensation will be reduced by 25% with a minimum duration of 6 months (182 days); * If the unemployment rate is higher than 9% or has risen by more than 0.8% over a quarter, the current rules on the duration of compensation will apply (depending on the salaried activity and age of the jobseeker).

In the event of a favourable labour market situation: * A jobseeker under 53 who has 730 days of compensation will be notified of an entitlement of 548 days after applying the coefficient of 0.75. * A jobseeker aged 53-54 who has 913 days of benefit will be notified of an entitlement of 685 days after application of the 0.75 coefficient (with the possibility of an extension of up to 137 days in the event of training). * A jobseeker aged 55 or over with 1,095 days will be notified of an entitlement of 822 days after application of the 0.75 coefficient.

Abandonment of post and refusal to accept a permanent contract (CDI)

The law of 21 December 2022 on emergency measures relating to the operation of the labour market with a view to full employment provides for the abolition of access to unemployment benefit in the event of : - abandonment of post without a legitimate reason (medical reasons, right to strike, etc.). An employee who does not return to work by the end of the period specified in the employer's formal notice will be deemed to have resigned. Dismissal for abandonment of post will no longer give entitlement to unemployment benefit; - refusal of open-ended contracts (CDI) for employees on short contracts. An employee at the end of a fixed-term contract (CDD) or temporary contract who refuses an open-ended contract twice within the space of a year, in the same job, at the same place of work and with at least equivalent pay, will no longer receive unemployment benefit.

Job search support

Within the framework of their public service mission, public employment services are committed to help job seekers back into work and to support companies with recruitment activities. Defined in the labour code, the public employment services' main goals are the following:

- To identify trends in the labour market;
- To develop expertise in the evolution of the labour market and related qualifications;
- To collect and match job offers with job seekers;
- To assist and advise companies in their recruitment activities;
- To actively participate in fighting recruitment discrimination and campaigning for equality;
- To provide information, guidance and support to job seekers;
- To provide training and career counselling, regardless of their employment status;
- To facilitate geographic and professional mobility and social and professional integration.
- To register job seekers in up-to-date lists and monitor their search for employment.

Return-to-work incentive measures

Once registered, job seekers agree with public employment services on an individualised return-to-work programme (Projet personnalisé d'accès à l'emploi) and show progress in finding a new position.

According to the Unemployment insurance agreement, return-to-work incentive measures include the following:

- 'Reloadable entitlements': Job seekers with an unemployment allowance are allowed to take on a job or more and perform a total of 150 hours or more of work without losing the previously acquired entitlements. This means that the job seeker can add new earnings from a short period of employment to the entitlements that had not been used when employment was resumed. Therefore, each new work period increases the duration of coverage for unemployment insurance beneficiaries, if it is within 28 or 36 months of the last employment.
- Earning while receiving an unemployment allowance: It is possible to earn a salary while receiving an unemployment allowance, and therefore to cumulate a salary with the unemployment allowance, under the condition that the sum of the two does not exceed the average gross salary earned prior to the registration as a job seeker.

In the case of earning while receiving an unemployment allowance, the actual amount of allowance received corresponds to the calculation for the entitlement as described above minus 70% of the gross monthly salary earned from the new employment.

Commentary

In France, unemployment insurance plays a major role as a social and economic buffer for redundant employees. Indeed, it offers them a replacement income, thus maintaining their purchasing power and supporting consumer spending.

Originally, the unemployment insurance scheme was negotiated with an agreement between the social partners at national level (including the three employer organisations: MEDEF, CPME and U2P) and it was financed through social contributions paid on salaries by both employers and employees. These features have been recently questioned and subsequently changed. In fact, the governance of the unemployment insurance has changed to give the government a new and prominent role to run the scheme. Nowadays, the government has more legal possibilities to monitor the financial trajectory of the unemployment insurance scheme and therefore to guide the negotiation process of unemployment insurance agreements. For instance, the social partners were intended to agree on a new unemployment agreement at the beginning of 2019 per the negotiation framework provided by the government (labour code, article L. 5422-20-1). When the negotiations failed in February 2019, the government initiated reforms for the unemployment insurance scheme.

The main lines of the reform were presented on 18 June 2019 by the Prime Minister and then transcribed in Decree 2019-797 of 26 July 2019. This text plans to implement the measures between November 2019 and March 2021:

- A bonus-malus system (from 1 January 2021) for employers to disincentivise the abusive use of precarious contracts (especially, short-term fixed-term contracts):
 - The system adjusts the employer component of social contributions to the unemployment insurance scheme, according to the frequency of use of these contracts. In other words, companies that frequently use these contracts would suffer a financial penalty. The measure targets seven economic sectors, including accommodation and food service activities, where precarious contracts is more frequent.
- A regressive unemployment allowance for high salaries:
 - Employees earning a gross monthly salary of €4,500 or more should expect a decrease in their unemployment allowances. The measure reduces unemployment allowances starting from €2,261 by 30% after six months of compensation. The

measure is expected to target the top 10% of the wage distribution. Employees with 57 years of age or more are exempted from this measure, as they face more difficulties in finding a job.

- A minimum duration of employment in order to benefit from the unemployment insurance scheme:
 - Employees should have worked for four months over the 28 months prior to registration or for six months over the 24 months prior.
- A new calculation for the daily wage of reference: the latter is determined by the income over the total number of days from the first day of employment (including those as unemployed). The aim is to counteract the adverse effects of split jobs, which allow a job seeker to temporarily earn more on an unemployed status than in work.

The changes cover redundant employees losing their job from 1 November 2019. In this context, the government announced as well the creation of 1,000 new jobs for public employment services over three years in order to set up new job search support measures.

The scheme should ended in December 2022 but has been extended to 31 December 2023 by decree of January 2023 (see source). A new scheme should enter into force on 1 January 2024, through a new social partners agreement or by decree if social partners failed to reach an agreement.

Additional metadata

Cost covered by	Companies National government
Involved actors other than national government	Employer organisation Public employment service Trade union
Involvement (others)	None
Thresholds	Affected employees: No, applicable in all circumstances Company size: No, applicable in all circumstances Additional information: No, applicable in all circumstances

Sources

Citation

Eurofound (2015), France: Redundant employees entitlement to public support,
Restructuring legislation database, Dublin

Germany

Redundant employees entitlement to public support

Phase	Social Code Book III
Native name	Sozialgesetzbuch III
Type	Redundant employees entitlement to public support
Added to database	09 July 2015
Access online	Click here to access online

Article

Social Code Book III, §136

Description

Under the Social Code Book III redundant workers are entitled to unemployment benefits (Arbeitslosengeld).

Workers who will be dismissed have to announce their dismissal to the employment agency at least three months before the termination of their contract, otherwise the benefit will not be paid in due time. They have to register with the agency immediately after the end of their contract and declare themselves willing to cooperate with the agency, to accept reasonable job offers and to be available for work.

Redundant workers with children receive 67% of net earnings, while those without children receive 60% of net earnings. The duration of benefits depends on the length of the employment period during which social security contributions were paid as well as on the age of the recipient. Workers aged 58 years and older having worked more than two years receive benefits for a maximum duration of 24 months.

The benefit will not be granted for a period of up to 12 weeks (Sperrzeit) if, without an important reason, the redundant worker fails to register promptly as a job seeker, refuses reporting obligations, refuses to turn up for appointments with the agency and to accept

job offers assigned to them. The provision of the benefit depends on their attested willingness to take up jobs which may pay less than their previous job.

However, during the first three months of unemployment, job offers are considered unreasonable, if the salary to be earned is more than 20% below the salary that was taken into consideration for calculating the unemployment benefit. This threshold is increased to 30% between the fourth and sixth month of unemployment.

Redundant workers receiving the unemployment benefit may ask for career counselling. Here, the main support instrument are online portals on [job offers](#) and [training offers](#). Recipients of the unemployment benefit as well as workers at risk of dismissal may apply for a [further training voucher](#). In case of approval the voucher may cover:

- Training expenses (seminar fees and the test fees for legally regulated or generally accepted intermediate or final examinations as well as expenses for necessary aptitude testing)
- Travelling expenses
- Expenses for external accommodation and board
- Expenses for child care

The employment agency may approve that the unemployment benefit can be drawn for the time of further training. In this case two months of training reduce the overall duration of eligibility of the unemployment benefit by one month.

Commentary

Following on the termination of the unemployment benefit, job seekers receive the so-called citizen benefit (formerly known as unemployment benefit II or Hartz IV). The citizen benefit is a tax-based, means-tested basic provision. In 2023, the basic amount for a single person rests at €502 per month. New rules regarding the citizen benefit took effect on 1 January 2023 and are in comparison to its forerunner, the unemployment benefit II, less strict. For example: costs for a rented flat as well as heating costs are covered to a reasonable extent during the first 12 months of receiving the citizen benefit. Also, private assets are only taken into account during the first year if they are substantial. Recipients of the citizen benefit can also participate in training courses or use coaching sessions to improve their labour market prospects.

Additional metadata

Cost covered by

National government Employee Companies

Involved actors other than national government	Public employment service
Involvement (others)	None
Thresholds	Affected employees: No, applicable in all circumstances Company size: No, applicable in all circumstances Additional information: No, applicable in all circumstances

Sources

Citation

Eurofound (2015), Germany: Redundant employees entitlement to public support, Restructuring legislation database, Dublin

Greece

Redundant employees entitlement to public support

Phase	Law 2956/2001 on labour force employment organisation
Native name	Νόμος 2956/2001 Οργανισμός Απασχόλησης Εργατικού Δυναμικού
Type	Redundant employees entitlement to public support
Added to database	11 May 2015
Access online	Click here to access online

Article

Chapter A, Articles 1-7

Description

In addition to granting benefits (unemployment, maternity, medical care and other aid), the labour force employment organisation ([OAED](#)) also aims to strengthen the provision of employment services to the unemployed and to develop policies and measures through targeted interventions to tackle unemployment. In particular:

- it implements employment programmes for the benefit of both businesses/employers and the employed/unemployed, such as business grant programmes for the employment and/or training of employees, employer's support programmes with subsidised social security contributions, subsidy programmes for young self-employed people, and business subsidy programmes for the hiring of young employees or those close to retirement age, among others;
- a main priority area for the organisation is to provide counselling services which constitute dynamic interventions to activate and mobilise the unemployed and to facilitate their entry into the labour market. The counselling services provided by the OAED consist of counselling and career guidance - namely, career management, job seeking counselling and entrepreneurial counselling; and

- other interventions, including direct hiring of staff for public works by municipalities, associations and public sector legal entities.

The above-mentioned measures are open to all unemployed people, not only to those affected by restructuring. In general, there are no restrictions, but some specific actions may target specific industries or categories of unemployed, such as people younger than 25 or older than 50, or persons with disabilities, and so on.

Commentary

The purpose of the OAED is to implement government policy on a number of issues, namely fostering employment/combating unemployment; strengthening and facilitating the integration of the country's human capital into the labour market; providing unemployment benefits; promoting vocational education and training and their connection with employment; supporting the intellectual and social development of the workforce and their families; providing housing benefits; and supporting their collective organisation and action, with a view to improving their living standards.

The unemployment allowance currently provided by the OAED is considered particularly low in relation to the needs that exist in the country due to the prolonged economic crisis. The monthly benefit paid in case of redundancy in 2019 ranges between €399,25, for those cases where the unemployed person has no dependents, and €640, for cases where the unemployed person has six or more dependents. It is provided for a maximum period of approximately one year, after which it stops even if the unemployed person has not found a new job.

On the other hand, there is a great effort to support active employment policies. Nonetheless, due to the economic crisis, high unemployment (especially long-term) and the structural problems in the labour market, these programmes (although necessary) are currently not able to provide an effective long-term response to the problems of the unemployed, given that labour demand is low.

Because unemployment considerably increased during the prolonged economic crisis in Greece, the OAED has been sorely tested as the social demand for benefits and services has increased rapidly. In this context, a plan to restructure the OAED was implemented in 2014 under the supervision of the European Commission, with the aim of ensuring the provision of more and better services to the unemployed, a better planning and implementation of employment programmes, an improved system of apprenticeship in the development of partnerships, and cooperation with public, social and private actors. However, due to austerity and the government deficit, no increase in benefits (in terms of unemployment allowances) to the unemployed is expected although, in reality, the need of

the unemployed for cash benefits remains very high.

Additional metadata

Cost covered by	Companies Employee Employer National government
Involved actors other than national government	Public employment service
Involvement (others)	None
Thresholds	Affected employees: No, applicable in all circumstances Company size: No, applicable in all circumstances Additional information: No, applicable in all circumstances

Sources

Citation

Eurofound (2015), Greece: Redundant employees entitlement to public support, Restructuring legislation database, Dublin

Hungary

Redundant employees entitlement to public support

Phase	Supporting the adaptation to structural changes
Native name	A strukturális változásokhoz való alkalmazkodás segítése
Type	Redundant employees entitlement to public support
Added to database	23 April 2021
Access online	Click here to access online

Article

Government resolution 1006/2016 (I. 18.) modified 4 May 2019 on the annual development budgets of Economic Development and Innovation Operational Programmes (GINOP); Priority project "Helping to adapt to structural changes" GINOP-5.3.10-VEKOP-17-2017-000; Act IV of 1991 on Job Promotion and Unemployment Benefit

Description

Redundant employees right to access public support is generally anchored in Act IV of 1991 on Job Assistance and Unemployment Benefits, which guarantees the right to seek assistance through the Public Employment Services in the case of job loss. The conditions and details of receiving public support in unemployment are outlined in Sections 25-29 of the Act for general cases, and a special situation, the pre-pension period in the five years before pension age, is dealt with in Section 30.

In 2016, a special project was launched and implemented by the public employment service to support the training of people who are affected by redundancy, and those whose jobs are at risk due to upcoming structural or technological changes, as well as for the adjustment to a new job for unemployed people. The programme called 'Helping to adapt to structural changes' provided support for employers until the end of 2022.

The priority project implemented by the National Employment Service serves to manage redundancies, preserve the jobs of workers affected by restructuring and address labour

shortages by supporting the training of workers who are threatened by losing their jobs in the context of structural and technological changes. It covers the costs of integration and training in the workplace in the case of jobseeker employment. The project also finances support for the management of the economic crisis in the context of the COVID-19 pandemic situation, the prevention of the downsizing of firms in difficulty, and the protection of jobs.

The implementation of the project covers the whole country and it is overseen by the Ministry of Innovation and Technology and a consortium of government offices in each county and the capital. Financing is covered by government resolution 1006/2016 (I. 18.) and modified 4 May 2019 on the annual development budgets of Economic Development and Innovation Operational Programmes (GINOP). The resources available for the implementation of the project are HUF 100 billion (€277.8 million). The duration of the project is from 1 January 2018 to 31 October 2022.

Target groups and elements of the project to help adapt to structural changes

I. Prevention and management of redundancies

This component may involve an employee affected by a collective redundancy as notified by his employer (private sector, public sector) to the government office or whose employment is expected to be terminated within one year, and the employer has communicated this in writing to the employee and the public employment body in advance. The government office assists the employee in re-employment as soon as possible with training and labour market services. Funding for training the employee is not provided to the employer. The employee, instead, must register directly with the employment department of the government office closest to their place of residence and choose from among available courses. Training costs are 100% refundable.

II. Training of workers affected by structural or technological changes

Employers and their employees affected by structural or technological changes are the target group of the programme element. The component helps to train the employee concerned and preserve their workplace through support to the employer. Any change related to the development of the economic environment that requires adaptation by the employer or employees, affects employers' needs for skills or competences, and requires the acquisition of new qualifications or competences may be considered a structural change. A technological change means any change related to a change in the work equipment or technology used, or a change in the production process. Within the framework of this component, the employer must submit an application for the training and re-training of employees to the employment department of the government office closest to its place of establishment. The aid is intended to reimburse up to 75% of training

costs (including exam costs). If the employee has reached the age of 45 at the time of the application, training costs may be reimbursed 100%. The employer receiving the aid must continue to employ the workers in training for the same period as the training.

III. Support for workplace training when recruiting registered jobseekers

This programme element facilitates the training and integration into the workplace of the registered jobseeker(s) to be recruited by the employer through the support provided to the employer for the wages of the trained employee. The allowance may be granted for the training of two registered jobseekers, provided that at least one of them is a disadvantaged registered jobseeker. The maximum cost of 50% of the wage of the worker assisting in training new workers may be granted for a maximum period of 90 days, during which the allowance may not exceed HUF 180,000/month (€500). If the employer employs a registered jobseeker with disabilities, the allowance may be granted even if only one person with disabilities is employed, in which case the maximum 100% wage cost of the training worker's wage may be granted for a maximum period of 12 months, during which the allowance may not exceed HUF 360,000/month (€1,000). A further condition for receiving the aid is that the employer concludes a contract with the jobseekers for at least 12 months.

IV. Support for short-time work during an emergency (Wage support for job protection)

The component helps to preserve jobs by supporting short-time work for workers in the context of the COVID-19 pandemic emergency (see also [Wage support programme for job retention](#) – Kurzarbeit with training obligation, case HU-2020-18/640 (measures in Hungary), COVID-19 EU PolicyWatch).

Results of the 'Help to adapt to structural changes' project

Since the project was launched, support has been provided to preserve or re-establish the jobs of more than 189,000 workers nationwide.

Within the framework of the programme, it was possible to jointly submit applications for short-time work allowance to employers and employees under the Employment protection action plan in the Job protection wage support programme from 16 April 2020 to 31 August 2020. The aid was granted for three months, with a total of 8,755 people receiving it, thus contributing to the preservation of jobs and the easing of the COVID-19 pandemic situation.

This case is also related to EU PolicyWatch HU-2020-21/986.

Commentary

Amendments to the call of 'Supporting the adaptation to structural changes' were published in August 2020 in response to the COVID-19 pandemic. As further aid, the government amended the terms of support for the Enterprise workforce support programme on 1 June 2021: accordingly, employers may receive grants on the basis of an application submitted to the district (metropolitan district) office acting as a public employment body if they employ a jobseeker registered with a public employment body under the age of 25 or registered for at least 1 month in an employment relationship. The duration of the aid may be fixed at six months (see also [Wage support for job creation](#), case HU-2020-21/986 (measures in Hungary), COVID-19 EU PolicyWatch, Dublin).

Additional metadata

Cost covered by	National government
Involved actors other than national government	Public employment service
Involvement (others)	None
Thresholds	Affected employees: No, applicable in all circumstances Company size: No, applicable in all circumstances Additional information: No, applicable in all circumstances

Sources

Citation

Eurofound (2021), Hungary: Redundant employees entitlement to public support, Restructuring legislation database, Dublin

Ireland

Redundant employees entitlement to public support

Phase	Social welfare consolidation act 2005; S.I. No. 440/2014 - Social welfare (consolidated claims, payments and control) (amendment) (No. 4) (Prescribed employment schemes) regulations 2014; S.I. No. 441/2014 - Social welfare (consolidated supplementary welfare allowance) (amendment) (No. 4) (Prescribed employment schemes) regulations 2014; Social welfare, pensions and civil registration act 2018
Native name	Social welfare consolidation act 2005; S.I. No. 440/2014 - Social welfare (consolidated claims, payments and control) (amendment) (No. 4) (Prescribed employment schemes) regulations 2014; S.I. No. 441/2014 - Social welfare (consolidated supplementary welfare allowance) (amendment) (No. 4) (Prescribed employment schemes) regulations 2014; Social welfare, pensions and civil registration act 2018
Type	Redundant employees entitlement to public support
Added to database	03 September 2015
Access online	Click here to access online

Article

Social welfare consolidation 2005 act: Chapter 12, sections 62-68; all of S.I. 440/2014 and S.I. 441/2014; Social welfare, pensions and civil registration act 2018 articles no. 8-10-11

Description

Intreo is the jobseeker public service that makes stronger links between unemployment benefit receipt and job activation. Employees who have become redundant are entitled to unemployment benefit and support, such as jobseeking assistance and learning and upskilling, subject to the following conditions:

- he or she is under pensionable age on the day for which the benefit is claimed;
- he or she proves unemployment in the prescribed manner;
- he or she satisfies the contribution conditions as set in the Social welfare consolidation act 2005 (as amended), and
- other than in the case of a person engaged in casual employment, he or she has sustained a substantial loss of employment in any period of 6 consecutive days.

The redundant employee must have at least one year of state qualifying contributions made. A person seeking unemployment benefit must re-apply/re-qualify for such benefit after 156 days in receipt of the benefit.

If a benefit seekers is aged under 55 and received a redundancy payment of more than €50,000, he or she is disqualified from claiming jobseeker's benefit for a certain period of time. Any period of disqualification is subtracted from the total jobseeker's benefit entitlement. The disqualification periods are:

Value	Amount of time
€50,000.01 - €55,000	1 week
€55,000.01 - €60,000	2 weeks
€60,000.01 - €65,000	3 weeks
€65,000.01 - €70,000	4 weeks
€70,000.01 - €75,000	5 weeks
€75,000.01 - €80,000	6 weeks
€80,000.01 - €85,000	7 weeks
€85,000.01 - €90,000	8 weeks
€90,000.01 and over	9 weeks

Jobseeker's Benefit rates, as of July 2023, are:

Average weekly earnings	Personal rate	Increase for a qualified adult	Increase for a qualified child
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Less than €150	€98.70	€94.50	Child aged under 12
€42 (full rate), €21 (half rate)			
Child aged 12 and over			
€50 (full rate), €25 (half rate)			
€150 - €219.99	€141.90		
€220 - €299.99	€172.30		
€300 or more	€220.00	€146	

In 2019 Jobseeker's Benefit was made available to self-employed workers.

Jobseeker's Benefit is available for a 9-month duration for self-employed persons with more than 260 social insurance contributions, and for a 6-month period for self-employed persons with fewer than 260 contributions. Self-employed persons are also able to access the temporary COVID-19 pandemic unemployment payment.

Commentary

The inclusion of self-employed persons to access Jobseekers' Benefit (and the temporary COVID-19 Pandemic Unemployment Payment) is recognition of the significant number of self-employed persons in Ireland (around 15%) and that, given the vulnerability of having reduced work, or out of work completely, there is a need to encompass this cohort of workers who have made social insurance contributions but who could not avail of the social protection safety net.

Additional metadata

Cost covered by National government

Involved actors other than national government	Public employment service
Involvement (others)	None
Thresholds	Affected employees: No, applicable in all circumstances Company size: No, applicable in all circumstances Additional information: No, applicable in all circumstances

Sources

Citation

Eurofound (2015), Ireland: Redundant employees entitlement to public support, Restructuring legislation database, Dublin

Italy

Redundant employees entitlement to public support

Phase

Legislative Decree 4 March 2015, n. 22, Provisions for the reorganisation of the legislation on social safety nets in the event of involuntary unemployment and relocation of unemployed workers; Legislative Decree 14 September 2015, n. 148, Provisions for the reorganisation of the legislation on social safety nets in constance of employment; Legislative Decree 14 September 2015, no. 150, Provisions for the reorganisation of rules on employment services and active labour market policies; Decree Law 28 September 2018, n. 109, Urgent provisions for the city of Genoa, the security of the national infrastructure and transport network, the 2016 and 2017 seismic events, work and other emergencies; Decree law 28 January 2019, n. 4, Urgent provisions concerning citizenship income and pensions; Law 30 December 2020, n. 178; State budget for the financial year 2021 and multi-year budget for the three-year period 2021-2023; Law Decree Law 25 May 2021, n. 73 Urgent measures related to the COVID-19 emergency, for businesses, work, young people, health and local services; Law no. 234 of 30 December 2021, State budget for the financial year 2022 and multiannual budget for the three-year period 2022-2024

Native name	Decreto Legislativo 4 marzo 2015, n. 22, Disposizioni per il riordino della normativa in materia di ammortizzatori sociali in caso di disoccupazione involontaria e di ricollocazione dei lavoratori disoccupati; Decreto legislativo 14 settembre 2015, n. 148, Disposizioni per il riordino della normativa in materia di ammortizzatori sociali in costanza di rapporto di lavoro; Decreto legislativo 14 settembre 2015, n. 150, Disposizioni per il riordino della normativa in materia di servizi per il lavoro e di politiche attive; Decreto legge 28 settembre 2018, n. 109, Disposizioni urgenti per la città di Genova, la sicurezza della rete nazionale delle infrastrutture e dei trasporti, gli eventi sismici del 2016 e 2017, il lavoro e le altre emergenze; Decreto legge 28 gennaio 2019, n. 4, Disposizioni urgenti in materia di reddito di cittadinanza e di pensioni; Legge 30 dicembre 2020, n. 178 Bilancio di previsione dello Stato per l'anno finanziario 2021 e bilancio pluriennale per il triennio 2021-2023; Decreto Legge 25 maggio 2021, n. 73 Misure urgenti connesse all'emergenza da COVID-19, per le imprese, il lavoro, i giovani, la salute e i servizi territoriali; Legge 30 dicembre 2021, n. 234, Bilancio di previsione dello Stato per l'anno finanziario 2022 e bilancio pluriennale per il triennio 2022-2024.
Type	Redundant employees entitlement to public support
Added to database	24 July 2015
Access online	Click here to access online

Article

Legislative Decree n. 22/2015, article 8; Legislative Decree n. 148/2015; Legislative Decree n. 150/2015; Decree law n. 109/2018, article 44; Decree law n. 4/2019 articles 1-13; Law Decree No. 73 of 25 May 2021; Law No. 178 of 30 December 2020, Law no. 234 of 30 December 2021, Law no. 234 of 30 December 2021

Description

In Italy, there are different forms of intervention to support workers involved in corporate reorganisation processes.

Some of these interventions relate to the protection of income and can be referred to with the broad label of 'social shock absorbers'. Some of them protect workers' income within a still existing employment relationship and aim at guaranteeing income in the event of a temporary suspension of work. These are:

- the Ordinary Wage Guarantee Fund (CIGO) which can be activated in case of suspension of, or reduction in, work activities due to temporary events that cannot be ascribed to the company. The maximum duration of benefits is 13 weeks, which can be extended up to 52 weeks. The 2022 Budget Law introduced no major changes to CIGO but clarified aspects regarding territorial organisation and INPS competence.
- the Extraordinary Wage Guarantee Fund (CIGS) which can be activated for one of the following reasons:
 - business restructuring for a maximum period of 24 months (not necessarily consecutive) over a five-year period (to be counted from the date when such payment begins),
 - business crisis for a maximum of 12 months, and
 - solidarity contracts for a maximum time span of 24 months (not necessarily consecutive), which can be extended up to 36 months (see below). The 2022 Budget Law brought broad changes to CIGS, including the expansion of the pool of employers, the inclusion of new reasons such as "company reorganisation", and changes to the provisions related to the reorganisation programme.
- solidarity contracts which are agreements concluded with the unions, mainly aimed at avoiding, in whole or in part, staff reductions through a shared reduction of working time (cut in average by up to 60%, and no more than 70% for each involved worker). The solidarity contracts can also be entered in a view to increase the staff, by accompanying the reduction of working time with the hiring of new employees on an open-ended basis (the so-called 'expansive solidarity contracts');
- solidarity funds which are set up through collective bargaining agreements concluded between union associations and employer organisations, with the view to protect workers who are not covered by either CIGO or CIGS and to support employers averagely employing more than five employees. From 1 January 2022, the establishment of new funds for employers outside of CIGO is foreseen. These funds must guarantee protections for all employers in the sector employing at least 1 worker. For Funds existing as of 31 December 2021, a transitional period of adjustment to the new provisions has been set.

Wage Guarantee Funds were largely reformed by legislative decree 148/2015, one of the decrees implementing the so-called Jobs Act which has, among other things, eliminated the possibility of using the CIGS in cases of cessation of the company's production activity or of a branch of it, then reintroduced in 2018 by Decree law 109/2018.

The 2022 Budget Law (Law no. 234 of 30 December 2021) has introduced various changes in terms of wage integration treatments:

- **Application Timing:** The innovations take effect for requests beginning the reduction/suspension of activity from 1 January 2022. They do not apply to reductions initiated in 2021, even if continued into 2022.
- **Beneficiaries of Integrations:** The pool of beneficiaries has been expanded to include home workers and apprentices. The minimum work seniority to access integration has been reduced from 90 to 30 days.
- **Amount of Treatments:** A maximum figure has been introduced (€1,199.72 for 2021) which will be updated annually according to ISTAT indices.
- **Disbursement and Reimbursement:** Specific terms have been set for the transmission of data for payment. If not complied with, the expenses are borne by the employer.
- **Employee Calculation:** All workers, including managers, apprentices, and home workers, must be included in the company size calculation.
- **Compatibility with Other Work Activities:** Changes to the conditions regulating the compatibility of wage integration treatment with other work activities have been made.

A second programme of interventions, which can be defined as protection within the labour market, is aimed at guaranteeing income in the event of unemployment. These instruments are:

- the New Social Insurance for Employment (NASPI)
- the Dis-Coll, intended for part-time workers
- the citizenship income

As part of the reforms implemented by the Jobs Act and the reorganisation of the social shock absorber instruments, the legislator has strongly emphasised the so-called active labour market policies, i.e. all those measures aimed at fostering the reintegration of the unemployed into the labour market, also by introducing a series of conditionality mechanisms aimed at subordinating the recognition and maintenance of subsidies to a specific active behaviour of the worker. For example, the new system establishes that the unemployed worker agrees with the public employment centres a series of commitments aimed at strengthening his/her professional skills and facilitating the search for a new job. In the event that the beneficiary does not comply with these commitments, the benefit is reduced or even suspended.

Legislative Decree n. 150/2015 reformed the overall organisation of public labour services and active labour market policies, setting up the National Agency for Active Labour Market Policies (ANPAL) and a national network of employment services in order to facilitate

faster reintegration of inactive subjects in the labour market. The national network of employment services includes:

- regional structures for active labour market policies;
- National institute of Social security (Istituto Nazionale della Previdenza Sociale - INPS);
- National Institute for Insurance against Accidents at Work (Istituto Nazionale Assicurazione contro gli Infortuni sul Lavoro - INAIL);
- employment agencies and other authorised intermediaries;
- inter-professional funds for continuous training and bilateral funds;
- National Agency for Active Labor Policies (Agenzia Nazionale per le Politiche Attive del Lavoro - ANPAL);
- National Institute for the Analysis of Public Policies (Istituto Nazionale per l'Analisi delle Politiche Pubbliche - INAPP);
- chambers of commerce;
- universities and secondary schools of the second grade.

Legislative Decree n. 150/2015 rationalised the organisation of active labour market policies both at regional and central level, identifying exactly the tasks assigned to the state and those of regional competence.

It is up to the Ministry of Labour and Social Policies to determine the three-year guidelines and the annual objectives of action in the field of active labour market policies and to set the essential levels of the services which must then be implemented in practice at the regional level. Regions provide the services related to active labour market policies through the public employment centres or through specific private accredited subjects.

Among the main active policy tools is the outplacement cheque. This tool is governed by article 23 of Legislative Decree no. 150/2015, which sets forth that the beneficiary can turn to an accredited employment service and complete the procedure aimed at defining his/her employability profile. Based on such profile, the unemployed person who has already benefited from the New Social Insurance Provision for Employment (Nuova prestazione di Assicurazione Sociale per l'Impiego, NASPI) and who is still unemployed after four months is given an 'outplacement voucher'. The worker can choose whether to turn to a public employment agency or to an accredited private one, which will receive the voucher amount only upon the successful completion of the outplacement procedure. In case the unemployed person is hired under a fixed-term contract with a duration longer than six months, the voucher amount is halved.

In addition, employees who are at risk of unemployment, those who are covered by the Extraordinary Wage Guarantee Fund (Cassa integrazione guadagni straordinaria, [CIGS](#)),

and those who are working under solidarity contracts are entitled to the above-mentioned active policy tools (such as orientation interviews and the organisation of a training action).

Since active labour market policies fall under the competence of the regions, similar outplacement voucher schemes have been already introduced in some areas of the country.

Finally, workers receiving unemployment benefits might opt for the payment of a lump sum instead of the monthly allowance if they want to start up a new business or cooperative.

Commentary

The primary aim of the last labour market reform was to create a link and an adequate balancing between active and passive labour policies.

Nonetheless, some criticism has been raised as regards the outplacement voucher which is still in its testing phase, involving a very low share of the potential claimants.

Moreover, following the abolition of the mobility allowance (a specific unemployment benefits applicable in case of collective dismissals) as of 1 January 2017, workers dismissed pursuant to a collective dismissal procedure are likely to have weaker social protection than in the past.

In fact, the newly introduced unemployment benefit, applicable to all employees losing their job, the New Social Insurance Provision for Employment (NASpl), ensures a lower amount and duration: prior to the approval of Law no. 92/2012, the mobility allowance had a maximum duration of 36 months (or 48 months for employees working in southern Italy), as against the 24-month maximum NASpl period.

At the same time, the Jobs Act significantly reduced protection against dismissals for workers hired from March 2015 onwards, who are more exposed to this risk than in the past. Specifically, the reform narrowed the field of application of the reinstatement rule in case of unfair dismissal, generally replaced by a seniority based financial compensation.

Additional metadata

Cost covered by Companies National government

Involved actors other than national government	Public employment service Regional/local government
Involvement (others)	None
Thresholds	Affected employees: No, applicable in all circumstances Company size: No, applicable in all circumstances Additional information: No, applicable in all circumstances

Sources

Citation

Eurofound (2015), Italy: Redundant employees entitlement to public support, Restructuring legislation database, Dublin

Latvia

Redundant employees entitlement to public support

Phase	Support for unemployed persons and persons seeking employment law
Native name	Bezdarbnieku un darba meklētāju atbalsta likums
Type	Redundant employees entitlement to public support
Added to database	11 May 2015
Access online	Click here to access online

Article

The law on Support for Unemployed Persons and Persons Seeking Employment

Description

The purpose of this law is to provide support for unemployed persons, persons seeking employment and persons subject to the risk of unemployment in order to facilitate their ability to compete in the labour market. This law establishes the active employment measures and preventive measures for unemployment reduction (intended for unemployed persons, persons seeking employment and persons subject to the risk of unemployment), the competence of the state and local governments in the implementation of these measures, as well as the status, rights and duties of an unemployed person and person seeking employment. Active employment measures include: * occupational training, retraining and raising of qualifications; * paid temporary public works; * measures to increase competitiveness, including assistance in job seeking; * measures for specified groups of persons; * measures to facilitate start-up of commercial activities and self-employment; * work practice in the workplace, which provides an opportunity to determine vocational suitability; * training with an employer; * complex support measures.

Preventive measures include: * career consultations; * raising of the qualifications, retraining and further education of persons employed by merchants and self-employed; *

facilitating the regional mobility of persons employed by merchants; * facilitating the acquisition of the official language; * training programmes for involving adults in lifelong learning; * training programmes for employed persons subject to the risk of unemployment.

Persons who are entitled for the support have the right to unemployed person status after registration with the State Employment Agency and: * who is not working; * who is seeking employment; * who is capable of work and is ready to enter into employment relationships without delay; * who has attained 15 years of age; * who has not attained the age that entitles one to receive the State old-age pension, or who has not been granted the State old-age pension (including before term); * who has not been accepted for enrolment in a full-time elementary or secondary education programme; * who does not perform commercial activities or for whom commercial activities have been suspended in accordance with laws and regulations; * who is not at a place of imprisonment, except for serving the punishment of deprivation of liberty in an open prison or a long-term social care and social rehabilitation institution in which the services are fully or partially financed from the State or local government budget.

On 7 November 2019 the law was supplemented by a new Section 15.1 on the status of a persons who are subject to the risk of unemployment: * an employed person or self-employed person who has reached 50 years of age; * an employed person or self-employed person who has a level of education or skills that is insufficient for the requirements of the labour market; * an employed person or self-employed person to whom disability or predictable disability has been determined, or a person after temporary incapacity for work that has lasted at least four consecutive months; * an employed person whose place of residence is located in the territory of low economic activity; * a person who is not working and is obtaining basic education or secondary education irrespective of the type of education; * a person with no work experience; * a person who has been given a notice of termination of the employment contract; * a person who serves the sentence at a place of imprisonment.

Commentary

No information available.

Additional metadata

Cost covered by National government

Involved actors other than national government Public employment service Regional/local government National government

Involvement (others) None

Thresholds Affected employees: No, applicable in all circumstances
Company size: No, applicable in all circumstances
Additional information: No, applicable in all circumstances

Sources

Citation

Eurofound (2015), Latvia: Redundant employees entitlement to public support, Restructuring legislation database, Dublin

Lithuania

Redundant employees entitlement to public support

Phase	Labour code No XII-2603; Law on unemployment social insurance No IX-1904; Law on employment No XII-2470
Native name	Darbo kodeksas Nr. XII-2603; LR nedarbo socialinio draudimo įstatymas Nr. IX-1904; LR užimtumo įstatymas Nr. XII-2470
Type	Redundant employees entitlement to public support
Added to database	22 July 2015
Access online	Click here to access online

Article

Labour code (48); Law on unemployment social insurance (5, 7, 8, 12, 17, 18, 48-1); Law on employment (chapter 3: section 4, section 6)

Description

In Lithuania, redundant employees are entitled to job search support, unemployment benefits and active labour market policy measures.

Job search support

According to the Law on employment (chapter 3: section 4), redundant employees are entitled to labour market services provided by the Employment service under the Ministry of Social Security and Labour. These services include:

- registration of job seekers and vacancies;
- information services (information on employment support measures and labour market services, vocational guidance);
- consulting and counselling (career counselling, career planning, psychological counselling);
- assessment of employment opportunities;

- employment intermediation;
- assisted employment services for the disabled (support for employment procedures, accompanying support after employment);
- planning of individual employment activities (individual employment activity plans).

Unemployment benefits

Unemployment social insurance benefit. According to the Law on unemployment social insurance, people covered by the unemployment social insurance and registered as unemployed at the Employment service who have not been offered by the Employment service a suitable job or active labour market policy measures, are entitled to the unemployment insurance benefit if, prior to registration at the Employment service, they had acquired the unemployment insurance record for at least 12 months during the last 30 months (article 5). The unemployment insurance benefit is paid at least once a month for nine months (article 7).

Unemployment benefit is calculated as the sum of a fixed and a variable component. The fixed component of the unemployment benefit equals 23.27% of the minimum monthly wage. The variable component is calculated as follows (article 8):

- 38.79% of the average monthly insured income of the insured - from the 1st to 3rd benefit payment months;
- 31.03% of the average monthly insured income of the insured - from the 4th to 6th benefit payment months;
- 23.27% of the average monthly insured income of the insured - from the 7th to 9th benefit payment months.

The average monthly insured income is calculated as the average of the previous 30 months starting from the end of the previous month preceding the date of the unemployed person's registration at a local employment service unit. The unemployment insurance benefit shall not exceed 58.18% of the average gross monthly wage in the national economy, as published by the Department of Statistics, which is valid for the quarter before the unemployed person's registration at the local employment service unit (article 8).

Payment of unemployment insurance benefit shall be extended for another two months for the unemployed who have less than five years left until old-age pension on the date of expiry of the awarded or renewed unemployment insurance benefit, unless the person has been awarded an early old-age pension (article 12).

Temporary job search benefit (TJSB). During the COVID-19 pandemic, the Law amending articles 25, 41, 42, 44 and 48-1 of Law on employment of the Republic of Lithuania (No XII-2470) came into force in Lithuania on 12 June 2020 and introduced a TJSB. The purpose of the amendments is to provide support for individuals who do not meet the eligibility criteria for unemployment benefit and for those who have previously received the unemployment benefit, but payment has expired. The aim is to ensure that no unemployed individual is left without income during the lockdown. Pursuant to the law, individuals registered with the Employment service shall be entitled to the TJSB, if all of the following conditions are met (article 48-1):

- the person shall have been granted the unemployment status;
- the unemployed person shall not participate in active labour market policy measures at the time of applying for the benefit;
- the person's employment contract or legal relations deemed to be equal to employment relations have expired not more than three months before the date of the government-introduced state of emergency or quarantine;
- the person is not entitled to unemployment social insurance benefit, or the benefit payment period has expired.

The benefit will be paid until 31 August 2021. Self-employed people are eligible to receive the mentioned benefit since 1 July 2021. However, such benefit will expire for the self-employed on 31 August 2021. The amount of the benefit consists of 33% of the minimum monthly wage (MMW) approved by the government, applicable in the month for which the job-search benefit is paid (in July 2021, the MMW in Lithuania is €642).

Short-time work benefit. According to the Labour code (article 48), if the employer is unable to provide employees with work and a collective dismissal may occur, short-time working may be established by the employer. Short-time working time is shortened by up to 50% of the employee's standard working hours. In this case, the employee is paid a short-time work benefit (article 17). The amount of the short-time work benefit is equal to short-time working hours (up to 50% of the working time rate) in proportion to the lower unemployment benefit that would be paid to the person in accordance with Article 8 of the Law on unemployment social insurance. The amount of the unemployment benefit used to calculate the short-time work benefit may not exceed 58.18% of the gross average wage paid in the national economy in the previous quarter. The short-time work benefit can be paid for a maximum period of three months (article 18).

Active labour market policy measures

According to the Law on employment (chapter 3: section 6), redundant employees are entitled to the following active labour market policy measures:

- support for learning (vocational training, employment under apprenticeship employment contracts, advanced training, recognition of competences acquired through non-formal and informal learning);
- support for mobility;
- supported employment (subsidised employment, support for the acquisition of work skills);
- support for job creation or adaptation (subsidising job creation (adaptation), implementation of local employment initiate projects, and support for self-employment, since 1st of January, 2023 support for self-employment changed to support for business start-ups).

Labour market services and measures to support employment are mainly funded by the national and municipal budgets and EU structural funds.

In the event of group redundancies, the Employment service provides the following services in addition to the ones mentioned above:

- impact assessment of the redundancy on the local labour market;
- provisions to mitigate the effects of the redundancy through application of employment support measures;
- organisation of meetings with employees to inform them of the labour market situation and their rights and obligations.

Moreover, article 48-1 of Law on Employment has been changed (valid from 1st of July, 2022) and now regulates conditions to receive "the entry allowance" applicable to residents who have not been permanent residents of Lithuania for the last 5 years, regardless of their nationality and also provides for allowance to employers who attract and employ them (Article 12 par 3 and 4 of the Law). The aim is not only to attract highly skilled foreigners to Lithuania, but also to bring back citizens of the Republic of Lithuania who have left the country more than 5 years ago. The allowance also aims to attract highly skilled foreigners by encouraging foreign investors to relocate their manufacturing or service activities to Lithuania, reducing entry costs for the worker and search costs for the employer for a highly skilled worker.

Commentary

In the first quarter of 2021, gross average wage in Lithuania was €1,517.4, in the first quarter of 2022 was 1729,9 Eur, in the first quarter of 2023 was 1959,9 Eur and 2000,1 Eur in the second quarter of 2022.

According to the Employment service, in 2020, employment intermediation services were provided to a total of 217,046 people (in 2019, the number was 179,538); information services were provided to 14,047 people (in 2019, the number was 29,855); counselling services were provided to 609,680 people (in 2019, the number was 728,090); and individual employment activity planning services were provided to 281,297 people (in 2019, the number was 281,645). In 2020, around 22,400 job seekers participated in active labour market policy measures (by 11.9% less compared to the number in 2019).

According to the data provided by the State Social Insurance Fund Board, the number of the unemployment benefit recipients in January 2021 was 92,000 (in January 2020 – 66,900). The average amount of the benefit in January 2021 was €349.6 (in January 2020 – €345). The average duration of unemployment benefit payments was 4.9 months in 2020.

According to the Ministry of Social Security and Labour, a total of 398,983 applications for TJSB were received by the Employment service in Lithuania during the period from 12 June 2020 to 29 March 2021; TJSB were granted for 352,556 unemployed people. The total amount paid through TJSB amounted to €191.6 million on 29 March 2021.

As of July 2021, no data on the number of the recipients of short-time work benefits is available.

Additional metadata

Cost covered by	National government
Involved actors other than national government	Public employment service Regional/local government Trade union Other
Involvement (others)	Training institutions, business centres
Thresholds	Affected employees: No, applicable in all circumstances Company size: No, applicable in all circumstances Additional information: No, applicable in all circumstances

Sources

Citation

Eurofound (2015), Lithuania: Redundant employees entitlement to public support,
Restructuring legislation database, Dublin

Luxembourg

Redundant employees entitlement to public support

Phase	Labour Code
Native name	Code du travail
Type	Redundant employees entitlement to public support
Added to database	17 December 2015
Access online	Click here to access online

Article

Art.L.621-1

Description

Public support measures for job seekers in Luxembourg include mostly unemployment benefits. Support also includes specific assistance such as reemployment support or other specific measures as listed below:

Unemployment benefits

Redundant employees must take an appointment at an regional office of the national employment agency (ADEM) (Agence pour le Développement de l'Emploi, ADEM) no later than 15 days after the end of their employment relationship in order to submit an application for unemployment benefits. In order to receive unemployment benefits, the job seeker must have been employed on a full or part time basis for at least 16 hours per week prior to becoming unemployed. At the same time, the employee must also provide evidence that the employee has been in paid employment for at least 26 weeks with one or more employers in the course of the 12 months preceding the date of registration as unemployed.

Once the application has been accepted by ADEM, the job seeker receives an allowance which is equivalent to 80% of the previous gross salary from the last three months, or 85%

if the job seeker benefits from a tax reduction for families with one or more children throughout the benefit period. The benefit is subject to the upper limit of 250% of the minimum social wage (€2,570,93 as at 1 September 2023), followed by 200% after six months and 150% if the job seeker remains unemployed for a longer period of time.

Any job seeker who meets the conditions for eligibility can benefit from this support for 365 days over a 24 months period. The period of eligibility can be extended under certain circumstances:

- job seekers aged more than 50 years and having worked during 30 years: +12 months
- job seekers aged more than 50 years and having worked during 25 years: + 9 months
- job seekers aged more than 50 years and having worked during 20 years: + 6 months
- job seekers who has difficulties to obtain an job (notably those aged 55 years or more): + 6 months
- job seekers who participated in apprenticeships or social measures: + 6 months

Assistance for job seekers

ADEM assists job seekers in finding a new job. The Labour Code stipulates that the role of the ADEM is to 'support, advise, guide and help people who are looking for employment' and 'take steps, in order to retrain and reemploy the workforce'. ADEM must provide personalised supervision and support for job seekers who are able to access job advertisements, can make use of a 'job club', which includes a documentation centre, IT equipment and provides advice to job seekers. They can book individual interviews with a psychologist or social-worker and complete a skills assessment. Workshops on how to write a CV or prepare for job interviews are also organised.

Reemployment support

After a person is made redundant, the job seeker may find a job which is less paid than the job seeker's previous job. In this case, the job seeker may receive a reemployment support benefit which aims to guarantee that the job seeker receives a pay equivalent to 90% of the previous wage for the first 48 consecutive months after taking up the new job. The employee receives the difference between 90 % of his former wage and the new wage. In order to obtain this benefit, the new employment contract must constitute a permanent or fixed-term contract, which is concluded for a minimum of 18 months or in order to cover for an employee who is on parental leave.

Geographical mobility support

If a job seeker lives too far from the future place of work, the job seeker can claim entitlement to geographical mobility support. This benefit covers travel expenses and may be granted, under certain conditions, to a job seeker who accepts a job at a distance of over 15 km from the habitual place of residence. This support takes the form of a monthly lump sum allowance for travel expenses and the amount increases in proportion to the distance between the employee's place of residence and the place of work. The monthly allowance ranges from €61.97 if the distance is between 16-20 km to €136.34 if the distance is greater than 50 km. This mobility support can be granted for a maximum period of 18 months.

Business start-up assistance

Assistance for job seeker who set up or take over businesses in the territory of Luxembourg may be granted to:

- unemployed persons who have been receiving benefits for at least 3 months and are over 40 years of age;
- unemployed persons who have been receiving benefits for at least 6 months; or
- job seekers (even if they are not receiving benefits) who have been registered with ADEM for at least 8 months and have worked in Luxembourg for at least 6 years.

This assistance, which takes the form of a single payment, is equivalent to the capitalised total amount of unemployment benefits to which the applicant would have been entitled within the first 6 months after the business was set up or taken over.

Commentary

The number of resident job seekers enrolled with the public employment agency (ADEM) (Agence pour le Développement de l'Emploi, ADEM) stood at 16,565 on September 30th 2021. Over one year, this represents an increase of 2,432 job seekers or 17,2%. In the course of September 2023, ADEM opened 3,141 new files of resident job seekers, an increase of 189 job seekers or 6,6% if compared to September 2022. During the month of September 2023, employers reported 3,109 vacant jobs to ADEM, which amounts to a decrease of 14,4% if compared to September 2022.

In 2022 (<https://adem.public.lu/en/publications/adem/2023/ra-adem-2022.html>), 3,434 job seekers benefitted from at least one training session over the year, and a total of 4,000 participants were registered in the various ADEM training schemes. Job seekers participated in the following training schemes organised by ADEM: 1,332 job seekers participated in activation and orientation training schemes; 652 participated in sectoral training schemes such as ICT; 326 participated in transversal training schemes such as

digital skills; and 304 participated in linguistic training schemes.

Additional metadata

Cost covered by	National government
Involved actors other than national government	Public employment service National government Trade union Employer organisation
Involvement (others)	None
Thresholds	Affected employees: No, applicable in all circumstances Company size: No, applicable in all circumstances Additional information: No, applicable in all circumstances

Sources

Citation

Eurofound (2015), Luxembourg: Redundant employees entitlement to public support, Restructuring legislation database, Dublin

Malta

Redundant employees entitlement to public support

Phase	Cap. 594 - Employment and training services act
Native name	Kap 594 - Att dwar is-servizzi ta' impieg u tahrig
Type	Redundant employees entitlement to public support
Added to database	23 August 2015
Access online	Click here to access online

Article

Cap. 594 - Employment and training services act

Description

The act provides for the setting up of the National Employment Authority (NEA) and Jobsplus (previously known as the Employment and Training Corporation, ETC), and for the regulation of employment and training services and related matters. The act establishes the legal structure within which government employment and training services for persons seeking employment are provided.

The main functions of the NEA are to: monitor employment and investigate and settle complaints related to the operations of Jobsplus; give advice to the Minister of Employment about the employment and training of workers; and, make rules regarding the services to be provided to the registered unemployed persons.

In relation to employment, Jobsplus aims to provide and maintain employment services to assist persons to find suitable employment and to assist employers to find suitable employees. In relation to training, Jobsplus aims to provide training courses or other schemes in order to assist persons to upgrade their knowledge and skills in order to find suitable employment.

Commentary

Jobsplus, set up in 2000 under the name of Employment and Training Corporation, is Malta's public employment service organisation. Jobsplus assists redundant employees, including those hit by collective redundancies, to find new jobs. By registering as unemployed persons with Jobsplus, redundant employees may enjoy several benefits and services, including employment advice, economic assistance and participation in specific training courses and schemes meant to increase their employability. In cases of redundancy, Jobsplus contacts employers to explain the services available and gather additional information about the redundancies. Such information allows Jobsplus to develop solutions for the employees in collaboration with the employer. 'Services may include an information session for all those involved, contacting and guiding individuals that are about to lose their job, and outreaching to alternative employers working within the same field or industry' (ETC, 2015). In 2015, Jobsplus trained nearly 7,000 persons (ETC, 2015), and placed 7,895 in jobs in 2022 (Jobsplus, 2022, p. 39). The organisation managed to reduce the number of registered unemployed persons from 4,760 in November 2015 to 3,021 in November 2016 (NSO, 2017).

Additional metadata

Cost covered by	National government
Involved actors other than national government	Public employment service
Involvement (others)	None
Thresholds	Affected employees: No, applicable in all circumstances Company size: No, applicable in all circumstances Additional information: No, applicable in all circumstances

Sources

Citation

Eurofound (2015), Malta: Redundant employees entitlement to public support, Restructuring legislation database, Dublin

Netherlands

Redundant employees entitlement to public support

Phase	Act on the structure of implementation of work and income (SUWI act); Law on unemployment
Native name	Wet structuur uitvoering wet en inkomen (SUWI); Werkloosheidswet
Type	Redundant employees entitlement to public support
Added to database	13 August 2015
Access online	Click here to access online

Article

Chapter 5 of Act on the structure of implementation of work and income; Law on unemployment (mainly chapters 1, 2 and 6)

Description

Public employment service

The act on the structure of implementation of work and income is the umbrella legislation on employees' benefits and reintegration. Chapter 5 deals with the tasks of the public employment service (UWV). According to article 30a, the task of the UWV is to stimulate labour market participation of the unemployed, employees with disabilities, and employees who are threatened with unemployment in the foreseeable future (four months). This should be done by registering people with the service and flagging vacancies to them. UWV can work together with clients to develop a reintegration plan if circumstances are deemed by UWV to justify this, with regular monitoring of the progress. The service is based on a personalised, targeted approach for those who need it, where the job market position of the unemployed is the main factor in the analysis of opportunities to get a job. UWV determines the labour market position using the Work Explorer (an online questionnaire). The Work Explorer predicts the probability of job resumption within one year after the onset of unemployment. On the basis of the

outcome, jobseekers receive tailored services. People receiving an unemployment benefit and having less than 50% of job recruitment opportunity within one year are invited to a personal job orientation interview. The content of the reintegration plan depends on the specific situation and circumstances, and usually consists of training programmes and forms of coaching. These tasks of UWV apply to all unemployed or disabled employees, with some exceptions. In case of major restructuring, UWV and other parties concerned (local or regional authorities, unions, employer organisations) may establish a special task force. However, there is no specific legislation for this purpose.

Unemployment benefits

People that have been employed for at least 26 weeks in the last 36 weeks that become (partially) unemployed through no fault of their own, lose at least five hours of work, are directly available for another job. Those who have registered as jobseekers at the public employment service are entitled to an unemployment benefit that equals 75% of their previous income for the first two months and 70% thereafter. The size of the benefit has an absolute cap that is determined separately for each year by the Ministry of Social Affairs based on factors including average wage development and inflation. The size of the maximum benefit amounts to €264.57 per day, or €5,754.40 per month as of 1st of July 2023, which could mean that high-wage workers may experience a lower replacement rate.

The duration of the benefit is calculated using a so-called working life indicator, based on actual and fictional work history. The actual work history is constituted by the years which the employees worked, from 1998 to the year in which they became unemployed. From 1 January 2013, a calendar year counts if one has received a salary for 208 or more hours in that year.

If one year does not meet these conditions, that year may sometimes count (in part) if one has taken care of a child younger than 5 years old (care plan) or of someone who is ill or disabled (mantelzorgforfait); was on unpaid leave; received a full disability benefit; or worked in other countries.

The fictional 'working life' consists of the years from one's 18th birthday up to 1997 (relevant only for people aged 18 or older in 1997). It does not matter whether one worked or did not work during that period.

The sum of the actual and fictional 'working life' is the total 'working life'. This determines the duration of the benefit:

- 10 years or less: for each year one is entitled to 1 month over 10 years;

- For all full calendar years of employment before 1 January 2016, one is entitled to 1 month; and
- For all 'working life' years from 1 January 2016, one is entitled to 0.5 month of unemployment benefits (WW uitkering).

Unemployed people are entitled to unemployment benefits for 3 months or more. The exact duration of the unemployment benefits depends on their total employment history and on when they became unemployed. The maximum duration of the unemployment benefits is 24 months. If a person has worked longer than 10 years or is covered by a collective agreement, the unemployment benefits can be extended to a maximum of 38 months.

For the duration of the benefits, unemployed people are obliged to cooperate with the public employment service to help their own reintegration into the labour force. This obligation entails applying for jobs at least four times a month and accepting suitable work. Almost all work is deemed suitable by the public employment service if a person has received unemployment benefit for six months or more, so job offers for employment with long travel time or significantly lower pay also have to be accepted.

Unemployment benefits also apply, if a person earns less than 87.5% of the amount that they previously earned, with no fault of their own (partial unemployment). In this case, the benefit supplements are up to 87.5% of previously earned income.

The unemployment benefits are paid from a fund to which all employers contribute (obligated premiums).

Article 130gg and article 130hh provide for the continuity of unemployment benefits for British citizens whose right to unemployment arose before Brexit and who still meet the other eligibility conditions.

Commentary

Unemployment and the number of unemployment benefits increased in 2020 as a result of the COVID-19 crisis, but not to the extent in which that was expected last year on the basis of the seriousness of the situation. Just before the outbreak of the pandemic, unemployment was at an all-time low: 2.9% of the labour force was unemployed in March 2020. Then, the unemployment rate increased and peaked at 4.6% in August 2020, after which it started declining again. On average, the unemployment rate in 2020 was 3.8%. In 2021, it reached 4.2% and then it went down to 3.5 in 2022. As of July 2023, the unemployment rate is 3.6%.

The number of people receiving unemployment benefits rose sharply, especially in April 2020. The number of people receiving unemployment benefits reached the highest point in May 2020, with more than 301,000 people receiving unemployment benefits and remained at that level for another two months. From August till December 2020, the number decreased. In the last month of 2020, the number of people receiving unemployment benefits increased again, reaching almost 286,000 people. Since then, the number has been steadily reducing, amounting to 192,000 people at the end of 2021. So far, the lowest amount of people receiving unemployment benefits since 2015 has reached 145,000 in November 2022. Since then, the numbers have been going slightly up and down and have amounted to the total of 152,000 people in July 2023, according to the latest statistics.

Additional metadata

Cost covered by	Employer National government
Involved actors other than national government	Public employment service
Involvement (others)	None
Thresholds	Affected employees: No, applicable in all circumstances Company size: No, applicable in all circumstances Additional information: No, applicable in all circumstances

Sources

Citation

Eurofound (2015), Netherlands: Redundant employees entitlement to public support, Restructuring legislation database, Dublin

Norway

Redundant employees entitlement to public support

Phase	Labour market act
Native name	Arbeidsmarkedsloven
Type	Redundant employees entitlement to public support
Added to database	29 June 2015
Access online	Click here to access online

Article

Chapter 5

Description

The regulation aims at strengthening the ability for individuals to stay at or return to work. Detailed regulations are given in the administrative regulation to the Labour market act.

The Norwegian Labour and Welfare Administration (NAV) decides who would be entitled to such support and what kind of measures to be provided. Some of these support measures directly target people with reduced ability to work, while others can be given to all job seekers.

Work training in companies can be provided to those having no or little work experience, or those having reduced ability to work. This measure is accompanied by economic support to the companies providing work training. The eligible individuals may have an opportunity to have a mentor in addition to their within-company work training. Training and career counselling services outside companies are also available, with an aim of making applying for or obtaining a job easier. To enjoy the external training, job seekers will have to become a member of a so-called 'job club', a group providing its participants with advice on evaluating their own skills and applying for jobs, as well as the training for interviews and using their own network to increase their possibilities of obtaining a job. These training courses usually last for a few weeks, with a duration up

to six months.

Additionally, NAV provides public employment services on a more general basis. Redundant employees may register their resumes at www.nav.no, and thus be part of the database where employers can search for available employees. Meanwhile, the job seekers' profiles can be matched with available jobs in NAV's database.

NAV also provides an online guide for job seekers. The guide includes recommendations on how to look for vacancies, write a job application and resume, prepare for a job interview, and deal with repeated rejections.

Commentary

No information available.

Additional metadata

Cost covered by	National government
Involved actors other than national government	Public employment service
Involvement (others)	None
Thresholds	Affected employees: No, applicable in all circumstances Company size: No, applicable in all circumstances Additional information: No, applicable in all circumstances

Sources

Citation

Eurofound (2015), Norway: Redundant employees entitlement to public support, Restructuring legislation database, Dublin

Romania**Redundant employees entitlement to public support**

Phase	Law no. 76/2002 on the unemployment insurance system and the stimulation of employment; Government Emergency Ordinance no. 36/2013 on the implementation in 2013-2018 of social protection measures to people affected by redundancies made under redundancy plans, approved and modified by Law no. 259/2013, modified in 2015 and 2016
Native name	Legea nr. 76/2002 privind sistemul asigurărilor pentru șomaj și stimularea ocupării forței de muncă; Ordonanta de Urgenta a Guvernului nr. 36/2013 privind aplicarea în perioada 2013-2018 a unor măsuri de protecție socială acordată persoanelor disponibilizate prin concedieri colective efectuate în baza planurilor de disponibilizare aprobată cu completări prin Legea nr. 259/2013, modificată în 2015 și 2016
Type	Redundant employees entitlement to public support
Added to database	14 July 2015
Access online	Click here to access online

Article

53-76 (Law no. 76/2002); 8, Annex (Government Emergency Ordinance no. 36/2013); 1, 6 (Emergency Ordinance no 111 of 2 October 2021)

Description

Law no. 76/2002 on the unemployment insurance system and the stimulation of employment stipulates the conditions for granting unemployment allowance for dismissed persons. In addition, prior to facing redundancy, employees may benefit from pre-termination services, i.e. mainly: * information on the legal provisions regarding the protection of the unemployed and the provision of employment and training services; * information on local job vacancies and job search training; * professional

reorientation through short-term training courses; * surveying employees' opinions and advising them on measures to combat unemployment.

For the benefit of redundant employees, the National Agency for Employment carries out activities related to: * Information and professional counselling. This is a set of services free of charge for job-seekers with the purpose of providing information on the labour market and the evolution of occupations in order to develop job-seekers' ability and self-confidence to help them make their own career decision, train them in methods and techniques of job search and guide them during the process of integration at the new job. * Work mediation. Employment agencies have an obligation to identify vacancies and make them available to job-seekers. Job-seeker mediation services consist of: information on job vacancies and the conditions for their employment; digital mediation aimed at automatic matching of job-seekers and offers; pre-selection of candidates according to the requirements of the jobs and the training, skills, experience and interests of job-seekers. * Vocational training. The forms of training for job-seekers are courses, internships, specialisation opportunities among others. The training of job-seekers is carried out on the basis of the national training plan drawn up annually by the National Employment Agency and approved by the Ministry of Labour and Social Solidarity. * Assessment and certification of professional skills acquired in ways other than formal ones (validation of informal and non-formal skills). * Advice and assistance on becoming self-employed or starting a business in the form of legal, marketing, financial, management and other consulting services. * Supplementing employee income. Persons who have been entitled to unemployment allowance and are hired full-time benefit from a monthly allowance (until the end of the period for which they were entitled to receive the unemployment allowance) representing 30% of the amount of the unemployment allowance. * Stimulating labour mobility, through sums of money paid for employment outside their hometown.

Moreover, people laid off by certain public companies have a number of financial rights. These public companies are listed in the annex most recently modified by Government Emergency Ordinance no. 16/2016.

The Government Emergency Ordinance no. 36/2013 provides these rights to dismissed employees affected by redundancy plans of national companies, public corporations and companies mostly owned by the state, national research and development institutes, as well as companies or autonomous administrations' subordinate local authorities. The objective of the law is to mitigate the negative social impacts of restructuring processes.

Apart from the compensation received under the collective agreement and from unemployment benefits, people unemployed in such companies also receive a monthly additional income.

The monthly additional income is equal to the difference between the employee's average earnings for the last three months before the dismissal (without exceeding the average wage of the country) and the level of unemployment benefits. The period of granting the monthly additional income depends on seniority, as follows: * 12 months for employees who have between 3 and 10 years of tenure; * 20 months for employees who have between 10 and 15 years of tenure; * 22 months for employees who have between 15 and 25 years of tenure; * 24 months for employees who have more than 25 years of tenure.

Tax and compulsory social contributions will be paid for the technical unemployment benefit, except for the labour insurance contribution. In addition, according to the National Agency for Employment and the provisions of the Government emergency ordinance no. 111/2 October 2021 on the granting of paid days off to parents and other categories of persons in the context of the spread of the SARS-CoV coronavirus, parents will benefit from paid days off, i.e. the payment of an allowance of 75% of the basic salary corresponding to one working day, but not more than the daily equivalent of 75% of the average gross salary, for each day off granted, in case of suspension of classes with physical presence. The exception applied until 31 December 2021.

Commentary

These measures provided by Law no. 76/2002 are not only applicable to people undergoing restructuring, but also to other categories of people who have lost their jobs involuntarily and not due to their own fault.

Collective redundancy is generally governed, as a common law, by the provisions of articles 68-74 of the labour code.

Emergency Ordinance no. 36/2013 provides exceptional rules, in exemption of common law. It only applies to units with majority or full state ownership as listed in the annex.

These units are currently: [Romanian Authority for nuclear activities - Drobeta Turnu-Severin](#); [National Company for Mine Closures Valea Jiului S.A.](#); [Energy Complex Hunedoara Company S.A.](#); [National Uranium Company S.A.](#)

Emergency Ordinance 95/6 December 2017 issued by the Romanian Government modified, repealed or extended articles 73, 75, 76 of the labour code.

Law 335/21 December 2018 amended article 66 of the labour code.

Law no. 76/ 16 January 2002 article 55 (3), (4) repealed by Emergency Ordinance 28/20 May 2014, published in the Official Gazette of Romania no. 457 of 24 July 2013.

Government emergency ordinance no. 111/2 October 2021.

Additional metadata

Cost covered by	National government
Involved actors other than national government	Public employment service Regional/local government
Involvement (others)	None
Thresholds	Affected employees: No, applicable in all circumstances Company size: No, applicable in all circumstances Additional information: No, applicable in all circumstances

Sources

Citation

Eurofound (2015), Romania: Redundant employees entitlement to public support, Restructuring legislation database, Dublin

Slovakia

Redundant employees entitlement to public support

Phase	Act No. 5/2004 on employment services, as amended; Act No. 461/2003 on social insurance, as amended
Native name	Zákon č. 5/2004 o službách zamestnanosti, v znení neskorších predpisov; Zákon č. 461/2003 o sociálnom poistení, v znení neskorších predpisov
Type	Redundant employees entitlement to public support
Added to database	06 July 2015
Access online	Click here to access online

Article

13, 32, 38, 40, 44, 46, 48, 49 (5/2004); 104, 105, 107, 108 (461/2003)

Description

The appropriate employment office of the headquarters of [Employment, Social Affairs and Family](#) (ÚPSVaR) informs redundant employees about available vacant jobs and assists them in finding a suitable job as soon as possible. If needed, the employment office, in cooperation with the job seekers, ensures their participation in skill development training courses necessary for getting the new job. The employment office can cover up to 100% of the cost of training. Job seekers registered at least for three month can also obtain a financial allowance to start work as self-employed.

Dismissed unemployed employees can also receive unemployment benefits. Unemployed employees insured with the [Social Insurance Agency](#) that have been paying compulsory contributions (including contributions to the unemployment fund paid by employers as well as by employees in the amount of 1% of the assessment base - in total 2%) for at least two out of last four years before registering as a job seeker are entitled to unemployment benefits. Unemployment benefits are provided for six months. The benefit consists of 50% of the daily assessment base - employee's average daily wage in the last two years (it is,

however, limited by the maximum assessment base, which is two-times the average monthly wage in the economy).

Due to the COVID-19 pandemic, the entitlement period for unemployment benefit was extended and from 2022 going forward the unemployment benefit period was changed again to 6 months.

According to an amendment which took effect on 1st of January 2023, the following changes, with regards to unemployment benefits took effect: * Job seekers are allowed to register at any employment office regardless of their permanent residency location. * Mother or Father who had stopped receiving parental support, could be included as disadvantaged job seekers. * The amendment cancels a clause, which stipulated that foreigners could only be offered employment in counties with unemployment rate lower than 5 %.

Commentary

In practice, registered job seekers can use the unemployment benefits alternatively. After a period of three months, the beneficiary has the option of either continuing to receive the benefit for the next three months (as a maximum) or to cancel his or her registration as a job seeker and obtain a bonus in amount of the 50% of the due benefit.

The Social Insurance Agency paid 91,436 unemployment benefits in the total amount of more than €32 million during the extended entitlement period for unemployment benefit from 1 April 2020 to 31 March 2021.

Year 2022 2023(September) Total n. of benefits 467 813 356 222 Total amount in € 239 393 399 € 197 990 089 € Avg. n. of beneficiaries 35 436 36 177 Avg. benefit in € 516,65 € 560,00 €

The average unemployment benefit rose from 516,65 € to 560 € from 2022 to 2023.

Unemployment rate gradually fell in 2022. In every Quartal the rate was lower than in 2021. On average it was 6,31 %, year to year decrease of 1,17 percentage point.

Additional metadata

Cost covered by Employee Employer National government

Involved actors other than national government	Public employment service Other
Involvement (others)	Social Insurance Agency Employment, Social Affairs and Family Office (ÚPSVaR)
Thresholds	Affected employees: No, applicable in all circumstances Company size: No, applicable in all circumstances Additional information: No, applicable in all circumstances

Sources

Citation

Eurofound (2015), Slovakia: Redundant employees entitlement to public support, Restructuring legislation database, Dublin

Slovenia

Redundant employees entitlement to public support

Phase	Labour market regulation act (ZUTD)
Native name	Zakon o urejanju trga dela (ZUTD)
Type	Redundant employees entitlement to public support
Added to database	11 May 2015
Access online	Click here to access online

Article

5, 21, 22, 23, 32, 34, 59, 60, 66, 66a, 113, and 114

Description

Among the beneficiaries of the labour market measures are jobseekers whose employment is at risk, that is workers searching for a job during their notice period in the event of ordinary collective or individual termination of the employment contract by the employer. The public employment service has to provide the jobseeker with a career consultancy and job search assistance, which includes activities for acquiring new skills. In particular, the programme must provide:

- individual consultancy in creating an employment plan (for example, setting career objectives; assessment of interests, features, abilities and competencies; labour market research; making decisions on their own career);
- in-depth career consultancy, including assessment of an individual's competencies;
- employment incentives, implemented in the form of employment subsidies;
- the promotion of self-employment;
- creation of an employment plan, that is a written agreement between an unemployed person and the Employment Service, in which they jointly define employment objectives, the time schedule of the unemployed persons' activities, and job-seeking migration area;

- the right and obligation to participate in active employment policy measures on the basis of the employment plan.

Employers notify the Employment Service of Slovenia about the termination of employment contracts via 'Employer Portal'. On the other hand, workers whose employment is at risk are invited to register with the Employment Service of Slovenia within three days after the notification of termination of employment. During the notice period, they can be absent from work for at least one day a week due to a job search. For the time of absence, the Employment Service of Slovenia reimburses wage compensation to employers. Wage compensation amounts to the average wage in the last five months. Employers' requests must be submitted within three months after the termination of the employment contract.

The unemployed person gains the right to cash benefit after 10 months of insured work in the previous 24 months. For those under the age of 30, the requirement is six months of insured work. A person must be granted a cash benefit for the duration of:

- three months for insurance periods ranging from ten months to five years,
- six months for insurance periods of five to 15 years,
- nine months for insurance periods of 15 to 25 years,
- 12 months for insurance periods over 25 years,
- 19 months for insured persons over 53 years of age and for insurance periods over 25 years,
- 25 months for insured persons over 58 years of age and for insurance periods over 28 years.

Since January 2020, the unemployment cash benefit is limited from €530.19 to a maximum of €892.50 a month. A recipient of unemployment cash benefit who concludes a part-time employment contract retains the right to a part of cash benefit, proportional to full-time employment.

An unemployed person under the age of 30 receives a cash benefit for a period of two months for an insurance period of six to ten months.

Commentary

Between 2018 and 2019, redundant workers were obliged to register with the Employment Service of Slovenia within three days after the notification of termination of employment. Redundant workers also had to participate in the active labour market support measures. In December 2019, the amended Labour Market Regulation Act (ZUTD-E) cancelled this rule.

The same law (ZUTD-E) introduced an incentive for employment while receiving unemployment benefits for some categories (low-educated workers who have not completed primary education or who have completed primary education, lower vocational education, or upper secondary school). Unqualified, low- and medium-qualified recipients of unemployment benefits may receive a special incentive in the amount of 20% of the last unemployment benefit if they get full-time employment. They may receive this bonus until the expiration of the period for which the right to unemployment benefits was recognised to them but no longer than 12 months after the start of employment. In 2022, 1,202 claimants requested the employment incentive, of which 756 received cash benefits (MDDSZ, p. 56).

Additional metadata

Cost covered by	National government
Involved actors other than national government	Public employment service
Involvement (others)	None
Thresholds	Affected employees: No, applicable in all circumstances Company size: No, applicable in all circumstances Additional information: No, applicable in all circumstances

Sources

Citation

Eurofound (2015), Slovenia: Redundant employees entitlement to public support, Restructuring legislation database, Dublin

Spain

Redundant employees entitlement to public support

Phase	Royal Decree law 3/2011 on urgent measures to improve employability and reform active labour market policies; Royal Decree law 801/2011 of 11 June that enacts regulation of the procedures of employment regulation and administrative measures in cases of collective relocation; Law 3/2012 of 6 July on urgent measures to reform the labour market; Royal Decree 7/2015 which approves Common Services of the National Employment System; Law 3/2023, of 28 February, on Employment
Native name	Real Decreto-ley 3/2011 de medidas urgentes para la mejora de la empleabilidad y la reforma de las políticas activas de empleo; Real Decreto 801/2011, de 10 de junio, por el que se aprueba el Reglamento de los procedimientos de regulación de empleo y de actuación administrativa en materia de traslados colectivos; Ley 3/2012, de 6 de julio, de medidas urgentes para la reforma del mercado de trabajo; Real Decreto 7/2015 por el que se aprueba la Cartera Común de Servicios del Sistema Nacional de Empleo; la Ley 3/2023, de 28 de febrero, de Empleo.
Type	Redundant employees entitlement to public support
Added to database	11 May 2015
Access online	Click here to access online

Article

4 Royal Decree-law 3/2011; 9 Royal Decree law 801/2011; 19 Law 3/2012; 9, 10,11 and 12 Royal Decree 7/2015; Art 56, Law 3/2023.

Description

There are no specific public support measures (or active labour market policies) for redundant employees, although sometimes specific advice/guidance measures are developed in order to address particular cases of restructuring. These measures were, for instance, included in the tripartite agreement for the coal industry (2013-2018).

Active Labour Market Policies (ALMP) addressing the unemployed are managed by the regional government through the Regional Public Employment Services. In 2011, the socialist government enacted a new reform aiming to increase coordination between the national and regional Public Employment Services (Royal Decree law 3/2011). The reform approved the so-called Annual Plan of the Employment Policies (article 5). This strategy sets up the annual goals that regional public employment services must try to achieve.

In 2015, the popular party government regulated a catalogue with common ALMP services to be offered in the whole Spanish territory (Royal Decree 7/2015, art. 9,10,11 and 12). It establishes that all unemployed are entitled to receive the following ALMP services:

- An individualised diagnosis on the profile and the specific needs and expectations of the unemployed;
- information and management of job offers;
- design, elaboration and implementation of an individual and personalised employment plan that could include advice and orientation on employment and self-employment, and advice and orientation on measures aiming to improve professional qualifications and employability;
- an offer of vocational training measures that can be officially recognised with a so-called 'professional certificate';
- evaluation, recognition and accreditation of professional competencies gained through labour experience.

In addition to this, Law 3/2023 of 28 February on Employment, which allows for the modernisation of public employment services, added extra services. The basis of this new regulation is personalised accompaniment with a catalogue of guaranteed services. The number of groups receiving preferential attention increases, including priority attention for employment policies for workers from sectors undergoing restructuring. With the aim of facilitating access to decent, quality employment and improving the employability of people seeking employment services, the following are guaranteed, for example: the preparation of an individualised user profile; individual tutoring and continuous advice and personalised attention, both face-to-face and off-site, during labour transitions (either between education and employment or between employment and unemployment situations); or a personalised itinerary or plan adapted to their profile, which will require the formalisation of an activity agreement signed between the public employment service and the user.

Commentary

The distinction between redundant and non-redundant unemployed does not exist in the laws regulating the Public Employment Services or the Active Labour Market Policies (ALMP). Distinctions are made, for instance, in terms of long-term unemployed and unemployed or in terms of young unemployed (see for instance youth guarantee programme). As a result, redundant and non-redundant unemployed are entitled to receive the same support. Overall, the effectiveness of public support to unemployed has been questioned by scholars because investment in ALMP has traditionally been underdeveloped, especially in terms of the ratio of clients to employment counselling staff and the main focus has lied on employment subsidies (Lope and Alós, 2013; Miguélez et al, 2015).

A macroeconomic assessment of a variety of active labour market policies for the period 1987–2010 carried out by Arranz et al (2013) found that that employment subsidies for permanent contracts had no notable effect on aggregate levels of permanent or temporary employment. However, they do appear to have had a small positive effect on transitions from unemployment to employment, and from temporary to permanent employment, particularly since the 1997 labour reform.

Additional metadata

Cost covered by	National government
Involved actors other than national government	Public employment service
Involvement (others)	None
Thresholds	Affected employees: No, applicable in all circumstances Company size: No, applicable in all circumstances Additional information: No, applicable in all circumstances

Sources

Citation

Eurofound (2015), Spain: Redundant employees entitlement to public support,
Restructuring legislation database, Dublin