

European Employment Policy Observatory (EEPO)

Regular Reports, September 2014

Catalogue of Measures





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Catalogue of Measures: Summary

This report identifies 116 labour market reforms taking place across 29 European countries (EU-28 and Iceland), introduced between mid-March and mid-September 2014. Most new measures (24) were introduced in Policy Area (PA) 2iii *Active labour market policies – targeted activation measures*, followed by PA 1 *Employment protection legislation and other amendments to labour law* (16) and PA 3 *Social security systems* (16). Together, these three policy areas account for 48 % (56 measures) of all new measures introduced during the reporting period. Almost half (47 %) of all new measures have been enacted into law. Of the measures which specified a funding source, the largest proportion (31 %) are state-funded with a further 27 % being EU co-funded. Measures which did not require any funding accounted for 31 % of measures that specified a funding source. More specifically,

- **PA 1 Employment protection legislation and other amendments to labour law:** Ten countries introduced a total of 16 new policy measures. Half of the new measures in PA 1 were enacted into law. The key sub-policy area of activity was in Other amendments to labour law (LV, LT x 2, IT, HR x3, DE, IE).
- **PA 2i:** Active labour market policies job creation: Twelve countries introduced a total of 14 new policy measures during the period. The key areas of activity were in Simplifying the Business Environment (LT, MT, PL x2) and Other Job Creation Measures (IT, MT, EE and IE).
- **PA 2ii:** Active labour market policies employment services (public and private) and skills forecasting systems: Three countries introduced a total of four new policy measures, all in the area of PES governance (ES x 2, HU, SK). Reforms under this policy area accounted for just 3 % of the total number of new measures.
- **PA 2iii:** Active labour market policies targeted activation measures: Sixteen countries introduced a total of 24 new policy measures, making this the most active policy area, with 21 % of new measures introduced across all European countries during the period. Over 40% were enacted into law. The key areas of activity were measures under the Youth Guarantee (BG, DE, PT, SK x2, CY, UK, PL) and Supporting vulnerable workers (EE x2, LV, SE, LT x 2).
- **PA 3:** Social security systems: Ten countries introduced a total of 16 new policy measures in the period. Ten measures, or 63 %, were enacted into law. Key activity was in the area of Social assistance measures e.g. family benefits, housing, long-term care etc. (EL, RO, LV, PL x2, and IE).
- **PA 4:** Work-life balance and gender equality: Five countries introduced one new policy measure each, representing just 4 % of activity for the reporting period. Three (60 %) were enacted into law. The key area of activity was *Childcare* (AT, SK, HR).
- **PA 5:** *Education and training systems:* Twelve countries introduced a total of 15 new policies during the period. One third was enacted into law. The area with the most new measures was *Apprenticeships and vocational education training systems incl. traineeships and school-to-work transitions* (LT, LV x2, PT, FR, SE, and SK).
- **PA 6:** Labour taxation (incl. undeclared work): Eight countries introduced a total of 12 new policy measures, 75 % of which were enacted into law. The most active sub-policy area in terms of reforms was *Personal income taxes* (EE, IT, LV x2).
- **PA 7:** Wage setting institutions and dynamics: Nine countries introduced a total of 10 new policy measures, with just three (33 %) being enacted into law. The key sub-policy area of activity here was under *Minimum wages* (RO, DE x2, PL, and SK).

1 Introduction

The aim of this Catalogue of Measures is to provide factual information on Member States' policy developments within the Europe 2020 framework. This document catalogues two types of changes:

- New measures, introduced during the reporting period (mid-March to mid-September 2014), as identified by the EEPO network of experts; and
- Measure updates, which report on progress for existing measures in previous Catalogues.

The measures introduced during this period, as well as changes to existing measures, are discussed in detail in the sections that follow. For this reporting period, the Policy Areas (PAs) used to structure the catalogue have been restructured to rationalise the categorisation of reforms. Table 1.1 below offers an overview of the volume of measures (newly introduced and updated) covered during the reporting period mid-March to mid-September 2014. Table 1.2 then illustrates the proportion of the total number of new measures that were introduced under each policy area and sub category.

A total of **116 new measures** have been introduced. **Progress was most often reported in PA 2iii, then PA 1 and PA 3:**

- PA 2iii Active labour market policies targeted activation measures
- PA 1 Employment protection legislation and other amendments to labour law
- PA 3 Social security systems

The **least progress was noted under PA 2ii** Active labour market policies – *Employment services (public and private) and skills forecasting systems* **and PA 4** *Work-life balance and gender equality.* In each of these PAs, only three and five countries, respectively, reported new measures.

Table 1.3 describes the breakdown of funding sources for new measures per policy area. The funding source was specified for 99 of the 116 new measures. According to this, almost one-third of the new measures (31 %) are state-funded, while no specific funding is required to implement a further 31 % of the new measures and another 27 % are EU co-funded.

Table 1.4 summarises the proportion of new measures enacted into law under each PA. Overall, **47** % **of the new measures discussed have been enacted into law**. The proportion of enactment in all PAs ranges from 30 % in PA 7 *Wage setting institutions and dynamics*, to 75 % in PA 6 *Labour taxation (incl. undeclared work)*.

In regard to target groups for the new measures, from 116 measures, **113 specified the target group**. Of these, 19 targeted youth; 10 targeted all workers; 9 targeted the unemployed; 7 each targeted employers, low income earners and older workers; 6 targeted parents and another 6, immigrants; 3, people with disabilities; 2 each targeted children, the long-term unemployed, PES employees and civil servants, women, and finally workers in the shadow economy; and 1 targeted all disadvantaged jobseekers. A total of 28 measures were categorised under 'other' target groups.

Explicit policy drivers were identified for 88 new measures out of a total of 116 (i.e. 76 %). The largest proportion of that figure (49) were attributed to Country-Specific Recommendations (CSRs); 19 measures were categorised as being driven by a combination of CSR and NRP (National Reform Programme); 8 were attributed to a combined AGS (Annual Growth Survey), CSR and NRP drivers; 3 to AGS alone; 3 to NRPs drivers; 3 to AGS and NRP drivers together; 1 measure each then was attributed to the MOU (Memorandum of Understanding), to a combined AGS and CSR, and finally to AGS, MOU and CSR drivers collectively.

A table listing all new measures, by title and country and by policy area, is included in Annex 1.

Table 1. Summary of new measures (NM) and measures updates (MU) per Policy Area

Country	Polic Area		Polic Area		Pol Are 2ii		Polic Area 2iii		Polic Area		Pol Are	icy a 4	Polic Area		Pol Are	icy ea 6	Pol Are	
	NM	MU	NM	MU	NM	MU	NM	MU	NM	MU	NM	MU	NM	MU	NM	MU	NM	MU
BE							2		2									
BG			1				2							3				
CZ		2								1		1				1		1
DK							1			1				1			1	1
DE	1						1		3	1	1	1	1	1			2	
EE			1				2			3			1	2	1			
IE	1		1						1			1						
EL				1					1					1				
ES	1	1	1		2								1					
FR	1		1	1				1		2	1		1	1		3	1	
HR	4										1		1	1	1			
IT	2		1					1							2		1	
CY			1				1	1										
LV	1						1		2				2		3		1	
LT	2		1				2	1		1			1	2				1
LU								1	1					1				
HU			1		1			1		1				2		1		
MT			2	2			2	1				2		3				
NL							1			3								
AT							1		2		1		2	2	1	1		1
PL		1	2				1		2			1					1	
PT			1	3			2						1	1			1	1
RO				1				1	1						1		1	
SI															1			
SK	2				1		2		1	1	1		1		2		1	
FI																		
SE							2						1					
UK	1						1	1		5		1	2	1				
IS																		
Totals (Countries)	16 (10)	4 (3)	14 (12)	8 (5)	4 (3)	0 (0)	24 (16)	9 (9)	16 (10)	19 (10)	5 (5)	7 (6)	15 (12)	22 (14)	12 (8)		10 (9)	5 (5)

Table 2. Proportion of new measures falling under each policy area

Policy Areas and sub-categories	Number of new measures	New measures as a proportion of all new measures	Number of measure updates
PA 1: Employment protection legislation and other amendments to labour law	16	14%	4
Dismissals legislation	2	2%	0
Internal measures of flexibility (e.g. short time work schemes, redeployment etc.)	0	0%	0
Regulation of atypical contracts incl. measures addressing labour market segmentation	3	3%	0
Other flexicurity Measures	2	2%	0
Other amendments to labour law (e.g. working time regulation etc.)	9	8%	4
PA2 i: Active labour market policies - job creation	14	12%	8
Hiring subsidies	3	3%	2
Start-up incentives (incl. measures encouraging entrepreneurship, female entrepreneurship and micro credit schemes etc.)	1	1%	2
Simplifying the business environment	4	3%	1
Public investment programmes and regional investment incentives measures	0	0%	2
Public works	2	2%	0
Other job creation measures	4	3%	1
PA2 ii: Active labour market policies - employment services (public and private) and skills forecasting systems	4	3%	0
PES governance	4	3%	0
Public-private cooperation	0	0%	0
Skills forecasting systems	0	0%	0
Other measures relating to employment services and skills forecasting	0	0%	0
PA 2iii: Active labour market policies - targeted activation measures	24	21%	9
Systemic reforms of ALMPs	0	0%	1
Youth policies (incl. measures to reduce unemployment, combat early school leaving etc.)	2	2%	3

Policy Areas and sub-categories	Number of new measures	New measures as a proportion of all new measures	Number of measure updates
Youth Guarantee	8	7 %	3
Measures supporting older workers (incl. job creation incentives, enhancing employability, improving employment services etc.)	3	3 %	0
Measures supporting women workers (incl. incentives to female employment, enhancing job flexibility etc.)	0	0 %	0
Measures supporting other vulnerable workers (e.g. immigrants, Roma, those with a reduced ability to work)	5	4 %	1
Measures improving services for the unemployed and enhancing employability	4	3 %	1
Other active labour market policies	2	2 %	0
PA 3: Social security systems	16	14 %	19
Unemployment benefit reforms	1	1 %	7
Social assistance measures (e.g. family benefits, housing, long-term care etc.)	7	6 %	4
Pension reforms	4	3 %	6
Health insurance system reforms	2	2 %	2
Other measures related to social security systems	2	2 %	0
PA 4: Work-life balance and gender equality	5	4 %	7
Childcare	3	3 %	4
Other family care provision	0	0 %	0
Parental leave arrangements / benefits	1	1 %	0
Gender pay gap and equal rights	0	0 %	1
Other work-life balance and gender equality measures	1	1 %	2
PA 5: Education and training systems	15	13 %	22
Improvement of primary and secondary education systems	2	2 %	3
Improving education and labour relevant skills formation at tertiary level	2	2 %	4
Lifelong learning measures (incl. continuous training programmes, training vouchers and individual training accounts)	2	2 %	7

Policy Areas and sub-categories	Number of new measures	New measures as a proportion of all new measures	Number of measure updates
Apprenticeships and vocational education training systems (incl. traineeships and school-to-work transitions)	7	6 %	6
Other education and training system measures	2	2 %	2
PA6: Labour taxation (incl. undeclared work)	12	10 %	6
Social security contributions	3	3 %	3
Personal income taxes	4	3 %	1
Reducing undeclared work	3	3 %	1
Other labour taxation related measures	2	2 %	1
PA 7: Wage setting institutions and dynamics	10	9 %	5
Minimum wages	5	4 %	2
Public sector pay	0	0 %	0
Wage setting regulation and social partnership arrangements	2	2 %	1
Other measures related to wages (e.g. addressing wage and social dumping)	3	3 %	2

Table 3. Breakdown of funding sources for new measures per policy area

	New measures specifying a funding source	EU co funding	Government /state budget	No specific funding required	Social partner /private funding	other
PA 1: Employment protection legislation and other amendments to labour law	13	1	1	11	0	0
PA 2i: Active labour market policies – job creation	13	7	3	2	0	1
PA 2ii: Active labour market policies – employment services (public and private) and skills forecasting systems	4	1	0	3	0	0
PA 2iii: Active labour market policies – targeted activation measures	22	11	6	2	0	3
PA 3: Social security systems	13	0	7	4	1	1
PA 4: Work-life balance and gender equality	4	1	1	1	0	1
PA 5: Education and training systems	13	5	4	3	0	1
PA6: Labour taxation (incl. undeclared work)	11	1	7	2	0	1
PA 7: Wage setting institutions and dynamics	6	0	2	3	0	1
Totals	99	27	31	31	1	9
_		(27%)	(31%)	(31%)	(1%)	(9%)

Table 4. Proportion of new measures enacted into law under each policy area

	New measures	Enacted into law	Proportion of new measures enacted into law
PA 1: Employment protection legislation and other amendments to labour law	16	8	50 %
PA 2i: Active labour market policies - job creation	14	5	36 %
PA 2ii: Active labour market policies - employment services (public and private) and skills forecasting systems	4	2	50 %
PA 2iii: Active labour market policies - targeted activation measures	24	10	42 %
PA 3: Social security systems	16	10	63 %
PA 4: Work-life balance and gender equality	5	3	60 %
PA 5: Education and training systems	15	5	33 %
PA6: Labour taxation (incl. undeclared work)	12	9	75 %
PA 7: Wage setting institutions and dynamics	10	3	30 %
Totals	116	55	47 %

2 PA 1: Employment protection legislation and other amendments to labour law

Under PA 1, ten countries introduced a total of 16 new policy measures between mid-March 2014 and mid-September 2014. The most popular type of reform under this policy area, has been in the sub-policy area of *Other amendments to labour law (e.g. working time regulation etc.)*. The following gives a breakdown of the new measures introduced in this policy area:

- Dismissals legislation (Italy, Slovakia);
- Internal measures of flexibility (e.g. short time work schemes, redeployment etc.) (0 new measures);
- Regulation of atypical contracts incl. measures addressing labour market segmentation (UK, Spain, Slovakia);
- Other flexicurity measures (Croatia, France);
- Other amendments to labour law (e.g. working time regulation etc.) (Latvia, Lithuania x2, Italy, Croatia x3, Germany, Ireland).

There were four updates to previously identified measures. These were found in the following countries: Czech Republic x2, Spain, and Poland. This policy area represents 14 % of the total of new measures introduced in the period. Half of the new measures introduced (50 %) have been enacted into law. Following a similar pattern to the previous March 2014 Catalogue of Measures, 11 out of 16 of the new measures under PA 1 required no specific funding for implementation. Of the 13 measures in total that specified a funding source, the remaining two measures were EU co-funded and funded from a state budget.

The measures and measure updates are discussed in turn below.

2.1 Dismissals legislation (2 new measures)

Draft Law 1428/2014 (Job Act)

Country: Italy

Description: The draft law 1428/2014 approved on 3 April 2014 (the so called Jobs Act entitled *Delega al Governo in materia di riforma degli ammortizzatori sociali, dei servizi per il lavoro e delle politiche attive, nonché in materia di riordino dei rapporti di lavoro e di sostegno alla maternità ed alla conciliazione) enables the Government to directly produce a law aimed at reorganising the whole system of passive and active labour policies, introducing a national minimum wage, reforming the legislation on labour contracts through the introduction of a new contract typology with protections increasing with seniority, as well as introducing norms promoting the reconciliation of family and work duties.*

Institution Responsible: Government

Country Specific Recommendation: CSR 5: Evaluate, by the end of 2014, the impact of the labour market and wage-setting reforms on job creation, dismissals' procedures, labour market duality and cost competitiveness, and assess the need for additional action.(..)

Main Objectives: Reform the whole labour market and social security legislation **Target Groups:** Potentially all workers, unemployed people, employers and PES civil servants

Duration of measure: Permanent

Has the measure been enacted into law? No What is the legal reference? Draft Law 1428/2014

Is the measure being enforced? No

If not law, what type of measure is it? *Legge Delega* (the Parliament gives mandate to the Government to directly enact a law)

Enacted/not enacted into law - State of play? This legislation is currently debated in the Senate and a heated controversy is developing on the possibility for this single contract to eliminate art. 18 of Law 300/1970 (the so called Workers Statutes) on the reintegration of workers in the job place following unfair dismissal.

Have any steps been taken to monitor the implementation of the measure: Unknown

Funding Sources: No specific funding required

Which policy recommendations does the measure respond to? CSR Recommendation details: CSR 5: Evaluate, by the end of 2014, the impact of the labour market and wage-setting reforms on job creation, dismissals' procedures, labour market duality and cost competitiveness, and assess the need for additional action. Work towards a comprehensive social protection for the unemployed, while limiting the use of wage supplementation schemes to facilitate labour re-allocation. Strengthen the link between active and passive labour market policies, starting with a detailed roadmap for action by September 2014, and reinforce the coordination and performance of public employment services across the country. Adopt effective action to promote female employment, by adopting measures to reduce fiscal disincentives for second earners by March 2015 and providing adequate care services.

Retirement to become a reason for dismissal (the measure has been rejected in the meantime by the government)

Country: Slovakia

Description: The proposal is that employers may give notice to an employee who has reached retirement age at least three years ago and who at the same time receives a retirement pension, disability pension, service pension or disability service pension.

Institution Responsible: Ministry of Labour, Social Affairs and Family

Main Objectives: The aim of the measure is to improve job opportunities for young

people and thereby support inter-generational solidarity.

Target Groups: Older workers

Duration of measure: Permanent

Has the measure been enacted into law? Yes

What is the legal reference? Amendment to the Act No. 311/2001 Coll. Labour code

Date of adoption: The measure shall be voted on in parliament in October 2014

Is the measure being enforced? No Start date for implementation of the measure: Tentatively on 1 January 2015 (if

approved by the government and passed in the parliament)

Enacted/not enacted into law - State of play? The measure is part of a broader legislative amendment that in the first place seeks to strengthen rules for temporary agency work. Due to disagreement on the latter, the approval by the government of the proposal to introduce the new reason for dismissal has been deferred. A new date for negotiations has not been confirmed.

Steps taken to monitor the implementation of the measure? $\,{\rm No}$

Funding Sources: No specific funding required

Which policy recommendations does the measure respond to? None

Measure Updates total: 0

2.2 Internal measures of flexibility (e.g. short time work schemes, redeployment etc.)

No new measures reported.

Measure Updates total: 0

2.3 Regulation of atypical contracts (incl. measures addressing labour market segmentation) (3 new measures)

Plan for fighting employment duality

Country: Spain

Description: A special group integrated by employers organisations, trade unions and the Ministry of Employment is working on the design and elaboration of a specific plan for fighting employment duality. Addressing casual contracts in temporary hiring and tackling successive contract switching are among its main aims.

Institution Responsible: Ministry of Employment

Country Specific Recommendation: CSR 3(i): Pursue new measures to reduce labour market segmentation to favour sustainable, quality jobs, for instance through reducing the number of contract types and ensuring a balanced access to severance rights. (ii) Continue regular monitoring of the labour market reforms.

Main Objectives: Encouraging permanent recruitment, addressing casualness in

temporary hiring and tackling successive contract switching

Target Groups: Temporary workers **Duration of measure:** Permanent

Has the measure been enacted into law? No

Is the measure being enforced? No

If not law, what type of measure is it? Announcement

Enacted/not enacted into law - State of play? Measure has been announced. A special group with workers and employers organisations is working on the Plan.

Steps taken to monitor the implementation of the measure? Unknown

Funding Sources: No specific funding required

Which policy recommendations does the measure respond to? CSR **Recommendation details:** Pursue new measures to reduce labour market

segmentation to favour sustainable, quality jobs

Stricter rules on temporary agency work

Country: Slovakia

Description: The measure introduces a number of changes to temporary assignments, which are typically used by temporary employment agencies. The most important changes include the introduction of shared responsibility between agencies and user employers regarding the provision of equal pay conditions for agency workers in comparison to regular employees, restrictions on assignments of agency workers by the user employer to another employer, introduction of a 24-month limit on the duration of temporary work for one company with a maximum number of five renewals/extensions during this period (non-compliance shall mean that the temporary contract is replaced by a regular open-ended employment contract), specification of an exact date when a temporary worker's job agreed for a fixed term ends, and restriction on the use of pre-tax travel compensations which are often paid to agency workers as a part of compensation to reduce labour costs.

Institution Responsible: Ministry of Labour, Social Affairs and Family

Main Objectives: The main objective of the measure is to tackle existing problems

in the use of temporary agency employment.

Target Groups: Temporary workers **Duration of measure:** Permanent

Has the measure been enacted into law? No

What is the legal reference? Amendment to the Act No. 311/2001 Coll. Labour code, Amendment to the Act No. 5/2003 Coll. on employment services, Amendment to the Act No. 283/2002 Coll. on travel compensations

Date of adoption: The measure shall be voted in the parliament in October

Is the measure being enforced? No

Start date for implementation of the measure: Tentatively on 1 January 2015 (if passed in the parliament)

Enacted/not enacted into law - State of play? Draft amendment was suspended by the government in its session on 20 August 2014. New date for negotiation not fixed.

Steps taken to monitor the implementation of the measure? No

Funding Sources: No specific funding required

Which policy recommendations does the measure respond to? None

Controls applied to zero hours contracts

Country: United Kingdom

Description: Exclusivity clauses in zero-hours contracts will be banned allowing

individuals to work with another employer while on such contracts.

Institution Responsible: Department for Business, Innovation and Skills (BIS). **Main Objectives:** Present legislation can allow employers to impose exclusivity clauses on employees they have on zero-hours contracts which prohibits them from working elsewhere even when there is no work with the first employer. This is a measure to tackle abuse of such contracts and is estimated will affect around 125 000 of the around 1.4 million jobs offered on zero-hours contracts.

Target Groups: Workers on zero-hours contracts

Duration of measure: Permanent

Has the measure been enacted into law? No, not yet

What is the legal reference? A provision will be added to the Small Business,

Enterprise and Employment Bill

Date of adoption: Likely to be early 2015. **Is the measure being enforced?** No

Start date for implementation of the measure: 2015

Steps taken to monitor the implementation of the measure? Yes

If monitoring arrangements are in place, what are they? This will be monitored

by existing methods including labour inspectorate, industrial tribunals, etc.

Funding Sources: No specific funding required

Is there a specific budget allocated to the measure? No

Which policy recommendations does the measure respond to? None

Measure Updates total: 0

2.4 Other flexicurity measures (2 new measures)

New Labour Law Country: Croatia

Description: The new Labour Act represents the completion of the second phase of the labour law reform which was initiated in 2013. Compared to the previous Act, the

main changes introduced by the new Labour Law are focused on three main areas: facilitation of flexible types of work (such as distance work, part-time work, seasonal work and work through temporary employment agencies), more flexible provisions related to the working time and easier procedures of termination of employment contract.

Institution Responsible: Ministry of Labour and Pension System

Country Specific Recommendation: CSR 3: Implement the second phase of the labour law reform, following consultation with the social partners, in particular as regards conditions for dismissals and working time, and with a view to preventing further labour market segmentation including for young people, by March 2015.

Main Objectives: Preservation of jobs, reducing undeclared work and facilitation of

companies restructuring process

Target Groups: All workers

Duration of measure: Permanent

Has the measure been enacted into law? Yes

What is the legal reference? Labour Law, Official Gazette of Croatia No. 93/14

Date of adoption: 15 July 2014

Is the measure being enforced? Yes

Enacted/not enacted into law - State of play? Entered into force.

If monitoring arrangements are in place, what are they? The government of Croatia shall report to the European Commission on the implementation of the following directives: 94/33/EC, 2008/104/EC, 2003/88/EC, 2002/73/EC, 2006/54/EC, 2000/78/EC, 91/383/EEC, 92/85/EEC, following the content and deadlines prescribed by those directives. No other monitoring mechanisms have been set.

Is there a specific budget allocated to the measure? Yes Budget: About EUR 10 500 annually for the period 2014-2016

Which policy recommendations does the measure respond to? CSR, NRP Recommendation details: CSR 3: which recommends implementation of the second phase of the labour law reform

Social thresholds reform

Country: France

Description: The Government launched the debate on the social thresholds which are, in France, linked with many obligations for companies: a threshold corresponds to a particular company size and creates social and fiscal obligations, such as right to collective representation, obligation to produce certain kinds of documents, to negotiate on social, economic and/or HR subjects, to pay new tax, etc. These thresholds are blamed for slowing competitiveness. Social partners have to negotiate on the subject before the end of the year, otherwise the government will present a law to Parliament. Most unions are against this kind of reform which risks to lower their presence in companies, while employer federations are in favour.

Institution Responsible: Ministry of Labour after social partners agreement

Main Objectives: To limit thresholds effect and liberalise employment

Target Groups: Employers

Duration of measure: Permanent

Has the measure been enacted into law? No

Is the measure being enforced? No

If not law, what type of measure is it? Government proposal

Have any steps been taken to monitor the implementation of the measure No

Is there a specific budget allocated to the measure? No

Measure Updates total: 0

2.5 Other amendments to labour law (e.g. working time regulation etc.) (9 new measures)

Law on safe countries of origin and on permission to work for asylum seekers (*Entwurf eines Gesetzes zur Einstufung weiterer Staaten als sichere Herkunftsstaaten und zur Erleichterung des Arbeitsmarktzugangs für Asylbewerber und geduldete Ausländer*)

Country: Germany

Description: The law shortens the waiting period for asylum seekers for being permitted to work to three months. Serbia, Bosnia and Herzegovina and the Former Yugoslav Republic of Macedonia are defined as being safe states of origin.

Main Objectives: Allow asylum seekers to work and to secure themselves an income

Target Groups: Asylum seekers

Enacted/not enacted into law - State of play? Approved by the Bundesrat on 19

Sept 2014; not published yet in the official journal

Workplace Relations Bill 2014

Country: Ireland

Description: On 8 July 2014, the Minister for Jobs, Enterprise and Innovation, Richard Bruton TD secured government approval for the Workplace Relations Bill 2014. The law, when enacted, will replace the current five workplace relations bodies with two. The new workplace relations system will comprise two bodies including the Workplace Relations Commission which will deal with complaints at first instance, and the Labour Court which will deal with appeals. The various responsibilities of the Labour Relations Commission (LRC), the National Employment Rights Authority (NERA), the Equality Tribunal, Employment Appeals Tribunal (EAT) and the Labour Court, which have built up over time, will be subsumed into the two new bodies.

Institution Responsible: Department for Jobs, Enterprise and Innovation.

Main Objectives: To simplify the current system of settling disputes and reduce the cost to the tax payer by streamlining existing institutions into two bodies.

Target Groups: All workers

Duration of measure: Permanent

Has the measure been enacted into law? No

Is the measure being enforced? No

Start date for implementation of the measure: Enactment of this legislation is

targeted by the end of 2014

Steps taken to monitor the implementation of the measure? Unknown

Funding Sources: Government

Is there a specific budget allocated to the measure? No

Which policy recommendations does the measure respond to? None

Law on European Works Councils

Country: Croatia

Description: The measure regulates the right of workers to participate in decision-

making of an employer who carries out economic activities in the EU, as well as in decision-making of affiliated employers who carry out economic activities in the European Union, through the European Works Council or through one or more information and consultation procedures

Institution Responsible: Ministry of Labour and Pension System

Country Specific Recommendation: CSR 3: Implement the second phase of the labour law reform, following consultation with the social partners, in particular as regards conditions for dismissals and working time, and with a view to preventing further labour market segmentation including for young people, by March 2015.

Main Objectives: Normative relief of the new Labour Law from the provisions regulating the matter and ensuring full alignment with the EU legislation and the best practices of the Member States.

Target Groups: Workers working for the employers who carry out economic

activities in the European Union **Duration of measure:** Permanent

Has the measure been enacted into law? Yes

What is the legal reference? Law on European Works Councils, Official Gazette of

Croatia No. 93/14

Date of adoption: 15 July 2014

Is the measure being enforced? Yes

If monitoring arrangements are in place what are they? There have been no

steps taken to monitor the implementation of the measure

Funding Sources: No specific funding required

Is there a specific budget allocated to the measure? No

Which policy recommendations does the measure respond to? CSR, NRP Recommendation details: CSR 3: which recommends implementation of the

second phase of the labour law reform

Law on participation of workers in decision-making in European Company (SE) and European Cooperative Society (SCE)

Country: Croatia

Description: The measure regulates the right of workers to participate in decision-making in the European Company (SE) and the European Cooperative Society (SCE), with the seat in the Republic of Croatia, or operating in the Republic of Croatia.

Institution Responsible: Ministry of Labour and Pension System

Country Specific Recommendation: CSR 3: Implement the second phase of the labour law reform, following consultation with the social partners, in particular as regards conditions for dismissals and working time, and with a view to preventing further labour market segmentation including for young people, by March 2015.

Main Objectives: Normative relief of the new Labour Law from the provisions regulating the matter and ensuring full alignment with the EU legislation and best practices of the Member States. Workers in the Republic of Croatia working in the European Companies of European Cooperative Society.

Target Groups: Workers in the Republic of Croatia working in the European Companies of European Cooperative Society.

Duration of measure: Permanent

Has the measure been enacted into law? Yes

What is the legal reference? Law on participation of workers in decision-making in European Company (SE) and European Cooperative Society (SCE),

Date of adoption: 15 July 2014. **Is the measure being enforced?** Yes

Enacted/not enacted into law - State of play? Law on participation of workers in decision-making in European Company (SE) and European Cooperative Society (SCE), Official Gazette of Croatia No. 93/14

Steps taken to monitor the implementation of the measure? No

Funding Sources: No specific funding required

Is there a specific budget allocated to the measure? No

Which policy recommendations does the measure respond to? CSR, NRP Recommendation details: Country Specific Recommendations No. 3, which recommends implementation of the second phase of the labour law reform

Law on representativeness of employers' associations and trade unions

Country: Croatia

Description: The Act prescribes the criteria and procedure for determining the representativeness of employers' associations and trade unions of higher level for participation in tripartite bodies at the national level, the criteria and procedure for determining the representativeness of trade unions for collective bargaining and the rights of the representative associations.

Institution Responsible: Ministry of Labour and Pension System

Country Specific Recommendation: CSR 3: Implement the second phase of the labour law reform, following consultation with the social partners, in particular as regards conditions for dismissals and working time, and with a view to preventing further labour market segmentation including for young people, by March 2015.

Main Objectives: Amending the legislative framework in accordance with experiences in application of the previous Law. The previous Law was in application for about one year and in that period several issues regarding its application have emerged. Since needed amendments required significant changes in the legislation texts, it was decided that a completely new law should be prepared and adopted. Employers as

Target Groups: Employers' associations and trade unions

Duration of measure: Permanent

Has the measure been enacted into law? Yes

What is the legal reference? Law on representativeness of employers' associations

and trade unions, Official Gazette of Croatia No. 93/14

Date of adoption: 15 July 2014

Is the measure being enforced? Yes

Steps taken to monitor the implementation of the measure? No

Funding Sources: No specific funding required

Which policy recommendations does the measure respond to? CSR, NRP Recommendation details: CSR 3: which recommends implementation of the

second phase of the labour law reform.

Law 78/2014 on fixed-term and apprenticeship contracts

Country: Italy

Description: It changed the conditions for the use of fixed-term and apprenticeship contracts. In particular, for fixed-term contracts the employer is exempted from the obligation to indicate the specific reason (the so-called 'causale' distinguishing between technical, productive, organisational or substitutive reasons) explaining why

the contract has a term; the maximum overall length is equal to 36 months including a maximum of five renewals subsequent to the first contract (prior to Law 78/2014, a maximum 36 months condition applied only in the event of a succession of fixed-term contracts, allowing for the possibility of setting a longer than 36 months duration for the first fixed-term contract); firms with six or more employees can now use fixed-term contracts for up to 20 % of the total employees holding an open-ended contract; employees hired with a fixed-term contract lasting more than six months are given preferred access to contracts issued over the following 12 months by the same company for the same occupation. For apprenticeship contracts, it relaxes the requirement introduced by Law 92/2012 of converting at least 50 % of the apprentices hired in the previous 36 months into open-ended contracts. In particular, the limit is reduced to 20 % for firms with more than 50 employees and the limit is abolished for other firms.

Institution Responsible: Ministry of Labour and Social Policy

Country Specific Recommendation: CSR 5: Evaluate, by the end of 2014, the impact of the labour market and wage-setting reforms on job creation, dismissals' procedures, labour market duality and cost competitiveness, and assess the need for additional action.(..)

Main Objectives: Promote the use of fixed-term and apprenticeship contracts,

especially among young people. Target Groups: All workers

Duration of measure: Permanent

Has the measure been enacted into law? Yes

What is the legal reference? Law 78/2014 converting into law the Law-Decree

34/2014

Date of adoption: 16 May 2014 **Is the measure being enforced?** Yes

Start date for implementation of the measure: 20 March 2014 **Steps taken to monitor the implementation of the measure?** Yes

If monitoring arrangements are in place what are they? The impact of the modification of the labour contract discipline will be examined by the 'Permanent monitoring system for labour market policies' within the Ministry of Labour and Social Policies established by Law 92/2012.

Funding Sources: No specific funding required

Is there a specific budget allocated to the measure? No

Which policy recommendations does the measure respond to? CSR

Recommendation details: No 5: Evaluate, by the end of 2014, the impact of the labour market and wage-setting reforms on job creation, dismissals' procedures, labour market duality and cost competitiveness, and assess the need for additional action.

Additional paid one-day holiday for an workers with one or two children up to age of 14

Country: Latvia

Description: In the second reading, the Latvian Parliament accepted an amendment to the labour law which gives a right for an employee with one or two children up to age of 14 to receive at least one day's additional paid holiday per year.

Institution Responsible: The Latvian Parliament **Main Objectives:** To improve the work/family balance

Target Groups: Parents

Duration of measure: Permanent

Has the measure been enacted into law? No What is the legal reference? Labour law

Enacted/not enacted into law - State of play? It is an amendment to the Labour Law which has to be accepted in the third and final reading before it comes into force.

Steps taken to monitor the implementation of the measure? Unknown

Funding Sources: No specific funding required

Which policy recommendations does the measure respond to? None

Creation of a new social model in Lithuania

Country: Lithuania

Description: At the beginning of 2014, an ESF-funded project was launched in Lithuania by order of the Ministry of Social Security and Labour for developing the socialled new social model in Lithuania. The project encompasses the analysis of foreign experience and Lithuania's situation. New social model for Lithuania is expected to cover many interrelated areas, such as labour relations, state social insurance system, creation of jobs and reduction of poverty. The project is expected to be completed by the end of the year. The deliverables of the project will include proposals for the amendment/improvement of relevant legislation.

Institution Responsible: Ministry of Social Security and Labour

Country Specific Recommendation: CSR 3. Review the appropriateness of labour legislation, in particular with regard to the framework for labour contracts and for working time arrangements, in consultation with social partners.

Main Objectives: The project is aimed at carrying out research and developing research-based proposals on how to bring the systems of labour relations, employment and state social insurance back to balance. The idea is to provide objective preconditions for modern regulation of labour relations and job creation, while at the same time developing a more sustainable and transparent state social insurance system, reducing poverty and social exclusion.

Target Groups: All workers

Duration of measure: Permanent

Has the measure been enacted into law? No

If not law, what type of measure is it? EU co-funded project

Enacted/not enacted into law - State of play? The final outcomes/results of the model should be delivered by the end of this year.

Steps taken to monitor the implementation of the measure? Yes

If monitoring arrangements are in place what are they? Project developers invite people to follow progress of the project at www.socmodelis.lt, take an active part in discussions and provide proposals as to the new social model in Lithuania. In addition, conferences and seminars are held on a regular basis to present developments in the model.

Funding Sources: EU co-funded

Is there a specific budget allocated to the measure? Yes

Which policy recommendations does the measure respond to? AGS, CSR, NRP Recommendation details: NRP: Review of the Labour Code in order to increase the flexibility of labour relations is envisaged in the Lithuanian NRP; The implementation of the measure for promoting entrepreneurship. CSR: Better target active labour market policy measures to the low-skilled and long-term unemployed. Improve

coverage and adequacy of unemployment benefits and link them to activation. [...] Review the appropriateness of labour legislation, in particular with regard to the framework for labour contracts and for working-time arrangements, in consultation with social partners. AGS: To continue modernising labour markets by simplifying employment legislation and developing flexible working arrangements.

Simplified conditions for the employment of third country nationals

Country: Lithuania

Description: On 26 June 2014 the PRL approved amendments to the Law on the Legal Status of Aliens whereby procedures for the issue of temporary work and residence permits have been simplified in respect of highly qualified professionals, posted workers and investors. Employment of highly qualified third country workers in understaffed professions in Lithuanian now is to be two weeks instead of previously valid four month period. The amendments released employers from the obligatory requirement to apply to the PES for confirmation of the shortage of certain skills in the Lithuanian labour market. However, the amendments stipulate that in order to employ a professional from a third country, employers shall undertake to pay the professional so employed, a salary which is at least triple the gross average wage in the country, i.e. currently this would be slightly above EUR 2 028 (LTL 7 000) per month.

Institution Responsible: Ministry of Interior

Country Specific Recommendation: CSR 3: Address persistent skills mismatches by improving the labour market relevance of education inter alia based on skills forecast systems and promote lifelong learning. In order to increase the employability of young people, prioritise offering quality apprenticeships, other forms of work based learning, and strengthen partnership with the private sector.

Main Objectives: Amendments to the Law are aimed at creating more favourable conditions for employers to recruit employees who are missing in Lithuania.

Target Groups: Immigrants (High-skilled/Low skilled)

Duration of measure: Permanent

Has the measure been enacted into law? Yes

What is the legal reference? Amendments to the Law on the Legal Status of Aliens

Date of adoption: 26 June 2014 **Is the measure being enforced?** No

Enacted/not enacted into law - State of play? The amendments become

effective on 1 November 2014.

Steps taken to monitor the implementation of the measure? No

Funding Sources: No specific funding required

Is there a specific budget allocated to the measure? No

Which policy recommendations does the measure respond to? CSR

Recommendation details: Address persistent skills mismatches

Measure Updates total: 4

Description of Measure	Description of September 2014 Update				
Country: Czech Republic	Title: Another package of tax changes				
Measure Title: Better Tax Collection	What has changed: The 2011 tax reform prepared by the previous Minister of Finance				

Description: Better Tax and Payroll Collection Measure Time Period: Oct 2012	Kalousek, which was to become effective as of 2015 and included the single collection point policy, is likely to get cancelled by Parliament. In its place, the current Minister of Finance, Babis, prepared an update of the PIT legislation, which is currently going through the legislative process.
Country: Czech Republic Measure Title: Public Servant Act Description: Complex regulation.	Title: Progress towards political agreement on the shape of the PSA What has changed: Substantial progress
Measure Time Period: Oct 2012	has been observed towards political agreement on the shape of the PSA.
Country: Spain	Title: Monitoring released data
Measure Title: New entrepreneurship contract Description: It entitles small firms (of under 50 workers) that recruit a young individual aged 16-30 full-time to receive a EUR 3 000 fiscal deduction and other Social Security benefits. The new contract also has a one-year probationary period (compared to three to six months for other contracts), which means that firms can dismiss workers without any severance pay during this period. Measure Time Period: Oct 2012	What has changed: New data has been released. According to the Ministry of Employment, up until August 2014, the entrepreneurship open-ended contract led to the creation of 62 599 new jobs. This represents a 23 % increase compared to the same period in 2013. However, while 0.9 % of all contracts were with firms with less than 100 workers, and the contract can be arranged with enterprises containing up to 250 workers, statistics do not break down firms with more or less than 100 workers.
Measure Title: National Programme for the Development of Social Economy Description: The Social Economy Development Programme is a Programme of development and is thus a document of operational implementation, set up to implement the medium-term development strategy of the country - the National Development Strategy 2020 - and the Strategy for the Development of Social Capital, the Human Capital Development Strategy, the National Strategy for Regional Development and other development strategies. The programme is a Government document that shows the key directions of public intervention to create the best conditions for the development of the social economy and social enterprises. It is addressed primarily to public institutions creating and implementing specific policies, as well as people working in the social	Title: Programme accepted by the Government What has changed: On 12 August 2014 the Government accepted the National Programme of the Development of Social Economy (KPRES), prepared by the Minister of Labour and Social Policy.
economy.	

3 PA 2i: Active labour market policies – Job Creation

Under PA 2i, twelve countries introduced a total of 14 new policy measures between mid-March and mid-September 2014. The most popular types of reform were in the sub-policy areas of *Simplifying the business environment* and *Other job creation measures*. The following gives a breakdown of the new measures introduced in this policy area:

- Hiring subsidies (Spain, Portugal and Cyprus)
- Start-up incentives (incl. measures encouraging entrepreneurship, female entrepreneurship and micro credit schemes etc.) (France)
- Simplifying the business environment (Lithuania, Malta, Poland x2)
- Public investment programmes and regional investment incentive measures (0 new measures)
- Public works (Bulgaria, Hungary)
- Other job creation measures (Italy, Malta, Estonia and Ireland)

There were eight updates to previously identified measures in the following countries: Greece, France, Malta x2, Portugal x3, and Romania. The 14 new policy measures for this policy area represent 12 % of the total across all policy areas. Over a third of the new measures introduced (36 %, or five measures) have been enacted into law. Of the 13 measures stating a source of funding, the most popular source of funding was EU co-funding for seven of the new measures and three were government or state funded.

The measures and measure updates are discussed in turn below.

3.1 Hiring subsidies (3 new measures)

Employment incentive for open-ended recruitment of young people Country: Spain

Description: It consists of a new employment incentive for employers' Social Security contributions concerning open-ended recruitments addressed to young people inscribed in the register of the Youth Guarantee Implementation Plan which started to operate in July 2014. It encompasses a EUR 300 monthly rebate for employers' Social Security contributions. It is compatible with the rest of employment incentives provided that the final contribution does not become negative. The benefit lasts for six months and the worker cannot be dismissed during this period. Otherwise, the rebate has to be returned. No restrictions are implemented with respect to the firm size or workers characteristics (age group, skill level, etc.). It also applies to part-time workers (with at least 50 % of working hours).

Institution Responsible: Ministry of Employment

Country Specific Recommendation: CSR 3: (i) Enhance the effectiveness and targeting of active labour market policies, including hiring subsidies, particularly for those facing more difficulties in accessing employment. (ii) Accelerate the modernisation of public employment services to ensure effective personalised counselling, adequate training and job matching, with special focus on the long term unemployed. (iii) Ensure the effective application of public private cooperation in placement services before the end of 2014, and monitor the quality of services provided. (iv) Ensure the effective functioning of the Single Job Portal and combine it with further measures to support labour mobility.

Main Objectives: Encouraging open-ended recruitment of young people inscribed in

the Youth Guarantee Implementation Plan Tackling youth unemployment

Target Groups: Youth

Duration of measure: Permanent

Has the measure been enacted into law? Yes

What is the legal reference? Royal Decree-Law 8/2014

Date of adoption: 4 July 2014

Is the measure being enforced? Yes

Start date for implementation of the measure: 5 July 2014

Steps taken to monitor the implementation of the measure? Yes

If monitoring arrangements are in place what are they? Statistics of contracts

included in the Ministry of Employment Funding Sources: EU co-funded

Is there a specific budget allocated to the measure? Yes

Which policy recommendations does the measure respond to? CSR

Recommendation details: Enhance the effectiveness and targeting of active labour market policies, including hiring subsidies, particularly for those facing greater

difficulties in accessing employment.

Incentive Scheme for the Employment of the Unemployed

Country: Cyprus

Description: It provides employers with strong incentives to hire individuals who are registered unemployed and even stronger incentives to hire individuals who have exhausted unemployment insurance benefits (i.e. have exhausted their six-month entitlement). Thus, stronger incentives are given to hire the long-term unemployed.

Institution Responsible: Ministry of Labour and Social Insurance (MLSI)

Country Specific Recommendation: 4.3. The increase in unemployment underlines the need for an overall assessment of activation policies and available instruments for income support after the expiration of unemployment insurance benefits. The planned reform of public assistance should ensure that social assistance serves as a safety net to ensure a minimum income for those unable to support a basic standard of living, while safeguarding incentives to take up work, ensuring consistency with the reform of the welfare system as described in section 3.11.

Main Objectives: The scheme subsidises employment in all sectors of the economy as follows: The subsidy lasts for 10 months on condition that the employer is adding to employment and that no layoffs will occur during the programme. The subsidy is 50 % of wage costs to a limit of EUR 5 000; these provisions are raised in the case of the long-term unemployed to 60 % and a limit of EUR 6 000. The scheme respects the minimum wage of EUR 870 in areas covered by this legislation and expects employers to adhere to collective bargaining provisions where no minimum wage applies. A maximum of five individuals can be hired by any one employer.

Target Groups: Unemployed **Duration of measure:** Temporary

If temporary, how long will it run for? To 30 June 2016

Has the measure been enacted into law? No

Is the measure being enforced? Yes

Start date for implementation of the measure: May 2014.

If not law, what type of measure is it? Council of Ministers decision. **Steps taken to monitor the implementation of the measure?** Yes

If monitoring arrangements are in place what are they? Operating procedures

of the MLSI involve close supervision of the firms involved.

Funding Sources: EU co-funded

Is there a specific budget allocated to the measure? Yes

Budget: EUR 5 million.

Which policy recommendations does the measure respond to? None

Recommendation details: Though the 5th version of the MoU raises the need to support unemployed and particularly the young (in sections 4.3, 4.4 and 4.5), its concerns are systemic in nature. There is no recommendation for a programme specifically of this type. But unemployment has risen so much that no objections to any attempt to restore the unemployed to the labour market can be raised. The implementation of the Guaranteed Minimum Income (GMI) scheme, called for in the MoU, section 4.3, is seen to provide a systemic safety net.

Stimulus Employment (Estímulo Emprego)

Country: Portugal

Description: Financial support to employers who hire for at least six months unemployed who are registered as such, with the obligation to provide training to the hired workers. The support is 80% of the Social Support Index IAS (EUR 419.22) multiplied by half of the number of months of duration of the fixed-term work contract (capping: 80% of IAS \times 6) or 110% of the IAS multiplied by 12 in the case of open-ended contracts. The support for fixed-term contracts is increased to 100% of the IAS if members of particularly vulnerable groups are hired. The support is extended if a fixed-term contract is transformed into an open-ended contract (same % of IAS multiplied by 6). The support for part-time contracts is reduced proportionally (basis: 40% hours per week).

Institution Responsible: IEFP (national PES)

Main Objectives: Improve and rationalise existing measures for support of hiring

and qualification of unemployed **Target Groups:** Unemployed **Duration of measure:** Permanent

Has the measure been enacted into law? Yes

What is the legal reference? Enactments (Portarias) 149-A/2014 and 149-B/201

Date of adoption: 24 July 2014 **Is the measure being enforced?** Yes

Start date for implementation of the measure: 25 July 2014

Enacted/not enacted into law - State of play? IEFP has published within the stipulated period of 30 days after adoption of the measure the specific regulation of the measure (dated 20 August 2014), has put the essential documents online and has created the mechanism for applications. End of August 2014 the first applications may have been submitted.

Steps taken to monitor the implementation of the measure? Yes

If monitoring arrangements are in place what are they? The measure will be evaluated after 18 months of its existence by the tripartite Standing Commission for Social Concertation (CPCS).

Funding Sources: EU co-funded

Is there a specific budget allocated to the measure? Yes

Budget: Unknown

Which policy recommendations does the measure respond to? AGS, NRP

Recommendation details: AGS priorities: Stepping up active labour market measures, notably active support and training for the unemployed, (...); Pursuing the modernisation of education and training systems, including life-long learning, vocational training and dual learning schemes. NRP-2014: chapter *Estimular* a *Economia – Apoios* à *Contratação* refers explicitly to improvement of *Estimulo* 2013 and support to hiring via TSU. Council Recommendation of 10 March 2014 on a Quality Framework for Traineeships

Measure Updates total: 2

Description of Measure	Description of September 2014 Update
Country: Portugal Measure Title: 'Support to Placement' - reimbursement of social security contributions. Description: Provides financial support to employers who hire (permanently or fixed- term, full- or part-time) previously unemployed workers by reimbursing 75 % to 100 % of the social security contribution paid by the employer. Measure Time Period: Sep 2013	Title: Measure cancelled but continued by a new measure 'Stimulus Employment' What has changed: Measure 'Support to Placement' has been cancelled and is being gradually integrated with the measure 'Stimulus Employment'.
Country: Portugal Measure Title: Stimulus 2012 (Estímulo 2012) Description: Provides financial support to employers who hire individuals registered as unemployed for at least six months. The employer has an obligation to provide training to the worker in order to allow him/her to adjust adequately to the job. Measure Time Period: Oct 2010 – Sept 2012	Title: Stimulus Employment (Estímulo Emprego) What has changed: 'Stimulus Employment' has now replaced 'Stimulus 2013' (which was an updated version of 'Stimulus 2012').

3.2 Start-Up Incentives (incl. measures encouraging entrepreneurship and female entrepreneurship, micro credit schemes etc.) (1 new measure)

Creation of a student/ entrepreneur status

Country: France

Description: The creation of a 'student entrepreneur status', which will begin from September 2014, targets mainly students, recent graduate students under 28 years old, and persons who just got their Baccalaureate.

Institution Responsible: Ministry of education

Country Specific Recommendation: CSR 7: Pursue the modernisation of vocational education and training, implement the reform of compulsory education, and take further actions to reduce educational inequalities in particular by strengthening measures on early school leaving.

Main Objectives: The measure consists of protecting young people in order to

encourage them to create their own company by the following: access to student social protection advantages, recognition of entrepreneurship as a discipline which will give credits during academic training, creation of a specific programme dedicated to entrepreneurial students and support by two tutors (one from the academic world, the other one from the professional world).

Target Groups: Youth

Duration of measure: Permanent

Has the measure been enacted into law? No

What is the legal reference? Plan Etudiants Pour l'Innovation, le Transfert et

l'Entrepreneuriat (PEPITE)

Date of adoption: Summer 2014 **Is the measure being enforced?** Yes

Start date for implementation of the measure: September 2014 **Which policy recommendations does the measure respond to?** CSR

Recommendation details: Better school-work transition for youth.

Measure Updates total: 2

Description of Measure

Country: Greece

Measure Title: Youth Entrepreneurship with

a Focus on Innovation

Description: This is a new start-up incentives scheme for 2 000 young persons aged up to 35 years. Priority is to be given to activities promoting innovation, whereas prior to participating, applicants must have completed a course in supportive counselling (mentoring). As regards the amount of the subsidy, each beneficiary will receive the amount of EUR 10 000, distributed in three instalments within a period of 12 months.

Measure Time Period: Mar 2014

Description of September 2014 Update

Title: Evaluation published

What has changed: The impact evaluation study, conducted in 2014, attempted to evaluate the start-up schemes offered by the Manpower Employment Organisation (OAED 2014) since 2008. There were five schemes, all of which were subsidy programmes for New Freelance Professionals targeting different groups of individuals wishing to start their own business or start their own business.

A structured questionnaire was used which included questions about the demographic characteristics of the business owners and economic data about the business. In all, 4 661 questionnaires were filled in by participants in all five schemes, with the response rate fluctuating around 55 % of the contacted persons.

The evaluation concluded that although most of the businesses created through subsidies exhibited exceptionally long survival rates, their contribution to employment generation was modest. Based on this and other findings, evaluators proposed a number of suggestions for maximising the future impact of the start-up schemes, including training (technical and general) of the entrepreneurs and the provision of mentoring/counselling services. They have also highlighted the option of differentiating the amount of financial assistance for labour-intensive activities and recommended training for those beneficiaries starting an activity in

areas where they had little previous knowledge. Country: Malta **Title:** Progress reported on Jeremie Financing Package **Measure Title:** Jeremie Financing Package What has changed: The Government **Description:** The scheme provides financing announced that by the first quarter of 2014, to small and medium size enterprises EUR 6 million were absorbed from the EUR 11 employing less than 250 employees and with million allocated. Such funds assisted more a turnover which does not exceed EUR 50 than 190 small and medium sized million. The maximum loan one can take is of EUR 500 000 and the loan period covers from enterprises. one to ten years. The interest rate is about 1 % lower than that of normal loans and the security required is between 25 % and 33 % of the loan. A total of EUR 11 million in preferential loans is available. Measure Time Period: Dec 2013

3.3 Simplifying the business environment (4 new measures)

Amendments to the Labour Code

Country: Lithuania

Description: In June, amendments to the Labour Code of the Republic of Lithuania were adopted to reduce administrative burdens for business. The amendments cancel a model form of employment contracts, model time sheets; lift the obligatory requirement to issue identity cards (work certificates) to employees, to enter employment contracts in the register, etc.

Institution Responsible: Parliament of the Republic of Lithuania, Ministry of Social Security and Labour

Country Specific Recommendation: CSR 3: Review the appropriateness of labour legislation, in particular with regard to the framework for labour contracts and for working time arrangements, in consultation with social partners.

Main Objectives: Main objective - reduction of administrative burden for business.

Target Groups: Employers

Duration of measure: Permanent

Has the measure been enacted into law? Yes

What is the legal reference? Amendments to the Labour Code of the Republic of

Lithuania No XII-919

Date of adoption: 5 June 2014

Is the measure being enforced? Yes

Start date for implementation of the measure: 12 June 2014 **Steps taken to monitor the implementation of the measure?** No

Funding Sources: No specific funding required

Is there a specific budget allocated to the measure? No

Which policy recommendations does the measure respond to? AGS, CSR, NRP Recommendation details: NRP: review of the Labour Code in order to increase the flexibility of labour relations is envisaged in the Lithuanian NRP. CSR: Review the appropriateness of labour legislation, in particular with regard to the framework for labour contracts and for working-time arrangements, in consultation with social partners. AGS: To continue modernising labour markets by simplifying employment

legislation and developing flexible working arrangements.

Business Development Unit

Country: Malta

Description: A Business Development Unit was set up within the Malta Environment and Planning Authority (MEPA) 'to provide a more efficient and business oriented service for applicants who decide to start up or continue to grow their commercial activities'. The Unit will serve as a one-stop-shop in a bid to simplify the procedure for applying for a development permit and at the same time reduce its expenses.

Institution Responsible: Malta Environment and Planning Authority (MEPA)

Main Objectives: The objectives of the unit are to reduce bureaucratic procedures, increase efficiency and create a better climate for businesses to operate and grow,

Target Groups: Employers and self-employed persons in the building industry

Duration of measure: Permanent

Has the measure been enacted into law? No

Is the measure being enforced? Yes

Start date for implementation of the measure: The Unit was announced on 25 July 2014, but it had already started operating informally a few months earlier.

If not law, what type of measure is it? Strategy

Enacted/not enacted into law - State of play? The Unit started operating and MEPA is revising its policies and procedures in order to facilitate business needs.

Steps taken to monitor the implementation of the measure? Unknown

Funding Sources: Government

Is there a specific budget allocated to the measure? Unknown

Which policy recommendations does the measure respond to? AGS, MOU, NRP Recommendation details: AGS 7: Modernising public administration: Simplifying the business environment, reducing red tape through the introduction of lighter processes and regulatory regimes. MOU: Administrative burden reduction. NRP: Reducing Bureaucracy.

Enterprise Development Program 2020

Country: Poland

Description: Development of measures which support the growth of Polish enterprises especially companies from the SME sector by simplifying procedures to create a friendlier environment for business and support of polish enterprises in their development. An important element of the programme is strengthening cooperation between business and science.

Institution Responsible: Ministry of Economy

Main Objectives: In the programme, the following objectives have been set: 1. Adaptation of the regulatory and financial environment to the needs of an innovative and efficient economy, 2. Stimulating activities to foster innovation in enterprises by increasing the efficiency of knowledge and work, 3. The increase in the efficiency of utilisation of natural resources, 4. The increase of the internationalisation of the Polish economy.

Target Groups: Employers

Duration of measure: Temporary

If temporary, how long will it run for? 2014-2020

Has the measure been enacted into law? No

If not law, what type of measure is it? Governmental programme

Enacted/not enacted into law - State of play? On 8 April 2014 Council of Minister adopted Enterprise Development programme up to year 2020.

Steps taken to monitor the implementation of the measure? Unknown If monitoring arrangements are in place what are they? Monitoring of the Enterprise Development Programme will be based, inter alia, on progress as well as impact measures. The system of monitoring the achievement of the strategic goal of the programme will be based on indicators of Central Statistical Office, Eurostat, the Innovation Union Scoreboard and the methodology of the World Bank.

Funding Sources: EU co-funded

Is there a specific budget allocated to the measure? Yes

Budget: EUR 6 068 985 714

Which policy recommendations does the measure respond to? CSR

Recommendation details: CSR 4: Improve the effectiveness of tax incentives in promoting R&D in the private sector as part of the efforts to strengthen the links between research, innovation and industrial policy, and better targeting of existing instruments at the different stages of the innovation cycle.

New Opportunity Policy

Country: Poland

Description: New Opportunity Policy is a document programme, which recognises problems of business management in a crisis situation and supports the start-up of a new business after the collapse of a company

Institution Responsible: Ministry of Economy

Main Objectives: Simplify procedures; creating environment supporting companies in difficult market situation; support entrepreneurs to re-establish new companies

after collapse of the previous one

Target Groups: Employers

Duration of measure: Permanent

Has the measure been enacted into law? No

If not law, what type of measure is it? Government proposal

Enacted/not enacted into law - State of play? The New Opportunity Policy was adopted by Council of Ministers on 22 July 2014.

Steps taken to monitor the implementation of the measure? Yes If monitoring arrangements are in place what are they? Reports on the

implementation of specific actions will be presented annually

Funding Sources: EU co-funded

Is there a specific budget allocated to the measure? No

Which policy recommendations does the measure respond to? CSR

Recommendation details: CSR 4: Improve the effectiveness of tax incentives in promoting R&D in the private sector as part of the efforts to strengthen the links between research, innovation and industrial policy, and better target existing instruments at the different stages of the innovation cycle.

Measure Updates total: 1

Description of Measure	Description of September 2014 Update
Country: Malta Measure Title: Business First	Title: New services offered within Business First
Description: It offers businesses over 50 Government services under one roof. Several agreements were signed with Government entities guaranteeing the delivery of services over not more than ten days. Measure Time Period: Oct 2012	What has changed: Several new services are being offered within Business First in order to improve the one-stop-shop system. Officers from the Inland Revenue Department started to offer their services. An outreach programme was also set up to provide information sessions for enterprises and carry out company visits to get Business First services closer to enterprises.

3.4 Public investment programmes and regional investment incentive measures (0 new measures)

No new measures reported.

Measure Updates total: 2

old. It is also important to note, in contrast to the original intention, those in charge of accompanying young people will not automatically be older workers.

Measure Time Period: Oct 2012

Country: Romania

Measure Title: Youth Guarantee scheme

started with ESF co-financing

Description: The Youth Guarantee scheme has been kick-started as of this mid-summer by the launch of a EUR 10 million call for strategic programmes by the SOP HRD, Romania's main ESF co-financed operational programme. The intermediate management body for the Development region of Bucharest and Ilfov launched the call for projects as of end of July with the final deadline being 31 July (electronic submission in the Action Web system). It is expected that at least two large EUR 5 million schemes of employment and training will be implemented for young people, including with an emphasis on apprenticeship.

Measure Time Period: Sep 2013

Title: Youth Guarantee Centres established as part of the pilot schemes

What has changed: As part of the two pilot projects for the implementation of the Youth Guarantee, and initiated by the Ministry of Labour jointly with partners from Unions and Employer Associations, Youth Guarantee centres have started to be established.

3.5 Public works (2 new measures)

National programme 'Security'

Country: Bulgaria

Description: National programme 'Security' provides jobs for unemployed people to work as quards. Beneficiaries are some municipalities.

Institution Responsible: Employment agency, Ministry of Internal Affairs, Municipal administrations.

Country Specific Recommendation: CSR 3: Improve the effective coverage of unemployment benefits and social assistance and their links with activation measures. Take forward the comprehensive review of minimum thresholds for social security contributions so as to make sure that the system does not price the low-skilled out of the labour market.

Main Objectives: The main purpose of the programme is to limit unemployment by ensuring jobs in safeguarding the public order in settlements with a high unemployment rate. It provides full time subsidised employment to 5 000 unemployed persons (male unemployed will predominate) for a period of up to eight months in municipalities with a high unemployment rate.

Target Groups: Unemployed

Duration of measure: Temporary

If temporary, how long will it run for? 2 years. The programme duration is until 31.12.2015.

Has the measure been enacted into law? No

What is the legal reference? Order Nº RD-224/02.04.2014 of the Minister of the labour and social policies; National employment plan for 2014.

Is the measure being enforced? Yes

Start date for implementation of the measure: 02.04.2014 If not law, what type of measure is it? Government proposal

Enacted/not enacted into law - State of play? Not enacted into law, but included in the National Employment plan for 2014.

Steps taken to monitor the implementation of the measure? Yes

If monitoring arrangements are in place what are they? Regular monthly monitoring held by Employment Agency; annual reporting about the results.

Funding Sources: Government

Is there a specific budget allocated to the measure? No

Budget: EUR 9 million

Which policy recommendations does the measure respond to? CSR

Recommendation details: The programme is relevant to the common requirement in CSR 3, Sub rec 2: Extend the coverage and effectiveness of active labour market

policies.

Support social cooperatives and enterprises in the social economy

Country: Hungary

Description: Provide support to social cooperatives and to enterprises employing

former public works participants and/or disadvantaged workers.

Institution Responsible: Ministry for National Economy

Country Specific Recommendation: CSR 4: Strengthen well targeted active labour market policy measures, inter alia by accelerating the introduction of the client profiling system of the Public Employment Service. Put in place the planned youth mentoring network and coordinate it with education institutions and local stakeholders to increase outreach. Review the public works scheme to evaluate its effectiveness in helping people find subsequent employment and further strengthen its activation elements.

Main Objectives: Provide an exit route from public works to the (semi-) open labour market

Target Groups: All disadvantaged jobseekers (LTU, older workers, workers with disabilities etc.)

Duration of measure: Temporary

If temporary, how long will it run for? Fixed by the applicant project

Has the measure been enacted into law? Yes

What is the legal reference? Government Decree (1208/2014) and Government

Decree (1254/2014)

Date of adoption: 1 April 2014 and 18 April 2014

Is the measure being enforced? Yes

Enacted/not enacted into law - State of play? Application pending. **Steps taken to monitor the implementation of the measure?** Yes

If monitoring arrangements are in place what are they? The measures are

financed from ESF funds, standard monitoring procedures apply.

Funding Sources: EU co-funded

Is there a specific budget allocated to the measure? Yes

Budget: EUR 11.1million

Which policy recommendations does the measure respond to? CSR, NRP

Recommendation details: CSR 4.4: Review the public works scheme to evaluate its

effectiveness in helping people find subsequent employment and further strengthen its activation elements.

Measure Updates total: 0

3.6 Other job creation measures (4 new measures)

Skills to Work
Country: Ireland

Description: The main aim of Skills to Work is to make it easier for both jobseekers and employers to access information more easily on the full range of options available to them. An online tool has been developed, www.skillstowork.ie, which, through a series of simple questions directs jobseekers to information on what education, reskilling or work experience options are available to them in areas of new and emerging employment opportunities, directs employers to information on incentives available to hire a new employee who is currently on the Live Register, offer a work placement or access skills training, provides information on additional opportunities and government supports available to help people get back to work and to help businesses grow. The Skills to Work campaign promotes in particular five initiatives run by the Department of Education and Skills and Department of Social Protection: Springboard, Momentum, Skillnets, JobBridge and JobsPlus.

Institution Responsible: Department for Social Protection

Country Specific Recommendation: CSR 3: Pursue further improvements in active labour market policies, with a particular focus on the long-term unemployed, the low-skilled and, in line with the objectives of a youth guarantee, young people.

Main Objectives: To improve the information available to jobseekers with employers with respect to existing government initiatives such as Springboard, Momentum, Skillnets, JobBridge and JobsPlus.

Target Groups: Unemployed

Duration of measure: Permanent

Has the measure been enacted into law? No

Is the measure being enforced? Yes

Start date for implementation of the measure: 19 May 2014

Enacted/not enacted into law - State of play? The website is fully operational. **Steps taken to monitor the implementation of the measure?** Unknown

Funding Sources: Government

Is there a specific budget allocated to the measure? Unknown Which policy recommendations does the measure respond to? CSR

Recommendation details: Further improvements in active labour market policies

New Regional Development Strategy 2014-2020

Country: Estonia

Description: The new Regional Development Strategy 2014-2020 concentrates more on making better use of the unique features of different regions in Estonia for regional development and prioritises job creation, especially outside the larger centres. At the same time, it is emphasised that the global development processes must be taken into account. Four goals have been set: 1) living and business

environment promotes the integrity and competitiveness of active regions; 2) living environment is environment friendly and promotes international economic competitiveness of larger urban regions; 3) region-specific resources are used more wisely; 4) regions are more strongly connected and the development capacity is higher. It is the fourth strategy document for regional development since 1994; previous document covered the period 2005-2015.

Institution Responsible: The Ministry of the Interior in cooperation with other ministries and local government associations

Main Objectives: To balance the development of different regions and to assure the availability of jobs, services and activities.

Target Groups: All people living in Estonia

Duration of measure: Temporary

If temporary, how long will it run for? 2014-2020 Has the measure been enacted into law? No If not law, what type of measure is it? Strategy

Enacted/not enacted into law - State of play? Approved by the government on 20 March 2014

Steps taken to monitor the implementation of the measure? Yes **If monitoring arrangements are in place what are they?** The Ministry of the Interior together with the representatives of other organisations responsible submits an overview of the results of the implementation to the government annually and a more comprehensive report at least once during the implementation period.

Funding Sources: EU co-funded

Is there a specific budget allocated to the measure? Yes

Budget: EUR 1 128 040 900

Which policy recommendations does the measure respond to? CSR Recommendation details: The initiative supports the implementation of the CSR 2/2014, which emphasises among others the need to 'Deploy coordinated measures for fostering economic development and entrepreneurship in regions faced with high unemployment.'

Law 114/2014 reforming the public sector

Country: Italy

Description: Law 114/2014 reformed the public sector by eliminating since November 2014 the right to work in the public sector beyond retirement age and self-employment relationships with workers reaching the retirement age. Year-specific thresholds for new hires are fixed as percentages of the expenditure saved through contract terminations in the previous year: 20 % in 2014, 40 % in 2015, 60 % in 2016, 80 % in 2017 and up to 100 % since 2018. Mobility, between and among offices, was simplified. Releases and time off for union activities were halved.

Institution Responsible: Ministry of Simplification and Public Administration **Main Objectives:** To improve the efficiency of public administration, protect public budget as well as set the context for new job openings in the public sector in the near future.

Target Groups: Public administration employees

Duration of measure: Permanent

Has the measure been enacted into law? Yes

What is the legal reference? Law 114/2014 converting into law Law-Decree

90/2014

Date of adoption: 7 August 2014 **Is the measure being enforced?** Yes

Start date for implementation of the measure: 16 May 2014

Enacted/not enacted into law - State of play? The measure eliminating the right to work in the public sector beyond retirement age and self-employment relationships with workers reaching the retirement age will start being effective since November 2014.

Steps taken to monitor the implementation of the measure? No

Funding Sources: No specific funding required

Is there a specific budget allocated to the measure? No

Which policy recommendations does the measure respond to? CSR

Recommendation details: 2014 CSR 3: requiring Italy to 'clarify competences at all levels of government as part of a wider effort to improve the efficiency of public

administration'.

New Programmes for Export

Country: Malta

Description: Malta Enterprise launched two new programmes meant to facilitate Maltese entrepreneurs to export their products abroad. The Go Global Programme aims to assist 20 companies with a low export revenue (of less than 20 %) through assessment, training, and financial assistance to conduct market research and export promotion initiatives. The Global Growth Competition is a competition through which 12 market development plans will be selected and will receive co-funding of 50 % up to EUR 80 000 over a three year period. The programmes are supported by HSBC Bank Malta through discounted loans.

Institution Responsible: Malta Enterprise

Main Objectives: To assist local industry to expand into foreign markets.

Target Groups: Employers

Duration of measure: Temporary

If temporary, how long will it run for? Unknown Has the measure been enacted into law? No

If not law, what type of measure is it? Announcement

Enacted/not enacted into law - State of play? Announced on 20 May 2014. Steps taken to monitor the implementation of the measure? Unknown

Funding Sources: Government and private funding

Budget: EUR 485 000

Which policy recommendations does the measure respond to? None

Measure Updates total: 1

Description of Measure	Description of September 2014 Update
Country: Portugal	Title: Programme Impulso Jovem
Measure Title: Programme <i>Impulso Jovem</i> - Strategic Plan of Initiatives for the Promotion of Youth Employability and Support to SMEs	What has changed: Shortening of traineeships from 12 to 9 months (with possibility to extend under specific conditions
Description: The programme comprises three types of measures: occupational traineeships (with a bonus for integration);	to 12). Stipulations put in place to avoid abuse, and reduction in support from 100 % of costs to 80 % of costs for traineeship

support for hiring, training and entrepreneurship; and support with investment.

Measure Time Period: Oct 2010 - Sept 2012

delivery bodies (in the case of specifically targeted groups), and from 80 % to 65 % of costs for the other beneficiaries.

4 PA 2ii: Active labour market policies – employment services (public and private) and skills forecasting systems

Under PA 2ii, three countries introduced a total of four new policy measures between mid-March and mid-September 2014. All of these reforms were in the sub-policy area of *PES governance*. The following gives a breakdown of the new measures introduced in this policy area:

- PES governance (Spain x2, Hungary, Slovakia);
- Public private cooperation (no new measures);
- Skills forecasting systems (no new measures);
- Other measures relating to employment services and skills forecasting (no new measures).

There were no updates to previously identified measures. The new measures in this policy area accounted for 3 % of the total number of new measures introduced across all European countries. Two of the four new measures (50 %) introduced here were enacted into law. No specific funding was required for three of the measures while EU co-funding was in operation for one of the new measures.

The measures and measure updates are discussed in turn below.

4.1 Measures related to PES governance (4 new measures)

Common catalogue of employment services

Country: Spain

Description: It consists of a homogeneous battery of measures which all Spanish regions should have to implement in the context of the activation of the unemployed. The particular administrative architecture of the Spanish employment services where regions have the exclusive competences on ALMP has produced heterogeneous results in the different territories. This has also been common in the provision of other public services which have been decentralised (health, education, social services, etc.). The catalogue is aimed at equalling the access to a minimum repertoire of employment services. It is based on the following broad principles: equal right of access; individualised treatment; efficiency; transparency; result-orientation and interconnection between different administrative layers.

Institution Responsible: Public Employment Service

Country Specific Recommendation: CSR 3: (i) Enhance the effectiveness and targeting of active labour market policies, including hiring subsidies, particularly for those facing more difficulties in accessing employment. (ii) Accelerate the modernisation of public employment services to ensure effective personalised counselling, adequate training and job matching, with special focus on the long-term unemployed. (iii) Ensure the effective application of public private cooperation in placement services before the end of 2014, and monitor the quality of services provided. (iv) Ensure the effective functioning of the Single Job Portal and combine it with further measures to support labour mobility.

Main Objectives: Ensure that every individual can access to efficient, individualised, homogeneous and interconnected services regardless their region of origin.

Target Groups: All workers

Duration of measure: Permanent

Has the measure been enacted into law? No

Is the measure being enforced? No

Enacted/not enacted into law - State of play? Announcement

Steps taken to monitor the implementation of the measure? No

Funding Sources: No specific funding required

Is there a specific budget allocated to the measure? Unknown **Which policy recommendations does the measure respond to?** CSR

Recommendation details: Accelerate the modernisation of public employment services to ensure effective personalised counselling, adequate training and job-matching, with special focus on the long-term unemployed.

Spanish Activation Strategy (SAS) 2014-16 and the Employment Annual Plan 2014

Country: Spain

Description: The SAS is conceived as a multi-annual scenario to articulate a new battery of measures aimed to modernise and make the Public Employment Services more efficient. The new Strategy attempts to be resulted-oriented, something which determines the distribution of funding among the regional employment services. In this context, the Employment Annual Plan 2014 consists of the main document concerning the implementation of the ALMP at national level for 2014. It is coherent with the main principles of the SAS 2014-2016. It encompasses 422 measures which are implemented by the regional governments covering six axes: guidance, training, employment opportunities, equal opportunities, entrepreneurship and institutional framework

Institution Responsible: Ministry of Employment - Public Employment Service **Country Specific Recommendation:** CSR 3: (i) Enhance the effectiveness and targeting of active labour market policies, including hiring subsidies, particularly for those facing more difficulties in accessing employment. (ii) Accelerate the modernisation of public employment services to ensure effective personalised counselling, adequate training and job matching, with special focus on the long-term unemployed. (iii) Ensure the effective application of public private cooperation in placement services before the end of 2014, and monitor the quality of services provided. (iv) Ensure the effective functioning of the Single Job Portal and combine it with further measures to support labour mobility.

Main Objectives: Increasing employability of young people and long-term unemployed and unemployed older than 55; improving the efficacy of the training system; enhancing the links between active and passive labour market policies; boosting entrepreneurship; homogenise the battery of measures provided by the Public Employment Services at regional level.

Target Groups: All workers

Duration of measure: Temporary

If temporary, how long will it run for? The SAS runs until 31th December 2015 and the Employment Annual Plan is conceived to be operative until 31th December 2014.

Has the measure been enacted into law? No

What is the legal reference? The legal disposition has not yet been approved. **Is the measure being enforced?** No

Steps taken to monitor the implementation of the measure? Yes **If monitoring arrangements are in place what are they?** The development of the Employment Annual Plan involves monitoring 26 indicators which have been agreed with the regional employment services and whose level of compliance will determine the distribution of funding. .

Funding Sources: EU co-funded

Which policy recommendations does the measure respond to? CSR Recommendation details: Accelerate the modernisation of public employment services to ensure effective personalised counselling, adequate training and job-matching, with special focus on the long-term unemployed.

PES head office appears to be eliminated

Country: Hungary

Description: The National Labour Office was under the direction of the Minister for National Economy but it does not appear anywhere on the list of ministers' responsibilities.

Institution Responsible: N/A

Country Specific Recommendation: CSR 4: Strengthen well targeted active labour market policy measures, inter alia by accelerating the introduction of the client profiling system of the Public Employment Service. Put in place the planned youth mentoring network and coordinate it with education institutions and local stakeholders to increase outreach. Review the public works scheme to evaluate its effectiveness in helping people find subsequent employment and further strengthen its activation elements.

Main Objectives: not clear

Target Groups: PES employees / civil servants

Duration of measure: Permanent

Has the measure been enacted into law? Yes

What is the legal reference? Government Regulation (165/2014)

Date of adoption: 6 June 2014

Is the measure being enforced? Yes

Start date for implementation of the measure: Not clear

Enacted/not enacted into law - State of play? Enacted into law, but aim and

replacement institution is not yet known.

Steps taken to monitor the implementation of the measure? No

Funding Sources: No specific funding required

Which policy recommendations does the measure respond to? None

Reorganisation of PES

Country: Slovakia

Description: The Central Labour Office (headquarters) and the territorial labour offices shall transform from a budgetary organisation to a civil service organisation, operating in the area of local state administration. The post of a labour office director shall change from a political office to an office of a leading civil service employee.

Institution Responsible: Ministry of Labour, Social Affairs and Family Central Labour Office

Country Specific Recommendation: CSR 3: (i) More effectively address long-term unemployment through activation measures, ii) Enhance the capacity of public employment services for case management, personalised counselling and activation of jobseekers, iii) Effectively tackle youth unemployment by improving early intervention, in line with the objectives of a youth guarantee

Main Objectives: The aim of the reorganisation is to improve flexibility and capacity

of employment services and accommodate provision of services to regionally differentiated needs.

Target Groups: PES employees / civil servants

Duration of measure: Permanent

Has the measure been enacted into law? Yes

What is the legal reference? Amendment to the Act No. 453/2003 Coll. on authorities of state administration in the area of social affairs, family and employment services

Date of adoption: The measure shall be voted in the parliament in October

Start date for implementation of the measure: Tentatively on 1 January 2015 (if passed in the parliament)

Enacted/not enacted into law - State of play? Measure approved by the government on 20 August and submitted to the parliament.

Funding Sources: No specific funding required

Which policy recommendations does the measure respond to? CSR, NRP Recommendation details: CSR 3: ...Enhance the capacity of public employment services for case management, personalised counselling and activation of jobseekers, and strengthen the link between activation and social assistance.

Measure Updates total: 0

4.2 Public-private cooperation (0 new measures)

No new measures reported.

Measure Updates total: 0

4.3 Skills forecasting systems (0 new measures)

No new measures reported.

Measure Updates total: 0

4.4 Other measures relating to employment services and skills forecasting (0 new measures)

No new measures reported.

Measure Updates total: 0

5 PA 2iii: Active labour market policies - Targeted Activation Measures

Under PA 2iii, sixteen countries introduced a total of 24 new policy measures between mid-March and mid-September 2014. The most popular type of reform was under the sub-policy area of the *Youth Guarantee*. The following gives a breakdown of the new measures introduced in this policy area:

- Systematic reforms of ALMPS (no new measures);
- Youth policies incl. measures to reduce unemployment, combat early school leaving etc. (Malta, Portugal);
- Youth guarantee (Bulgaria, Germany, Portugal, Slovakia x2, Cyprus, UK, Poland)
- Measures supporting older workers (incl. job creation incentives, enhancing employability, improving employment services, etc.) (Belgium, Netherlands, Austria)
- Measures supporting women workers incl. incentive s to female employment, enhancing job flexibility etc. (no new measures)
- Measures supporting other vulnerable workers e.g. immigrants, Roma, those with a reduced ability to work (Estonia x2, Latvia, Sweden, Lithuania x2)
- Measures improving services for the unemployed and enhancing employability (Bulgaria, Sweden, Denmark)
- Other active labour market policies (Malta, Belgium)

There were nine updates to previously identified measures, in the following countries: France, Italy, Cyprus, Lithuania, Luxembourg, Hungary, Malta, Romania and the UK. This was the policy area with the largest share of total new measures introduced in the reporting period – 24 new measures representing 21 % of the total across all policy areas. Ten of the twenty four new measures (42%) introduced were enacted into law. A total of 22 of the 24 new measures specified a funding source, of which 11 were EU co-funded, 6 were state funded, and 3 had funding from 'other' sources. No specific funding was required for two of the measures.

The measures and measure updates are discussed in turn below.

5.1 Systemic reforms of ALMPs (0 new measures)

No new measures reported.

Measure Updates total: 1

Description of Measure	Description of September 2014 Update
Country: France	Title: Monitoring in September 2014
Measure Title: Jobs of the Future (<i>Emplois d'avenir</i>) programme and associated programme	What has changed: The Jobs of the Future programme has more contracts to sign. The Government target was for 150 000 jobs to
Description: The measure proposes to create 100 000 future jobs supported by the state: 75 % of the minimum wage for non-profit organisations and 35 % for enterprises (it is only open to some sectors). The measure is similar to the previous programme, New Services Youth Job,	be created by the end of 2014 but the new Minister of Labour, François Rebsamen, announced in June 2014 that the target will be increased to 195 000. This decision was certainly taken to compensate for the recent stabilisation of the decrease in the number of unemployed youths. For 2014, the measure

implemented between 1998 and 2004 and to *Emplois Tremplins*, implemented by most of the French *Conseils Régionaux* after 2005.

Measure Time Period: Oct 2012

will cost EUR 500 million. The Ministry of Labour also announced a EUR 20 000 increase in funding to the CUI to support the long-term unemployed. The EUR 500 million recently budgeted to support this revised target of 45 000 additional future jobs must be in addition to the already EUR 1.3 billion forecasted in the 2014 budget law. There are still two main questionable subjects highlighted by experts and/or social partners regarding the duration of contracts shorter than three years and on-the-job training.

5.2 Youth policies (incl. measures to reduce unemployment, to combat early school leaving etc.) (2 new measures)

National Youth Policy Framework

Country: Malta

Description: The government launched a proposed National Youth Policy Framework for consultation. The framework aims to support young people in the 13 to 30 age group. It includes several action plans meant to be carried out over a six year period. These action plans focus on, among other things, education and training, and on employment and entrepreneurship.

Institution Responsible: Ministry for Education and Employment and the Parliamentary Secretary for Research, Innovation, Youth and Sport.

Country Specific Recommendation: CSR 3: Continue policy efforts to address the labour-market relevance of education and training and by stepping up efforts on the reform of the apprenticeship system. Further improve basic skills attainment and reduce early school leaving, in particular by finalising and implementing the announced national literacy strategy.

Main Objectives: The framework has two main aims: 'to effectively support and encourage the young individual in fulfilling her/his potential and aspirations while addressing their needs and concerns, and to effectively support young people as active and responsible citizens who fully participate in and contribute to the social, economic and cultural life of the nation and Europe'

Target Groups: Youth

Duration of measure: Temporary

If temporary, how long will it run for? 2015 - 2020

Has the measure been enacted into law? No

If not law, what type of measure is it? Announcement

Enacted/not enacted into law - State of play? The Draft National Youth Policy Framework 2015-2020 was announced on the 9th July 2014. The proposed framework is available for public consultation until October 2014.

Steps taken to monitor the implementation of the measure? Yes

If monitoring arrangements are in place what are they? This information is taken from the document: The implementation of the National Youth Policy over the period 2015-20, will be monitored on an ongoing basis by the Ministry for Education and Employment and the Parliamentary Secretary for Research, Innovation, Youth and Sport. Aġenzija Żgħażagħ will employ its Annual Reports to record progress in relation to Strategy 1, while an inter-Ministerial group will be set up to report annually on progress in relation to Strategy 2. At the end of the period 2015-20, an

independent evaluation will be conducted on the overall impact of the policy and the benefits accruing for young people, the voluntary youth sector and the wider society.

Funding Sources: EU co-funded

Is there a specific budget allocated to the measure? Unknown

Which policy recommendations does the measure respond to? CSR, NRP Recommendation details: CSR 3: Continue policy efforts to address the labour-market relevance of education and training and improve basic skills attainment by stepping up efforts on the overdue reform of the apprenticeship system. Further reduce early school leaving, notably by finalising and implementing the announced national literacy strategy. NRP: Addressing early school leaving; Addressing employment challenges and skill mismatches.

'Invest Young' Programme (Programa Investe Jovem)

Country: Portugal

Description: Support the creation of start-ups by young unemployed (support to self-employment and the creation of micro-businesses) in the form of a loan without interest for the investment and a subsidy for the job-creation (maximum approximately EUR 2 500 for each job created).

Institution Responsible: IEFP (national PES)

Main Objectives: Support entrepreneurship by: a) financial support to investment; b) financial support to self-employment by participants; c) technical support in entrepreneurship by strengthening of competences and by structuring the project.

Target Groups: Youth

Duration of measure: Permanent

Has the measure been enacted into law? Yes

What is the legal reference? Enactment (Portraria) 151/2014

Date of adoption: 30 July 2014

Is the measure being enforced? Yes

Start date for implementation of the measure: 60 days after adoption **Enacted/not enacted into law - State of play?** Legal basis (enactment 151) comes into force end of September. IEFP has not yet published the specific regulation of the measure. Implementation has not started yet.

Steps taken to monitor the implementation of the measure? Yes If monitoring arrangements are in place what are they? The measure will be evaluated after 18 months of its existence).

Funding Sources: EU co-funded

Is there a specific budget allocated to the measure? Yes

Budget: Unknown

Which policy recommendations does the measure respond to? AGS, CSR Recommendation details: AGS: efforts to simplify and better target benefits with particular attention to the situation of the most vulnerable. CSR: Address the high youth unemployment.

Measure Updates total: 3

Description of Measure Description of September 2014 Update	Description of Measure	Description of September 2014 Update
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Country: Italy

Measure Title: Law 99/2013

Description: Promotion of employment, with particular attention to youth unemployment, and the promotion of social cohesion.

Freezing of the VAT increase.

Measure Time Period: Sept 2013

Title: Youth Guarantee implementation update

What has changed: The Youth Guarantee programme (already presented in the December 2013 and March 2014 regular reports) entered the implementation phase. On 1 May 2014 a registration tool and website began receiving requests from young people between 15 and 29 years of age looking for an opportunity to re-enter education, access training pathways or work experience. On 11 July the European Commission approved the Operative National Plan, that is, the document that attributes responsibilities, describes procedures and spells out the resource allocation to the specific interventions offered to users (a first descriptive assessment of the measures was released by the monitoring body, ISFOL, at the end of July). Such a plan is the first concrete outcome produced by the newly established ad-hoc commission (Struttura di Missione) composed of the Ministries of Labour and Social Policies, Education and Economic Development, as well as the National Institute of Social Security and the regional authorities. A number of agreements have been signed with key private sector organizations to ensure the supply of apprenticeships and job opportunities.

Country: Cyprus

Measure Title: Two programmes to support unemployed youth

Description: The Minister of Labour and Social Insurance has announced that two measures to support unemployed youth are being developed and will be implemented as part of the commitment and MoU obligation to introduce the Youth Guarantee. The implied timing is the end of 2013. Details are not known as yet but, since a number of other ALMPs directed at youth and other unemployed have been running, it is probable that the new ones will build on the lessons

Measure Time Period: Dec 2013

from and best practices of the past.

Title: Youth Employment programme announced in December 2013 and discussed in the March 2014 update.

What has changed: In an imaginative move, the Ministry of Education and Culture has taken advantage of the Youth programme for degree holders to place 400 teachers in primary and secondary schools. So far, the Human Resources Development Authority, which is running the Programme, has approved 256 applications, 152 of which are in primary schools.

Country: Romania

Measure Title: Professional stage (traineeship) adopted by the Romanian Parliament and promulgated as of December 2013.

Description: The new legislative act prepared by the Ministry of Labour, after consultation with the social partners, provides for a professional stage for higher education graduates six-months after they graduate, with the exception of those

Title: Application norms for the professional stage for higher education graduates adopted by the Romanian Government as of 4 June 2014

What has changed: Application norms for the law adopted in late 2013 (Law no.335/2013) have been elaborated by the Ministry of Labour and adopted by the Government, thus enabling the full application of the Act.

occupations (e.g. lawyers, doctors, public notaries) for which provisions are made via special laws. Employers willing to engage in such a type of contract will have to provide, in addition to the labour contract, mentoring and access to forms of specific vocational training for the young graduate. A subsidy worth 1.5 times the social reference indicator (currently at the value of RON 500 / EUR 166). The subsidy, which is granted from the unemployment insurance fund, may be however supplemented with funds from the ESF as well as from other sources.

Measure Time Period: Mar 2014

5.3 Youth Guarantee (8 new measures)

A grant scheme 'Youth Employment'

Country: Bulgaria

Description: Youth Employment is a grant scheme of HRD OP 2014–2020, Priority Axis № 1 'Improving Access to Employment and Quality Jobs, Specific objective 1: Activation and integration of persons up to 29 years on the labour market'. Within the procedure, apprenticeship opportunities will be given to young people aged up to 29 years.

Institution Responsible: Managing and Contracting Authority: General Directorate European Funds, International Programmes and Projects at the Ministry of Labour and Social Affairs.

Country Specific Recommendation: CSR 3: Improve the effective coverage of unemployment benefits and social assistance and their links with activation measures. Take forward the comprehensive review of minimum thresholds for social security contributions so as to make sure that the system does not price the low-skilled out of the labour market.

Main Objectives: The purpose is to improve the competitiveness of youth and facilitate their transition from education to employment through apprenticeship and workplace training. Another effect will be the acquisition of useful professional experience for applying for jobs later. Eligible activities under the scheme include apprenticeship of young unemployed persons in enterprises for six months; on-the-job-training training of young persons in enterprises where the employer assigns the respective mentors (again in accordance with the new provisions of the Labour Code) for six months; reimbursement of transportation costs from and to the workplace for the first month of the apprenticeship.

Target Groups: Youth

Duration of measure: Temporary

If temporary, how long will it run for? September 2014 - 2020

Has the measure been enacted into law? No

What is the legal reference? The project is assigned to perform a contract for the provision of direct grants, after the direct award procedure under the Decree N^0 107 / 05.10.2013

Date of adoption: 5 October 2013 **Is the measure being enforced?** Yes

Start date for implementation of the measure: A call for proposals was

announced with a deadline of 15 September 2014

If not law, what type of measure is it? EU co-funded project Enacted/not enacted into law - State of play? Not enhanced into law; initial stage of communication and projects proposal submission.

Steps taken to monitor the implementation of the measure? Yes **If monitoring arrangements are in place what are they?** Comprehensive procedure for monitoring according to the already accepted documents for grant holders; also according to the rules for monitoring of activities, procedures, requirements and responsibilities, etc. of the Managing and Contracting Authorities (one and the same in this case).

Funding Sources: EU co-funded

Is there a specific budget allocated to the measure? Yes

Budget: EUR 18 million

Which policy recommendations does the measure respond to? CSR,NRP Recommendation details: CSR 3, Sub rec 2: Extend the coverage and effectiveness of active labour market policies to match the profiles of job-seekers, and reach out to non-registered young people who are neither in employment, education or training, in line with the objectives of a youth guarantee.

Implementation plan of the youth guarantee in Germany

Country: Germany

Description: Following the EU Recommendation, the Ministry of Labour and Social Affairs has issued the Youth Guarantee Plan in April 2014. According to the Federal Government, the plan aims at improving the effectiveness of the already existing labour market instruments in the view of youth unemployment. Basically it is argued that instruments like early activation, profiling in individual action plans are already in place. As argued by the government, one of the important instrument to combat youth unemployment has been the vocational training pact (Ausbildungspakt). The government coalition plans to refine the vocational training pact. The negotiations, for the first time with the involvement of the labour unions, will take place in this year. In the new ESF programming period a new programme is planned (JUGEND STÄRKEN im Quartier). This programme intends to launch pilot projects at youth social welfare offices in selected cities to outreach disadvantaged youth and provide socio-pedagogical assistance for the school-to-work transition and to create work opportunities. Other planned programmes under the new ESF programming period are the co-financing of the mentoring system for the transition to the labour market (Berufseinstiegsbegleitung), the integration guideline, including integration through exchange, vocational training for sustainable development as well as a programme to support companies in recruiting apprentices and integration of foreign workforce. Source: Bundesministerium für Arbeit und Soziales (Federal Ministry for Labour), Nationaler Implementie-rungsplan zur Umsetzung der EU-Jugendgarantie in Deutschland (national implementation plan of the youth guarantee in Germany), April 2014

Institution Responsible: Among others Federal Labour Agency, Länder governments, municipalities

Country Specific Recommendation: CSR 2: Improve the employability of workers by implementing more ambitious activation and integration measures in the labour market, especially for the long-term unemployed.

Main Objectives: Reduce youth unemployment and integrate young people,

including disadvantaged young people, into the education and vocational training system.

Target Groups: Youth

Duration of measure: Permanent

If temporary, how long will it run for? The implementation plan consists mainly in permanent measures but contains also temporary measures in the context of the new ESF programming period.

Budget: The Youth Guarantee plan contains an overview of all programmes anyway in place that are fulfilling the objective of the Youth Guarantee. It gives also indications for current financing of measures. Among major measure the overview indicates that in 2013, EUR 110 million was spent for the mentoring system for the transition to the labour market (*Berufseinstiegsbegleitung*). Expenditures for the preparatory measures for vocational training (*Berufsvorbereitung*) about EUR 221 million was spent for training measures and EUR 41 million for the programme *Einstiegsqualifizierung*. About EUR 572 million was spent on vocational training of disadvantaged young people. The Federal Labour Agency spent about EUR 390 million for vocational training support grants. Furthermore, the *Länder* governments are supporting vocational schools and preparatory measures. For the MobiPro-EU programme a budget of EUR 359 million is foreseen for the period 2014-2018; this was decided by the cabinet on 12 March 2014.

Scheme to encourage youth entrepreneurship

Country: Cyprus

Description: The scheme aims to subsidise setting up a small (to nine employees) business, particularly in areas consistent with the applicant's skills and qualifications. It covers 50 % of eligible expenses to a limit of EUR 70 000 in manufacturing and EUR 50 000 in e-commerce, services and tourism. Applicants (men and women) must be between 20-39 years of age.

Institution Responsible: Ministry of Commerce, Industry and Tourism (MCIT). Country Specific Recommendation: 4.5. With one of the steepest increases in the youth unemployment rate in the EU and with the rapid rise of young people not in employment, education or training (NEETs), Cyprus needs to take swift action to create employment opportunities for young people and improve their employability prospects. To this end, the Cypriot authorities will submit by end-May 2014 the National Action Plan for Youth Employment, which will include, inter alia, measures envisaged for support under the Youth Employment Initiative including also the implementation of the Youth Guarantee, in line with the conclusions of the European Council of June 2013. The design, management and implementation of these measures targeted to youth shall be well integrated within the broader system of activation policies and be coherent with the reform of the social welfare system (section 3.11) and the agreed budgetary targets. For this purpose, the authorities will submit by end-May 2014 a comprehensive note summarising the full list of all active labour market policies (existing and envisaged) with the relevant intended aims, recipients, budgetary allocations.

Main Objectives: To encourage youth entrepreneurship by both genders and, it is hoped, to create employment opportunities for paid employees who might be hired in these new enterprises.

Target Groups: Youth

Duration of measure: Temporary

If temporary, how long will it run for? This measure ran in 2008 (121 applications approved), in 2009 (214 applications approved), in 2012 (450 applications approved), and in 2013 (249 applications approved). In most of these cases, schemes had several sub-calls and the last extraordinary, one covers the period 30 June 2014-30 June 2015. It is aimed at unemployed, or paid, or contracted to a single employer individuals. A similar programme for female entrepreneurship (women aged 18-55) will be announced later this year. In the two earlier calls, in 2008 (89 applications were approved) and in 2009 (168 applications were approved) considerable interest was shown by aspiring female entrepreneurs. More details appear in the EEPO Thematic Review, Autumn 2014.

Has the measure been enacted into law? No

What is the legal reference? Decision by the Council of Ministers

Date of adoption: The last, irregular, call for proposals was issued

Is the measure being enforced? Yes

Start date for implementation of the measure: The application period ended on 30 June 2014.

If not law, what type of measure is it? EU co-funded project

Steps taken to monitor the implementation of the measure? Yes

If monitoring arrangements are in place what are they? The application process is quite strict. Monitoring by officials of the MCIT occurs on a continuing basis and on-site visits are conducted.

Funding Sources: EU co-funded

Is there a specific budget allocated to the measure? Yes

Budget: EUR 2 million co-funded from the Regional Development Programme on

Sustainable Development and Competitiveness.

Which policy recommendations does the measure respond to? None Recommendation details: The programme was first offered well-before the April 2013 1st MoU and reflects the MCIT's intention to encourage entrepreneurship.

Youth Guarantee Implementation Plan

Country: Poland

Description: The Plan of Implementation of Youth Guarantee in Poland was publicised in April 2014. Implementation of the Youth Guarantee divided between specialised institutions according to target groups: Voluntary Labour Corps - OHP (for early school leavers and NEETs), local labour offices (for young registered unemployed), Bank of National Economy (for start-up loans for young unemployed and graduates). Timescale of intervention under Youth Guarantee in Poland of four months from becoming unemployed or finishing formal education.

Institution Responsible: Ministry of Labour and Social Policy, Ministry of Infrastructure and Development, Voluntary Labour Corps (*Ochotnicze Hufce Pracy* - OHP), local labour market offices, Bank of National Economy (*Bank Gospodarstwa Krajowego* - BGK)

Country Specific Recommendation: CSR 3: Strengthen efforts to reduce youth unemployment, for example through a Youth Guarantee.

Main Objectives: Four main groups targeted by the Youth Guarantee: early school leavers (15-17), NEETs (18-24), young registered unemployed (18-25), unemployed youth and graduates supported through business start-up incentives (18-29). As part of the Youth Guarantee the above mentioned categories of young people will receive a good quality offer of employment, further education, an apprenticeship or training

within four months of job loss or finishing of formal education or other assistance leading to the vocational activation.

Target Groups: Youth

Duration of measure: Permanent

If temporary, how long will it run for? Some of the features of the YG in Poland have been enacted into the law (Novelisation of the act of employment promotion and labour market institutions), and as such form a permanent element of the YG. Some of the measures - especially project based ESF funding - are of temporary character.

Has the measure been enacted into law? Yes

What is the legal reference? The act of 20 April 2004 on employment promotion and Labour market institutions (Journal of Laws of 2004 No 99 item. 1001 with amendments).

Date of adoption: 27 May 2014 **Is the measure being enforced?** Yes

Start date for implementation of the measure: 27 May 2014
Steps taken to monitor the implementation of the measure? Yes
If monitoring arrangements are in place what are they? Monitoring

arrangements have been included in the Implementation Plan, setting the roles of actors in the process as well as criteria for effectiveness.

Funding Sources: EU co-funded

Is there a specific budget allocated to the measure? Yes

Budget: EUR 1 632 252 510 in the years 2014-2021

Which policy recommendations does the measure respond to? CSR Recommendation details: CSR 2: Strengthen efforts to reduce youth unemployment, in particular by further improving the relevance of education to labour market needs, increasing the availability of apprenticeships and work based learning places and by strengthening outreach to unregistered youth and the cooperation between schools and employers, in line with the objectives of a youth guarantee

Young Active Employment (Medida Emprego Jovem Ativo/EJA)

Country: Portugal

Description: Practical work experience in work environment by young people belonging to vulnerable groups supported by young workers with higher qualifications. Promoters are private or public profit or non-profit entities. Duration of each project six months. Between one and three low qualified youngsters and one young worker with higher qualifications. Participants receive a monthly grant of EUR 390.24 (the higher qualified worker receives EUR 641.78), food allowances and insurance.

Institution Responsible: IEFP (national PES)

Main Objectives: Promote the professional integration of young people through activities that provide them with social and relational competences and with vocational qualifications that open the way for further educational or training activities and for an improved employability.

Target Groups: Youth

Duration of measure: Permanent

Has the measure been enacted into law? Yes

What is the legal reference? Enactment (Portraria) 150/2014

Date of adoption: 30 July 2014 **Is the measure being enforced?** Yes

Start date for implementation of the measure: 30 days after 30 July 2014 **Enacted/not enacted into law - State of play?** IEFP has published the specific regulation of the measure (dated 12 September 2014), has put the essential documents online and has created the mechanism for applications.

Steps taken to monitor the implementation of the measure? Yes

If monitoring arrangements are in place what are they? The measure will be evaluated after 18 months of its existence by the tripartite Standing Commission for Social Concertation (CPCS).

Funding Sources: EU co-funded

Is there a specific budget allocated to the measure? Yes

Budget: Unknown

Which policy recommendations does the measure respond to? AGS, CSR, NRP Recommendation details: AGS: implementing a Youth Guarantee - efforts to simplify and better target benefits with particular attention to the situation of the most vulnerable. NRP-2014: chapter Youth Guarantee. CSR: Address the high youth unemployment, in particular by effective skills anticipation and outreach to non-registered young people, in line with the objectives of a youth guarantee.

Proposals of projects on tackling youth unemployment

Country: Slovakia

Description: Four projects have been proposed: 1. The project 'Through Practice to Employment' aims to train young candidates for a job with the help of a mentor. Financial contributions shall be granted for nine months to the employer (i) for providing a mentor to train the young job seeker for a position and (ii) to cover part of the labour cost (up to 80 % of total labour cost calculated from the average wage). 2. The project 'Chance for the Young' proposes wage subsidies provided to employers for hiring young job seekers for 6 or 12 months (up to 80 % of labour costs). 3. The project 'Support to Employment through Subsidies' envisages the outsourcing of employment services to private agencies. Subsidies shall be granted in stages, depending on how long the job seeker is placed in the open labour market. 4. The pilot project 'Sector-oriented work academies' foresees training activities and placement of young job seekers in sectors demanded by local industries. Work academies should become part of local labour offices.

Institution Responsible: Ministry of Labour, Social Affairs and Family Central Labour Office

Country Specific Recommendation: CSR 3: More effectively address long term unemployment through second chance education and tailored quality training **Main Objectives:** To improve employment and employability of young people up to age 29 years.

Target Groups: Youth

Duration of measure: Temporary

If temporary, how long will it run for? Unknown Has the measure been enacted into law? No

Is the measure being enforced? No

If not law, what type of measure is it? EU co-funded project

Enacted/not enacted into law - State of play? Projects have been submitted in April. Current state of play is unknown.

Steps taken to monitor the implementation of the measure? Unknown

Funding Sources: EU co-funded

Is there a specific budget allocated to the measure? Yes

Budget: Proposed budget was EUR 61.5 million

Which policy recommendations does the measure respond to? CSR, NRP Recommendation details: Effectively tackle youth unemployment by improving

early intervention, in line with the objectives of a youth guarantee.

Subsidised first jobs for young people

Country: Slovakia

Description: The measure is a proposal of a new activation programme for young job seekers. It is a non-mandatory hiring subsidy provided to employers upon hiring of (i) young job seekers aged up to 25 years, who have been unemployed for at least 3 months, or (ii) job seekers aged up to 29 years, who are unemployed for at least six months, providing that the job seekers had no paid employment before. The financial benefit shall be provided for a period of 6 to 12 months and the employer is obliged to maintain the job after the subsidy period for at least half of the agreed time. The maximum amount of the subsidy equates to 80 % of the average wage in districts with above average unemployment rates. The sum is lower in districts with below average unemployment rates (up to 50 % of average wage) and the Bratislava region (up to 30 % of the average wage).

Institution Responsible: Ministry of Labour, Social Affairs and Family

Main Objectives: To create a legal framework for the support of first-time jobs and

to enlarge the inventory of youth specific activation programmes.

Target Groups: Youth

Duration of measure: Permanent

Has the measure been enacted into law? Yes

What is the legal reference? Amendment to the Act No. 5/2004 Coll. on

employment services as amended

Date of adoption: Submitted for the vote in the parliament.

Is the measure being enforced? No

Start date for implementation of the measure: Tentatively on 1 January 2015 (if

passed in the parliament)

Enacted/not enacted into law - State of play? The amendment was approved by the government on 20 August and shall be voted in the parliament in October-November.

Have any steps been taken to monitor the implementation of the measure: $\ensuremath{\mathsf{No}}$

Funding Sources: EU co-funded

Is there a specific budget allocated to the measure? Yes

Budget: EUR 20.1 million in 2015, EUR 23.8 million in 2016, EUR 25.8 million in

2017

Which policy recommendations does the measure respond to? CSR, NRP Recommendation details: Effectively tackle youth unemployment by improving early intervention, in line with the objectives of a youth guarantee.

Youth Employment Initiative

Country: United Kingdom

Description: The Youth Employment Initiative falls within the EU's Youth Guarantee and provides a funding boost to help young people aged 15-24 find work. It will be targeted mainly at five areas where youth unemployment is proving difficult to tackle though other areas will receive smaller funding.

Institution Responsible: Department for Business, Innovation and Skills (BIS) and department for Work and Pensions (DWP).

Country Specific Recommendation: CSR 3: Maintain commitment to the Youth Contract, especially by improving skills that meet employer needs.

Main Objectives: The funding will be channelled through the existing network of Local Enterprise Partnerships (LEP) to be used as they determine on expanding apprenticeships, work experience placements and youth entrepreneurship programmes, etc. The LEPs will be encouraged to be innovative with the resources developing new approaches to helping young people into work. The five main eligible areas are: Inner London, Merseyside, Southwest Scotland, Tees Valley and Durham, and the West Midlands. In addition smaller funding will be awarded to Hull, Leicester, Nottingham and Thurrock.

Target Groups: Youth

Duration of measure: Temporary

If temporary, how long will it run for? 2014-2015 (12 months)

Has the measure been enacted into law? No

Is the measure being enforced? No

If not law, what type of measure is it? EU co-funded project

Enacted/not enacted into law - State of play? The funding was made available from April 2014 and has been allocated - no applications from the LEPs concerned was required.

Steps taken to monitor the implementation of the measure? Yes **If monitoring arrangements are in place what are they?** The LEPs will be required to account for the expenditure and monitor beneficiaries leading to a formal evaluation as required under ESF.

Funding Sources: EU co-funded

Is there a specific budget allocated to the measure? Yes

Budget: EUR 206.1 million allocated as follows: Inner London – EUR 42.8 million; Merseyside EUR 26.6 million; South western Scotland EUR 46.3 million; Tees Valley and Durham EUR 23.7 million; West Midlands EUR 50.7 million; Hull EUR 4.5 million; Leicester EUR 4.9 million; Nottingham EUR 4.8 million; and Thurrock EUR 1.8 million.

Which policy recommendations does the measure respond to? CSR **Recommendation details:** 2014 CSR 3: Maintain commitment to Youth Contract etc.

Measure Updates total: 3

Description of Measure	Description of September 2014 Update
Country: Lithuania Measure Title: Youth Guarantee	Title: New initiatives increasing youth employability
Implementation Plan Description: On 16 December 2013, the YG Implementation Plan was approved by the	What has changed: The launch of the Youth Guarantee initiative in Lithuania at the beginning of 2014 tangibly affected youth

Minister for Social Security and Labour. The Plan identified the following main tasks: to promote early intervention and activity; to promote integration into the labour market: to develop cooperation between state institutions, local authorities, nongovernmental organisations and business entities with the view of integrating youth into the labour market and/or education system; to improve access to and quality of vocational guidance (career) services; to ensure acquisition of quality skills within the education and training system; to develop a framework for the assessment and recognition of competencies; and to promote self-employment and entrepreneurship.

Measure Time Period: Mar 2014

employment in all institutions and introduced a number of new youth employment measures. For example, several vocational training centres (agricultural, transport, beauty services, etc.,) were opened; the Ministry of Education and Science allocated funds for the visits of highly qualified lecturers to Lithuanian higher education institutions; Lithuanian education institutions started delivering education programmes for future professionals as demanded by the labour market (e.g. aviation engineers and IT professionals in vocational schools); a new vocational guidance programme was launched for general education and vocational training students, 'Try on your profession'; eligibility of full-time higher education students for public works was regularised; the Lithuanian Labour Exchange took non-traditional action in order to provide young people with, at least temporary, employment; an agreement for youth volunteering has been signed with the police; unemployed young people have been sent to participate in TV projects; and a video was taken about youth employment centres. Furthermore, by invitation by the Minister for Education and Science, CEDEFOP has been asked to undertake a comprehensive review of possibilities for apprenticeship programmes in Lithuania by the middle of 2015. The purpose of this review is to propose to the Government of the Republic of Lithuanian an action plan for the implementation of quality apprenticeships.

Country: Luxembourg

Measure Title: The Youth Action Plan and

Youth Guarantee

Description: The Action Plan, with the Youth Guarantee at its heart, aims to reduce youth unemployment and provide young jobseekers with a job, apprenticeship or training scheme within four months.

Measure Time Period: Dec 2013

Country: Malta

Measure Title: Youth Guarantee scheme

Description: This measure will provide individual help to 350 youths who are either inactive or seeking employment, with the aim of helping them integrate into the labour market or to embark on a course in an educational institution. Each person will benefit from EUR 1 440.

Measure Time Period: Dec 2013

Title: The launch of the Youth Guarantee

What has changed: The Youth Guarantee was launched in July 2014 by the coordinating Ministry of Work and Employment. However, most of the reform is still ongoing within the National Employment Agency. There is also no legal framework for the Youth Guarantee; the major element is a binding agreement between the Ministry and the young jobseeker.

Title: Extension to the Youth Guarantee scheme launched

What has changed: The Government extended the Scheme by investing EUR 2.7 million to benefit around 2 000 youths. Free revision classes will be offered in core subjects during the summer months in order to help students pass their September O'Level resits. Similarly, free revision classes for MCAST students will also be held. The third initiative is an extension of the Alternative Learning programme which enables students who do not register for

O'Levels to take up a vocational course that would enable them to join MCAST.

5.4 Measures supporting older workers (incl. job creation incentives, enhancing employability, improving employment service to etc.) (3 new measures)

Adjustment of the pension bonus

Country: Belgium

Description: From 1 January 2014, the pension bonus is available to those who pursue their careers over a year after the departure date for early pension. For each day worked after this date, the employee will receive annually a lump sum benefit in addition to his legal pension. This lump sum increases with the number of years (EUR 1.50 a day for the first additional worked year and an increase of EUR 0.20 per additional worked year up to EUR 2.50 a day). For someone who works three additional years (and for 312 worked days in a year), the pension bonus is EUR 1 591.2 a year (312 x EUR 1.5 + 312 x EUR 1.7 + 312 x EUR 1.9). Assimilated days are no longer recognised. For self-employed workers, this bonus is a lump sum benefit that increases every four quarters (EUR 117 – 132.6 – 148.2 – 163.8 – 179.4 – 195). The reform of the pension bonus for civil servants is not entered into force.

Main Objectives: Strengthen the incentive character of the pension bonus and align the new measures of the reform of pension.

Target Groups: Older workers **Duration of measure:** Permanent

Has the measure been enacted into law? Yes

What is the legal reference? Royal Decree of 25 October 2013 (employees) +

Royal Decree of 15 December 2013 (self-employed)

Date of adoption: 6 November 2013 + 23 December 2013

Is the measure being enforced? Yes

Start date for implementation of the measure: 1 January 2014 **Steps taken to monitor the implementation of the measure?** No

Funding Sources: No specific funding required

Is there a specific budget allocated to the measure? No

Which policy recommendations does the measure respond to? CSR

Recommendation details: Contain future public expenditure growth relating to ageing, in particular from pensions and long-term care, by stepping up efforts to reduce the gap between the effective and statutory retirement age, bringing forward the reduction of early-exit possibilities, promoting active ageing, aligning the statutory retirement age and career length requirements to changes in life expectancy, and improving the cost effectiveness of public spending on long-term care.

Arrangement schooling and placement of older unemployed

Country: Netherlands

Description: A small change in the arrangement for schooling and re-integrating older unemployed (in Dutch: *Regeling scholing en plaatsing oudere werkloze*). As of 20 September 2014, more people can make use of this arrangement, as the eligibility criterion has changed from being over 55 years old to being over 50. Other eligibility

criteria have been relaxed as well. The extra costs are EUR 34 million.

Institution Responsible: PES (UWV), jointly with older job seekers and employers, including SMEs.

Country Specific Recommendation: CSR 3: Underpin the gradual increase of the statutory retirement age with measures to increase the employability of older workers.

Main Objectives: Improve chances of (long-term) unemployed people aged over 50 to flow into a job and to improve their skills and knowledge.

Target Groups: Older workers

If temporary, how long will it run for? Unknown Has the measure been enacted into law? Yes

What is the legal reference? Staatscourant number 26414, 19 September 2014.

Is the measure being enforced? Yes

Start date for implementation of the measure: 20 Sept 2014

Funding Sources: Government

Is there a specific budget allocated to the measure? Yes

Budget: EUR 34 million which is added to EUR 67 million already in the scheme

Which policy recommendations does the measure respond to? CSR

Recommendation details: A first evaluation made by PES (UWV) on the number of participants interpreted the arrangements as successful.

Labour market package for older workers

Country: Austria

Description: Additional ALMP budget for the labour market integration of older unemployed people has been decided. For the period from mid-2014 until 2016, in total EUR 350 million were allocated for hiring subsidies, for *Kombilohn* scheme and for socio-economic enterprises offering fixed-term employment for older workers.

Institution Responsible: PES

Country Specific Recommendation: CSR 3: Reinforce measures to improve labour market prospects of people with a migrant background, women and older workers. **Main Objectives:** To reduce the number of registered unemployed older people

Target Groups: Older workers **Duration of measure:** Temporary

If temporary, how long will it run for? Until 2016. An evaluation in 2016 will be the basis for the decision on extension.

Has the measure been enacted into law? Yes

What is the legal reference? Reform of the Labour Market Policy Finance Act (Federal Law Gazette, I Nr. 30/2014).

Date of adoption: April 2014

Is the measure being enforced? Yes

Start date for implementation of the measure: May 2014

Steps taken to monitor the implementation of the measure? Yes

Funding Sources: Unemployment insurance budget

Is there a specific budget allocated to the measure? Yes

Budget: EUR 350 million (until the end of 2016)

Which policy recommendations does the measure respond to? CSR, NRP Recommendation details: CSR 3 Reinforce measures to improve labour market

prospects of people with a migrant background, women and older workers.

Measure Updates total: 0

5.5 Measures supporting women workers (incl. incentives to female employment, enhancing job flexibility etc.) (0 new measures)

No new measures reported.

Measure Updates total: 0

5.6 Measures supporting other vulnerable workers (e.g. the long-term unemployed, those with an ethnic or immigrant background, those with a reduced ability to work) (5 new measures)

Adjustment programme for new migrants

Country: Estonia

Description: As of 1 August 2015, the Police and Border Guard Board will start to inform and refer all new migrants (newly arrived or living in Estonia for up to five years) and their family members to an adjustment programme. The programme is built upon training modules, which consist of different courses. There are altogether seven modules and additionally a language course, of which the basic module and the language course are mandatory for the participants. The basic module covers subjects like Estonian culture, history, legislation, norms and values, also practical information about housing, health services etc. The other six modules the participants can choose from give an overview of working and entrepreneurship, education, science, family, international protection and children and youth

Institution Responsible: Ministry of the Interior Main Objectives: Better adjustment of migrants Target Groups: Immigrants (High-skilled/Low skilled)

Duration of measure: Permanent

Has the measure been enacted into law? Yes

What is the legal reference? Minister of the Interior's decree: RT I, 22.08.2014, 5,

https://www.riigiteataja.ee/akt/122082014005

Date of adoption: 13 August 2014 **Is the measure being enforced?** No

Start date for implementation of the measure: 1 August 2015

Enacted/not enacted into law - State of play? Adopted, enters into force 1

August 2014

Steps taken to monitor the implementation of the measure? No

Funding Sources: EU co-funded

Is there a specific budget allocated to the measure? Yes

Budget: EUR 11 500 000

Work capacity reform

Country: Estonia

Description: The reform of the current disability pensions systems has been underway for a couple of years. In June 2013, the government finally set out its proposals for reform. The first proposal is to move away from evaluation of incapacity by the Estonian Social Insurance Board, and instead assess an the individual's capacity to work on the basis of not only health, but also taking into account suitable conditions of employment and a reasonable job, which would be done by the Estonian Unemployment Insurance Fund. The second proposal addresses the monthly allowance. According to the plan, people with a partial capacity for work will be eligible for benefit, only if they are employed; unemployed and actively seeking a suitable job or participating in active employment services, or take part in formal education. Also, when the person's income reaches a certain level, they would not be eligible for the allowance. It is also planned to reform social and vocational rehabilitation services as well as provide further help and assistance to employers in improving and adapting the work environment and working conditions. It is hoped these measures will support reactivation and employment opportunities.

Institution Responsible: Ministry of Social Affairs

Main Objectives: The reform aims to help people with limited capacity for work by providing additional active labour market measures, rehabilitation and employment opportunities.

Target Groups: People with disabilities **Duration of measure:** Permanent

Has the measure been enacted into law? No

Is the measure being enforced? No

Enacted/not enacted into law - State of play? Draft legislation is under discussions in the parliament, and it is hoped to come into force 1 January 2016 Which policy recommendations does the measure respond to? CSR Recommendation details: The reform addresses directly CSR 2/2014 which stipulates among others that Estonia should 'target activation efforts at those most distant from the labour market, in particular by ensuring the timely adoption and implementation of the work capacity reform.'

Implementation of the UN Convention on the Rights of persons with disabilities in Latvia 2014-20

Country: Latvia

Description: The Ministry of Welfare has developed proposals for the implementation of the UN Convention on the Rights of Persons with Disabilities for Latvia 2014 - 2020. The proposed plan consists of activities aimed at integration of disabled persons in the society. The main areas covered are education, employment, social security and raising awareness.

Institution Responsible: Ministry of Welfare

Country Specific Recommendation: CSR 3: Increase coverage of active labour market policies.

Main Objectives: To promote the provision of fundamental rights and freedoms for persons with disabilities.

Target Groups: People with disabilities **Duration of measure:** Temporary

If temporary, how long will it run for? 2014 (each year a new plan will be

submitted each year until 2020)

Has the measure been enacted into law? No

If not law, what type of measure is it? Strategy

Enacted/not enacted into law - State of play? Submitted to the Cabinet of Ministers

Steps taken to monitor the implementation of the measure? Yes

If monitoring arrangements are in place what are they? Mid-term evaluation in

2018

Funding Sources: Government

Is there a specific budget allocated to the measure? Unknown

Which policy recommendations does the measure respond to? NRP

Recommendation details: Facilitating labour market participation of people at risk

of poverty and social exclusion.

New projects for the most disadvantaged unemployed

Country: Lithuania

Description: In August, the Lithuanian Labour Exchange launched two new projects funded by the ESF for the unemployed without competences required in the labour market Support for Employment of the Long-Term Unemployed and Building Capacity of Unskilled Persons. The projects are aimed at reducing structural and long-term unemployment by investing in the qualifications and skills of the unemployed. A total of almost 25 000 of unemployment people are to participate in both projects during 30 months; most of them (18 500) will acquire a profession or improve their competences, 5 500 persons will have opportunities to safeguard the knowledge acquired through vocational training directly at a workplace, and the rest of the participants will take part in the subsidised employment, job rotation and territorial mobility measures.

Institution Responsible: Lithuanian Labour Exchange

Country Specific Recommendation: CSR 3: (i) Better target active labour market policy measures to the low skilled and long-term unemployed.

Main Objectives: The purpose of Support for Employment of the Long-Term Unemployed is to assist long-term unemployed persons and those not in employment for two or more years, who are registered at local labour exchanges, in acquiring/improving their qualifications or acquiring competences and missing skills directly at workplaces, integrating and anchoring in the labour market. The project Building Capacity of Unskilled Persons is intended for unskilled workers and persons lacking occupational competences who have personality and communication problems.

Target Groups: Long-term unemployed

Duration of measure: Temporary

If temporary, how long will it run for? January 2017

Has the measure been enacted into law? No

Is the measure being enforced? Yes

Start date for implementation of the measure: August 2014 **If not law, what type of measure is it?** EU co-funded project

Enacted/not enacted into law - State of play? Project implementation as begun

Steps taken to monitor the implementation of the measure? No

Funding Sources: EU co-funded

Is there a specific budget allocated to the measure? Yes

Budget: EUR 18.1 million and EUR 35.4 million

Which policy recommendations does the measure respond to? AGS, CSR, NRP Recommendation details: AGS: Stepping up active labour market measures, notably active support and training for the unemployed, improving the performance of public employment services and implementing a Youth Guarantee CSR: Better target active labour market policy measures to the low-skilled and long-term unemployed. NRP: Increasing employment, reducing poverty and social exclusion

New measure toward newly arrived immigrants

Country: Sweden

Description: A newly arrived immigrant who refuses a suitable job offer without good cause should not continue to benefit from the activities included in the Establishment Act. An introduction and action plan may be extended up to 24 months if a newly arrived immigrant is on parental leave and participates on activities included in the Establishment Act on a part-time basis. The new rules took effect in August 2014. The right to get extra compensation related to academic performance within the framework of Swedish for immigrants (SFI), the so called SFI bonus, has been abolished; the new act abolishing the SFI bonus took effect in August 2014.

Institution Responsible: Public Employment Service

Country Specific Recommendation: CSR 4: Take appropriate measures to improve basic skills and facilitate the transition from education to the labour market, including through a wider use of work-based training and apprenticeships. (ii) Reinforce efforts to target labour market and education measures more effectively towards loweducated young people and people with a migrant background.

Main Objectives: Strengthening personal incentives for taking up jobs, and to better monitor search intensity.

Target Groups: Immigrants (High-skilled/Low skilled)

Duration of measure: Permanent

Has the measure been enacted into law? No

What is the legal reference? Adopted by the Swedish Parliament

Date of adoption: 24 June 2014 **Is the measure being enforced?** Yes

Start date for implementation of the measure: 1 August 2014

If not law, what type of measure is it? Regulation

Steps taken to monitor the implementation of the measure? No

Funding Sources: Government

Which policy recommendations does the measure respond to? CSR

Recommendation details: Reinforce efforts to target labour market and education measures more effectively towards low-educated young people and people with a migrant background.

Measure Updates total: 1

Description of Measure	Description of September 2014 Update
Country: United Kingdom	Title: Latest statistics for the Work
Measure Title: Work Programme Description: The Work Programme is a	Programme released What has changed: The Work Programme

composite approach to helping the long-term unemployed back into work and effectively replaces around 20 individual support programmes. It offers a package of support to the eligible unemployed, delivered through a group of 18 private sector contractors who successfully bid for the work, and supported by around 40 sub-contractors, mainly from the voluntary and community sectors.

Measure Time Period: Oct 2010 - Sept 2012

is now in its third year and data for the 12 months ending March 2014 shows a significant improvement in job outcomes. All contractors are now meeting their minimum performance levels. The data shows that around 550 000 unemployed people have been helped into work (of at least six months duration) since June 2011 and over half of these have continued to be employed over at least one year.

5.7 Measures improving services for the unemployed and enhancing employability (4 new measures)

Chance for a Job - 2014

Country: Bulgaria

Description: Programme 'Chance for a Job – 2014' is a new initiative for youth and older workers. It suggests training on the key competence of 'Teamwork' and for acquiring a professional qualification in one of the professions of landscaping or nursing attendant. The project envisages also the provision of apprenticeships for a period of three months for 40 % of vocational training graduates in occupations, who have completed a training project.

Institution Responsible: Employment Agency; Confederation of Independent Trade Unions in Bulgaria.

Country Specific Recommendation: CSR 3: Improve the efficiency of the Employment Agency by developing a performance monitoring system and better targeting the most vulnerable, such as low-skilled and elderly workers, the long-term unemployed and Roma. Extend the coverage and effectiveness of active labour market policies to match the profiles of job-seekers, and reach out to non-registered young people who are not in employment, education or training, in line with the objectives of a youth guarantee.

Main Objectives: The aim is the activation and improvement of employability of young people between 15 and 29 years with special attention given to the subgroup of youth between 15 and 25 years, with no qualifications and low motivation to work; and the activation of persons over 50 years. The project offers training on key competences and a follow-up short-term employment and on-the-job training.

Target Groups: Older unemployed (50+) and the young unemployed (15 -29 years old).

Duration of measure: Temporary

If temporary, how long will it run for? One year.

Has the measure been enacted into law? No What is the legal reference? National employment plan for 2014.

Date of adoption: 1 January 2014 **Is the measure being enforced?** Yes

Start date for implementation of the measure: 1 January 2014 **If not law, what type of measure is it?** Government Proposal

Enacted/not enacted into law - State of play? Not enacted into law. State of play at the end of July and according to the data provided by Employment Agency: - total number included in the programme: 1 982 persons including 568 (29 %) young unemployed and 1 370 (71.3 %) unemployed with lower than secondary education and over 50 years old. 779 unemployed were hired and thus the target value of this

indicator was achieved.

Steps taken to monitor the implementation of the measure? Yes **If monitoring arrangements are in place what are they?** Regular monthly monitoring hold by Employment Agency; annual reporting about the results. Initially formulated indicators and targets of the activities.

Funding Sources: Government and the Confederation of Independent Trade Unions in Bulgaria (a social partner).

Is there a specific budget allocated to the measure? Yes

Budget: EUR 1 603 000, including EUR 1 561 000 from the State Budget and EUR 42 000 provided by the Confederation of Independent Trade Unions in Bulgaria.

Which policy recommendations does the measure respond to? CSR Recommendation details: CSR 3, Sub rec 2: Extend the coverage and effectiveness of active labour market policies to match the profiles of job-seekers, and reach out to non-registered young people who are neither in employment, education or training, in line with the objectives of a youth guarantee.

Reform of active labour market policy

Country: Denmark

Description: The main elements of the reform are: i) a number of procedural regulations concerning the timing and content of the active measures will be removed thus allowing for a more flexible assistance to the individual unemployed based on a dialogue with the job-centre. For example the job-centre will only be required to give one mandatory activation offer after six months of unemployment (three months for young un-employed under 30 years). Other offers will be based on a concrete assessment of the needs of the unemployed; ii) During the first six months of unemployment the unemployed will have to take part in mandatory monthly meetings with a counsellor at the job-centre; the meetings will also involve staff from the relevant unemployment insurance fund; iii) The unemployed will be given more freedom to plan their contacts with the job-centre through digital self-service facilities, which will also include a personal 'job-log' to record job-search activities and with options to choose various forms of training in job-search; iv) An opportunity will be given to unskilled workers to use the two-year benefit period to train for skilled workers, the condition being that they already have acquired the necessary practical experience. During the training period the unemployment benefit will be reduced to 80 % of the normal level. On the other hand the unemployed will not have to look actively for work; v) All unskilled and skilled unemployed will have access to six weeks of training from the first day of unemployment; the content of the training will however have to be approved by the job-centre; vi) At present there are different rules for employment with a wage subsidy in the public and the private sector. As part of the reform, the rules will be harmonised. The aim is to improve the quality of public job-training, which has among other things been hampered by the fact that public employers have had to take in a certain number of trainees under a quotasystem; vii) The present 98 local employment councils and four regional councils will be abolished and a new structure with eight regional councils will replace them. The councils will have representatives from the social partners and other regional actors including educational institutions and the growth forums; viii) The rules for reimbursing the expenses of the municipalities by the national government will be changed in order to allow a greater freedom to choose between different measures,

but also with incentives for a rapid effort to assist the unemployed; ix) A number of initiatives will be taken to improve the cooperation between the job-centres and the employers; x) Finally resources will be allocated to the municipalities for training of staff with respect both to the more intensive counselling of unemployed and the upgrading of contacts with employers.

Institution Responsible: Ministry of Employment

Country Specific Recommendation: CSR 2: Take further measures to improve the employability of people at the margins of the labour market.

Main Objectives: More unemployed should achieve stable employment as quickly as possible. The unemployed should get an individual and meaningful assistance in getting a job. Unemployed should be offered ordinary education if they need it. The educational efforts should be targeted at unemployed with the greatest needs and be in line with the demand for labour. More focus should be on providing services to employers; job placement should be a core task in the job-centres. Rules and red tape should be removed so municipalities will have greater freedom and be able to focus on results rather than processes.

Target Groups: Unemployed **Duration of measure:** Permanent

Has the measure been enacted into law? No

Is the measure being enforced? Yes

Start date for implementation of the measure: 1 January 2015

If not law, what type of measure is it? Political agreement to be turned into law in the fall of 2014

Enacted/not enacted into law - State of play? A political agreement has been made in June 2014. The necessary legislation will be passed in the fall of 2014. Reform will be implemented from 2015

Steps taken to monitor the implementation of the measure? Yes **If monitoring arrangements are in place what are they?** Implementation will be monitored as part of the ongoing monitoring of ALMP.

Funding Sources: Government

Is there a specific budget allocated to the measure? No

Budget: The reform is supposed to be fiscally neutral in the sense that it will in the short run neither imply savings or increased public spending.

Which policy recommendations does the measure respond to? CSR Recommendation details: Take further measures to improve the employability of people at the margins of the labour market.

Amendments to the Law on Support for Employment

Country: Lithuania

Description: The amendments to the Law extended the scope of application of the Law, clarified the definitions therein, amended the regulatory provisions of vocational training, and specified in more detail the implementation of measures in the area of supported employment and establishment of jobs. The Law introduced a new measure of supported employment, namely, support for skills acquisition by concluding bilateral agreements. This initiative is intended for working-age people under 29 who are registered with local labour exchanges. In addition, the third measure of support for employment has been foreseen for persons under 29 in the form of voluntary internship agreements to be entered with employers (legal entities).

Institution Responsible: Ministry of Social Security and Labour, Lithuanian Labour Exchange

Country Specific Recommendation: CSR 3: (i) Better target active labour market policy measures to the low skilled and long term unemployed.

Main Objectives: To improve employment opportunities for unemployed persons and job-seekers (youth in particular).

Target Groups: Unemployed

Duration of measure: Permanent

Has the measure been enacted into law? Yes

What is the legal reference? Amendments to the Law on Support for Employment

Date of adoption: 10 July 2014

Is the measure being enforced? Yes

Start date for implementation of the measure: Most of the amendments are valid since 1 September 2014; some amendments will become effective since 1 January 2015.

Steps taken to monitor the implementation of the measure? No **Funding Sources:** Government

Is there a specific budget allocated to the measure? No

Which policy recommendations does the measure respond to? AGS, CSR, NRP Recommendation details: AGS: Stepping up active labour market measures, notably active support and training for the unemployed, improving the performance of public employment services and implementing a Youth Guarantee. CSR: Better target active labour market policy measures to the low-skilled and long-term unemployed. [...] In order to increase the employability of young people, prioritise offering quality apprenticeships, other forms of work-based learning, and strengthen partnership with the private sector. NRP: To increase the efficiency of services provided by labour exchanges and the scope of active labour market policy measures.

New Act on the Timing of Establishment Plan for Newly arrived migrant (SFS:2014:2 102)

Country: Sweden

Description: This new law taking effect in 1 April 2014 (SFS 2014:102) stipulates that the individual introduction plan within the framework of the Establishment Reform shall be drawn up no more than one year after a newly arrived immigrant has been registered in a municipality. Furthermore the Public Employment Service (PES, *Arbetsförmedlingen*) has the obligation to evaluate the educational background and attainment of the newly arrived immigrant and assess the necessary measures to be undertaken (training or other measures) to facilitate the entry of the foreign-born job-seekers into the labour and housing market. As part of efforts to improve the validation of education and skills of foreign-born people, the government has also instructed the Swedish Public Employment Service (*Arbetsförmedlingen*) to develop methods for validating the knowledge of people born abroad.

Institution Responsible: Public Employment service

Country Specific Recommendation: CSR 4: (i) Take appropriate measures to improve basic skills and facilitate the transition from education to the labour market, including through a wider use of work-based training and apprenticeships. (ii) Reinforce efforts to target labour market and education measures more effectively towards low-educated young people and people with a migrant background.

Main Objectives: To speed up the intervention and measures targeted towards

newly arrived immigrants.

Target Groups: Immigrants (High-skilled/Low skilled)

Duration of measure: Permanent

What is the legal reference? Yes Regulation SFS 2014:102

Date of adoption: March 2014

Is the measure being enforced? Yes

Start date for implementation of the measure: 1 April 2014 **Steps taken to monitor the implementation of the measure?** No

Funding Sources: Government

Which policy recommendations does the measure respond to? CSR

Recommendation details: Reinforce efforts to target labour market and education measures more effectively towards low-educated young people and people with a

migrant background.

Measure Updates total: 1

Description of Measure	Description of September 2014 Update
Measure Title: Continue Public Works programmes Description: Improve Public Work programmes and invest more in the best programmes	Title: Maintain a stock of around 200 000 participants in 2014 What has changed: The Minister of Interior was required to maintain a stock or around 200 000 participants in 2014. (Government Decree 1277/2014)

5.8 Other active labour market policies (2 new measures)

Reform of the Career Bridging Programme

Country: Belgium

Description: The Career Bridging Programme (*Programme de transition professionnelle* - PTP) is a federal scheme started in 1997 that aims at non-profit sector employers who hire the long-term unemployed. This programme has been accentuated in the Walloon Region for the unemployed particularly vulnerable in the labour market. It consists of reduced employer social security contributions, an activation allowance and a regional subsidy. The Walloon initial grant of EUR 775 per month is now increased by EUR 300 per month and will be granted only either of the two following cases: 1) the employee is over 50 years old on the date of commitment by the employer and 2) the employee does not hold a certificate of upper secondary education.

Main Objectives: Promote jobs creation in the non-profit sector.

Target Groups: Unemployed

Duration of measure: Permanent

Has the measure been enacted into law? Yes

What is the legal reference? Walloon Decree of 20 February 2014

Date of adoption: 13 March 2014 **Is the measure being enforced?** Yes

Start date for implementation of the measure: 1 January 2014 **Steps taken to monitor the implementation of the measure?** No

Funding Sources: No specific funding required

Is there a specific budget allocated to the measure? No Which policy recommendations does the measure respond to? CSR Recommendation details: Increase labour market participation, notably by reducing financial disincentives to work, increasing labour market access for disadvantaged groups such as the young and people with a migrant background, improving professional mobility and addressing skills shortages and mismatches as well as early school leaving. Across the country, strengthen partnerships of public authorities, public employment services and education institutions to provide early and tailor-made support to the young.

National Employment Policy

Country: Malta

Description: This policy document aims to improve employment and employability in a comprehensive way. It is a compendium of various different government policies, strategies and measures that aim to reduce labour market frictions.

Institution Responsible: Ministry for Education and Employment

Main Objectives: The main objective of the policy is to tackle various aspects that currently impede employment and economic growth. The policy aims to improve inwork benefits and the maternity leave system, the unemployment registration system and the operations within the Employment and Training Corporation, employee training, and employment flexibility. The policy also includes measures targeting specific groups of persons and the setting up of a Local Employment Development Unit in Gozo.

Target Groups: All the Maltese society, including students and employed, unemployed and inactive persons.

Duration of measure: Temporary

If temporary, how long will it run for? The policy does not have a stated duration. However, some of its sub policies and measures have specific durations e.g. the policy for Active Aging will run between 2014 and 2020, while the Education Strategy will run between 2014 and 2024.

Has the measure been enacted into law? No

Is the measure being enforced? Yes

Start date for implementation of the measure: The official launch of the policy was 2 May 2014. However, parts of the policy started to be implemented earlier.

If not law, what type of measure is it? Government policy

Steps taken to monitor the implementation of the measure? Unknown Is there a specific budget allocated to the measure? Unknown

Which policy recommendations does the measure respond to? AGS, CSR, NRP Recommendation details: AGS: 6. Tackling unemployment and the social consequences of the crisis. CSR 3: Continue policy efforts to address the labour-market relevance of education and training and improve basic skills attainment by stepping up efforts on the overdue reform of the apprenticeship system. Further reduce early school leaving, notably by finalising and implementing the announced national literacy strategy. Further improve the labour-market participation of women, notably those wishing to re-enter the labour market by promoting flexible working arrangements. NRP: Various.

Measure Updates total: 0

6 PA 3: Social security systems

Under PA 3, ten countries introduced a total of 16 new policy measures between mid-March and mid-September 2014. The most popular type of reform of any of the sub-policy areas has been in the area of *Social Assistance measures e.g. family benefits, housing, long-term care etc.* The following gives a breakdown of the new measures introduced in this policy area:

- Unemployment benefit reforms (Slovakia)
- Social assistance measures e.g. family benefits, housing, long-term care etc. (Greece, Romania, Latvia x2, Poland x2, Ireland)
- Pension reforms (Austria x2, Belgium x2)
- Health insurance system reforms (Germany x2)
- Other measures related to social security systems (Luxembourg, Germany)

There were nineteen updates to previously identified measures, in the following countries: Czech Republic, Denmark, Germany, Estonia x3, France x2, Lithuania, Hungary, Netherlands x3, Slovakia, and UK x5. The new measures introduced in this policy area accounted for 14 % of the total number. Ten measures out of the total sixteen new measures (63 %) were enacted into law. Of the 13 new measures specifying a funding source, seven were state funded, and one had a social partner/private funding source. No specific funding was required for four of the measures.

The measures and measure updates are discussed in turn below.

6.1 Unemployment benefit reforms (1 new measure)

Temporary in-work benefits for long-term unemployed and inactive Country: Slovakia

Description: The measure increases the eligibility for the so-called special benefit and enables simultaneous drawing of the special benefit and assistance in material need for persons who start to work at a low wage. Long-term unemployed and long-term inactive, who enter into employment at a wage of up to 2 times of the minimum wage and work at least 20 hours per week, shall be entitled to receive the special benefit for 12 months (EUR 126.14 during the first six months and EUR 63.07 during the remaining six months) and not lose entitlements to assistance in material need. At present, entitled to receive the special benefit in the sum of EUR 63.07 for a period of six months are previously long-term unemployed whose income from work does not exceed three times the minimum wage; recipients of the special benefit and/or their household may not draw assistance in material need.

Institution Responsible: Ministry of Labour, Social Affairs and Family **Country Specific Recommendation:** CSR 3: ...strengthen the link between activation measures and social assistance.

Main Objectives: The main goal is to increase the motivation of long-term unemployed and inactive persons to get into work.

Target Groups: Long-term unemployed **Duration of measure:** Permanent

Has the measure been enacted into law? Yes

What is the legal reference? Amendment to the Act No. 417/2013 Coll. on

assistance in material need as amended

Date of adoption: Approved by the government on 20 August 2014.

Start date for implementation of the measure: Tentatively as from 1 January 2015 (if ratified by the parliament)

Enacted/not enacted into law - State of play? The measure was submitted to the parliament, which shall vote on the bill in October/November 2014

Steps taken to monitor the implementation of the measure? $\,\,\text{No}$

Funding Sources: Government

Budget: Draft budget: EUR 3.1 million in 2015, EUR 6.6 million in 2016, and EUR 6.6

million in 2017

Which policy recommendations does the measure respond to? CSR

Recommendation details: CSR 3: ...and strengthen the link between activation and

social assistance.

Measure Updates total: 7

Country: Czech Republic

Measure Title: Employment Code

modifications

Description: Since January 2012, the major modifications of the Employment Code have included the outsourcing of job search counselling services from DLOs to private employment agencies. The reward per unemployed is EUR 182 (CZK 5 000) with the additional bonus of EUR 45 (CZK 1 250) for his/her placement in a permanent-contract job and additional EUR 18 (CZK 500) for employment exceeding six months. An unemployed individual will be free to propose an accredited provider of re-training. Upon the DLOs approval, such training providers may receive up to EUR 1 817 (CZK 50 000) over three years. The employer obligation to report all vacancies with the DLOs has been scrapped since January 2012. The contribution period required to qualify for unemployment benefit receipt remains 12 months, but the contribution period must now be accumulated over two years, instead of three as before. Unemployment benefit will also no longer be available to those accepting a job, but quitting within six month.

After three months of unemployment insurance collection, unemployed individuals can be required to serve in offered public service work programmes for no extra pay for up to 20 hours per week.

Finally, as of January, the partial unemployment policy has been terminated. Unemployed individuals can no longer earn half the minimum wage (EUR 145 - CZK 4 000) while collecting benefits.

Measure Time Period: Oct 2010 - Sept 2012

Description of September 2014 Update

Title: Minor technical fixes

What has changed: There are some minor technical fixes underway related to the Employment Act, which do not qualify as a new measure. Firstly, the Ministry of Labour is preparing a minor update of the Employment Act. Since 2010, registered unemployed do not qualify for unemployment insurance benefits if they generate any income, however small, from any form of gainful employment (even in part-time or fixed-term minor contracts). The plan, as of January 2015, is to also include members of cooperatives and representatives of companies in this clause, as long as they generate some income this way.

Country: France

Measure Title: Unemployment insurance

benefits reform **Description:** None

Measure Time Period: Mar 2014

Title: Insurance benefits agreement adopted

What has changed: After three months of negotiation, social partners came to an agreement at the end of March 2014. The new operational unemployment agreement was signed at the end of May 2014 and entered into force on 1 July (with the exception of artists). Its main activities are:

- The creation of a 'rechargeable right'
 to the unemployment insurance (an
 unemployed individual who finds a job
 before having used all their
 unemployment benefits can keep them
 for potential future unemployment
 periods). This measure was already in
 the Law on Securing Employment. The
 portability of rights is a concept which
 is also present in the training reform
 (personal training account).
- Extending the range of unemployed persons who can accumulate a wage and a part of their unemployment benefits.
- Increasing the delay between loss of a job and the beginning of unemployment allowance for persons who benefit from a severance pay higher than average (although not for artists). This last part of the convention was very much criticised by Artists' Unions. Confronted with many protests, the Government agreed to suspend the execution of this particular measure for artists until the end of December 2014.

A consultation group began to work on the subject and must give its conclusions to the Government before the end of the year. At the core of this new convention lies the necessity to reduce the deficit of the French insurance system, by EUR 2.2 billion by the end of 2016.

Country: Slovakia

Measure Title: Reform of social assistance Description: The reform shall be implemented through an amendment to the Act on assistance in material need. The main reform proposal is that the basic material need benefit of EUR 60.50 monthly would be provided only to those adults in receipt of social benefits who participate in at least 32 hours per month of activation work in the form of small municipal services, voluntary activities or works associated with the prevention or elimination of natural disasters and other emergency situations, provided such work is offered to the recipient. The

Title: Stricter conditionality rules in effect since 1 July

What has changed: After a six month preparatory period, rules for increased conditionality on the measure entered into effect on 1 July 2014. Entitlement for the basic material need benefit now requires that recipients participate in activation work (small municipal services, voluntary activities, work associated with the prevention or elimination of natural disasters) for at least 32 hours, provided such work is offered to the recipient. The entitlement for the activation allowance is conditioned by at least 64 hours of work per

condition shall not apply to specific groups of recipients, including old-age pensioners, severely disabled persons, and persons taking whole-day care of dependent children or disabled people. There is no such conditionality of the basic benefit in the current system. Another change concerns the entitlement for the activation allowance, which shall be conditioned by at least 64 hours of work per month in small community services or voluntary activities (currently 10 hours per week required). Registered unemployed may gain entitlement to the allowance also by taking part in other activation policies such as education and training. Also proposed is the introduction of a new allowance which should be granted to long-term unemployed persons in material need who take up employment. Individuals with a monthly salary ranging between 100 % and 300 % of the statutory minimum wage will be entitled to the monthly allowance of EUR 63 for a maximum of six months. Additional changes concern the provision of supplements to the basic benefit; not conditioned by activity. It is also proposed that certain minor misdemeanours could be penalised with deductions from social benefits. The draft amendment envisages that labour offices will gain more power in the supervision of municipal activation work.

month in small community services or voluntary activities (until now 10 hours per week required), or activation through education.

Measure Time Period: Sep 2013

Country: United Kingdom

Measure Title: Mandatory job search for

claimants

Description: In return for receiving benefits, some Jobseekers Allowance (JSA) claimants will be required to undertake supervised job search activity at a local centre. This will be a full-time activity with a 35 hour week envisaged. It is not clear if this will be until the jobseeker finds work or for a set period of time.

Measure Time Period: Dec 2013

Title: Jobseekers required to do more to find work

What has changed: The new rules on job search for jobseekers came into force at the end of April 2014. There will be closer involvement between jobseeker and JCP adviser so that looking for work becomes a structured and effective activity.

Country: United Kingdom

Measure Title: Revision of Claimant

Commitment for jobseekers

Description: Under revisions to the Claimant Commitment, jobseekers claiming benefits will have to account more clearly for their efforts to find work. This will involve a new form of Jobseekers Agreement containing a weekly timetable of tasks for them to complete. The agreement will be based on a personal statement setting out what the jobseeker is prepared to do to find work and will be monitored by the adviser at Jobcentre

Title: New Claimant Commitment comes into force

What has changed: The new Claimant Commitment for jobseekers claiming benefit was rolled out nationally at the end of April 2014.

Plus and reviewed regularly. **Measure Time Period:** Sep 2013

Country: United Kingdom

Measure Title: Changes to benefits **Description:** The Chancellor's Autumn Statement set out changes to benefits applicable from April 2013. Most working age benefits and tax credits will be limited to an increase on 1 % per year for the three years beginning 2013/14. It was also confirmed that the proposed Benefit Cap will be introduced from April 2013, set at a maximum of EUR 640 (GBP 500) per week, the equivalent of the average earned income after tax and national insurance (i.e. EUR 33 289 (GBP 26 000) per annum). The cap will apply initially in four local authority areas in London before being rolled out nationally in the summer of 2013.

Measure Time Period: Jan 2013

Title: Data released on effects of the Benefit Cap

What has changed: New data have been released on the first year of implementation of the Benefit Cap. They show that around 42 000 households had their benefits capped, 1 000 of which had their weekly benefits reduced by more than EUR 256 (GBP 200). The data also shows that an average of 100 people per week affected by the Benefit Cap moved into work.

Country: United Kingdom

Measure Title: Universal Credit

Description: Universal Credit is a key part of the Government's efforts to simplify the payment of benefits and target them more effectively under the 'Make Work Pay' objective. It will replace an array of existing benefits bringing them under a single assessment-for-eligibility process alongside stricter tests. These will include caps on the total benefit a household can receive and removal of a spare room subsidy for workingage tenants.

Measure Time Period: Oct 2010 - Sept

2012

Title: Local support for jobseekers to prepare for Universal Credit

What has changed: In July the Government announced that there will be a series of new trials to prepare claimants for Universal Credit. These will identify how claimants can best be helped to make most use of the new system and will be carried out by job centres in partnership with local authorities.

6.2 Social assistance measures (e.g. family benefits, housing, long-term care) (7 new measures)

Social Welfare and Pensions Bill 2014

Country: Ireland

Description: Social Welfare and Pensions Bill 2014 introduced a number of important social welfare and pensions reforms and came into effect on 30 May 2014. The Bill has four central aspects with implications for social welfare and pensions. 1) The Bill strengthens the residence requirements relating to entitlement to means-assessed social welfare payments and to Child Benefit. Previously, a person had to be habitually resident at the date of application for the relevant social welfare payment, meaning the person is residing in Ireland and has a proven close link to the state. This requirement was amended so that a person must be habitually resident in the state, not just at the date of the application but also throughout the period that payment is being claimed in order to remain entitled to it. 2) Family Income Supplement (FIS), which is a weekly tax-free top-up payment for employees on low pay with children. Under the Bill, once a family qualifies for Family Income Supplement (FIS), payment of the supplement will continue for 52 weeks regardless

of a change in circumstances, such as an increase in weekly earnings. At May 2014, 44 000 working families with more than 98 000 children benefit from the scheme. The Department of Social Protection (DPS) spend on FIS is estimated to increase to more than EUR 280 million in 2014, a 25 % increase since 2012. 3. The Bill will extends social insurance cover to spouses/civil partners of a self-employed contributor in cases where that spouse/civil partner is participating in that person's business and earning more than EUR 5 000 a year. This means that the spouse/civil partner will, under the social insurance system, be able to establish entitlement to Maternity Benefit, Widow's, Widower's or Surviving Civil Partner's Contributory Pension and State Pension Contributory in their own right. 4) The Bill also extends the powers of the Department to recover social welfare overpayments.

Institution Responsible: Department for Social protection

Main Objectives: To tighten the habitual residency requirement for social welfare entitlements. To improve incentives for people with low incomes to remain in, or enter, employment. To widen social welfare entitlements to the dependants of self-employed individuals and to strengthen the ability of the Department (DPS) to recover overpayments.

Target Groups: Low income workers, social security recipients, the self-employed.

Duration of measure: Permanent

Has the measure been enacted into law? Yes What is the legal reference? Number 16 of 2014

Date of adoption: 30 May 2014 **Is the measure being enforced?** Yes

Start date for implementation of the measure: 30 May 2014

Steps taken to monitor the implementation of the measure? Unknown

Funding Sources: Government

Is there a specific budget allocated to the measure? No

Which policy recommendations does the measure respond to? CSR

Recommendation details: 2014 CSRs 1 and 4: Fully implement the 2014 budget and ensure the correction of the excessive deficit in a sustainable manner by 2015. Tackle low work intensity of households and address the poverty risk of children through tapered withdrawal of benefits and supplementary payments upon return to employment.

Establishment of a means tested income support programme

Country: Greece

Description: Targeted minimum income scheme. **Institution Responsible:** Ministry of Labour

Main Objectives: In its pilot phase, the scheme will be implemented in 13 municipalities. Regarding recipients, these will be households on an annual income of EUR 4 800 or less. The monthly benefit will range between EUR 200 and EUR 400, depending on whether the recipients are unemployed, pensioners or property owners. For example, an unemployed person with no income or property will receive EUR 200-230 per month. They will also qualify for the so-called social rate for electricity supply, the heating oil benefit and participation in employment and food distribution programs. A married unemployed person with two children and an income of up to EUR 4 800, with no social security or property will collect EUR 400 per month, along with qualifying for the social power rate, the heating oil benefit and employment and food distribution programs.

Target Groups: Low-income earners **Duration of measure:** Permanent

Has the measure been enacted into law? Yes What is the legal reference? Law 4093/2012

Date of adoption: 2012

Start date for implementation of the measure: October 2014 (pilot phase)

Steps taken to monitor the implementation of the measure? Yes

If monitoring arrangements are in place what are they? The scheme is being monitored by the General Secretariat of Public Revenues. Additional checks are to be performed by the participating Municipalities.

Funding Sources: Government

Is there a specific budget allocated to the measure? Yes

Budget: The pilot implementation of the scheme is expected to cost approximately EUR 20 million. The scheme, in its full implementation phase (2015) is expected to cover approximately 700 000 individuals at a cost of EUR 1 billion.

Which policy recommendations does the measure respond to? MOU Recommendation details: -The government launches the pilot phase of the guaranteed minimum income scheme by (September 2014), aiming at a phased-in national roll-out in 2015, if financing is available. The pilot phase will enable the development and testing of non-tax-form based targeting mechanisms, registration procedures and benefits platform, delivery channels and payment systems with adequate monitoring and auditing procedures. The pilot projects will include activation of beneficiaries to prevent deterioration of skills and human capital; and aim at a phased integration of other benefits and social services. The government will by June 2014 produce a roadmap for a country-wide phased-in roll out of a guaranteed minimum income scheme that targets the poor, including the long-term unemployed, to mitigate poverty and foster social inclusion by 2015, if financing is available.

Increase in support to persons involved in the Chernobyl Nuclear Power Plant emergency relief actions

Country: Latvia

Description: Ministry of Welfare proposes to increase the social security benefit from EUR 85.37 to EUR 100 for participants in the Chernobyl Nuclear Power Plant emergency relief activities or for their families, if the relief worker has died.

Institution Responsible: Ministry of Welfare

Main Objectives: To reduce the risk of social exclusion of the victims of the nuclear disaster in the society by ensuring adequate provision of medical services. The current benefit cannot cover their basic needs.

Target Groups: People with disabilities **Duration of measure:** Permanent

Has the measure been enacted into law? No

If not law, what type of measure is it? Informative report

Enacted/not enacted into law - State of play? Submitted to the Cabinet of

Ministers as part of the next medium term budget process

Funding Sources: Government

Is there a specific budget allocated to the measure? Yes

Budget: EUR 0.54 million (additionally in 2015); EUR 0.55 million (additionally in

2016 and 2017)

Social security benefit eligibility extended

Country: Latvia

Description: Persons who do not qualify for an old-age pension because of insufficient contributions can now receive a social security benefit on reaching retirement age. Previously eligibility was confined to persons who have had a major accident at work, people who are unemployed or people who have exceeded the pension age by five years. Under the new rules, anyone who does not have the minimum 15 years of contributions and thus do not qualify for the old-age pension is eligible for a social security benefit. The monthly benefit is EUR 64.03.

Institution Responsible: Ministry of Welfare

Main Objectives: To provide a benefit for people who are not eligible for an old-age

pension.

Target Groups: Older workers **Duration of measure:** Permanent

Has the measure been enacted into law? Yes What is the legal reference? Social benefit law

Date of adoption: 15 May 2014 **Is the measure being enforced?** Yes

Start date for implementation of the measure: 1 October 2014

Steps taken to monitor the implementation of the measure? Unknown

Funding Sources: Government

Is there a specific budget allocated to the measure? Yes

Budget: EUR 0.43 million (additionally in 2015); EUR 0.57 million (additionally in

2016); EUR 0.71 million (additionally in 2017)

Which policy recommendations does the measure respond to? AGS

Recommendation details: Better targeted benefits with particular attention to the

situation of the most vulnerable.

The Large Family Card

Country: Poland

Description: The Large Family Card is granted to families with at least three children, regardless of income. The card is issued free of charge, to each member of the family. Parents can use the card on perpetuity basis, children - up to the age of 18 or in case of those in education - up to 25 years. People with disabilities receive a card for the duration of a certificate of disability. The card offers a system of discounts and additional privileges. Its holders will be able to use the offers of a cultural, recreational and transportation nature throughout the country. The Large Family Card is granted by the mayor or president of the city at the request of a member of large family (3+ children).

Institution Responsible: Ministry of Labour and Social Policy

Main Objectives: Demographic: encourage potential parents to have more children. Financial: encourage large families (or those planning to have more children) to live or stay in the city or municipality. Economic: support the budgets of families burdened with the costs of maintaining a large family; increase the demand for local services and goods. Social: enable the integration of large families, both with local communities and large families themselves, but also tightening of family bonds.

Target Groups: Parents

Duration of measure: Permanent

Has the measure been enacted into law? Yes

What is the legal reference? Resolution of Council of Ministers from 27 May 2014

no 85 item 430

Date of adoption: 27 May 2014

Is the measure being enforced? Yes

Start date for implementation of the measure: The measure was implemented

on 16th June 2014

Steps taken to monitor the implementation of the measure? No

Funding Sources: Government

Is there a specific budget allocated to the measure? Yes

Budget: EUR 8 607 271 in the years 2014 - 2015

National Programme for the Prevention of Poverty and Social Exclusion

Country: Poland

Description: On 12 August 2014 the government adopted National Programme for the Prevention of Poverty and Social Exclusion for years 2014-2020. It is the first such strategic programme in Poland, which contains comprehensive measures aimed at permanently reducing the number of people at risk of poverty and social exclusion.

Institution Responsible: Ministry of Labour and Social Policy

Main Objectives: The main objective of the programme is to permanently reduce the number of people at risk of poverty and social exclusion by 1.5 million and an increase in social cohesion. It is to be achieved by the end of 2020. The Programme is divided into six priorities: - Priority 1: Combating social exclusion of children and young people. Priority 2: Ensuring consistency of educational activities. Priority 3: Active inclusion in the local community. Priority 4: Safety and activity of older people. Priority 5: Prevention of uncertainty housing. Priority 6: Management and structural changes in the system of social integration. The rate of people at risk of social exclusion is to fall in 2020 to approx. 22 % from 27.3 % (in 2011), by 6.7 percentage points is to increase the employment rate of people with disabilities (from 20.3 % to 27 %) and a 5.6 percentage point increase in the employment of women with the youngest dependent child under five years of age (from 57.75 % to 63 %).

Target Groups: People threatened by poverty and social exclusion

Duration of measure: Temporary

If temporary, how long will it run for? 2014-2020

Has the measure been enacted into law? No

Is the measure being enforced? Yes

Start date for implementation of the measure: From the date adoption of the programme by the government (12 August 2014)

If not law, what type of measure is it? Governmental programme Enacted/not enacted into law - State of play? Programme accepted by the Council of Ministers on 12 August 2014.

Steps taken to monitor the implementation of the measure? Yes

If monitoring arrangements are in place what are they? In order to assess
progress towards achieving the objectives of the National Programme and its updates
on this basis the monitoring and evaluation will focus on the current, mid-term and
final evaluations. The monitoring of poverty and social exclusion is based on the
following assumptions: standardisation of data and tools; public presentation of data;
refilling and use of available data; aggregation, disaggregation and comparability of
data. In order to collect and analyse data related to poverty and social exclusion a
tool will be used called Assessment of social support resources, collected by the IT

tool in the form of a database at the Central Statistical Application (SAC).

Funding Sources: Financing activities of the programme is planned both from the state budget, local government budgets, private funds and European funds, especially the European Social Fund under the national operational programme and regional operational programs.

Is there a specific budget allocated to the measure? Unknown

Fiscal amnesty for pensioners and recipients of benefits for parental care

Country: Romania

Description: The measure aims at addressing a social emergency as it provides relief to those that had to return several sums to the state budget without being necessarily responsible; these sums will no longer be returned. It only concerns cases where the recipient person was not to be blamed and where the sole blame rested with the public authority concerned - cases of outright fraud and collusion are exempted.

Institution Responsible: Ministry of Labour, Family, Social Solidarity and Elderly Persons

Main Objectives: To provide financial relief for pensioners and families who in good faith had received sums from the state social insurance budget in the form of pensions or benefits for parental leave for childcare.

Target Groups: Parents

Duration of measure: Temporary

If temporary, how long will it run for? The measure only applies for payments made until enacted. It will not concern future acts. It is thus a once-off measure.

Has the measure been enacted into law? No

What is the legal reference? The law has been adopted by the Senate and is in debate of the Chamber of Deputies

Is the measure being enforced? No

Start date for implementation of the measure: Immediately after adoption and promulgation, most probably as of the beginning of October, if finally passed by the Parliament and promulgated by the President;

If not law, what type of measure is it? Government proposal

Enacted/not enacted into law - State of play? The proposal of the government has been passed by the Chambers of the Parliament and it is due to become law after its promulgation by the President.

Steps taken to monitor the implementation of the measure? Unknown **Funding Sources:** Government

Is there a specific budget allocated to the measure? Unknown

Budget: Estimates show a total of around EUR 75 million approx. (RON 320 million)

Which policy recommendations does the measure respond to? None

Measure Updates total: 4

Description of Measure	Description of September 2014 Update	
Country: Estonia Measure Title: Child benefits: Launch of the need-based child benefits	Title: Universal child benefits, needs-based child benefits and child subsistence levels increased.	

Description: The benefits are paid in addition to the current child benefits to families whose income is below the relative poverty line.

Measure Time Period: Apr 2013

What has changed: One of the central goals of the new Government that took office in March 2014 was to increase universal child benefits, which had remained unchanged for the last decade. In June 2014 it was decided that since 1 January 2015 the benefit for the first and second child in a family will be EUR 45 (currently EUR 19.18), and for the third (and every subsequent child), it will be EUR 100 (currently EUR 76.72) per month. In 2013, a needs-based family benefit, for families whose income is below the relative poverty line, was introduced. Since 1 July 2013, EUR 9.59 per month has been paid to families with one child and EUR 19.18 to families with two or more children. Since 1 January 2015, they will be paid EUR 45 and EUR 90 per month respectively. Also, when determining subsistence benefit, the child's subsistence level will be increased from 80 % to 100 % as of 1 January 2015.

Country: Lithuania

Measure Title: Increase of work incentives **Description:** The Ministry of Social Security and Labour suggested that social benefits to unemployed persons would be paid for a period of 12 months and then gradually reduced (after 12 months they would be reduced by 20 %, after 24 months by 30 %, after 36 months by 40 %, etc.). With regards to granting social benefits to deprived persons, more powers are to be vested upon local authorities. In addition, the list of unemployed persons, to whom 50 % of previously received social benefits will be paid for another six months after getting employed, will be extended. Likewise, it is proposed that there will be a reduction in compensations to cover heating costs if the owner of an apartment refuses to participate in the discussion and deciding on renovation of the multi-apartment house.

Title: Decreasing number of social assistance recipients

What has changed: From the beginning of 2014, all Lithuanian municipalities have been granting social benefits as their own independent function instead of that of the state. As illustrated by data estimates, during the first quarter of this year the number of recipients of social benefits decreased by 26.2 % year-on-year on average per month (from 215 000 to 159 200 persons) and social benefit costs decreased by 28 % year-on-year.

Country: Netherlands

Measure Title: Household allowance (*huishoudentoeslag*) and changes in child-related allowances

Measure Time Period: Apr 2013

Description: The merging and/or abolishment of a number of arrangements for households with children, from eleven arrangements to four. Of the four remaining allowances, two provide income support to parents (the general child benefit (kinderbijslag) and the child-related (kindgebonden) budget. Two arrangements aim to stimulate parents to start working (or start working more hours): the combination tax credit (combinatiekorting) and the

Title: Child Arrangements Act

What has changed: In June 2014, the First Chamber of Parliament agreed to change the arrangements concerning children and childcare. In 2015, the number of arrangements for children and parents will be reduced from ten to four, aiming to make the Acts more straightforward. This will also result in it being more profitable to move from welfare support into work. Arrangements for children will also be made less expensive for the Government, decreasing budgets from EUR 10 billion to EUR 9.5 billion. From 1 January 2015 onwards, all single parents with a minimum income get the same kind of financial support, also making work pay for them,

childcare allowance (kinderopvangtoeslag). Measure Time Period: Sep 2013	even if they start working at a minimum wage level. This changes the current situation where working for a minimum wage decreases their income compared to income levels from benefits plus child allowances.
Country: Netherlands	Title: Participation Act
Measure Title: Participation Act Description: Merging of three acts that provide (income) support to groups distanced from the labour market, into one act: the Participation Act. It de-centralises the responsibility for these groups, at least partly, to the municipalities. It moreover entails large budget cuts in providing income and work to these groups. Measure Time Period: Mar 2014	What has changed: Approved by the First Chamber of Parliament. Will be implemented as of 1 January 2015.

6.3 Pension reforms (4 new measures)

Reform of the survivor's pension

Country: Belgium

Description: The survivor's pension is removed for survivors younger than 45. The survivor will receive a transition allowance for 12 months (24 months with dependent children). During this period, he can work without limits of revenue or benefits from replacement allowances. After the 12 (or 24) months, the survivor receives unemployment benefits and recovers his right to survivor's pension at the moment of his retirement pension. Minimum age fixed at 45 years will be gradually raised to 50 years on 1 January 2025. Finally, the survivor's pension can be combined for 12 months with all the social benefits, including allowances for credit-time interruption. **Country Specific Recommendation:** CSR 4: Increase labour market participation, in particular by reducing financial disincentives to work, increasing labour market access for disadvantaged groups such as the young and people with a migrant background, improving professional mobility and addressing skills shortages and mismatches as well as early school leaving. Across the country, strengthen partnerships of public authorities, public employment services and education institutions to provide early and tailor-made support to the young.

Main Objectives: Avoid the unemployment trap of the survivor's pension system.

Target Groups: Beneficiaries of a survivor's pension

Duration of measure: Permanent

Has the measure been enacted into law? Yes What is the legal reference? Law of 15 May 2014

Date of adoption: 19 June 2014 **Is the measure being enforced?** No

Start date for implementation of the measure: 1 January 2015 **Steps taken to monitor the implementation of the measure?** No

Funding Sources: No specific funding required

Which policy recommendations does the measure respond to? CSR

Recommendation details: Contain future public expenditure growth relating to ageing, in particular from pensions and long-term care, by stepping up efforts to reduce the gap between the effective and statutory retirement age, bringing forward the reduction of early-exit possibilities, promoting active ageing, aligning the

statutory retirement age and career length requirements to changes in life expectancy, and improving the cost effectiveness of public spending on long-term care.

Reform of the career's calculation

Country: Belgium

Description: The year of retirement is taken into account in proportion to the number of months worked in the year. Then, the entire year has not to be completed to calculate the amount of the pension. The second measure provides that the career is not recorded in years but in full-time equivalent days. If the duration exceeds the number of days for a full career, the least advantageous days will be eliminated.

Main Objectives: Enforce fairness between full-time and part-time workers

regarding career.

Target Groups: All workers

Duration of measure: Permanent

Has the measure been enacted into law? Yes What is the legal reference? Law of 19 April 2014

Date of adoption: 7 May 2014

Is the measure being enforced? No

Start date for implementation of the measure: 1 January 2015 **Steps taken to monitor the implementation of the measure?** No

Funding Sources: No specific funding required

Is there a specific budget allocated to the measure? No

Which policy recommendations does the measure respond to? CSR

Recommendation details: Contain future public expenditure growth relating to ageing, in particular from pensions and long-term care, by stepping up efforts to reduce the gap between the effective and statutory retirement age, bringing forward the reduction of early-exit possibilities, promoting active ageing, aligning the statutory retirement age and career length requirements to changes in life expectancy, and improving the cost effectiveness of public spending on long-term care.

Capping of extra pensions

Country: Austria

Description: The law brings a limitation in the amount of pensions (according to special pension schemes) drawn by former employees in the public sector. This is the case for pensioners from public organisations, such as Austrian National Bank, the Austrian Federal Railways, and the Social Insurance Providers or for former politicians. In total about 9 600 pensioners in 70 institutions are affected. For pensions higher than the maximum contribution base (*Höchstbeitragsgrundlage*) a progressive deduction is applied.

Institution Responsible: Pension insurance authority

Main Objectives: To cap the pension privileges of former employees in public institutions and of former politicians

Target Groups: Former employees in public institutions and former politicians

drawing a special pension

Duration of measure: Permanent

Has the measure been enacted into law? Yes

What is the legal reference? Law on extra pension capping (Federal Law Gazette I

Nr. 46/2014)

Date of adoption: June 2014

Is the measure being enforced? Yes

Start date for implementation of the measure: January 2015 **Steps taken to monitor the implementation of the measure?** No

Funding Sources: No specific funding required

Which policy recommendations does the measure respond to? CSR, NRP Recommendation details: CSR 2: Improve the long-term sustainability of the

pension system

Employment and pension monitoring

Country: Austria

Description: The employment and pension monitoring should provide information on the development in the pension system. A monitoring report has to be produced twice a year, providing information on the labour market situation of older workers (employment and unemployment rate, number of people with former rehabilitation and retraining benefits reemployed) and development of the de facto retirement age and the number of people with rehabilitation and retraining benefits. The report is the basis for measures to be taken in the case of undesirable effects in the pension system.

Institution Responsible: Ministry of Labour, Social Affairs and Consumer Protection; Monitoring data provided by Main Association of Austrian Social Insurance Authorities

Main Objectives: To provide transparent information on the development of access

to retirement and to early retirement

Target Groups: Older workers **Duration of measure:** Permanent

Has the measure been enacted into law? No

What is the legal reference? 26/ME XXV. GP - Government proposal

Is the measure being enforced? No

If not law, what type of measure is it? Government proposal

Enacted/not enacted into law - State of play? At the moment there is a dispute between the two government parties on the whole package for older workers (e.g. bonus-malus scheme) etc. Also the range of information and the groups included in the monitoring is in discussion. If no agreement is met, the law will not be decided.

Steps taken to monitor the implementation of the measure? Yes

If monitoring arrangements are in place what are they? The details of the employment and pension monitoring will be described in the law.

Funding Sources: No specific funding required

Which policy recommendations does the measure respond to? CSR Recommendation details: CSR 2: [...] Monitor the implementation of recent

reforms restricting access to early retirement.

Measure Updates total: 6

Description of Measure	Description of September 2014 Update
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Country: Germany

Measure Title: Pension reform package

Description: The main elements of the draft law for the pension reform package (*Entwurf eines Gesetzes über*

Leistungsverbesserungen in der gesetzlichen

Rentenversicherung, RV-

Leistungsverbesserungsgesetz) are the socalled 'mothers' pension', retirement age at 63 for long-term insured without pension reduction taking unemployment periods into account, and the enhancement of the disability pension

(Erwerbsmindesrungsrente):

Mothers' pension (*Müterrente*): mothers of children born before 1992 receive one extra credit point in the pension system. Mothers of children who were born later still receive three credit points in the pension system

Pension at the age of 63: provision to allow individuals who have already paid social insurance contributions for a period of 45 years to retire at 63 without seeing their pension reduced. The current reform intends to account for short-term unemployment as part of the insured period.

For those who retire earlier due to health problems, the calculation period increases from 60 to 62 years. Their reduced earning capacity pension (*Erwerbsminderungsrente*) is calculated as if they had paid contributions until the age of 62, increasing their monthly pension by net EUR 40 (the monthly pension is currently EUR 600 on average).

A solidarity pension for low-income earners (solidarische Lebensleistungsrente) as fixed in the Grand Coalition agreement should be specified and enacted into law by 2017.

Measure Time Period: Mar 2014

Country: Estonia

Measure Title: Parental pensions launched

Description: For children born in 2013 or later, one of the parents will receive 4 % of the average income as monthly payments by the state to their pension accounts until the child is three years old. The state will also pay a pension supplement (equivalent to the value of two years of pensionable service) to one parent of a child born during the period 31 December 1980 to 31 December 2012, with a view to ensuring solidarity between generations. As of 1 January 2015, an additional pension supplement equivalent to one year of pensionable service will be paid to one parent of a child born before 1

Title: New law

What has changed: The proposed law is now fully legislated (*Gesetz über Leistungsverbesserung in der gesetzlichen Renetnversicherung*) as of 23 June 2014 (*Bundesgesetzbaltt I S.787*).

Title: Implementation of the 'Parental Pension Scheme' postponed

What has changed: It was decided in 2012 that the final stage of the scheme (i.e. that payment of an additional pension supplement equivalent to one year of pensionable service will be paid to one parent of a child born before 1 January 2013) would be implemented as of 1 January 2015. With the new Government taking office and a coalition agreement, it was decided on 30 June 2014 that this measure will be postponed until 2018 due to the need to use current financial resources to cover other promises made in the coalition agreement.

January 2013.

Measure Time Period: Apr 2013

Country: France

Measure Title: Law on retirement

Description: This measure includes:

- Increasing the contribution period by one quarter each year after 2020. This new decision means that people will need to accumulate 43 years of contribution in 2035 before they can retire (it is currently 41.5 years).
- Introducing more uniformity between sectors e.g. the competitive sector, agriculture, state run organisations, and local authorities.
- Improving young people's situations regarding retirement. For example, apprentices will have the opportunity to accumulate all quarters working as an apprentice. It also introduces the possibility for students to more easily accumulate contribution quarters (maximum two quarters) with their paid internships. Until now, only 4 % of internships could open rights for retirement, mainly those that were well paid.
- Making it easier to obtain contribution quarters: a minimum of 150 hours at minimum wage will allow people to obtain one quarter contribution (previously 200 hours were required). This measure will improve situations for those working in part-time jobs or who are self-employed with low revenues.
- Introducing an account for jobs with tough working conditions.

Title: Waiting for decree regarding the implementation of the 'Personal Work Arduousness Account'

What has changed: In June 2014, the Government announced the way the 'Personal Work Arduousness Account' will be implemented. This includes: training for access to a job with better working conditions; decreasing working time without decreasing wage; and early retirement. According to the Law, the personal arduousness account must be implemented in January 2015 but the employer representative has put pressure on the Government to postpone the initial planning. Finally, the decision was taken by the Prime Minister to introduce in a progressive way the factors that will be taken into account in the measure of work arduousness: only four (night work, repetitive work, posted work and work in a hyperbaric area) out of 10 factors will be taken into account in 2015 but all of them will be considered by 2016. This new account will impact 20% of employees (2 or 3 million people). It is in the interest of employees to accumulate training possibilities offered by the personal training account and then by the personal work arduousness account. With both of them, employees impacted have the possibility of professional re-orientation.

Measure Time Period: Dec 2013

Country: Hungary

Measure Title: Retirement of women with 40 service years is permitted independently

of age

Description: Early retirement for women will be permitted after 40 years of service towards which childbearing is counted.

Measure Time Period: Oct 2010 - Sept

2012

Country: Netherlands

Measure Title: Second pillar pension

reduction

Description: The government has proposed a much contested restriction of fiscally-

Title: Sep 14: specific conditions fine-tuned for women's early retirement

What has changed: Participation in summer internships for students learning at vocational schools and the period of getting maternity allowances or a nursing fee for raising a disabled child are now counted as part of the service years of women wishing to retire before the retirement age.

Title: Second pillar pension

What has changed: As of January 2015, the threshold for fiscally-attractive pension savings will be reduced from maximum of

attractive pension savings in the second pillar. The plan is that, as of 2015, the threshold for fiscally-attractive pension savings will be reduced from a maximum of 2.25 % to a maximum of 1.875 %. The main aim is to increase the tax revenues by EUR 3 billion.

2.25 % to a maximum of 1.875 %. Change has been approved.

Measure Time Period: Mar 2014

Country: United Kingdom

Measure Title: Workplace pensions reform

Description: Qualifying employees currently not in a Workplace Pension Scheme will be automatically enrolled and will have to opt out if they do not wish to be included.

Measure Time Period: Oct 2012

Title: Workplace pensions becoming

accepted

What has changed: The workplace pensions first introduced in 2012 and gradually being applied to businesses of most sizes have proved to be popular with workers, with a recent poll showing around three-quarters of workers know about them and most are in favour of automatic enrolment.

6.4 Health insurance system reforms (2 new measures)

Law on the financing and the quality of public health insurance (Gesetz zur Weiterentwicklung der Finanzstruktur und der Qualität in der gesetzlichen Krankenversicherung)

Country: Germany

Description: In March, the cabinet decided a law proposal regarding the financing and the quality of public health insurance (*Gesetz zur Weiterentwicklung der Finanzstruktur und der Qualität in der gesetzlichen Krankenversicherung*). The proposal was adopted in July. Ongoing from 2015 health care insurers will be allowed to ask for additional contributions, in relation to the income, if needed to secure sound finances. Actually, it is possible to ask for additional lump sum payments. Conversely, health care insurers should be able to decrease contribution rates rather than paying a lump sum in case of a surplus. Furthermore, a new institute shall be created to inform people about the quality of health care services (*Institut für Qualitätssicherung und Transparenz im Gesundheitswesen*).

Institution Responsible: Health care insurances

Main Objectives: This law proposal is expected to increase competition between health care insurances and to alleviate the financial burden for low wage earners.

Duration of measure: Permanent

Has the measure been enacted into law? Yes

What is the legal reference? GKV -Finanzierungs- und

Qualitätsweiterentwicklungsgesetz of 21 July 2014 published in the

Bundesgestzesblatt Teil 1 Nr. 33

Date of adoption: Published 21 July 2014 **Is the measure being enforced?** Yes

Start date for implementation of the measure: 2015, immediately with regard to

the creation of the quality institute.

If monitoring arrangements are in place what are they? Regular monitoring of the financing oh health care insurances.

Which policy recommendations does the measure respond to? CSR

Recommendation details: Reduce the high tax wedge in a budgetary neutral way, in particular for low-wage earners.

Law proposal on strengthening long-term care (Pflegestärkungsgesetz 1)

Country: Germany

Description: With this law the first step of the old-age care reform is made. In particular more flexibility is provided for using different kinds of respite care services (Verhinderungspflege), The objective is to ease the task of caring for family members and to allow for a better reconciliation with work or other aspects of life. Respite care is offered in general as full-time care in a care home, when the caring family member is ill, takes holidays or can temporarily not fulfil his or her caring task for other reasons. The length for possible respite care (Erstazpflege) will be lengthened from four weeks to six weeks and reimbursement of costs enhanced from EUR 1 550 to EUR 1 612. Furthermore, there are possibilities to use day-care formulas, or night care (e.g. for dementia patients) or short term (e.g. in crisis situation or a stay in hospital). Day and night care will be accessible to all persons in need, also for dementia patients with caring level 0 (until now only people with caring level I are supported. There are three caring levels, depending on the intensity and type of caring needs). Benefits are enhanced by 4 % and different services and benefits can be combined. This is the result of three-annual revision of benefits on the basis of inflation. Moreover, it is planned to introduce a new benefit for additional care and help. This will amount to EUR 104 per month. Up to now only dementia patients could get this extra benefit. Furthermore, more flexibility is provided for converting in-kind benefits into in-cash benefits. The subsidy for adapting the own home or flat to the new needs related to the care situation will be increased from EUR 2 500 to EUR 4 000. Furthermore, the new staff category (Betreuungskräfte) will be more often employed in institutional long-term care homes. The task of this new staff, which needs a lower level of qualification than nursing staff, consists for example in going for a walk, reading. It is expected to decrease staff load from 1:24 to 1:20. The plan is to employ 45 000 new staff. This should free some time of the nursing staff. A new fund is to be installed. Between 2015 and 2033 about 0.1 % of contributions to the long-term care insurance will be directed towards this Fund (*Pflegevorsorgefonds*) and will be administered by the Bundesbank.

Institution Responsible: Federal Ministry of Health

Main Objectives: Increase incentives for long-term care at home, caring by family members instead of full-time long-term care in an institution. Creating a Fund for securing long-term finances of the long-term care insurance in the light of demographic change.

Target Groups: Older people in need of long-term care, caring family members, indirectly all social security system contributors

Duration of measure: Permanent

Has the measure been enacted into law? No

What is the legal reference? Cabinet decision on law proposal in May 2015.

Is the measure being enforced? No

Start date for implementation of the measure: Planned to come into force in January 2015

If not law, what type of measure is it? Law proposal for the Social Code XI Enacted/not enacted into law - State of play? Cabinet decision on law proposal in May 2015.

If monitoring arrangements are in place what are they? Regular reporting of the government on long-term care. No new measures known.

Funding Sources: Social Partner/Private sector

Recommendation details: CSR1: Make additional efforts to increase the costeffectiveness of public spending on healthcare and long-term care

Measure Updates total: 2

Description of Measure Description of September 2014 Update Country: Denmark **Title:** Legislation passed through Parliament Measure Title: Proposed reform of sickness What has changed: On 11 June 2014, benefits Parliament passed the legislation on reform of sickness benefits. **Description:** The reform of the sickness benefit system implies both a stricter followup of the recipients, more assistance to the clients in the system and an extension of the duration of benefits for persons with lifethreatening illnesses. The sickness benefit system is regulated by the Ministry of Employment (National Labour Market Authority) and implemented by the municipalities (the jobcentres). The reform proposal means that all recipients of sickness benefits are to have their case reassessed after six months rather than after twelve months, as today. Persons who have received sickness benefits for a period of six months and then cannot get their sick pay extended according to one of the existing extension rules will start on a so-called resourceprogramme. During the programme they will receive a benefit equal to cash benefits (albeit not means-tested). The person who starts a resource programme receives a personalised, comprehensive and long-term effort. The model thus ensures that no sick people are left without income or public assistance, and it implies increased efforts to help people back into work. The aim is that a multi-disciplinary and coherent action will ultimately bring the sick into work or education. Measure Time Period: Apr 2013 Country: Estonia Title: Coverage of health insurance will be

Measure Title: Amendments to the Health

Insurance Act

Description: According to the decision of the Supreme Court, a provision of the Health Insurance Act (whereby persons older than 65 years had less sickness benefit compared to younger persons) was declared unconstitutional. Under this section of the Act, younger persons had the right for sickness benefit up to 250 days per year, while for persons older than 65, annual sickness days were limited to 90. Also, while

widened

What has changed: Since 26 April 2014, persons who receive remuneration or service fees on the basis of a contract for services, a mandate or a contract under the Law of Obligations for the provision of any other services, is eligible for health insurance cover in case the contract is concluded for a term exceeding one month (or for unspecified term) and the waiting time is 14 days. Previously, these persons were eligible for the health insurance cover only in case the

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younger persons could take a maximum of 182 consecutive days as sickness leave, persons older than 65 could only take 60 consecutive calendar days. These differences touched upon those persons older than 65 who are still in the labour market. It was decided that the differences for persons older than 65 will be lost from the Act.

term of the contract was more than three months (or unspecified), and the waiting time was one month.

Measure Time Period: Oct 2010 - Sept

2012

6.5 Other measures related to social security systems (2 new measures)

Amendment to the law on social benefits for asylum seekers (Asylbewerberleistungsgetz)

Country: Germany

Description: Following a sentence of the Constitutional Court of 2012 and a recent proposal of the Federal Ministry of Labour, the Federal cabinet decided on 27 August to increase social assistance for asylum seekers from EUR 225 a month to EUR 325. Furthermore the waiting period to become eligible for social assistance has been reduced from 48 months to 15 months.

http://www.bundesregierung.de/Content/DE/Artikel/2014/08/2014-08-27-asylbewerberleistungsgesetz-kabinett.html.

Institution Responsible: The *Länder* governments and the municipalities.

Main Objectives: The Federal Constitutional Court declared that the level of social assistance was not in line with the fundamental right to receive a decent subsistence minimum.

Target Groups: Immigrants (High-skilled/Low skilled)

Duration of measure: Permanent

Has the measure been enacted into law? No

Is the measure being enforced? No

Enacted/not enacted into law - State of play? The amendment of law was decided by the cabinet but still needs to be approved by the *Bundesrat*.

Age pact for seniors Country: Luxembourg

Description: The new government has adopted in April 2014 draft legislation to change the existing Code of Work as regards senior wage earners (Age Pact). This is done by including a new Title into the Code of Work. The draft legislation comprises a package of measures to keep senior wage earners in employment, this linked to the pension reform. A measure will be that senior wage earners can benefit from a part-time contract at the moment when they are entitled to retire with the objective to stay longer in employment. The draft legislation also introduces new and more tailor-made training schemes for senior job seekers (aged 50 above).

Institution Responsible: Ministry of Work and Employment

Country Specific Recommendation: ii) CSR 2: Reinforce efforts to increase the participation rate of older workers, including by improving their employability through lifelong learning.

Main Objectives: The main objective of the new title in the Code of Work is to keep

senior workers longer in employment (i.e. through part-time work) and to bring back senior job seekers back into employment through training measures.

Target Groups: Older workers **Duration of measure:** Permanent

Has the measure been enacted into law? Yes

Is the measure being enforced? Yes

Start date for implementation of the measure: No start date has been

announced.

If not law, what type of measure is it? Government proposal

Steps taken to monitor the implementation of the measure? Unknown

Which policy recommendations does the measure respond to? CSR, NRP

Recommendation details: The Age Pact is to be placed in the context of the pension reform and the increase of the employment rate of older workers.

Measure Updates total: 0

7 PA 4: Work-life balance and gender equality

Under PA 4, five countries introduced a total of five new policy measures between mid-March and mid-September 2014. The most reforms under this policy area (3 measures), has been under Childcare. The following gives a breakdown of the new measures introduced in this policy area:

- Childcare (Austria, Slovakia, Croatia)
- Other family care provision (no new measures)
- Parental leave arrangements/benefits (Germany)
- Gender pay gap and equal rights (no new measures)
- Other work-life balance and gender equality measures (France)

There were seven updates to previously identified measures, in the following countries: Czech Republic, Germany, Ireland, Malta x2, Poland, and UK. This policy area represented just 4 % of the total number of new measures introduced across all the countries featured. Three out of the five new measures (60%) were enacted into law with one being EU co-funded, one having state funding, one having 'other' funding and one requiring no specific funding (funding source not specified for the final measure).

The measures and measure updates are discussed in turn below.

7.1 **Childcare (3 new measures)**

Law on temporary support

Country: Croatia

Description: The measure regulates the acquisition and exercise of the right to

temporary support, and reimbursement of temporary support amounts.

Institution Responsible: Ministry of Social Policy and Youth

Main Objectives: Regulation of criteria and procedures for assignment of temporary support to children, with the aim of increasing the scope and the efficiency protection of the right of the children to be supported, in the case when the parent who does not live with the child does not fulfil his obligation to support the child.

Target Groups: Children

Duration of measure: Permanent

Has the measure been enacted into law? Yes

What is the legal reference? Law on temporary support,

Date of adoption: 15 July 2014

Is the measure being enforced? Yes

Start date for implementation of the measure: 1 September 2014 Steps taken to monitor the implementation of the measure? Yes

If monitoring arrangements are in place what are they? Ministry of Social Policy and Youth will perform regular monitoring of the implementation by the Centres for Social Welfare.

Funding Sources: Government

Is there a specific budget allocated to the measure? Yes

Budget: EUR 4.2 million for the period 2014-2016

Which policy recommendations does the measure respond to? None

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Expansion of institutional childcare

Country: Austria

Description: In 2007, an agreement on the extension of institutional childcare facilities was completed between provinces and the federal government for the years 2008 to 2010. In 2011 a further agreement followed. The federal government provides partial coverage of expenses: in the years 2011-2014 a total of EUR 55 million. The co-financing of the provinces amounts to at least EUR 55 million. With these agreements the countries were obliged to take appropriate measures in order to pursue the Barcelona objective, whereby full-day places were particularly encouraged, in accordance to full-time employment of parents. In July 2014 a further agreement resp. extension of the existing agreement until 2017 was decided.

Institution Responsible: Federal governments and provinces

Country Specific Recommendation: CSR 3: Reinforce measures to improve labour market prospects of people with a migrant background, women and older workers. This includes further improving childcare and long-term care services.

Main Objectives: Achieving the Barcelona objective for children under three years old. Closure of gaps in full-day care services for three to six year old children. Improving the quality of care, expanding opening times as well as promoting host parents and community and intergenerational childcare offers.

Target Groups: Parents

Duration of measure: Temporary

If temporary, how long will it run for? Until 2017 Has the measure been enacted into law? Yes

What is the legal reference? Vereinbarung gemäß Artikel 15a B-VG über eine Änderung der Vereinbarung gemäß Artikel 15a B-VG über den Ausbau des institutionellen Kinderbetreuungsangebots.

Date of adoption: July 2014

Is the measure being enforced? Yes

Start date for implementation of the measure: Entered into force retroactively as of 1 January 2014

Steps taken to monitor the implementation of the measure? Yes

If monitoring arrangements are in place what are they? Quantitative evaluation of additional childcare places created and care rate.

Funding Sources: Budget of the federal government and of the provinces.

Is there a specific budget allocated to the measure? Yes

Budget: In 2014 and 2015 the federal state will provide EUR 100 million per year. In 2016 and 2017 the contribution is fixed to EUR 52.5 million per year. The necessary co-financing of the provinces is 50 % in 2014, thereafter to be reduced (2015: 45 %, 2016: 40 %, 2017 35 %).

Which policy recommendations does the measure respond to? CSR, NRP Recommendation details: CSR 3: Reinforce measures to improve labour market prospects. This includes further improving childcare. Improve educational outcomes by enhancing early childhood education. In the NRP and in the current government programme further improvements are determined.

Increased funding for childcare facilities

Country: Slovakia

Description: Announcement of the government that the capacity of pre-school facilities (day-care centres and kindergartens) will be strengthened by 20 000

children as from September 2014.

Institution Responsible: Towns and municipalities

Country Specific Recommendation: CSR 3: Improve incentives for women's employment, by enhancing the provision of childcare facilities, in particular for children below three years of age.

Main Objectives: To increase capacity of child-care facilities and improve female

employment.

Target Groups: Women

If temporary, how long will it run for? Unknown for now.

Has the measure been enacted into law? No

If not law, what type of measure is it? Announcement

Steps taken to monitor the implementation of the measure? Unknown

Funding Sources: EU co-funded

Is there a specific budget allocated to the measure? Yes

Budget: According to media reports, EUR 155 million

Which policy recommendations does the measure respond to? CSR, NRP Recommendation details: CSR4...Improve incentives for women's employment, by enhancing the provision of child-care facilities, in particular for children below three years of age.

Measure Updates total: 4

Description of Measure	Description of September 2014 Update	
Country: Czech Republic Measure Title: Inclusion of youth in education and availability of affordable and quality pre-school childcare Description: Originally there were legal grounds for pre-school facilities of different	Title: Law on alternative child-care and expanding the capacities of regular preschools What has changed: The legislative process dealing with the new Law on alternative forms of childcare reached its final stage. Some problems are being solved so that the new Law does not impose obstacles on existing and recently widely developed 'kindergartens in nature'. The MoS announced its intention to establish funds (of about EUR 30 million) that would provide investment subsidies for the building of new municipally-owned kindergartens. Title: Additional childcare places for jobseekers and CE participants	
types, but the corresponding law has been cancelled due to the resignation of the Government (<i>Necas</i>) and the dissolution of the Lower House.		
Measure Time Period: Oct 2012 Country: Ireland		
Measure Title: Additional childcare places		
Description: Provision of additional afterschool places for children in primary schools for children from low income families. The parent will first be identified as unemployed and referred by DSP as being an appropriate applicant. Measure Time Period: Jan 2013	What has changed: Changes were announced to the After-School Childcare (ASCC) and Community Employment Childcare (CEC) programmes, with the reforms becoming effective from 14 July 2014. The ASCC programme was introduced in 2013 to provide 800 subsidised afterschool childcare places. The ASCC programme primarily offers support for individuals entering employment; however, under new reforms the support will also be open to individuals attending employment programmes. The CEC programme was	

introduced in January 2014 to provide 1 800 subsidised childcare places for people on the Community Employment Programme. Previously the subsidy-related to children aged five and under. Under the new reforms the age limit for assistance under the scheme has been raised to 15 years.

Country: Malta

Measure Title: New Klabb 3-16s
Description: The existing eight Klabb 3-16
centres offer educational and recreational
activities to children and students attending
Government-run, church-run and
independent schools until 6pm. The
Government announced that another 30 of
such centres would be set up in 2013 in
various localities across Malta and Gozo.
Between October 2009 and September 2012,
about 3 000 children made use of such
services.

Measure Time Period: Jan 2013

Title: Increased accessibility for *Klabb 3-16*

What has changed: In May 2014 it was announced that in the summer, working parents who send their children to Klabb 3-16 will benefit from lower rates together with extended hours and a greater choice of locations. The service will cost EUR 25 for the whole summer programme and additional hours will be charged at EUR 0.80 instead of EUR 1.20 per hour. It will be available at 30 primary schools compared to 17 schools a year before, and will be open from 7.30am to 5.30pm. Another similar programme called Skola Sajf will benefit from similar tariffs and will be available in 34 centres. However, its opening hours will be from 8.30am to 12.30pm.

Country: Malta

Measure Title: Free childcare centres

Description: In the 2014 Government Budget, it was announced that free Government childcare centres will be set up. The Scheme will cover the hours the parents are at work as well as an extra hour a day for commuting. The Government also pledged that it will extend the limit from EUR 1 300 to EUR 2 000 in tax credits for parents sending their children to private childcare centres.

Measure Time Period: Dec 2013

Title: First results of the 'Free Childcare Scheme'

What has changed: The Government reported that a significant number of new families started using such services. Indeed, the number of children attending childcare centres increased by 1 000 by the end of summer 2014, from the time free childcare services were introduced in April. The total number of children attending such centres totalled 3 300, 2 722 of whom were receiving the service free of charge.

7.2 Other family care provision (0 new measures)

No new measures reported.

Measure Updates total: 0

7.3 Parental leave arrangements/benefits (1 new measure)

Reforming parental leave allowance Elterngeld Plus

Country: Germany

Description: In June the cabinet decided a law proposal for reforming the parental leave allowance (*Elterngeld* Plus). The main amendments concern part-time work. Parents who wish to work part-time and for whom the level of the parental leave allowance is reduced will receive the benefit for 24 months instead of 12 months. The new regulation promotes part-time work of both parents: in case both parents are working between 25 and 3 hours on four consecutive days a week, they are granted four additional months *Elterngeld* Plus. The parental leave allowance was introduced in

2007. Furthermore, flexibility is foreseen for taking parts of the parental leave between the age of three and eight years. This is to allow for parents to spend more time with their children when they enter school.

Institution Responsible: Ministry of family

Main Objectives: Improving reconciliation of work and family life

Target Groups: Parents

Duration of measure: Permanent

Has the measure been enacted into law? No

What is the legal reference? Gesetzentwurf der Bundesregierung Entwurf eines Gesetzes zur Einführung des Elterngeld Plus mit Partnerschaftsbonus und einer flexibleren Elternzeit im Bundeselterngeld- und Elternzeitgesetz

Start date for implementation of the measure: 2015

If not law, what type of measure is it? Law proposal

Enacted/not enacted into law - State of play? Law proposal of the cabinet

submitted on 4 June 2014.

Measure Updates total: 0

7.4 Gender pay gap and equal rights (0 new measures)

No new measures reported.

Measure Updates total: 1

Description of Measure	Description of March 2014 Update
Country: Germany	Title: Gender quota in supervisory boards
Measure Title: Gender quota in company boards Description: Law proposal of the Federal Council (Bundesrat) Measure Time Period: Jan 2013	What has changed: The Federal Minister for Family Affairs, <i>Schwesig</i> , intends to implement a law on gender equality (a quota) for positions with responsibility in the second half of 2014. In March, the Family Ministry together with the Ministry of Justice published guidelines for introducing an agreement whereby 30 % of open positions on company supervisory boards are to be reserved for women. According to a study carried out by the <i>Hans-Böckler-Stiftung</i> , such a law would affect 101 companies. Only five of them would already fulfil the quota. The Green Party would be in favour of a quota of 40 %.

7.5 Other work-life balance and gender equality measures (1 new measure)

Law on equality between women and men adopted in July 2014

Country: France

Description: This law was adopted in July 2014, transferring the measures related to professional parity that were part of the professional national agreement on well-being at work and professional equality (June 2013). The main measures of the law are: negotiation every five years on gender equity becomes compulsory at the business sector level; negotiation at the company level is simplified. Until now, employers had to negotiate every year on measures enhancing gender equity. On the other hand,

they had to negotiate separately on measures aimed at tackling wage inequities between men and women. These two separate negotiations are now merging. Every year, employers have to negotiate on both aspects. The negotiation should tackle several subjects: access to jobs, to training actions and to promotion; career paths, work conditions and in particular those of part-time employees; balance between professional and personal life, diversity. If an agreement is reached with the unions, the negotiation can take place every three years; in companies with over 300 employees, the employer has to inform and consult the works council on the annual report about the comparative situation of men and women regarding general job conditions and training policy. These reports have to give an analysis of wage gaps and career paths regarding age, qualifications and seniority. In smaller companies, this report is only given to the works council, without any obligation on the consultation procedure. This report should be actively used during the annual negotiation on gender parity. If companies do not respect their obligation to negotiate on gender equality, they will not be able to participate in public tenders. Another important part of the reform consists in encouraging parents to share childcare leave, training on diversity and fight against gender stereotypes will now be part of the possible training programmes of companies. Management board of companies listed in the stock exchange should have at least 40 % of women starting 2017 (and not 2018 as was previously the case). Also, an experiment is launched for two years regarding time savings account (TSA). Employees will have the possibility to use their TSA (up to half of it) to finance services such as domestic help or childcare.

Institution Responsible: Ministry of Labour

Main Objectives: To reinforce obligations on companies in order to enhance social dialog on gender equality. To facilitate the funding of childcare services or domestic help. To open the *plafond de verre* (glass ceiling): allow woman accessing to the management board of companies. To fight against wages imbalances targets not only women but also parents.

Target Groups: Women

Duration of measure: Permanent

Has the measure been enacted into law? Yes

What is the legal reference? LOI n° 2014-873 pour l'égalité réelle entre les femmes

et les hommes

Date of adoption: 4 August 2014
Is the measure being enforced? Yes

Start date for implementation of the measure: Some part of the law has been

implemented already.

If monitoring arrangements are in place what are they? This law completes the decision taken in December 2012 by the former Minister of women rights to reinforce the penalties on companies which do not respect the 2011 Decree on professional equality (already making negotiation on professional equality compulsory for companies over 50 employees). Control were reinforced. End of December 2013, 500 companies had received a former legal demand to comply with the law and three had been financially sanctioned (at an amount corresponding to 1 % of their wage share).

Funding Sources: No specific funding required

Which policy recommendations does the measure respond to? None

Measure Updates total: 2

Description of Measure	Description of September 2014 Update	
Country: Poland	Title: Results of the ASOS contest for 2014	
Measure Title: Government programme for Elderly Social Activity from 2014 - 2020	What has changed: On 14 April 2014 the Ministry of Labour and Social Policy	
Description: The Ministry of Labour and Social Policy adopted a programme for	announced the results of the 2014 ASOS programme contest. A total of 2 433 bids	

elderly social activity from 2014 - 2020. The programme is divided into two parts: systemic and contest. The systemic component aims to develop the assumptions of long-term elderly policy. It is based on the experience of the 2012 – 2013 Government programme for the elderly and it is assumed that up to the end of 2013, the Government will adopt the Government strategic document about elderly policy for 2014 -2020. The contest component will focus on measures in four main areas: elderly education; promoting social activity within and between generations; elderly participation; and social services for the elderly (external services).

were received in all four Priorities of the programme, of which 470 were granted support.

Measure Time Period: Sep 2013

Country: United Kingdom

Measure Title: Extension of flexible working rights to all employees and changes to parental leave

Description: The right to request flexible working is to be extended to all employees from 2014 and, for those with children, the right to share parental leave for up to 12 months.

Measure Time Period: Jan 2013

Title: Flexible working rights extended

What has changed: The right to request flexible working came into force on 30 June 2014 so that around 20 million workers are eligible. Previously the right had only been available for carers and people who look after children.

8 PA 5: Education and training systems

Under PA 5, twelve countries introduced a total of 15 new policy measures between mid-March and mid-September 2014. The most popular type of reform in this policy area has been in *Apprenticeships and vocational education training systems incl.* traineeships and school-to-work transitions, with nearly half the new measures being introduced in this sub-policy area. The following gives a breakdown of the new measures introduced in PA5:

- Improvement of primary and secondary education systems (Austria, UK)
- Improving Education and labour relevant skills formation at tertiary level (UK, Germany)
- Lifelong learning measures (incl. continuous training programmes, training vouchers, and individual training accounts) (Estonia, Spain)
- Apprenticeships and vocational education training stems incl. traineeships and school-to-work transitions (Lithuania, Latvia x2, Portugal, France, Sweden, Slovakia)
- Other education and training system measures (Austria, Croatia)

There were 22 updates to previously identified measures, in the following countries: Bulgaria x3, Denmark, Germany, Estonia x3, Greece, France, Croatia, Lithuania x2, Luxembourg, Hungary x2, Malta x3, Austria x2, Portugal and the UK. This policy area's 15 new measures accounted for 13 % of all new measures introduced in the relevant period. Only five measures out of the 15 new measures (33 %) were enacted into law. Of the 13 that specified a funding source 5 were EU co-funded, 4 specified state funding and one mentioned 'other' sources of funding. Only one measure did not require any funding.

The measures and measure updates are discussed in turn below.

8.1 Improving primary and secondary education systems (2 new measures)

Expansion of full-day school forms

Country: Austria

Description: In 2011 an agreement was reached on the expansion of all-day school forms between federal government and provinces. In 2013, the agreement was supplemented and extended until the end of the school year 2018/19. The budget made available by the federal government so far has not been exhausted by all provinces. The new agreement secures a shift of unused budget of the years 2014 and 2015 (EUR 50.2 million) until the end of the school year 2018/19. The total amount provided by the federal government remains the same.

Institution Responsible: Federal governments and provinces

Country Specific Recommendation: CSR 3: Improve educational outcomes in particular for disadvantaged young people including those with a migrant background, by enhancing early childhood education and reducing the negative effects of early tracking. Further improve strategic planning in higher education and enhance measures to reduce dropouts.

Main Objectives: Expansion of full-day school forms. Until 2018/2019 around 200 000 full-day places should be available. More flexibility in the investment of the budget (originally the budget was intended for personnel expenses, but may also be used for infrastructure measures)

Target Groups: Parents

Duration of measure: Temporary

If temporary, how long will it run for? 2018/2019 Has the measure been enacted into law? Yes

What is the legal reference? Vereinbarung gemäß Artikel 15a B-VG, mit der bisherige Vereinbarungen über den Ausbau ganztägiger Schulformen geändert werden

Date of adoption: July 2014

Is the measure being enforced? Yes

Start date for implementation of the measure: November 2014 **Steps taken to monitor the implementation of the measure?** Yes

If monitoring arrangements are in place what are they? Internal evaluation,

based on annual reports of the provinces, in 2019.

Funding Sources: budget of the federal government and of the provinces.

Is there a specific budget allocated to the measure? Yes

Budget: Shift of not exhausted EUR 50.2 million to 2017/18 and 2018/19. The originally decided budget up to EUR 720 million until 2018 remains unchanged. **Which policy recommendations does the measure respond to?** CSR, NRP

Recommendation details: CSR 3: (Reinforce measures to improve labour market prospects of women. Improve educational outcomes in particular for disadvantaged young people including those with a migrant background, by enhancing early childhood education and reducing the negative effects of early tracking. The further expansion of full-day school forms is part of the government programme and NRP.

Revised Statutory Guidance on Careers Guidance in Schools

Country: United Kingdom

Description: New statutory guidance on how schools should deliver careers guidance came into force in September 2014. It gives schools a clear framework for the provision of advice and guidance that includes giving pupils direct work experience, developments in the labour market, and progression routes through education and training.

Institution Responsible: Department for Education is the government agency with overall responsibility but it will be Ofsted, the schools standards inspection body that will have responsibility for making sure schools adopt the new framework and this will be done through the regular inspections.

Country Specific Recommendation: CSR 3: (i) Ensure employer engagement by placing emphasis on addressing skills mismatches through more advanced and higher level skills provision and furthering apprenticeship offers. (ii) Reduce the number of young people with low basic skills.

Main Objectives: To raise the profile and quality of careers information, advice and guidance in schools (particularly secondary schools) by providing a framework for implementation and incorporating checks on extent and quality through the schools inspection regime.

Target Groups: Children

Duration of measure: Permanent

Has the measure been enacted into law? No

Is the measure being enforced? Yes

Start date for implementation of the measure: September 2014

If not law, what type of measure is it? Strategy

Enacted/not enacted into law - State of play? The guidance was issued in April 2014 and schools were expected to implement it from September 2014.

Steps taken to monitor the implementation of the measure? Yes **If monitoring arrangements are in place what are they?** Individual schools will be held to account as part of the Ofsted inspection process. Schools on average will be inspected every three years, though failing schools more often.

Funding Sources: No specific funding required

Is there a specific budget allocated to the measure? No Which policy recommendations does the measure respond to? CSR

Recommendation details: Relates to CSR 3 and the need to improve the relevance

of skills to employer needs.

Measure Updates total: 3

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Country: Malta

Measure Title: National Literacy strategy

Description: The strategy will aim to enhance literacy levels in Malta that appear to be considerably below the European average. In order to reach everybody, the strategy will feature elements of both lifelong and 'life-wide' education. It will also emphasise inter-generational education in a bid to improve the literacy of the whole family. The strategy will promote opportunities for more reading time in schools and will also promote increased youth and adult education literacy opportunities.

Measure Time Period: Sep 2013

Country: Malta

Measure Title: An early school leaving strategy for Malta

Description: The new Government launched the strategy in order to reduce early school leavers in Malta and reach the EU 2020 targets. The Strategy Document was released for discussion in April 2013. The document focuses on the following topics: strengthening the structures to meet the challenge of early school leaving; identification, monitoring and coordination; preventative strategic measures to address early school leaving; intervention measures to address early school leaving; compensation measures to address early school leaving; and measuring the success of the early school leaving strategy.

Measure Time Period: Sep 2013

Description of September 2014 Update

Title: Launch of the National Literacy strategy

What has changed: The Government launched the strategy, entitled 'A National Literacy strategy for all in Malta and Gozo (2014-2019)'. The strategy takes a lifelong approach and focuses on several target groups including 'First Years, the Early Years, the Junior Years, the Secondary Years, Youths, Adults, Children with Learning Difficulties and Disabilities, Third Country Nationals and Digital Literacy'. The strategy will be complemented by a National Literacy campaign targeting various different social groups.

Title: A strategic plan for the prevention of early school leaving in Malta 2014

What has changed: The document entitled 'An Early School Leaving Strategy for Malta' was published in 2012 by the Office of the Permanent Secretary of the Ministry of Education and Employment, under the previous Government. The document was officially launched for consultation in April 2013 by the new Government. After further consultation with stakeholders, the final plan was launched in June 2014. The strategic plan aims to support students to make the best out of their school years and help them develop their potential to become empowered citizens and productive workers. The plan aims to reduce the number of early school leavers from 20.9 % in 2013 to 10 % in 2020. The plan contains three categories of measures, namely those dealing with 'prevention', 'intervention' and 'compensation'. Among others, students who perform poorly in their O'Levels will be

provided with alternative paths to further their education.

Title: Monitoring data released

Country: Austria

Measure Title: Avoidance of violating compulsory school attendance

Description: Using a five-stage activity plan, the problem of school absenteeism of more than three days without excuse will be tackled. The five stages include several forms of communication between teachers, pupils and parents, as well as school-based and external services (e.g. social workers, psychologists). If all these efforts fail, the final stage will be the imposition of a EUR 440 fine which is more than double as much as it is now.

What has changed: The Minister of Education stated in a written answer to a Parliamentary Question (cd. 2076/AB XXV. GP) that, in 2013, a total of 2 353 penal orders were announced. This corresponds to

0.2 % of all pupils in 2012/2013.

Measure Time Period: Apr 2013

8.2 Improving education and labour relevant skills formation at tertiary level (2 new measures)

Reform of student grants (Bafög)

Country: Germany

Description: In August, the German Government decided to reform the Federal Law on Support on Education. For example, the increase of the maximum funding according to the Federal Law on Support on Education (*Bafög*) to EUR 735 per month from 2016 (+7 %) was announced. Furthermore, more students and pupil will be able to obtain these benefits as the income threshold of the parents that limits the access to these benefits will be increased. In the framework of the reform, total additional funding of EUR 825 Million will be provided annually. It is estimated that an additional 110 000 students and pupils will get *Bafög*. The grant for students and young people in vocational training is provided to young people whose parents have a low income. With this grant young people from poorer families are helped to pursue their studies.

Country Specific Recommendation: CSR 2: Raise the educational achievement of disadvantaged people

Main Objectives: Promote tertiary education of young people from families with an income below a certain threshold.

Target Groups: Youth

Duration of measure: Permanent

Has the measure been enacted into law? Yes

What is the legal reference? Bundesausbildungsförderungsgesetz BAföG

Enacted/not enacted into law - State of play? The Law needs to be amended.

Funding to secure the supply of engineers

Country: United Kingdom

Description: Special funding is being made available to increase the supply of

engineers, to encourage more women into the sector and to address engineering skills shortages in smaller companies.

Institution Responsible: Department for Business, Innovation and Skills (BIS) **Country Specific Recommendation:** CSR 3: (i) Ensure employer engagement by placing emphasis on addressing skills mismatches through more advanced and higher level skills provision and furthering apprenticeship offers. (ii) Reduce the number of young people with low basic skills.

Main Objectives: The overall objective is to highlight the need for engineers in UK industry and how supply might be increased. The total of GBP30m will be spent as follows: GBP10m to a campaign for developing women engineers; GBP10m to a campaign to improving engineering careers; and GBP10m to develop engineering skills in smaller companies.

Target Groups: Those considering engineering as a career and those already working in the occupation.

Duration of measure: Temporary

If temporary, how long will it run for? One year beginning in mid-2014

Has the measure been enacted into law? No

Is the measure being enforced? No

If not law, what type of measure is it? Announcement

Enacted/not enacted into law - State of play? The measure is a direct response to the findings of the Perkins Review of Engineering published in November 2013 and which suggested that the government should provide funding to encourage employers to come forward with innovative ideas on how engineering skills shortages can be tackled.

Steps taken to monitor the implementation of the measure? Unknown

Funding Sources: Government

Is there a specific budget allocated to the measure? Yes

Budget: EUR 37.5 million

Which policy recommendations does the measure respond to? CSR

Recommendation details: Responds to CSR 3:Ensure employer engagement by

placing emphasis on addressing skills mismatches, etc.

Measure Updates total: 4

Description of Measure	Description of September 2014 Update	
Country: Germany Measure Title: Easing cooperation between the Federal level and the <i>Länder</i> in the area of education and research Description: Amendment to the basic constitutional law (Article 91b). Measure Time Period: Jan 2013	Title: Changes to constitution to allow for more cooperation What has changed: In September, the Cabinet decided to amend Article 91b of the Constitution to improve the national funding of science in universities (http://www.bundesregierung.de/Content/DE/Artikel/2014/07/2014-07-16-hochschulfinanzierung-aenderung-grundgesetz.html).	
Country: Estonia Measure Title: Higher Education Reform (introduction of free higher education)	Title: Stricter admission requirements to higher education What has changed: In March 2014 the Minister of Education and Research and the	

Description: According to the new higher education reform, the state funding will be based on performance agreements between the Ministry and the higher education institution which gives the latter more autonomy in deciding how many study places in different study fields they will open based on the needs of the labour market and in close cooperation with employers and related ministries. As a result, full-time studies in study programmes in public higher education institutions that are taught in Estonian have free tuition for students. This new system is expected to link education much more closely to the needs of the labour market as the decisions will be made much closer to the labour market itself. This also puts more emphasis on the cooperation between the higher education institutions themselves as they all will have their own responsibility areas and will benefit more from reducing duplication in study programmes. Next to that, the performance agreements will also include more emphasis on internationalisation, reducing drop-out, teaching innovation and entrepreneurship skills, closer cooperation with companies and improving the quality of doctoral studies.

President of the non-profit association, Universities Estonia, signed an agreement which aims at improving the quality of higher education studies by raising the minimum score for admission, decreasing the number of study programmes and establishing higher quality standards. Currently there are around 60 000 students and 705 study programmes in Estonia. Hence, on average, there are only 85 students per programme. It was also agreed that the budget allocated for universities would not be reduced in case the number of students decreases due to the changes made, especially since the state's long-term goal is to increase the financing of universities per student. Since the 2014/2015 academic year, the minimum admission scores have been raised by around 10 %. Also, there is no state-commissioned education request anymore, so the universities can decide how many students they admit. Therefore, both the University of Tartu and the University of Tallinn reduced the number of study places by around 200, compared to the previous academic year.

Measure Time Period: Sep 2013

Country: Luxembourg

Measure Title: Modification of the framework of Government grants for

students

Description: The measure is intended to reform the existing framework on Government student grants. A maximum of EUR 17 000 is granted annually to future students. Grant eligibility is based on social criteria. The elements of the framework include: EUR 6 500 per year allocated to students via a cheaper bank loan; the basic amount of EUR 2 000 per year is allocated; up to EUR 2 000 in mobility grants can be allocated; a grant up to EUR 2 500 is allocated according to the social situation of the family (if the parents earn less than 4.5 times the minimum wage); EUR 3 700 grant for tuition fees (half is a cheap bank credit); and a special grant of EUR 1 000 is allocated to difficult cases. A committee decides on the eligibility.

Measure Time Period: Mar 2014

Country: Malta

Measure Title: 'Master It'

Description: The scheme assists persons who wish to embark on a programme of studies leading to Masters level that must not exceed two years. Scholarships will be given

Title: Law on state grants for higher education

What has changed: The draft legislation was enforced in July 2014. No changes were made to the final draft legislation.

Title: 'Master It' - Third call for applications

What has changed: The scheme was extended again with the allocation of another EUR 1 million. Since the scheme is co-funded by ESF 2007-2013, all results need to be published by no later than October 2015.

in nine key sectors, namely: high-end manufacturing; life sciences; educational services; financial services; transportation and advanced logistics; higher quality tourism; creative industries; environment; and ICT. A maximum award of EUR 8 000 per annum will be given for those who wish to study on a full-time basis. Successful applicants may also benefit from extra financial assistance if they will be studying abroad, if they are *Gozitans* studying at the University of Malta, and if they have children. A maximum of EUR 3 000 per annum may be awarded for those who pursue distance learning or part-time programmes of study.

Thus the scheme is offered to students who are enrolled for a Masters degree that is about one year long and that starts between April and October 2014.

Measure Time Period: Sep 2013

8.3 Lifelong learning measures (incl. continuing training, training vouchers, individual training accounts (2 new measures)

Access to adult vocational training widened

Country: Estonia

Description: Between 2009 and the beginning of 2014 around 35 000 people participated in the ESF financed programme 'Adult Vocational Training and Development Activities'. The programme provides variety of different courses in 28 fields (for example accommodation and catering, ICT skills, material processing, electronics and mechanics, etc.) meant mainly for people with low qualifications. Approximately EUR 7.5 million had been used until 2014. In 2014 nearly half a million euros was additionally allocated for the courses for the first half year and another 360 000 euros for the second half year, giving the opportunity for around 5 000 more people to take part in the courses.

Institution Responsible: Ministry of Education and Research, vocational education schools

Main Objectives: To provide work-related training courses to all adults

Target Groups: All people who have acquired basic school education or are at least

17 years old

Duration of measure: Temporary

If temporary, how long will it run for? 31 December 2014

Has the measure been enacted into law? No

Is the measure being enforced? Yes

Start date for implementation of the measure: April 2014 If not law, what type of measure is it? Minister's directive

Enacted/not enacted into law - State of play? Additional finances allocated

Steps taken to monitor the implementation of the measure? Yes

If monitoring arrangements are in place what are they? Annual reports

submitted by schools to the Ministry of Education and Research

Funding Sources: EU co-funded

Is there a specific budget allocated to the measure? Yes

Budget: EUR 853 461 in 2014

Which policy recommendations does the measure respond to? CSR

Recommendation details: This change is in accordance with the CSR 3/2014 which emphasises the need to improve skills and qualification levels by expanding life-long

learning measures and systematically increasing participation in vocational education and training, including in apprenticeships. The programme is one of the largest ESF financed programmes in Estonia both in terms of expenditures as well as participants. However, there are no impact evaluations available yet. However, most of the available courses are very short term; hence it is questionable whether participation leads to increased qualification.

Reform of the training for the employment system

Country: Spain

Description: The current training provision does not improve unemployed people's employability. According to the Ministry of Employment, the contents of the courses do not adapt to the firms' needs. As a result, six out-of-ten unemployed do not experienced a positive impact on their employability during the next 12 months of the course and seven out-of-ten have not increased their probabilities of finding a job. In fact, only 17 % of them found a job related to the course they had been enrolled in. Insufficient competence among training providers limits the offer and makes it expensive. In this sense, a reform of the training for the employment system has been agreed with the employers' organisations and trade unions. The new system is likely to be supported on the following principles: continuous evaluation, transparency and fight against fraud, and free competence concerning training provision. Currently underused instruments (such as the training account, online training, etc.) will be boosted.

Institution Responsible: Public Employment Service

Country Specific Recommendation: CSR 3: (i) Enhance the effectiveness and targeting of active labour market policies, including hiring subsidies, particularly for those facing more difficulties in accessing employment. (ii) Accelerate the modernisation of public employment services to ensure effective personalised counselling, adequate training and job matching, with special focus on the long term unemployed. (iii) Ensure the effective application of public private cooperation in placement services before the end of 2014, and monitor the quality of services provided. (iv) Ensure the effective functioning of the Single Job Portal and combine it with further measures to support labour mobility.

Main Objectives: Ensure the provision of training to all workers (especially long-term unemployed). Contribute to increase firms' productivity. Increase the efficiency and transparency of public resources management.

Target Groups: All workers

Duration of measure: Permanent

Has the measure been enacted into law? No

Is the measure being enforced? No

Enacted/not enacted into law - State of play? Announcement **Steps taken to monitor the implementation of the measure?** No

Funding Sources: EU co-funded

Is there a specific budget allocated to the measure? Unknown Which policy recommendations does the measure respond to? CSR

Recommendation details: Reinforce the coordination between labour market and

education and training policies.

Measure Updates total: 7

Description of Measure Description of September 2014 Update Country: Bulgaria Title: Project 'Compass' Measure Title: Project 'Compass' What has changed: The programme offers in-demand training and **Description:** Training on skills and competences employment for the summer season which are in demand and subsidised employment (maids, bartenders, waiters, customer of the graduates of such training. service delivery to foreigners etc.). Measure Time Period: Mar 2014 According to the National Employment Agency, the number of unemployed individuals included in unsubsidised employment reached 93 % of the target at the end of July. 80 % of the initially planned funds for the programme were absorbed. The expected results can be achieved by the end of the third quarter of 2014. Country: Bulgaria Measure Title: Vocational training and motivation to achieve employability (*Pro-Mo-Pri*) What has changed: The programme is **Description:** The project includes motivation;

vocational training; training for the acquisition of key competences 'Social and civic competences' and 'Enterprise and Entrepreneurship'; and the training of trainers of adults, including mentors.

Measure Time Period: Mar 2014

Country: Bulgaria

Measure Title: 'From Training to Employment'

Description: A project that includes vocational training, key competence training; motivation; subsided employment. Its results will be in favour of better quality of the workforce and will contribute to unemployment reductions in some regions in Bulgaria.

Measure Time Period: Mar 2014

Country: Greece

Measure Title: Cheque for the entrance of unemployed young people into the labour market according to their formal skills (tertiary education graduates and compulsory, secondary and postsecondary education graduates)

Description: Within this frame, specific interventions include training programmes of up to 100 hours covering horizontal and specialized skills in combination with guidance / educational mentoring, and placement of trainees in private sector enterprises in order to acquire their first work experience for up to six months. Applicants must be: unemployed university/TEI graduates up

Title: Vocational training and motivation to achieve employability (*Pro-Mo-Pri*)

targeted towards hard-to-hire unemployed individuals. Vocational training and motivation courses are offered. At the end of July, 86 % of the planned number completed such training. A small number of professionals were interested in TOT (Training of Trainers) courses and working as trainers and tutors with the marginal groups in the labour market.

Title: 'From Training to Employment'

What has changed: The monitoring of the measure provides information about progress towards the already-planned indicators. At the end of July, 72 % of the planned numbers of individuals were already included in training; 32% were employed after it and 54% of the funds were spent. With regular financing, the measure could be completed before the end of 2014.

Title: Programme re-launched

What has changed: The Ministry of Labour has recently launched another round of the scheme 'Voucher for the entry of young unemployed to the labour market'. The new round of the Voucher Scheme will cover:

30 000 young people aged 25-29 (12 000 tertiary education graduates and 18 000 compulsory, secondary and postsecondary education graduates) at an estimated cost of EUR 108 million; and

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to the age of 34 who have finished their studies not earlier than 36 months before submission of the application to the programme; or unemployed young individuals or graduates from compulsory, secondary and post-secondary education up to the age of 24. The training programmes will be implemented by certified vocational training institutions, which will be included in a special Register of Providers (to be compiled), while the traineeship will take place in enterprises that will be indicated by the training providers and included in a Register of Enterprises, also to be compiled. The traineeship of the benefited young unemployed individuals will be funded through a cheque for entrance to the labour market, which will represent a specific financial value and will only be exchanged for the provision of training services, guidance/educational mentoring and traineeship. The action will be supported by the electronic platform www.voucher.gov.gr, which is already operational, while upon completion of the traineeship, the enterprises offering traineeship may be subsidised for the creation of new work positions, provided that the traineeship will turn into employment.

12 000 young people aged 18-24 (3 000 tertiary education graduates and 9 000 compulsory, secondary and post-secondary education graduates) at a cost of EUR 43 200 000.

Measure Time Period: Oct 2012

Country: Lithuania

Measure Title: Qualifications Map

Description: In order to identify skills demand in the labour market, as well as to find out which study and training programmes are most demanded in the labour market, Lithuania started gathering data on employee professions. From 1 November 2013 onwards, employers are required to provide information to the Board of the State Social Insurance Fund (*Sodra*) on the professions of employees newly admitted to work. Information on the professions of workers already in employment will have to be provided to *Sodra* within a four-month period, i.e. from 1 November 2013 to 1 March 2014. The collected information will be used to produce a Qualifications Map.

Measure Time Period: Dec 2013

Title: Government proposes amendments to the Law on Education and Science

What has changed: The Government of the Republic of Lithuania (GRL) proposes to adopt amendments to the Law on Education and Science (LES) aimed at creating a legal basis for developing the Qualifications (Skills) Map. The amendment of the LES would enable the use of national databases (State Social Insurance, State Tax Inspectorate, and others) to monitor the employment of graduates from higher education institutions. The above data will allow identification of the: time taken finding a job; duration of employment; average wages; percentage of unemployed persons by educational institutions; and the level of education, training or study programmes. It will also allow the matching of the education acquired and actual occupation.

Country: Lithuania

Measure Title: Initiatives in adult education

Description: During mid-September to November, a number of measures in the area of adult education were implemented / initiated in Lithuania. The law on non-formal adult education is currently in the process of being drafted and is to be presented for public consideration at the beginning of 2014. The draft law pays great attention to the recognition of the acquired

Title: Law on Non-formal Adult Education and Continuous Training adopted

What has changed: In July, a new Law on non-formal adult education and continuous training was adopted.

competencies for adults. In October, Lithuania approved the 'Description of the Professional Activities of an *Andragogue* (adult educator)'. The nearest plans in this area include re-establishment of the Non-formal Adult Education Council, participation in the Programme for the International Assessment of Adult Competencies (PIAAC), and other activities. Adult education will be allocated financial aid from the EU's next programming period 2014 - 2020.

Measure Time Period: Dec 2013

Country: Portugal

Measure Title: Employment Traineeships

(Estágios Emprego)

Description: Financial support to companies that

hire unemployed individuals for 12-month

traineeships.

Measure Time Period: Sep 2013

Title: Measure has been amended

What has changed: Shortening of traineeships from 12 to 9 months (with the possibility of extending them to 12 months under certain conditions). Stipulations put in place to avoid abuse, and reduction in support from 100 % of costs to 80 % of costs for traineeship delivery bodies (in the case of specifically targeted groups), and from 80 % to 65 % of costs for the other beneficiaries.

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8.4 Apprenticeships and vocational education training systems (incl. traineeships and school-to-work transitions) (7 new measures)

New Decree-Law regulating Vocational Schools

Country: Portugal

Description: New regulation of the activity of private and public vocational schools, in particular the increase in the autonomy of the management of each school and the creation of the legal base for the involvement of business in dual VET.

Institution Responsible: Ministry of Education and Science (MEC)

Country Specific Recommendation: CSR 4: Improve the quality and labour-market relevance of the education system in order to reduce early school leaving and address low educational performance rates. Ensure efficient public expenditure in education and reduce skills mismatches, including by increasing the quality and attractiveness of vocational education and training and fostering cooperation with the business sector.

Main Objectives: Adapt regulation of vocational schools to the need to implement dual education and training by increasing the autonomy of school management and by opening the way for the involvement of business in dual VET.

Target Groups: Vocational schools and the respective communities

Duration of measure: Permanent

Has the measure been enacted into law? Yes What is the legal reference? Decree-Law 92/2014

Date of adoption: 20 June 2014

Is the measure being enforced? Yes

Start date for implementation of the measure: 23 June 2014

Enacted/not enacted into law - State of play? The new regulation is in place and

the present year will produce its first results.

Steps taken to monitor the implementation of the measure? No

Funding Sources: EU co-funded

Is there a specific budget allocated to the measure? Yes

Budget: Unknown

Which policy recommendations does the measure respond to? AGS, CSR, NRP Recommendation details: AGS: Pursuing the modernisation of education and training systems, including life-long learning, vocational training and dual learning schemes. CSR: Improve the quality and labour-market relevance of the education system in order to reduce early school leaving and address low educational performance rates. Ensure efficient public expenditure in education and reduce skills mismatches, including by increasing the quality and attractiveness of vocational education and training and fostering cooperation with the business sector. NRP: Chapter 'Strengthen and improve the system of VET for young people'.•

Employers initiatives aimed at improvement of trade-off of qualified labour supply and demand

Country: Lithuania

Description: This year, the Ministry of Education and Science signed agreements with associated structures and enterprises representing different economic sectors: Restaurant and Hotel Association, Association of Lithuanian Aviation Employees, IT sector companies, INFOBALT Association. It has been agreed to cooperate on issues relating to the legal regulation and organisation of vocational training aimed at

satisfying labour market needs, practical training, organisation of apprenticeship as a form of vocational training, vocational guidance, etc. In April, an agreement was signed between the main peak employer organisation - Lithuanian Confederation of Industrialists (LPK) and the Lithuanian University Rectors' Conference (LURK) whereby the parties agreed to cooperate in ensuring a high quality of studies and ensuring they reflect the economic needs of the country. Also in April, the Partners for Value Initiative, pursued by the LPK together with five Lithuanian universities, won an application tender and received a grant for a vocational guidance project in 2014 funded under the Erasmus+ Programme. Project deliverables include five information events for students regarding mobility opportunities and international/local traineeships, as well as a functioning website of the Partners for Value Initiative. In May LPK and representatives from Lithuanian colleges discussed possibilities for the training of highly qualified professional bachelors and adopted a resolution concerning the prospects of the Lithuanian sector of higher education colleges and its cooperation with the LPK. The purpose of the Resolution is to rationalise training of the professionals demanded by Lithuanian industries.

Institution Responsible: LPK and their partners

Country Specific Recommendation: CSR 3: Address persistent skills mismatches by improving the labour market relevance of education inter alia based on skills forecast systems and promote life-long learning. In order to increase the employability of young people, prioritise offering quality apprenticeships, other forms of work based learning, and strengthen partnership with the private sector.

Main Objectives: Improvement of quality and adequacy to the labour market needs of highly qualified labour force; improvement of trade-off of labour supply and demand

Target Groups: Youth

Duration of measure: Temporary

If temporary, how long will it run for? As long as parties concerned decide.

Has the measure been enacted into law? No

Is the measure being enforced? Yes

Start date for implementation of the measure: April-May 2014 **If not law, what type of measure is it?** Agreements of social partners

Enacted/not enacted into law - State of play? Initiatives are being implemented

Steps taken to monitor the implementation of the measure? No

Funding Sources: No specific funding required

Is there a specific budget allocated to the measure? No

Which policy recommendations does the measure respond to? AGS, CSR, NRP Recommendation details: AGS: Pursuing the modernisation of education and training systems, including life-long learning, vocational training and dual learning schemes. CSR: In order to increase the employability of young people, prioritise offering quality apprenticeships, other forms of work-based learning, and strengthen partnership with the private sector. NRP: develop youth's [...] skills necessary for the labour market, [...] support their first steps in the labour market, develop partnerships by solving youth employment problems.

Plan for re-launching apprenticeship

Country: France

Description: During the social conference of July, an ambitious programme for relaunching the apprenticeship system was presented by the government to fight

against the decreasing trend of the number of apprentices during the last years. Five main axes have been announced:

- Developing the apprenticeship system at school which will be more oriented to skills shortages. Regarding this measure, doubts concerning its likely effectiveness in the current context of initial education school system (quality, number of earlier school leavers, and burden of the system) can be raised. On the other hand, the measure could be very effective by being proposed to those earlier school leavers. In this case, how it is implemented should determine the success of the measure.
- Changing the image of the apprenticeship system and reinforcing its attractiveness.
- Developing the apprenticeship system in administration and assimilated organisations (state and territorial authorities). This measure has been implemented for a few years now so the measure is not new. Moreover, in the territorial authorities, competition would appear to be between the 'job of the future' measure and the apprenticeship measure.
- In the context of the Youth Guarantee Plan, EUR 100 million will be dedicated to the apprenticeship system mainly for removing constraints on access to apprenticeship working contracts, more personalised support, new training courses, and more access to housing.
- At State level EUR 200 million has been dedicated into the draft amending finance law to give more incentive to employers when recruiting an apprentice (EUR 1 000) and to encourage the qualitative and quantitative development of the apprenticeship system.

Institution Responsible: Ministry of Labour

Main Objectives: Reverse the decreasing trend of apprentices' numbers observed

over the past years. **Target Groups:** Youth

Duration of measure: Temporary

If temporary, how long will it run for? Similar to Youth Guarantee

Has the measure been enacted into law? No

Is the measure being enforced? Yes

Start date for implementation of the measure: June 2014

If not law, what type of measure is it? National plan

If monitoring arrangements are in place what are they? Unknown

Funding Sources: EU co-funded

Is there a specific budget allocated to the measure? Yes

Budget: Evaluated at EUR 400 million

Which policy recommendations does the measure respond to? CSR

Recommendation details: CSR 7: Pursue the modernisation of vocational education and training, implement the reform of compulsory education, and take further actions to reduce educational inequalities in particular by strengthening measures on early school leaving. Ensure that active labour market policies effectively support the most vulnerable groups. Improve the transition from school to work, in particular by stepping up measures to further develop apprenticeship with a specific emphasis on the low-skilled.

Upper Secondary Apprentice Employment Act (Lagen om gymnasial $I\tilde{A}$ × $rlinsanst\tilde{A}$ ×llning)

Country: Sweden

Description: A new law, the Upper Secondary Apprentice Employment Act (*Lagen om gymnasial lärlinsanställning*, SFS2014:421, SFS2014:423, SFS2014:424) took effect the 1 July 2014. According to the new law, a pupil that is part of an upper

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secondary apprentices programme can be employed with a specific employment contract, the so-called upper secondary employment contract (*Gymnasial lärling anställning*), during part or all the period related to the work-place based leaning programme. The Swedish Employment Protection Act does not apply to upper secondary employment contracts. It should also be noted that the new law might be modified through a collective agreement that has been concluded or approved by a trade-union at the central level.

Country Specific Recommendation: CSR 4: (i) Take appropriate measures to improve basic skills and facilitate the transition from education to the labour market, including through a wider use of work-based training and apprenticeships. (ii) Reinforce efforts to target labour market and education measures more effectively towards low-educated young people and people with a migrant background.

Main Objectives: The main objective of the law is to favour the development of the current upper secondary apprenticeship system and to ease the transition from school to work.

Target Groups: Youth

Duration of measure: Permanent

Has the measure been enacted into law? Yes

What is the legal reference? Lagen om gymnasial lärlinsanställning SFS2014:421,

SFS2014:423, SFS2014:424

Date of adoption: 27 May 2014 by the Swedish Parliament
Start date for implementation of the measure: 1 July 2014
Steps taken to monitor the implementation of the measure? No

Funding Sources: No specific funding required

Which policy recommendations does the measure respond to? CSR

Recommendation details: Take appropriate measures to improve basic skills and facilitate the transition from education to the labour market, including through a wider use of work-based training and apprenticeships.

Initial vocational education for young unemployed within the framework of the Youth Guarantee

Country: Latvia

Description: Within the framework of the Youth Guarantee vocational education institutions throughout Latvia offers from 1 September 2014 young unemployed aged 17 to 29 studies free of charge, with aim of acquiring a professional qualification. The duration of the studies is one to one-and-a-half years with a possibility to receive a stipend of EUR 70 to 115 (depending on grades).

Institution Responsible: State Education Development Agency

Country Specific Recommendation: CSR 2: make progress as regards the employability of young people including by putting in place outreach measures for non-registered youth not in employment, education or training.

Main Objectives: To increase the employability of young people; to promote vocational education

Target Groups: Youth

Duration of measure: Temporary

If temporary, how long will it run for? School year 2014/2015

Has the measure been enacted into law? No

Start date for implementation of the measure: 1 September 2014

If not law, what type of measure is it? EU co-funded project

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Enacted/not enacted into law - State of play? Implemented from September 2014

Steps taken to monitor the implementation of the measure? Unknown

Funding Sources: EU co-funded

Is there a specific budget allocated to the measure? Unknown

Which policy recommendations does the measure respond to? AGS,NRP Recommendation details: NRP: Implementing support measures to reduce youth

unemployment; AGS: implementing Youth Guarantee

Student summer employment programme

Country: Latvia

Description: After a five year interval the State Employment Agency has reintroduced the Student summer employment programme. Students aged 15 to 20 from general, vocational and special education institutions have an opportunity to work during their summer holidays with the support from the State Employment Agency. Work duration for one student is one month and students are paid at least the minimum wage. Employers receive a subsidy of 50 % of the minimum wage for each student employed plus one month's minimum wage for every 10 students employed to cover the cost of supervising the student jobs.

Institution Responsible: State Employment Agency; Ministry of Welfare **Country Specific Recommendation:** CSR 2: Make progress as regards the employability of young people including by putting in place outreach measures for non-registered youth not in employment, education or training.

Main Objectives: To provide students with first job experience and a variety of skills needed for employment. To develop the understanding of the importance of work as a part of life. To combat youth unemployment.

Target Groups: Youth

Duration of measure: Temporary

If temporary, how long will it run for? 2 June – 29 Aug 2014; but planned to be

repeated in future years

Has the measure been enacted into law? No

If not law, what type of measure is it? Regulations of the Cabinet of Ministers Enacted/not enacted into law - State of play? Implemented from 2 June Steps taken to monitor the implementation of the measure? Unknown

Funding Sources: Government

Is there a specific budget allocated to the measure? Yes

Budget: EUR 2.04 million

Which policy recommendations does the measure respond to? CSR Recommendation details: Make progress in employability of young people.

VET reform to launch dual education scheme

Country: Slovakia

Description: A reform of the law on vocational education and training (VET) is under preparation. The new law is expected to set legal conditions for a dual system of VET, where theoretical education will be provided in vocational schools and practical training will take place in enterprises. The dual system is currently tested in a pilot project.

Institution Responsible: Ministry of Education, Science, Research and Sport State Vocational Education Institute

Country Specific Recommendation: CSR 4: (i) Take measures to increase the quality of teaching in order to raise educational outcomes. ii) Reinforce the provision of work based learning in companies in vocational education and training. Adapt accreditation, funding and governance measures to encourage the creation of profession oriented bachelor level programmes. (iii) Improve the quality and relevance of the science base and implement plans to foster effective knowledge transfer and cooperation between academia, research and business. (iv) Adopt systemic measures to improve access to high quality and inclusive preschool and school education for marginalised communities, including Roma and take steps to increase their wider participation in vocational training and higher education.

Main Objectives: Create legal provisions to launch a dual education system in VET.

Target Groups: Youth

Duration of measure: Permanent

Has the measure been enacted into law? No

What is the legal reference? Announced revision of the Act No. 184/2009 Coll. on vocational education and training

Enacted/not enacted into law - State of play? Announced amendment to the VET law, which shall be prepared by end of 2014.

Which policy recommendations does the measure respond to? CSR, NRP Recommendation details: CSR 4: ...Reinforce the provision of work-based learning in companies in vocational education and training.

Measure Updates total: 6

Description of Measure	Description of September 2014 Update
Country: Denmark	Title: Additional resources for adult VET
Measure Title: Reform of the vocational training system	What has changed: As part of the broad political agreement over the 'growth package'
Description: The agreement on the reform of vocational training was concluded on 24 February 2014 between the Government and the Liberal Party, Danish People's Party, Socialist People's Party, Liberal Alliance and the Conservative Party. The reform will become a reality in the autumn of 2015. The reform has the following main elements:	in June 2014, EUR 134 million (DKK 1 billion) was allocated to adult VET over the years 2014 - 2020. The list of specific initiatives was the result of a tri-partite agreement between the Government and the social partners, announced on 7 May. The amount will be spent over the period from 2014 - 2020.
 The introduction of entry requirements concerning grades in Danish and mathematics. 	
 The possibility for audition and interview, if applicants do not meet the admission requirements and direct access if the young person has contract of training with an employer. 	
Simplification of the basic entry courses (which will consists of two parts totalling 40 weeks) for young people from class nine or ten for up to one year after finishing school. Other students start the	

second part of the entry course directly, with a basic course of 20 weeks.

- Basic course teaching will take place in a stable class environment.
- The benefits of common environments, e.g. between vocational and general educational institutions, will be exploited.
- Increase in the weekly teaching hours (25 hours in 2015, 26 hours in 2016), better links between classroom/workplace training, differentiated instruction, teachers' skills enhancement,managerial and institutional development.
- 45 minutes of physical exercise as part of class each day.
- Education on competences for further education at university level will be introduced in all relevant programmes.
- New targeted training for adults aged 25 years and more, taking into account obtained practical work experience.
- New, tenth grade in primary school, focused on vocational competences.
- Creation of targeted voc. education for young people who do not have the skills for normal vocational youth education.
- Improved guarantee for traineeships as part of vocational training.
- Based on an analysis, a discussion to follow on amending the access rules for non-vocational secondary schools.

Measure Time Period: Mar 2014

Country: Estonia

Measure Title: New Vocational Education Institution Act entered into force

Description: The Act defines new types of vocational education that can be acquired and are in line with the Estonian Qualifications Framework. The new Act also gives professionals without pedagogical qualifications the right to teach in vocational education institutions in order to attract people with practical skills to share their knowledge in vocational education. Also, acquiring vocational education is made more flexible through providing a certificate of partial qualifications in case only part of the curricula has been acquired. Schools are given more flexibility in changing curricula, providing more flexibility in changing with the world of work and the requirements of employers in a specific field. Also, effort is made to attract adults to acquire vocational education or raise their current qualifications.

Title: Increased budget for financing vocational education

What has changed: The Government adopted a regulation with which the budget for vocational education will be increased by 6.2 % (from EUR 49.6 million in 2013 to EUR 52.7 million in 2014). The cost for one student training place financed on the basis of state-commissioned education (capitation fee) in 2014 is EUR 1 388, which is EUR 20 higher than in 2013. For improving access to vocational education, the state allocates a dormitory subsidy in the amount of EUR 217 per year per one student. Also, more than EUR 2.1 million (around 10 % more than in 2013) is additionally allocated for wages, so that the minimum wage for vocational education teachers will increase to EUR 800, which is comparable to that agreed for general education teachers.

In the framework of the reform, a new vocational education standard has been introduced that foresees a new level of training in vocational education institutions for higher level professionals and specialists. Also, short-term curricula are introduced for acquiring easier professions (until now the shortest curricula started from six months, within the new system the shortest training can be acquired within three months). In order to include employers more in the development of vocational education, a system of quality assessment for vocational education institutions has been introduced that includes employer organisations and professional associations.

Measure Time Period: Sep 2013

Country: France

Measure Title: Law on training system

Description: The Law encompasses the following:

ollowing:
• Simplifi

- Simplification of the contribution rate for the training system by maintaining only two rates: one for enterprises with less than 10 employees (0.55 %) and one for others (1 %) dedicated to financing collective measures e.g. CIF, the new personal Training Account or professionalisation contracts.
- An end to the training tax on wages for companies with over 300 employees. The training tax is however maintained for smaller companies at a lower level: 0.4 % for enterprises with less than 10 employees, 0.2 % for those with 10 to 49 employees and 0.1 % for firms with 50 to 299 employees.
- Contribution is now collected by only one OPCA¹ while before, delivery could be to many of them;
- Professional interview every two years and a balance every six years;
- Access to advice and assistance in career guidance, carried out by five operators specialising in the Law.
- Creation of the personal training account (in place of the DIF, droit individuel à la formation) funded by part of the contribution rate: 24 hours per year until 120 hours and then 12 hours per year until 150 hours, meaning that in seven and a half years, the quota of 150 hours is reached; 100 hours more delivered by employers (for enterprises

Title: Publication of decrees

What has changed: Ten decrees have been published during August and September and the tender specification for the career transition counselling has been also communicated. This includes: the new contribution for enterprises (only 1 % of the payroll); the creation of the CNEFOP, which is a merger between the National Council for Employment and the National Council for Lifelong Learning (and now has a new role); and the composition and functioning of the COPANEF is now defined. In the specific context of apprenticeships (which has been part of the subject of the July social conference), the decree introducing the possible permanent contract for young people with a period of apprenticeship, the deletion of the junior apprenticeship system, and some others decisions included in the Law were published in early September.

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¹ Branch organizations responsible for collecting training funds

with 50 employees and more) if they do not implement training actions and / or implement actions for recognised employees skills.

- Creation of a new fund to finance social partner relations, for which a special contribution will be asked from enterprises (a tax on wages), from the state and OPCA.
- Change in FPSSP² main sources of financing: the FPSPP will receive a contribution from enterprises to finance the personal training account, professionalisation contracts and the training contribution from enterprises with less than 10 employees and will be the main financing institution of unemployed CPF and collective actions dedicated to enterprises.
- Decentralisation to the regions of the training system competency: new categories of people and/or actions like training for disabled people, the fight against illiteracy, people dealing with justice, health and social education and training system or early school leavers; new training centre certifications, coordination of collective training actions to unemployed people;
- Simplification of governance bodies: at national level, merger of CNPFTLV and CNE into CNEFOP and at regional level, merger of CCREFP and CRE into CREFOP
- Easier access to the certified training system for people facing the most difficulties: employees in CUI (contrat unique d'insertion) and employees hired in SIAE (structure d'insertion par l'activité économique) will have a better access to the POE (preparation opérationnelle à l'emploi) allowing them to continue with an apprenticeship contract or professionalisation contract;
- Negotiating a permanent contract between an employer and a young person in an apprenticeship is possible.

Measure Time Period: Mar 2014

Country: Hungary

Measure Title: Reform of the system of

vocational education

Description: The Government has reached an agreement with the Chamber of

Commerce to put a dual system of secondary

vocational education in place.

Title: Sept 14: Pilot programme funded for dual vocational training

What has changed: A pilot programme was financed to improve dual vocational training, and create new competency descriptions for 18 professions. The last year of the vocational training of 16 professions will be

² Special fund created in 2009 to finance training courses for unemployed people.

	T
Measure Time Period: Oct 2010 - Sept 2012	held as adult education. Government Decree (1418/2014).
Country: Hungary	Title: Sept 14: Vocational secondary schools being financially maintained by the state
Measure Title: Reform of the system of vocational education	What has changed: Vocational secondary
Description: The Government has reached an agreement with the Chamber of Commerce to put a dual system of secondary vocational education in place.	schools were formerly financed by the local municipalities, but will now be financially maintained by the state.
Measure Time Period: Oct 2010 - Sept 2012	
Country: United Kingdom	Title: Consultation launched on the reforms
Measure Title: New work training schemes for young people and new apprenticeships	to traineeships What has changed: A consultation has been
Description: The Prime Minister announced (in late November) two initiatives to improve both the scale and quality of vocational learning opportunities for young people. The first is a re-vamped apprenticeship where the emphasis is on quality so they will be responsive to employer needs, simpler to understand in terms of competence specification, there will be more rigorous assessment (to include basic skills), they will have a minimum duration of one year and a minimum of 20 % off-the-jobtraining/learning. The second is a new vocational training scheme in large companies (and their supply chains) which pledge to offer places to young people either as preparation for an apprenticeship or job.	called to gather ideas on how traineeships should be funded in the future. They are currently funded as further education but the Government is considering funding them as a progression stage of apprenticeships. The consultation will end in the autumn and changes will take effect from the academic year 2015/16.
Measure Time Period: Dec 2013	

8.5 Other education and training system measures (2 new measures)

Strategy of Education, Science and Technology

Country: Croatia

Description: The Strategy regulates further development in five main areas: lifelong learning; early and preschool, primary and secondary education; higher education; adult education; science and technology. The Strategy brings significant changes to the overall education system, primarily when it comes to duration of the primary education, which should be prolonged to nine years, with no changes in the duration of the secondary education.

Institution Responsible: Ministry of Science, Education and Sport **Country Specific Recommendation:** CSR 3: Implement measures to improve the labour market relevance and quality of education outcomes by modernising the qualification systems, by putting in place quality assurance mechanisms and by improving school to work transitions, in particular through strengthening vocational education and work based learning.

Main Objectives: Increasing the efficiency of the overall national education, science

and technology systems.

Target Groups: Croatian citizens **Duration of measure:** Permanent

Has the measure been enacted into law? No If not law, what type of measure is it? Strategy

Enacted/not enacted into law - State of play? Entered the Parliamentary

procedure in July 2014

If monitoring arrangements are in place what are they? Strategy includes comprehensive implementation guidelines which include definition of indicators and mechanisms of implementation measurements that are to be developed in 2015.

Funding Sources: Government

Is there a specific budget allocated to the measure? No

Budget: No financial resources have been determined so far. It is estimated that most of the planned activities will be funded from the state budget.

Which policy recommendations does the measure respond to? CSR, NRP Recommendation details: CSR 3: which recommends implementation of measures to improve the labour market relevance and quality of education outcomes and by improving school-to-work transitions, in particular through strengthening vocational education and work-based learning.

Reform of the Student Support Act

Country: Austria

Description: The reform will increase the study assistance through the rise of income limits, of deductible amounts and allowances and through an extension of the group of recipients. Different groups will benefit from the new regulations, e.g. students with own children, employed students or married students.

Institution Responsible: Federal Ministry of Science, Research and Economy **Country Specific Recommendation:** CSR 3: Improve educational outcomes in particular for disadvantaged young people including those with a migrant background, by enhancing early childhood education and reducing the negative effects of early tracking. Further improve strategic planning in higher education and enhance measures to reduce dropouts.

Main Objectives: Improve the social situation of students, especially of students with

children

Target Groups: Students

Duration of measure: Permanent

Has the measure been enacted into law? Yes

What is the legal reference? Budgetbegleitgesetz 2014 [Federal Law Gazette I Nr.

40/2014]

Date of adoption: May 2014

Is the measure being enforced? Yes

Start date for implementation of the measure: Beginning by September 2014

Steps taken to monitor the implementation of the measure? Yes

If monitoring arrangements are in place what are they? Controlling reports of

the Study Grant Authority

Funding Sources: Government

Is there a specific budget allocated to the measure? Yes

Budget: EUR 5.7 million per year

Which policy recommendations does the measure respond to? CSR Recommendation details: CSR 3: Further improve strategic planning

Measure Updates total: 2

Description of Measure	Description of September 2014 Update
Country: Croatia Measure Title: Croatian Qualification Framework Act Description: The Croatian Qualification Framework defines the qualification system in Croatia. Measure Time Period: Apr 2013	Title: Regulation on the Croatian Qualification Framework (CQF) Registry What has changed: The Regulation on the CQF Registry has been adopted, which presents a significant breakthrough in development of the Croatian Qualification Framework. The information system for managing the Registry will be developed until March 2015. In the meantime, the MSES launched a web portal with the purpose of informing the public with all CQF-related activities. The Ministry of Science, Education and Sports is responsible for delivery.
Country: Austria Measure Title: Contact point for recognition of foreign qualifications. Description: Establishment of five counselling centres nationwide, offering cost-	Title: Expert Council for Integration recommends further development and strengthening What has changed: In the latest Integration Report, the Expert Council for
free, multilingual information, advice and Support. Launch of a new website (www.berufsanerkennung.at) serving as a guide to find quickly the right contact point for the recognition of foreign qualifications.	Integration recommends amongst other things: an institutional reform with the aim of eliminating the given 'jurisdiction jungle'; a legal entitlement of recognition and assessment procedures within deadlines; the definition of criteria for
Measure Time Period: Dec 2013	recognition; and securing consulting services in a sustainable way (cf. Expertenrat für Integration: Integrationsbericht 2014, Wien).

9 PA 6: Labour taxation (incl. undeclared work)

Under PA 6, eight countries introduced a total of 12 new policy measures between mid-March and mid-September 2014. The most popular type of reform was in the area of *Personal Income Taxes*. The following gives a breakdown of the new measures introduced in this policy area:

- Social security contributions (Romania, Slovakia x2)
- Personal income taxes (Estonia, Italy, Latvia x2)
- Reducing undeclared work (Croatia, Austria, Slovenia)
- Other labour taxation related measures (Latvia, Italy)
- Other education and training system measures (Austria, Croatia)

There were six updates to previously identified measures, in the following countries: Czech Republic, France x3, Hungary and Austria. The new measures introduced represented 10 % of the total number of new measures. Three quarters of the new measures (9 out of 12) were enacted into law. Of the 11 that specified a funding source the majority (7) mentioned state funding, and one cited EU co-funding and one mentioned 'other' sources of funding. Two measures did not require any funding.

The measures and measure updates are discussed in turn below.

9.1 Social security contributions (3 new measures)

Draft law on the reduction of the social security contribution voted by the Parliament in spite of Presidential veto

Country: Romania

Description: The measures, if fully applied (presidential assent still necessary) will reduce the social security contributions by 5 percentage points. It will only affect the contributions for the public pension scheme and will leave the employee contribution untouched. Thus the reduction will only affect the share of the contribution shouldered by the employer (i.e. the enterprise).

Institution Responsible: Ministry of Labour and the National Fiscal Administration Agency;

Country Specific Recommendation: CSR 2: Fight undeclared work. Reduce tax burden for low and middle income earners in a budget neutral way.

Main Objectives: To reduce the contribution burden on employers, foster job creation, economic growth and also reduce the incidence of undeclared work;

Target Groups: All workers

Duration of measure: Permanent

Has the measure been enacted into law? No

What is the legal reference? The measure has been voted once by the Romanian Parliament but vetoed by the President who sent it back on 2 July 2014. In its extraordinary session summoned by the current majority, the Parliament adopted it again without any changes thus repealing the presidential request for re-examination. It is expected that the President will sign it now into law as the Constitution does not allow for a second veto.

Date of adoption: It is expected to start application if signed into law.

Is the measure being enforced? No

Start date for implementation of the measure: 1 October 2014 if signed into law by the President.

If not law, what type of measure is it? Law adopted by the parliamentary chambers but not yet signed by the president.

Enacted/not enacted into law - State of play? Act of Parliament waiting to be enacted into law by the President.

Steps taken to monitor the implementation of the measure? Yes

If monitoring arrangements are in place what are they? Regular monitoring by the Ministry of Labour and the National Fiscal Administration Agency.

Funding Sources: Government

Is there a specific budget allocated to the measure? No

Budget: Estimates show a cost of around EUR 1.08 billion for 2015; **Which policy recommendations does the measure respond to?** CSR

Recommendation details: CSR 2: Fight undeclared work. Reduce tax burden on

low and middle income earners in a budget neutral way.

Increased sum of tax-favoured income for students

Country: Slovakia

Description: The measure involves an increase in the limit on income from work agreements for students, which is practically free from social security contributions. The increased limit (EUR 200 monthly) shall apply to all students and replace the differentiated limits for students aged below 18 years (EUR 68 monthly) and those aged 18+ (EUR 159 monthly).

Institution Responsible: Ministry of Labour, Social Affairs and Family

Main Objectives: The declared aim of the measure is to improve the financial

situation of students. **Target Groups:** Students

Duration of measure: Permanent

Has the measure been enacted into law? Yes

What is the legal reference? Amendment to the Act No. 461/2003 Coll. on social

insurance

Date of adoption: Approved by the government on 20 August 2014.

Start date for implementation of the measure: Tentatively as from 1 January

2015 (if ratified by the parliament)

Enacted/not enacted into law - State of play? The government proposal was submitted to the parliament on 21 August 2014.

Steps taken to monitor the implementation of the measure? No

Funding Sources: Government

Is there a specific budget allocated to the measure? Yes

Budget: Expected budgetary shortfall: EUR 1.658 million in 2015, EUR 1.704 million

in 2016 and EUR 1.576 million in 2017

Reduced health insurance contributions for low-paid workers

Country: Slovakia

Description: According to the announced plan, dependent workers shall be entitled to a so-called contribution deductible item i.e. workers receiving a monthly gross salary between EUR 380 (proposed statutory minimum wage for 2015) and EUR 494 (1.3 times the proposed minimum wage). The contribution allowance shall gradually decrease along with increasing income, meaning that employees receiving a salary of

EUR 380 would pay no health insurance contributions, while those with earnings above EUR 494 would pay full contributions as today. Labour costs for employers should decrease or remain at the same level as today.

Institution Responsible: Ministry of Finance Ministry of Health

Main Objectives: To increase the motivation of employers to hire new workers. Another assumption is that the motivation of workers to become legally employed will increase, while the incentives to carry out undeclared work will decrease.

Target Groups: Low-income earners **Duration of measure:** Temporary

If temporary, how long will it run for? Presumably until end of 2015.

Has the measure been enacted into law? No

If not law, what type of measure is it? Announcement

Enacted/not enacted into law - State of play? If agreed by the government, the

measure will entail legislative changes in the law on health insurance.

Funding Sources: Government

Is there a specific budget allocated to the measure? Yes

Budget: Preliminary fiscal impact EUR 150 million

Which policy recommendations does the measure respond to? CSR Recommendation details: 2013 CSR 3: ...Reduce the tax wedge for low-paid

workers and adapt the benefit system.

Measure Updates total: 3

Description of Measure	Description of September 2014 Update
Country: France Measure Title: Pact of Responsibility	Title: No revalorisation of pensions, except for the poorest retired people
Description: Decrease of social contributions, based on work contracts, by EUR 30 billion per year before 2017 (including the EUR 20 billion already introduced across the CISE). Measure Time Period: Mar 2014	What has changed: The Responsibility Pact settled that there will be no re-valuing of pensions higher than EUR 1 200 per month for the next 18 months (until October 2015). This will concern half the retired people (8 million persons). The First Minister has nonetheless accorded a re-valuing of small pensions (below EUR 1 200 per month) by EUR 40 although the solidarity benefit for the elderly will go from EUR 792 to EUR 800 starting in October 2014. This allocation concerns 565 000 persons. In terms of public spending, these two measures will represent EUR 250 000 million.
Country: France	Title: Responsibility and Solidarity Pact adoption.
Measure Title: Pact of Responsibility	adoption.
Description: Decrease of social contributions, based on work contracts, by EUR 30 billion per year before 2017 (including the EUR 20 billion already introduced across the CISE). Measure Time Period: Mar 2014	What has changed: The Pact was been adopted by the Parliament in July 2014, later than the EU recommendations. The measures have been negotiated between social partners and were included in two different laws aiming at re-organising public finance.
Country: Austria	Title: Reduction of non-wage labour costs.

Measure Title: Measures concerning tax and social security contributions on labour come into effect 2013.

Description: Several tax measures decided in the stability package 2012-2016 (decided in parliament on March 2012) come into effect. Measures concerning tax and social security contributions on labour include: 1) solidarity tax for higher income earners (to be levied on 13th and 14th salaries and other irregular remuneration items that were so far subject to a flat tax rate (6 %). The progressive solidarity tax rates of up to 50 % affect employees with a gross annual employment income above approximately EUR 185 000). 2) Extraordinary increase of maximum assessment basis for social insurance in 2013 by EUR 90. 3) Reintroduction of the compulsory unemployment insurance up to the age of 63 (so far unemployment insurance contributions ceased to be levied when an employee passed the age of 60).

What has changed: Since July 2014, the accident insurance contribution was reduced by 0.1 % to 1.3 %. The employer contribution to the Insolvency Remuneration Fund will be reduced by 0.1 % to 0.45 % by January 2015.

Income tax allowance increased

Measure Time Period: Jan 2013

Country: Estonia

9.2

Description: Since 1 January 2015 the income tax allowance is EUR 154 per month (currently EUR 144). Also, the income tax allowance for pensions increases from EUR 210 to EUR 220 per month.

Main Objectives: In the government's action plan 2014-2015 it is foreseen the

reduction of labour taxation.

Target Groups: All workers and pensioners

Duration of measure: Permanent

Has the measure been enacted into law? Yes

What is the legal reference? Income Tax Act, RT I, 11.07.2014, 23 In Estonian:

https://www.riigiteataja.ee/akt/111072014023

Date of adoption: 1 July 2014

Is the measure being enforced? No

Enacted/not enacted into law - State of play? Enacted into law, enters into force

1 January 2015.

Steps taken to monitor the implementation of the measure? No

Funding Sources: Government

Is there a specific budget allocated to the measure? Yes

Personal income taxes (4 new measures)

Budget: EUR 17 million in 2015; EUR 21 million in 2016

Which policy recommendations does the measure respond to? CSR

Recommendation details: This change is directly related to the CSR 2/2014, Improve incentives to work through measures targeted at low income earners. However, as the tax allowance is increased only by EUR 10, the impact on work

incentives is negligible.

Law 89/2014 (the so called '80 euro bonus')

Country: Italy

Description: The Law established for the period May-December 2014 a bonus up to EUR 80 per month on personal income tax for employees with annual gross labour incomes below EUR 26 000. Moreover, it introduced a gradual reduction of the IRAP tax (a regional tax on productive activities) up to a 10 % discount from 2015.

Institution Responsible: Government

Country Specific Recommendation: CSR 2: Further shift the tax burden from productive factors to consumption, property and the environment, in compliance with the budgetary targets. To this end, evaluate the effectiveness of the recent reduction in the labour tax wedge and ensure its financing for 2015, review the scope of direct tax expenditures and broaden the tax base, in particular on consumption.

Main Objectives: Increase growth by incentivising private consumption and investments, as well as promote social justice.

Target Groups: Low-wage employees **Duration of measure:** Temporary

If temporary, how long will it run for? For the period May-December 2014

Has the measure been enacted into law? Yes

What is the legal reference? Law 89/2014 converting into law the Law-Decree

66/2014

Date of adoption: 23 June 2014
Is the measure being enforced? Yes

Start date for implementation of the measure: 24 April 2014

Enacted/not enacted into law - State of play? The law is in force and the

implementation of its provisions is under way.

Steps taken to monitor the implementation of the measure? No

Funding Sources: Government

Is there a specific budget allocated to the measure? No

Budget: Approximately EUR 6.5 billion.

Which policy recommendations does the measure respond to? CSR Recommendation details: 2014 CSR 1: implement a growth-friendly fiscal adjustment based on the announced significant savings coming from a durable improvement of the efficiency and quality of public expenditure at all levels of government 2014. CSR 2: Further shift the tax burden from productive factors to consumption, property and the environment, in compliance with the budgetary targets

No personal income tax liability on stipends for unemployed who participate in ALMP measures

Country: Latvia

Description: Unemployed people who participate in active labour market policy measures organised by the State Employment Agency and receive a stipend, which aims to compensate for the costs incurred during the measure (travel, meals, etc.), will not be liable for personal income tax on the stipend.

Institution Responsible: State Employment Agency; Ministry of Welfare **Country Specific Recommendation:** CSR 3: Increase coverage of active labour market policies.

Main Objectives: To improve the incentive to participate in ALMPs.

Target Groups: Unemployed

Duration of measure: Temporary

If temporary, how long will it run for? 2015 - 2017

Has the measure been enacted into law? Yes

What is the legal reference? Personal income tax law

Date of adoption: 18 July 2014 **Is the measure being enforced?** No

Steps taken to monitor the implementation of the measure? Unknown

Funding Sources: No specific funding required

Which policy recommendations does the measure respond to? AGS

Recommendation details: Stepping up active labour market measures, active

support for the unemployed

Simpler submission procedure for personal income tax statement

Country: Latvia

Description: The process of submitting a personal income tax declaration has been simplified by reducing the number of activities that need to be performed. The declaration no longer requires such information as: address, income pay-out dates, type of income.

Institution Responsible: State Revenue Service

Main Objectives: To simplify personal income tax declaration.

Target Groups: All workers

Duration of measure: Permanent

Has the measure been enacted into law? Yes

What is the legal reference? Personal income tax law

Date of adoption: 21 May 2014 **Is the measure being enforced?** No

Have any steps been taken to monitor the implementation of the measure:

Unknown

Funding Sources: Government

Is there a specific budget allocated to the measure? Yes

Budget: EUR 0.24 million

Which policy recommendations does the measure respond to? AGS, NRP Recommendation details: NRP: modernising public administration; AGS: reducing

red tape through the introduction of lighter processes.

Measure Updates total: 1

Description of Measure	Description of September 2014 Update
Country: Hungary	Title: Sep14: family allowances planned to
Measure Title: Reform of the Personal Income Tax system	be extended to parents of two children
Description: The new personal income tax system introduces a flat rate of 16 % on 'supergross' income (defined as gross income plus social security contributions). In addition to this, a generous tax allowance is available for couples with children. At the same time, tax allowance claimable by low-earners is being restricted. The law also indicates the steps of the transition to a true 16 % PIT in	What has changed: The Hungarian personal tax system provides tax credit to families with children. Parents of two children can currently deduce a total of 62 thousand forints per months per child from their tax base. The proposal doubles this sum.

two years by cutting the first half of the 'super grossing' of the tax base, then eliminating it completely. Compensation is provided in the public sector to those losing out on the changes. Compensation is also suggested to private employers.

Measure Time Period: Oct 2010 - Sept

2012

9.3 Measures to reduce undeclared work (3 new measures)

Establishment of the Committee for combating undeclared work

Country: Croatia

Description: The Government has adopted the Decision on the establishment of the Committee for combating undeclared work. The Committee will consist of 15 representatives from different ministries and institutes. Its main activities will include identifications of measures already implemented to fight undeclared work within the last two years, evaluation of their efficiency, monitoring of their further implementation and proposing new measures and amendments in existing ones.

Institution Responsible: Government of the Republic of Croatia

Main Objectives: To establish the Committee to improve the overall efforts of the Government to combat undeclared work.

Target Groups: Workers in the shadow economy

Duration of measure: Permanent

Has the measure been enacted into law? No

If not law, what type of measure is it? Government decision, adopted in August 2014.

Enacted/not enacted into law - State of play? Adopted by the government Steps taken to monitor the implementation of the measure? No If monitoring arrangements are in place what are they? There have been no steps taken to monitor the implementation of the measure. However, the Committee is obliged to meet at least once a month.

Funding Sources: From the state budget, out of regular funds of the Ministry of Labour and Pension System and other included ministries and institutes.

Is there a specific budget allocated to the measure? Unknown Which policy recommendations does the measure respond to? CSR

Recommendation details: CSR 3: which recommends outlining plans, by the end of 2014, to address undeclared work coherence.

Funding of craftsmen service provision

Country: Austria

Description: The costs for refurbishment and modernisation of flats and houses of private persons can be subsidised, if work is carried out by licensed craftsmen. Only labour costs are eligible and not costs for materials. The subsidy amounts to 20 % of the labour costs up to EUR 600 maximum.

Institution Responsible: Ministry for Finance; Building and Loan Associations are commissioned with the implementation of the programme.

Main Objectives: Combat undeclared work and set economic momentum Target Groups: private persons renovating/modernising their flats and houses,

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licensed craftsmen

Duration of measure: Temporary

If temporary, how long will it run for? End of 2015

Has the measure been enacted into law? Yes

What is the legal reference? Federal law gazette I, No. 31/2014

Date of adoption: April 2014

Is the measure being enforced? Yes

Start date for implementation of the measure: 1 July 2014

Steps taken to monitor the implementation of the measure? Yes

If monitoring arrangements are in place what are they? The Central Building and Loan Association is commissioned with the administration of the funding programme and has to monitor the take-up. For 2016, an internal evaluation of the funding of craftsmen service provision is planned. This assessment will provide information on employment effects and the reduction of undeclared work in construction.

Funding Sources: Government

Is there a specific budget allocated to the measure? Yes

Budget: 2014: EUR 10 million; 2015: EUR 20 million

Which policy recommendations does the measure respond to? AGS, NRP Recommendation details: AGS 2014 - Tackling unemployment and the social consequences of the crisis: continue to modernise employment protection legislation to remedy persistent labour market segmentation and to reinforce the fight against undeclared work.

Prevention of Undeclared Work and Employment Act

Country: Slovenia

Description: New amendments to the Prevention of Undeclared Work and

Employment Act

Institution Responsible: Ministry of Labour, Family, Social Affairs and Equal

Opportunities Labour Inspectorate Customs service

Main Objectives: Key innovations that are supported by the social partners are inclusion of customs service and its mobile units in controlling illegal work and employment. Another important innovation is the proposal to introduce a voucher system for personal supplementary work. The third important innovation relates to punitive policies (namely higher fines) - especially for tinkering.

Target Groups: Workers in the shadow economy

Duration of measure: Permanent

Has the measure been enacted into law? Yes

What is the legal reference? Prevention of Undeclared Work and Employment Act

Date of adoption: 23 April 2014

Is the measure being enforced? Yes

Start date for implementation of the measure: 18 August 2014

Enacted/not enacted into law - State of play? The implementation of the Act

started on 18 August 2014

Steps been taken to monitor the implementation of the measure? Yes If monitoring arrangements are in place what are they? Labour Inspectorate and Customs Service perform daily inspections and prepare annual report to the Ministry of Labour, Family, Social Affairs and Equal Opportunities

Is there a specific budget allocated to the measure? No

Which policy recommendations does the measure respond to? NRP

Recommendation details: Objective set by Slovenian government in response to the CSR 3 in National Reform Programme 2014.

Measure Updates total: 1

Description of Measure	Description of September 2014 Update
Country: Czech Republic	Title: More intensive inspections
Measure Title: Monitoring the 'Schwarz system' of self-employed sub-contracted employees.	What has changed: The MoL will increase the intensity of inspections of employers to identify the use of the illegal <i>svarc</i> system.
Description: Better monitoring, partial fix of legislation.	,
Measure Time Period: Oct 2012	

9.4 Other labour taxation related measures (2 new measures)

Law 116/2014 on various fiscal measures

Country: Italy

Description: Law 116/2014 enacted various fiscal measures to promote different sectors, including the reduction by 10 % of electricity bills for consumers and SMEs, as well as financial aids for investments (15 % tax rebate on investments for equipment from now to mid-2015) and employment in the agriculture sector (enterprises hiring young people aged 18-35 with permanent contracts, or fixed-term contracts lasting at least three years, for a minimum of 102 working days per year).

Institution Responsible: Government

Country Specific Recommendation: CSR 2: Further shift the tax burden from productive factors to consumption, property and the environment, in compliance with the budgetary targets. To this end, evaluate the effectiveness of the recent reduction in the labour tax wedge and ensure its financing for 2015, review the scope of direct tax expenditures and broaden the tax base, in particular on consumption.

Main Objectives: Promote private consumption and investments, as well as youth employment in the agriculture sector

Target Groups: Employers

Duration of measure: Permanent

Has the measure been enacted into law? Yes

What is the legal reference? Law 116/2014 converting into law the Law Decree

91/2014

Date of adoption: 7 August 2014 **Is the measure being enforced?** Yes

Start date for implementation of the measure: 24 June 2014 **Steps taken to monitor the implementation of the measure?** No

Funding Sources: EU co-funded

Is there a specific budget allocated to the measure? Yes

Budget: The budget is financed by the Fund for Development and Cohesion (2014-2020 programming period) and amounts to EUR 204 million in 2016, EUR 408 million for the years 2017 and 2018, and EUR 204 million for the year 2019.

Which policy recommendations does the measure respond to? CSR

Recommendation details: 2014 CSR 2: Further shift the tax burden from productive

factors to consumption, property and the environment, in compliance with the budgetary targets.

Company income tax relief for research and development activities

Country: Latvia

Description: Companies which carry out research and development activities that are aimed at achieving the development of a new product or technology can receive enterprise income tax relief. The innovation must exist outside the company's internal environment. In order to receive the tax relief, the company needs to create and submit a project to the State Revenue Service.

Institution Responsible: State Revenue Service; Ministry of Economics

Main Objectives: To encourage the development of entrepreneurship. To increase Latvia's competitiveness in foreign markets and, through these, to create jobs and foster employment.

Target Groups: Employers

Duration of measure: Permanent

Has the measure been enacted into law? Yes

What is the legal reference? Company income tax law

Date of adoption: 25 June 2014

Is the measure being enforced? Yes

Start date for implementation of the measure: 1 July 2014

Steps taken to monitor the implementation of the measure? Unknown

Funding Sources: No specific funding required

Is there a specific budget allocated to the measure? No

Which policy recommendations does the measure respond to? NRP Recommendation details: Supporting development of innovative enterprises

Measure Updates total: 1

Description of Measure	Description of September 2014 Update
Country: France Measure Title: Tax credit for competitiveness and employment (entitled CICE). Description: The measure will allow a labour cost reduction of EUR 20 billion per year, with a progressive implementation over three years: EUR 10 billion during the first year and EUR 5 billion in the second and third year. The tax credit will be 6 % of wages, for wages under 2.5 times the minimum wage (EUR 3 500 per month). In 2013, this will reduce to 4 %. Counterparts asked to companies will be detailed at the beginning of 2013 (by law): they will notably carry on companies' governance, exemplary CIO wages, and fiscal behaviour. Measure Time Period: Jan 2013	Title: Questions on CISE effectiveness (now included in Responsibility Pact). What has changed: CISE is now included in the Responsibility Pact.

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10 PA 7: Wage setting institutions and dynamics

Under PA 7, nine countries introduced a total of 10 new policy measures between mid-March and mid-September 2014. The most popular type of reform under this policy area has been in the area of *Minimum Wages*. The following gives a breakdown of the new measures introduced in this policy area:

- Minimum wages (Romania, Germany x2, Poland, Slovakia);
- Public sector pay (no new measures);
- Wage setting regulation and social partnership arrangements (Portugal, Italy)
- Other measures related to wages (e.g. addressing wage and social dumping) (Latvia, Denmark, France).

There were five updates to previously identified measures, in the following countries: Czech Republic, Denmark, Lithuania, Austria and Portugal. The introduction of ten new measures represented 9 % of the total number of new measures introduced across all European countries. Only 3 out of the 10 new measures introduced (33 %) were enacted into law. Of those that specified a funding source two mentioned state funding, and one mentioned 'other' sources of funding. Three measures did not require any funding.

The measures and measure updates are discussed in turn below.

10.1 Minimum wages (5 new measures)

Law on general nation-wide Minimum Wage

Country: Germany

Description: A general hourly minimum wage at a level of EUR 8.50 will be introduced from 1 January 2015. Until 2017 the following exceptions have been decided (§24): until 2017 it is possible to agree on a lower wage, if the collective agreement has been extended to all employers of the regional and sectoral entity of the collective agreement. Furthermore, exceptions are made for the adaption of the wages of paper boys until December 2017. A permanent minimum wage commission is established, in order to decide future amendments of the level of the minimum wage. The members of the minimum wage commission will be appointed by the government for a period of five years. There are six members (representatives of employers organisations and trade unions) and the president of the commission, In addition two independent experts / scientists are appointed on the proposition of the social partners as consultants to the commission (but without a right to vote). The president is appointed by the government on joint proposal of the social partners. If the social partners have no joint proposition, the president will be rotating. The Commission can decide in 2016 for the first time on an adjustment of the minimum wage coming into effect in 2017.

Institution Responsible: Minimum Wage Commission is fixing the level of the minimum wage. Employers pay the minimum wage.

Country Specific Recommendation: CSR 2: When implementing the general minimum wage, monitor its impact on employment.

Main Objectives: Fix a general hourly minimum wage.

Target Groups: Low-income earners **Duration of measure:** Permanent

Has the measure been enacted into law? Yes

What is the legal reference? Gesetz zur Stärkung der Tarifautonomie, published in

Bundesgesgetzblatt 2014 Nr. 39 **Date of adoption:** 11 August 2014

Start date for implementation of the measure: 1 January 2015. Note that some elements of the law came into force on 14 August: all branches are now covered by the Posted Workers Act, which permits to conclude minimum wages in all branches and the public interest for extending collective agreements is now clearer defined.

Steps taken to monitor the implementation of the measure? Yes

If monitoring arrangements are in place what are they? An evaluation has to

be carried out in 2020 (§23 of the Law)

Which policy recommendations does the measure respond to? CSR Recommendation details: Improve conditions that further support domestic demand, inter alia by reducing high taxes and social security contributions, especially for low-wage earners. When implementing the general minimum wage, monitor its impact on employment.

New industry wide minimum wages in the meat industry and for chimney sweepers.

Country: Germany

Description: A minimum wage industry in the meat industry was introduced in the meat industry (ongoing from August 2014). It is fixed at EUR 7.75. The minimum wage will rise to EUR 8.75 until December 2016. A minimum wage for chimney sweepers was introduced at a level of EUR 12.78

Main Objectives: Set minimum wage in specific sectors and occupations

Minimum wage in 2015

Country: Poland

Description: The government on 10 June 2014 presented a proposition of the amount of minimum wage in 2015, which will be EUR 418 (1750 zlotys) gross, approx. This represents an increase of 4.2 % compared to 2014 (now minimum wage is EUR 401 approx. (1 680 zlotys)). This amount would represent 44.1 % of forecasted average wage in the national economy for 2015.

Institution Responsible: Ministry of Labour and Social Policy

Main Objectives: Increase of minimum wage is to improve the situation of the least-

paid workers.

Target Groups: Low-income earners **Duration of measure:** Temporary

If temporary, how long will it run for? 2015 Has the measure been enacted into law? No

Is the measure being enforced? No

Start date for implementation of the measure: 1 January 2015 **If not law, what type of measure is it?** Government proposal

Enacted/not enacted into law - State of play? Proposal accepted by the Council of Ministers on the 10 June 2014, and passed to social consultations on 15 June 2014. After social consultations the draft bill was transferred to the Council of Ministers on 9 September 2014.

Steps taken to monitor the implementation of the measure? No

Funding Sources: No specific funding required

Is there a specific budget allocated to the measure? No

Which policy recommendations does the measure respond to? CSR Recommendation details: CSR 2: Combat labour market segmentation

Increasing the minimum national statutory salary to RON 900 as of July 1st 2014

Country: Romania

Description: In accordance with Government Decision (*Hotarare de Guvern*) no.871/2013 the minimum national statutory guaranteed salary has been increased for the second and last time for this year to the sum of EUR 203 approximately (RON 900). The measure was announced and it is part of the government's commitment to increase gradually the minimum salary to the value of EUR 226 approximately (RON 1000) by 2016.

Institution Responsible: Ministry of Labour, Family, Social Solidarity and Elderly Persons:

Country Specific Recommendation: CSR 4: Establish, in consultation with social partners, clear guidelines for transparent minimum wage setting, taking into account economic and labour market conditions.

Main Objectives: To increase the level of salary incomes for low income earners and thus give a further boost to domestic demand while in the meantime keeping developments in line with productivity evolution and maintaining salary costs for enterprises as well as for the state budget within acceptable limits.

Target Groups: Low-income earners **Duration of measure:** Permanent

Has the measure been enacted into law? Yes

What is the legal reference? Hotarare de Guvern (Government Decision)

no.871/2013

Date of adoption: Nov.2013

Is the measure being enforced? Yes

Start date for implementation of the measure: As of 1 July 2014' **Steps taken to monitor the implementation of the measure?** Yes

If monitoring arrangements are in place what are they? Regular monitoring by the Ministry of labour through its department for salary policies;

Funding Sources: Funds of the enterprises for the private sector as well as for the state owned enterprises. Government sources for employees of the public administration and other budget financed sectors (e.g.; education, health, military etc.)

Is there a specific budget allocated to the measure? Unknown Which policy recommendations does the measure respond to? CSR

Recommendation details: Establish in consultation with the social partners, clear guidelines for transparent minimum wage settings, taking into account economic and labour market conditions.

Minimum wage to be increased by 7.95 % in 2015

Country: Slovakia

Description: The Ministry of Labour proposed an increase of the statutory minimum wage for 2015 by 7.95 %, i.e. from the current EUR 352 to EUR 380 monthly. The ministerial proposal follows after the social partners have not agreed on the increase. Trade unions demanded an increase of the monthly minimum to EUR 400, while employers insisted on maintaining the 2014 level. The Ministry argues that the high

increase (MW increased by 4.2 % in 2014 and 3.2 % in 2013) is needed since the current net minimum wage does not reach the poverty threshold (EUR 346.33 per month, 2012 EU SILC data).

Institution Responsible: Ministry of Labour, Social Affairs and Family

Main Objectives: The official goal is to adjust the minimum wage to consumer price growth and the average nominal wage growth, and to ensure employees' right to fair and satisfying working conditions.

Target Groups: Low-income earners **Duration of measure:** Temporary

If temporary, how long will it run for? Year 2015. Has the measure been enacted into law? No

Is the measure being enforced? Yes

Start date for implementation of the measure: 1 January 2015 **If not law, what type of measure is it?** Government decree

Enacted/not enacted into law - State of play? The sum of the minimum wage shall be approved by the government in October (tentatively) and enacted in a decree.

Steps taken to monitor the implementation of the measure? $\,\,\text{No}$

Funding Sources: No specific funding required

Which policy recommendations does the measure respond to? None

Measure Updates total: 2

Description of Measure	Description of September 2014 Update
Country: Czech Republic Measure Title: One Minimum Wage Description: Objectives are mixed and not clear. The official objective is to secure equal treatment. Measure Time Period: Jan 2013	Title: Minimum wage increase What has changed: During the summer, the Government has agreed (within tripartite negotiations) to further increase the monthly statutory minimum wage to EUR 332 (CZK 9 200) as of 2015, up from EUR 309 (CZK 8 500) from August 2013. While the increase does not apply to disabled individuals (where it would likely curb employment chances), there is still no lower minimum wage for recent school graduates.
Country: Lithuania Measure Title: Minimum wage increase Description: Since the 1 January 2013, the Government of the Republic of Lithuania, increased the minimum monthly wage (MMW) in Lithuania by almost 18 %. Measure Time Period: Jan 2013	Title: Tripartite Council proposes 3.5 % minimum wage increase. What has changed: In September social partners at the sitting of the Tripartite Council of the Republic of Lithuania (TCRL) agreed to increase minimum wage by 3.5 % - up to EUR 300 (LTL 1 035).

10.2 Public sector pay (0 new measures)

No new measures reported.

Measure Updates total: 0

10.3 Wage setting regulation and social partnership arrangements (2 new measures)

The Consolidated Act on Representation³ (Testo Unico sulla Rappresentanza)

Country: Italy

Description: The so-called *Testo Unico sulla Rappresentanza*, signed on 10 January 2014 between CGIL, CISL, UIL and *Confindustria*, defined the rules aimed at (i) establishing representative status through elections, (ii) stipulating how to conduct such elections, (iii) defining units and appropriate sectors to be represented, (iv) making sure that representativeness is granted, (v) establishing the delegations with the responsibility to bargain, and (vi) defining sanctions as well as enforcement, grievance and arbitration procedures.

Institution Responsible: Social partners

Country Specific Recommendation: CSR 5: Evaluate, by the end of 2014, the impact of the labour market and wage-setting reforms on job creation, dismissals' procedures, labour market duality and cost competitiveness, and assess the need for additional action.

Main Objectives: Rationalising criteria for representativeness in collective bargaining in order to increase the link between wage and productivity and therefore foster economic growth.

Target Groups: Workers, employers and social partners

Duration of measure: Permanent

Has the measure been enacted into law? No

What is the legal reference? Agreement between employer and employees associations

Is the measure being enforced? Yes

Start date for implementation of the measure: 10 January 2014 **Steps taken to monitor the implementation of the measure?** No

Funding Sources: No specific funding required

Is there a specific budget allocated to the measure? No

Which policy recommendations does the measure respond to? CSR

Recommendation details: CSR 5: Evaluate, by the end of 2014, the impact of the labour market and wage-setting reforms on job creation, dismissals' procedures, labour market duality and cost competitiveness, and assess the need for additional action.

7th Revision of the Labour Code

Country: Portugal

Description: The legally stipulated survival period of collective agreements that is being cancelled is shortened (Article 501). The law creates the possibility to suspend a collective agreement temporarily if a company is in a grave crisis. The suspension must be based on an agreement between the signing parties (employers' associations and unions) and homologated by the Ministry of Employment (Article 502).

Institution Responsible: Ministry of Employment

Main Objectives: Make collective bargaining system more flexible

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³ A consolidated (or consolidation) act is a law bringing together several existing laws. In this case, it is an agreement among the social partners (with no legislative intervention). The term consolidated act was hence used in an 'a technical' way.

Target Groups: All companies and workers covered by collective agreements

Duration of measure: Permanent

Has the measure been enacted into law? Yes What is the legal reference? Decree-Law 55/2014

Date of adoption: 25 August 2014 **Is the measure being enforced?** Yes

Start date for implementation of the measure: 1 September 2014

Enacted/not enacted into law - State of play? The new regulation is in place and is being implemented. Until now (22 September 2014) no use has been made of the new regulation of suspending agreements.

Steps taken to monitor the implementation of the measure? No Which policy recommendations does the measure respond to? CSR

Recommendation details: CSR: Explore, in consultation with the social partners and in accordance with national practice, the possibility of mutually agreed firm-level temporary suspension of collective agreements.

Measure Updates total: 1

Description of Measure	Description of September 2014 Update
Country: Portugal	Title: Further criterion added
Measure Title: Change in collective bargaining rules	What has changed: The Government's Resolution 43/2014 introduces an additional
Description: Government Resolution No. 90/2012 introduces a new criterion for the ministerial extension of collective agreements to the respective sector: the signing Employers' Association must cover at least 50 % of the workers in the respective sector/region. This precondition does not have to be met if the agreement is explicitly limited to the larger companies, excluding SMEs from its scope of application.	criterion for extending collective agreements. The new regulation maintains the criterion that the Employers' Association(s) who sign an agreement must (i) cover via its members at least 50 % of the respective sector's workforce, and it creates the new rule that the agreement may also be extended if (ii) at least 30 % of its members are SMEs.
Measure Time Period: Oct 2012	

10.4 Other measures related to wages (e.g. addressing wage and social dumping) (3 new measures)

Easier access to international recruitment

Country: Denmark

Description: A political agreement concerning easier access to international recruitment was reached on 26 June. The agreement aimed at easing the access to qualified foreign workers by introducing a number of measures including: new fast-track scheme where certified companies can have cases heard about the work permit on more flexible terms; more flexible rules for foreign researchers, so they have easier access to the Danish labour market; targeting the green card system taking better into account the demand side; simplification of rules for businesses and citizens, including through simpler rules for extending applications flexible rules for compulsory internships and the allocation of administrative personal identification numbers; an option for foreign students to stay in Denmark two years after

graduation without having to apply for a work-permit; increased opportunities to become self-employed foreigners in Denmark; extension of the work permit to 20 hours a week for international students. All measures will be implemented from 2015.

Institution Responsible: Ministry of Employment

Main Objectives: To make the recruitment of foreign labour less bureaucratic and to

give certain groups of foreigners easier access to work in Denmark.

Target Groups: Immigrants (High-skilled/Low skilled)

Duration of measure: Permanent

Has the measure been enacted into law? No

Is the measure being enforced? Yes

Start date for implementation of the measure: 1 January 2015

If not law, what type of measure is it? Political agreement to be turned into law

in the fall of 2014

Enacted/not enacted into law - State of play? The reform will be turned into legislation during the fall of 2014.

Steps taken to monitor the implementation of the measure? Yes **If monitoring arrangements are in place what are they?** The access of foreigners to the Danish labour market is already monitored, among others by the Danish Immigration Service and the National Labour Market Authority

Funding Sources: Government

Is there a specific budget allocated to the measure? No

Which policy recommendations does the measure respond to? None

Re-evaluation of RSA (active solidarity revenu)

Country: France

Description: The Minister of Health and the state secretary against poverty have decided in the context of the National plan to fight against poverty, launched in January 2013 and confirmed in April 2013, to re-evaluate the RSA by 2 %; this is the second step of overall RSA re-evaluation decided for the five next years (10 % above inflation). The aid amount will growth up from EUR 499 to EUR 509 per month for a single person, from EUR 749 to 763 for a couple without children, and EUR 1 048 to EUR 1 069 for a couple with two children. This measure will be implemented by decree soon.

Institution Responsible: the state and the *Conseils généraux*

Main Objectives: Re-evaluation of RSA of 2 % to take into account the purchasing power the target groups are people facing great difficulties to access unemployment benefits (ARE and ASS). RSA is a social revenue.

Target Groups: Unemployed

Duration of measure: Permanent

Has the measure been enacted into law? Not yet

Enacted/not enacted into law - State of play? A decree is coming soon

Budget: Not determined

Which policy recommendations does the measure respond to? None

A proposal to define a minimum standard of living for different household

types

Country: Latvia

Description: The Ministry of Welfare has made a proposal to define a minimum

standard of living for different household types. This is to serve as a benchmark in relevant policy situations. The proposed schedule is as follows: 1) one adult – EUR 129 per month; 2) two adults – EUR 220 per month; 3) two adults with a child – EUR 285 per month; 4) two adults with two children – EUR 349 per month; 5) one adult with a child – EUR 194 per month; 6) one adult with two children – EUR 259 per month. The schedule was determined by applying an OECD methodology on measuring poverty. The benchmark of EUR 129 corresponds to 40 % of the median income in Latvia.

Institution Responsible: Ministry of Welfare

Main Objectives: To provide a consistent approach to defining minimum living standards and if applied to improve the living situation for up to 160 000 people whose income is below the target EUR 129 a month.

Target Groups: Low-income earners **Duration of measure:** Permanent

Has the measure been enacted into law? No

Is the measure being enforced? No

If not law, what type of measure is it? A conceptual proposal

Enacted/not enacted into law - State of play? Planned to be implemented by 1 January 2017.

Steps taken to monitor the implementation of the measure? Unknown

Funding Sources: Government

Is there a specific budget allocated to the measure? Unknown

Budget: Estimated at EUR 190 - 250 million a year

Which policy recommendations does the measure respond to? AGS **Recommendation details:** Improve social protection; target benefits to the

situation of the most vulnerable part of the society

Measure Updates total: 2

Description of Measure	Description of September 2014 Update
Country: Denmark Measure Title: Combatting social dumping	Title: Agreement on double-taxation with Ireland
Description: Stricter sanctions in case of violations of national rules. Wider use of clauses against social dumping in contracts between public authorities and private entrepreneurs. Measure Time Period: Oct 2012	What has changed: With respect to combating social dumping, an agreement was reached on 24 July between Denmark and Ireland, which will change the Danish-Irish double taxation treaty. In the existing Danish-Irish double taxation treaty, there was a provision that employees in the aviation industry would only be taxed in the country where the company is managed from. This meant that staff in Irish airlines have so far only paid tax in Ireland.
Country: Austria Measure Title: Law against wage und social dumping	Title: Reform - Revision on the basis of previous experience What has changed: The aim of the reform
Description: The measure aims to ensure equal pay conditions for everyone employed in Austria and to ensure a fair competition	is an improvement of several aspects of the LSDB-G, including (of particular relevance):

between Austrian and foreign companies. Penalties are imposed if less than the basic wage is paid, and also if the wage records are not kept available (in German language). The latter is subject to the law, because the complete records are an indispensable basis for any further controlling activity. The institution responsible is the Federal Ministry of Labour, Social Affairs and Consumer Protection.

Measure Time Period: Oct 2010 – Sept 2012

- Stronger protection against wage dumping by an expansion of wage controls through a broader definition of wages (in the case of construction workers the total wage will be the basis (incl. extra payments, bonuses, supplements etc.), in other cases in future extra payments will be included);
- workers must be informed of a penalty notice concerning his employment; and
- penalties for not keeping wage records available will be raised up to the level of proved wage dumping. Envisaged enforcement on 1 January 2015.

Annex 1: Summary table of new measures

	Dismissals legislation		
PA 1: Employment protection legislation and other amendments to labour law	Distilissais legislation	Draft Law 1428/2014 (Job Act)	Italy
		Retirement to become a reason for dismissal	Slovakia
	Internal measures of flexibility (e.g. short time work schemes, redeployment etc.)	None	None
inc	Regulation of atypical contracts incl. measures addressing labour market segmentation	Controls applied to zero hours contracts	United Kingdom
		Plan for fighting employment duality	Spain
		Stricter rules on temporary agency work	Slovakia
Other flexicurity measures Other amendments to labour law (e.g. working time regulation etc.)	Other flexicurity measures	New Labour Law	Croatia
		Social thresholds reform	France
		Additional paid one-day holiday for an workers with one or two children up to age of 14	Latvia
		Creation of a new social model in Lithuania	Lithuania
		Law 78/2014 on fixed-term and apprenticeship contracts	Italy
		Law on European Works Councils	Croatia
	Law on participation of workers in decision-making in European Company (SE) and European Cooperative Society (SCE)	Croatia	
		Law on representativeness of employers' associations and trade unions	Croatia

		Law on safe countries of origin and on permission to work for asylum seekers (<i>Entwurf eines Gesetzes zur Einstufung weiterer Staaten als sichere Herkunftsstaaten und zur Erleichterung des Arbeitsmarktzugangs für Asylbewerber und geduldete Ausländer</i>)	Germany
		Simplified conditions for the employment of third country nationals	Lithuania
		Workplace Relations Bill 2014.	Ireland
PA 2i: Active labour market policies - job creation	Hiring subsidies	Employment incentive for open-ended recruitment of young people	Spain
		Stimulus Employment (Estímulo Emprego)	Portugal
		Incentive Scheme for the Employment of the Unemployed	Cyprus
	Start-up incentives (incl. measures encouraging entrepreneurship, female entrepreneurship and micro credit schemes etc.)	Creation of a student/entrepreneur status	France
	Simplifying the business environment	Amendments to the Labour Code	Lithuania
		Business Development Unit	Malta
		Enterprise Development Programme 2020	Poland
		New Opportunity Policy	Poland
	Public investment programmes and regional investment incentives measures	None	None
	Public works	National programme 'Security'	Bulgaria
		Support social cooperatives and enterprises in the social economy	Hungary
	Other job creation measures	Law 114/2014 reforming the public sector	Italy
		New Programmes for Export	Malta

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		New Regional Development Strategy 2014-2020	Estonia
		Skills to Work	Ireland
PA 2ii: Active labour market policies - Employment Services (public and private) and skills forecasting systems	PES governance	Common catalogue of employment services	Spain
		PES head office appears to be eliminated	Hungary
		Reorganisation of PES	Slovakia
		Spanish Activation Strategy (SAS) 2014-16 and the Employment Annual Plan 2014	Spain
	Public-private cooperation	None	None
	Skills forecasting systems	None	None
	Other measures relating to employment services and skills forecasting	None	None
PA 2iii: Active labour market policies - targeted activation measures	Systemic reforms of ALMPs	None	None
	Youth Policies incl. measures to reduce unemployment, combat early school leaving etc.	National Youth Policy Framework	Malta
		`Invest Young' Programme (<i>Programa Investe Jovem</i>)	Portugal
	Youth Guarantee	A grant scheme 'Youth Employment'	Bulgaria
		Implementation plan of the youth guarantee in Germany	Germany
		Young Active Employment (Medida Emprego Jovem Ativo/EJA)	Portugal
		Proposals of projects on tackling youth unemployment	Slovakia

	Scheme to encourage youth entrepreneurship	Cyprus
	Subsidised first jobs for young people	Slovakia
	Youth Employment Initiative	UK
	Youth Guarantee Implementation Plan	Poland
Measures supporting older workers (incl. job creation incentives, enhancing employability, improving employment services etc.)	Adjustment of the pension bonus	Belgium
	Arrangement schooling and placement older unemployed	Netherlands
	Labour market package for older workers	Austria
Measures supporting women workers incl. incentives to female employment, enhancing job flexibility etc.	None	None
Measures supporting other vulnerable workers e.g. immigrants, Roma, those with a reduced ability to work	Adjustment programme for new migrants	Estonia
	Implementation of the UN Convention on the Rights of persons with disabilities in Latvia 2014-20	Latvia
	New measure toward newly arrived immigrants	Sweden
	New projects for the most disadvantaged unemployed	Lithuania
	Work capacity reform	Estonia
Measures improving services for the unemployed + enhancing employability	Amendments to the Law on Support for Employment	Lithuania
	Chance for a Job - 2014	Bulgaria

		New Act on the Timing of Establishment Plan for Newly arrived migrant (SFS:2014:2 102)	Sweden
		Reform of active labour market policy	Denmark
	Other active labour market policies	National Employment Policy	Malta
		Reform of the Career Bridging Programme	Belgium
PA 3: Social security systems	Unemployment Benefit Reforms	Temporary in-work benefits for long-term unemployed and inactive	Slovakia
	Social assistance measures e.g. family benefits, housing, long-term care etc.)	Establishment of a means tested income support programme	Greece
		Fiscal amnesty for pensioners and recipients of benefits for parental care	Romania
		Increase in support to persons involved in the Chernobyl	Latvia
		Nuclear Power Plant emergency relief actions	
		Large Family Card	Poland
		National Programme for the Prevention of Poverty and Social Exclusion	Poland
		Social security benefit eligibility extended	Latvia
		Social Welfare and Pensions Bill 2014	Ireland
	Pension reforms	Capping of extra pensions	Austria
		Employment and pension monitoring	Austria
		Reform of the career's calculation	Belgium
		Reform of the survivor's pension	Belgium

	Health insurance system reforms	Law on the financing and the quality of public health insurance (Gesetz zur Weiterentwicklung der Finanzstruktur und der Qualität in der gesetzlichen Krankenversicherung)	Germany
		Law proposal on strengthening long-term care (Pflegestärkungsgesetz 1)	Germany
	Other measures related to social security systems	Age pact for seniors	Luxembourg
		Amendment to the law on social benefits for asylum seekers (Asylbewerberleistungsgetz)	Germany
PA 4: Work-life balance and gender equality	Childcare	Expansion of institutional childcare	Austria
		Increased funding for childcare facilities	Slovakia
		Law on temporary support	Croatia
	Other family care provision	None	
			None
	Parental leave arrangements / Benefits	Reforming parental leave allowance Elterngeld Plus	Germany
	Gender pay gap and equal rights	None	None
	Other work-life balance and gender equality measures	Law on equality between women and men adopted in July 2014	France
PA 5: Education and training systems	Improvement of primary and secondary education systems	Expansion of full-day school forms	Austria
		Revised Statutory Guidance on Careers Guidance in Schools	United Kingdom
	Improving education and labour relevant skills formation at tertiary level	Funding to secure the supply of engineers	United Kingdom
		Reform of student grants (<i>Bafög</i>)	Germany

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	Lifelong learning measures (incl. continuous training programmes, training vouchers and individual training accounts)	Access to adult vocational training widened	Estonia
		Reform of the training for the employment system	Spain
	Apprenticeships and vocational education training systems incl. traineeships and school-to-work transitions	Employers initiatives aimed at improvement of trade-off of qualified labour supply and demand	Lithuania
		Initial vocational education for young unemployed within the framework of the Youth Guarantee	Latvia
		New Decree-Law regulating Vocational Schools	Portugal
		Plan for re-launching apprenticeship	France
		Student summer employment programme	Latvia
		Upper Secondary Apprentice Employment Act (Lagen om gymnasial lärlinsanställning)	Sweden
		VET reform to launch dual education scheme	Slovakia
	Other education and training system measures	Reform of the Student Support Act	Austria
		Strategy of Education, Science and Technology	Croatia
PA6: Labour taxation (incl. undeclared work)	Social Security Contributions	Draft law on the reduction of the social security contribution voted by the Parliament in spite of Presidential veto	Romania
		Increased sum of tax-favoured income for students	Slovakia
		Reduced health insurance contributions for low-paid workers	Slovakia
	Personal income taxes	Income tax allowance increased	Estonia
		Law 89/2014 (the so called '80 euro bonus')	Italy
		No personal income tax liability on stipends for unemployed who participate in ALMP measures	Latvia

		Simpler submission procedure for personal income tax statement	Latvia
	Reducing undeclared work	Establishment of the Committee for combating undeclared work	Croatia
		Funding of craftsmen service provision	Austria
		Prevention of Undeclared Work and Employment Act	Slovenia
	Other labour taxation related measures	Company income tax relief for research and development activities	Latvia
		Law 116/2014 on various fiscal measures	Italy
PA 7: Wage setting institutions and dynamics	Minimum wages	Increasing the minimum national statutory salary to RON 900 as of July 1st 2014 $$	Romania
		Law on general nation-wide Minimum Wage	Germany
		Minimum wage in 2015	Poland
		Minimum wage to be increased by 7.95 % in 2015	Slovakia
		New industry wide minimum wages in the meat industry and for chimney sweepers.	Germany
	Public sector pay	None	
			None
	Wage setting regulation and social partnership arrangements	7th Revision of the Labour Code	Portugal
		The Consolidation Act (Testo Unico sulla Rappresentanza)	Italy
	Other measures related to wages (e.g. addressing wage and social dumping)	A proposal to define a minimum standard of living for different household types	Latvia
		Easier access to international recruitment	Denmark
		Re-evaluation of RSA (Active solidarity revenu)	
			France

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