

# Eurostat

## Labour market policy statistics

### Qualitative report

Finland, 2017

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## TABLE OF CONTENTS

- A Introduction
- B Inventory of interventions
- C Qualitative information by intervention
- D Reference data
- E Abbreviations

## A - Introduction

## Introduction

The Eurostat Labour Market Policy (LMP) database collects information on labour market interventions implemented by each of the EU Member States and Norway. Data are collected according to a comprehensive methodology, which classifies interventions into three main types – services, measures and supports – and into nine detailed categories according to the type of action (see below). Readers are recommended to refer to the LMP methodology <sup>1</sup> for details of this classification scheme and definitions of terms used in this report.

The LMP database collects quantitative data on expenditure and participants for each intervention. These are published annually and are available online from the Eurostat website <sup>2</sup>. The quantitative data are complemented by a set of qualitative information describing each intervention. This represents an invaluable source of reference to support a harmonised approach to the classification of national interventions and to help interpret the detailed figures on expenditure and participants. These qualitative data are compiled into a series of **Labour market policy statistics: Qualitative Reports** and produced as separate volumes for each country/year.

The reports all have the same structure:

- Part A Introduction

- Part B Inventory of interventions - a list of all interventions reported for the relevant year, grouped by type of action and including a national language version of the intervention name.

- Part C Qualitative information by intervention - presents the available information about each intervention in three sections: *Identification*, *Description*, and *Supplementary information*. The *Description* contains seven sub-sections: Aim, Beneficiaries/participants, Action/instrument, Financing/support, Eligibility, Legal basis, and Recent changes. The *Supplementary information* contains eight sub-sections describing the breakdown of expenditure, target groups, the treatment of unemployment spells, receipt of benefits, planned duration and other characteristics of the intervention. Together, these items summarise the qualitative information collected through the LMP questionnaire.

- Part D Reference data - provides a description of the populations considered as reference data within the LMP database, giving national definitions of those considered as registered unemployed and other groups registered with the public employment services (PES).

- Part E Abbreviations

The qualitative information in the LMP database is updated annually with the contribution of delegates from each country and Eurostat cannot take responsibility for the validity of the content. The reports are published annually by Eurostat in English and reports for other years that are not currently in the online library can be produced on request.

### Classification of interventions by type of action

#### *LMP services*

1. Labour market services

#### *LMP measures*

2. Training
4. Employment incentives
5. Supported employment and rehabilitation
6. Direct job creation
7. Start-up incentives

*LMP supports*

- 8. Out-of-work income maintenance and support
- 9. Early retirement

<sup>1</sup>

[http://epp.eurostat.ec.europa.eu/portal/page/portal/product\\_details/publication?p\\_product\\_code=KS-GQ-13-002](http://epp.eurostat.ec.europa.eu/portal/page/portal/product_details/publication?p_product_code=KS-GQ-13-002)

<sup>2</sup> [http://epp.eurostat.ec.europa.eu/portal/page/portal/labour\\_market/labour\\_market\\_policy](http://epp.eurostat.ec.europa.eu/portal/page/portal/labour_market/labour_market_policy)

## B - Inventory of interventions

Category, intervention number and name (English/National language)

1	Labour market services	
5	Mobility allowance	Liikkuvuusavustus
46	Registration of jobseekers	Työnhakijoiden rekisteröinti
47	Interviews and individual action plans	Työnhakuhaastattelut ja työllistymissuunnitelmat
48	Integration	Kotouttaminen
56	Labour exchange	Työnvälitys
59	Job search training	Työnhakuvalmennus
60	Career coaching	Uravalmennus
61	Job coaching	Työhönvalmennus
50	Administration of active measures (PES)	Aktiivisten toimenpiteiden hallinnointi
51	Administration of benefits (PES)	Passiivisten toimenpiteiden hallinnointi
64	Employer services	Työnantajapalvelut
65	Administrative services	Hallinnolliset palvelut
2	Training	
6	Labour market training	Työvoimakoulutus
17	Self-motivated studies supported by unemployment benefit	Omaehtoinen opiskelu työttömyysetuudella
63	Education try-out	Koulutuskokeilu
62	Work try-out	Työkokeilu
66	Recruitment try-out	Rekrytointikokeilu
7	Apprenticeship for the unemployed	Oppisopimuskoulutus työttömille
4	Employment incentives	
10	Employment subsidy, private companies	Työllistämistuki yrityksille
16	Job rotation	Työnvuorottelu
5	Supported employment and rehabilitation	
34	Employment supporting activity of the municipalities	Kuntien työllistymistä tukeva toiminta
25	Rehabilitation activities of the social insurance institution	Kansaneläkejärjestelmän ammatillinen kuntoutus
26	Rehabilitation activities of the employment pension scheme	Työeläkejärjestelmän ammatillinen kuntoutus
27	Rehabilitation activities of the accident and traffic insurance	Tapaturma- ja liikennevakuutuksen ammatillinen kuntoutus
6	Direct job creation	
8	Temporary government employment	Valtion työtehtävät
9	Employment subsidy, municipalities	Kunnallinen työllistämistuki
36	Rehabilitative work experience	Kuntouttava työtoiminta

Source: Eurostat LMP database. Date of extraction: 23 January 2019

7	Start-up incentives	
11	Start-up grant	Yrittäjäraha
55	Start-up grant for non-unemployed	Starttiraha ei-työttömille
8	Out-of-work income maintenance and support	
1	Earnings-related unemployment allowance	Työttömän ansiosidonnainen päiväraha
2	Basic unemployment allowance	Työttömän peruspäiväraha
4	Labour market support (passive component)	Työttömän työmarkkinatuki
30	Earnings related adjusted unemployment allowance as partial unemployment benefit	Soviteltu ansiosidonnainen päiväraha lyhennettyä työaika tekeville
32	Adjusted basic unemployment allowance or labour market support as partial unemployment benefit	Soviteltu peruspäiväraha tai työmarkkinatuki lyhennettyä työaika tekeville
31	Earnings related adjusted unemployment allowance as part-time unemployment benefit	Soviteltu ansiosidonnainen päiväraha osa-aikatyötä tekeville
33	Adjusted basic unemployment allowance or labour market support as part-time unemployment benefit	Soviteltu peruspäiväraha ja työmarkkinatuki osa-aikatyötä tekeville
28	Pay security	Palkkaturva
9	Early retirement	
Mixed	\$\$353	

*Number of measures:* **64**



## C - Qualitative information by intervention

## Identification

Country Finland 2017 Category 1 - Labour market services  
Intervention n°/name 46 Registration of jobseekers  
Type of action: 1.1.1 - Information services

## Description

### Aim:

To register jobseekers in the Public employment service jobseekers database (URA).

### Beneficiaries:

Registered jobseekers.

### Action/Instrument:

People can register at the Employment office as jobseekers.

In the Employment office, all personal data are registered in the database (education, previous jobs, driving license, working ability, training and occupational needs and own wishes).

Usually people can register through Internet but they must also visit the Employment office to deliver the work and education certificates.

Jobseekers must also attend interview about their own situation and what they can/should do by themselves.

Officers of the Employment office also demonstrate to new jobseekers the possibilities that the office can offer for the jobsearch.

Non-Finnish citizens may register as jobseekers if they are citizens of nations which have a contract of labour force freedom of movement with Finland.

Other citizens can register based on their work or residence permit.

These services are the same as for Finnish citizens.

### Finanacina/Support:

Central government budget.

### Eligibility:

Jobseekers and all other clients of the Employment offices.

### Legal basis:

Act on Public Employment and Enterprise Services (916/2012)

Degree on Public Employment and Enterprise Services (1073/2012)

Recent changes:

## Supplementary information

Breakdown of expenditure: Transfers to service providers

Target groups: Not registered (All)  
Employed (All)

Treatment of unemployment spells: Continuous/Continuous

Receipt of benefits: Cash benefits (Source: Unemployment benefit)

Planned duration: Continuously available

Responsible institution(s): Public employment services

Area of application: National

Implementation: *Year started:* 1901 *Year Ended:* Ongoing

## Identification

Country Finland 2017 Category 1 - Labour market services  
Intervention n°/name 56 Labour exchange  
Type of action: 1.1.1 - Information services

## Description

### Aim:

To improve the functioning of the labour market by providing labour exchange services, monitoring of active job search.

### Beneficiaries:

Jobseekers, all other clients of the PES and employers.

### Action/Instrument:

Employment services include placement, information services regarding training, occupational choices and vocational retraining.

There are about 100 local employment offices' posts (Employment and Economic Development Offices) operating in the country.

Employment offices present open vacancies to jobseekers, introduce them to employers and in addition presents all the active measures that Employment office can offer to fill vacancies.

The monitoring of the employment situation and the needs of the employers is also carried out.

Employment offices monitor the filling of the open vacancies. Based on the freedom of choice, the Labour exchange service promotes effective and appropriate work location of the labour force.

Employers should get the best possible employees for the job and employees should get a job that is the best for their ability.

Employment offices give non-Finnish citizens information about working (working permits and possibilities) in Finland and also information to Finnish citizens about their working possibilities abroad.

At the beginning of 1998, the service process in the Employment offices was reformed in order to promote active jobsearch. As part of this reform, the rights and the obligations of jobseekers were defined.

### Finanacina/Support:

Central government budget

### Eligibility:

Registered jobseekers, clients of the Public employment service and all employers who need assistance to fill their vacancies.

### Labour exchange services will not be provided:

- to employers neglecting their duties based on the Act relative to the employment contracts or not paying taxes or legal based payments
- if employees are expected to do indecent work or work against good practice
- if the work represents a threat of danger or clear violence or is harmful to the employees' health
- if the work includes a danger based on disturbance or other mistreatment.

### Legal basis:

Act on Public Employment and Enterprise Services (916/2012)

Degree on Public Employment and Enterprise Services (1073/2012)

### Recent changes:

## Supplementary information

Breakdown of expenditure: Transfers to service providers

Target groups: Registered unemployed (All)  
Other registered jobseekers (All)

Source: Eurostat LMP database. Date of extraction: 23 January 2019

	Not registered (All)			
	Employed (All)			
Treatment of unemployment spells:	Continuous/Continuous			
Receipt of benefits:	Cash benefits (Source: Unemployment benefit)			
Planned duration:	Continuously available			
Responsible institution(s):	Public employment services			
Area of application:	National			
Implementation:	<i>Year started:</i> 1900		<i>Year Ended:</i>	Ongoing

## Identification

Country Finland 2017 Category 1 - Labour market services  
Intervention n°/name 5 Mobility allowance  
Type of action: 1.1.2 - Individual case-management

## Description

Aim:

To support the geographical mobility of jobseekers in order to facilitate the take up of a job.

Beneficiaries:

Jobseekers who have to travel or move in order to take up a new job.

Action/Instrument:

Jobseekers may be granted a mobility allowance in the form of daily allowance (LMS) or reimbursement of travelling costs and, if necessary, accommodation costs arising from travel within Finland for the purpose of responding to a job offer, attending interviews or services, concluding an employment contract or moving house in order to take up a new job.

1. For reimbursement of the travelling costs the job must be:

- the result of a referral by the Employment Office or employer's invitation to the interview
- Work place or the interview of it is situated in Finland
- working hours are at least 18 hours per week and last at least 2 weeks
- reimbursement must be applied in one month after the trip.

Possible accommodation costs can also be reimbursed to 80€.

2. Reimbursement of the moving costs is discretionary. Maximum reimbursement for the moving costs is 700€.

For reimbursement of the moving costs the job must be:

- situated in Finland
- working hours are at least 18 hours per week and last at least 6 months
- person won't get point 3. LMS for moving costs
- moving have occurred in six months after the job started.

3. To person who is eligible to the Labour market support (LMS) can be paid the LMS as reimbursement of moving costs during the first 4 working months. The payment is in these cases discretionary based on the jobseeker's embarrassments which could prevent take up the job.

job must be:

- outside the applicants' normal commuting area (based on his/her place of residence) in Finland
- full-time and last at least 2 months
- job could be also subsidized with employment subsidy.

All allowances (reimbursement for travelling or moving costs and LMS as travelling reimbursement) will be granted based on eligible application to the Employment office where the applicant is registered as jobseeker.

Finanacina/Support:

Central government budget

Eligibility:

Registered jobseekers who are unemployed or at risk of unemployment.

Also students may get reimbursement of the travelling costs during holidays for same reasons as jobseekers.

Legal basis:

Act on Public Employment and Enterprice Services (916/2012)

Degree on Public Employment and Enterprice Services (1073/2012)

Recent changes:

## Supplementary information

Source: Eurostat LMP database. Date of extraction: 23 January 2019

Breakdown of expenditure:	Transfers to individuals ( Reimbursements)		
Target groups:	Registered unemployed (All) Other registered jobseekers (All)		
Treatment of unemployment spells:	Continuous/Continuous		
Receipt of benefits:	Cash benefits (Source: Current intervention, Unemployment benefit)		
Planned duration:	One-off		
Responsible institution(s):	Social security funds, Public employment services		
Area of application:	National		
Implementation:	<i>Year started:</i>	1972	<i>Year Ended:</i> Ongoing

## Identification

Country Finland 2017 Category 1 - Labour market services  
Intervention n°/name 47 Interviews and individual action plans  
Type of action: 1.1.2 - Individual case-management

## Description

### Aim:

With these plans, the Employment office can find out the needs of the unemployed and promote their employability. Plans help unemployed people to activate their own jobsearch.

### Beneficiaries:

Registered unemployed and other jobseekers who are eligible for change security.

### Action/Instrument:

The Employment office calls unemployed jobseekers after two weeks of registration to the interview (unless this is needless based on the person's situation).

During the interview, the officer and the jobseeker check (and if needed also revise) the person's job-seeking data in the database, appraise the services needed, do the individual action plan and agree on the procedure to renew the jobseeking, possible further interviews and other actions. Employment office assess also person's the possibilities to get employed in the open labour markets and possibility for person's long-term unemployment. In the next interviews, the effectiveness of jobsearch and the implementation of the plans will be monitored. Current work and training possibilities will also be clarified together with the need for further services and measures. The action plan resulting from the interview must be followed by the unemployed jobseeker.

The Employment office and unemployed jobseekers prepare the action plan together. It must include the jobseekers skills and an evaluation of their needs.

In the plan, the different services/measures and other ways to improve the labour market potential and work capacity of the unemployed are agreed. The Individual action plan (IAP) includes the work places and training opportunities to which the unemployed should apply and also other employment promoting activities/measures or working ability or health monitoring activities. If needed, individual action plan also includes services provided by the Employment office. At last, the Employment office and the unemployed jobseeker sign the plan.

Unemployed jobseekers have the right/responsibility to develop an activation plan together with the Employment office and local government to replace the individual action plans after certain period of unemployment (see eligibility criteria). The activation plan describes the person's working and education history, details of any earlier measures and their effectiveness, details of any actions currently planned and possible future actions, and information on the range of rehabilitation and guidance measures available.

Unemployed jobseekers must follow the actions agreed in the action plan. After some time, they must announce how well they managed to follow the plan. If they neglected the agreed plans or their preparation, their unemployment allowances will be cut for a fixed-term or until they comply with the rules. Action plans are normally obligatory before unemployed people can participate to the Labour Administration's active measures. Interviews will be arranged based on the person's needs but it must be arranged at least after 3 and 6 months' unemployment and after 6 months unemployment every 6 months.

### Financing/Support:

Central government budget.

### Eligibility:

- Unemployed jobseekers.

After 2 weeks of unemployment without any break, an interview will be arranged for preparing individual action plan.

- Jobseekers who are eligible for change security based on an employee notice or in danger of unemployment.

### Activation plan

For persons <25 eligible to LMS or getting the income security, an activation plan must be prepared if the person:

- received LMS based on unemployment for at least 180 days in the last 12 months and prepared an individual action plan or;

- received earnings-related or basic unemployment allowance for 500 days and prepared an individual action plan or;
- received income security as main income for 4 months because of unemployment and has made an individual action interview.

For persons aged 25+ eligible to LMS or getting the income security and whom have prepared an individual action plan, an activation plan must be prepared if the person:

- received LMS based on unemployment for at least 500 days or;
- received earnings-related or basic unemployment allowance for 500 days and then LMS for at least 180 days based on unemployment or;
- received income security as main income for 12 months because of unemployment.

Legal basis:

Act on Public Employment and Enterprise Services (916/2012)

Degree on Public Employment and Enterprise Services (1073/2012)

Recent changes:

### **Supplementary information**

Breakdown of expenditure:	Transfers to service providers		
Target groups:	Registered unemployed (All, LTU, Youth) Other registered jobseekers (All)		
Treatment of unemployment spells:	Continuous/Continuous		
Receipt of benefits:	Cash benefits (Source: Unemployment benefit)		
Planned duration:	Continuously available		
Responsible institution(s):	Public employment services		
Area of application:	National		
Implementation:	<i>Year started:</i>	1999	<i>Year Ended:</i> Ongoing



## Identification

Country Finland 2017 Category 1 - Labour market services  
Intervention n°/name 48 Integration  
Type of action: 1.1.2 - Individual case-management

## Description

### Aim:

To promote immigrants possibilities to act in the Finnish society and to help them find employment or an educational programme.

### Beneficiaries:

Non-Finnish unemployed jobseekers.

### Action/Instrument:

Integration plan is made together with the immigrant, the Employment office and the local government.

The Integration plan will replace the normal Individual action plan.

In the Integration plan, the measures which the immigrant and his/her family will need for their integration into society are agreed.

This plan can include programmes to study Finnish/Swedish, labour market policy participation, self-motivated studies, vocational guidance or rehabilitation, trainee work or other measures which will support employment and actions to support childrens'/youths' intergation.

Integration plan can last for maximum 3 years during which people receive the Labour market support if they are not employed. Intergation plan can be interrupted after one month person have been employed permanently in full-time job or as employer or person has started full-time studies which will lead to occupation or examination. Before interruption employment office have to hear the person.

### Finanacina/Support:

Central government budget.

### Eligibility:

Non-Finnish immigrants who have been registered as unemployed jobseekers.

Integration plan must be carried out at the latest 5 months after unemployment without any breaks.

Immigrants have the right to the integration plan during 3 years after their first registration as permanent resident in Finland.

### Legal basis:

Act on Public Employment and Enterprice Services (916/2012)

Degree on Public Employment and Enterprice Services (1073/2012)

Act on Integration of Immigrants and Receiving of Asylum Seekers (493/1999).

Decree on Integration of Immigrants and Receiving of Asylum Seekers (511/1999).

### Recent changes:

## Supplementary information

Breakdown of expenditure: Transfers to service providers  
Target groups: Registered unemployed (All, Immigrants/ethnic minorities)  
Treatment of unemployment spells: Continuous/Continuous  
Reciept of benefits: Cash benefits (Source: Unemployment benefit)  
Planned duration: Maximum: 3 Years  
Responsible institution(s): Local government, Public employment services  
Area of application: National

Source: Eurostat LMP database. Date of extraction: 23 January 2019

Implementation:

*Year started:* 1999

*Year Ended:* Ongoing

## Identification

Country Finland 2017 Category 1 - Labour market services  
Intervention n°/name 59 Job search training  
Type of action: 1.1.2 - Individual case-management

## Description

### Aim:

Job search training will teach skills that jobseeker will need to look for work independently and in a goal-oriented manner.

### Beneficiaries:

Jobseekers.

### Action/Instrument:

During the training, the persons will learn about:

- assessing their competence and composing a job application and a CV based on it
- how companies recruit staff
- using those channels for looking for a job that are best suited for them.

After taking part in the training, they will also know where to find information about the job market, companies and jobs.

### Job search training may contain:

- independent searches for information and guidance towards information sources
- discussing competence with an instructor
- writing a job application and a CV under instruction.

Job search training usually takes from 1 to 10 days.

Maximum duration of job search training during 12 months is 20 days.

### Financing/Support:

Central government budget and social security funds.

### Eligibility:

All jobseekers.

Person will receive the same benefits during the job search training as unemployed. If the training is part of the person's employment plan or other similar plan, unemployment benefit may be increased. The decision on this increase will be made by the party paying the unemployment benefit, in other words the unemployment fund or the Social Insurance Institution.

Person may also receive an expense allowance to reimburse some the expenses that he/she have when person are taking part in the training. If it is not granted by the party paying the unemployment benefit, the TE Office may grant a discretionary allowance.

### Legal basis:

Act on Public Employment and Enterprise Services (916/2012)

Degree on Public Employment and Enterprise Services (1073/2012)

Recent changes:

## Supplementary information

Breakdown of expenditure: Transfers to individuals (Periodic cash payments, Reimbursements), Transfers to service providers  
Target groups: Registered unemployed (All)  
Other registered jobseekers (All)  
Treatment of unemployment spells: Broken

Receipt of benefits:	Cash benefits (Source: Current intervention)		
Planned duration:	Maximum: 20 Days		
Responsible institution(s):	Public employment services		
Area of application:	National		
Implementation:	<i>Year started:</i>	2013	<i>Year Ended:</i> Ongoing

## Identification

Country Finland 2017 Category 1 - Labour market services  
Intervention n°/name 60 Career coaching  
Type of action: 1.1.2 - Individual case-management

## Description

### Aim:

To find new paths to the labour market from unemployment or due to changed situation of life.

### Beneficiaries:

Jobseekers.

### Action/Instrument:

Training for finding a job can include help:

- to plan personal future
- to change own subject
- to find a new study

During the training, the possibility to find employment as entrepreneur is also examined.

Training can include the following activities:

- group working
- discussions with a supervisor
- know-how and ability surveys
- exploring the working life.

Maximum duration of the training during 12 months is 40 days.

### Financing/Support:

Central government budget and social security funds.

### Eligibility:

All jobseekers.

Person will receive the same benefits during the training as unemployed. If the training is part of the person's employment plan or other similar plan, unemployment benefit may be increased. The decision on this increase will be made by the party paying the unemployment benefit, in other words the unemployment fund or the Social Insurance Institution.

Person may also receive an expense allowance to reimburse some the expenses that he/she have when person are taking part in the training. If it is not granted by the party paying the unemployment benefit, the TE Office may grant a discretionary allowance.

### Legal basis:

Act on Public Employment and Enterprise Services (916/2012)

Degree on Public Employment and Enterprise Services (1073/2012)

Recent changes:

## Supplementary information

Breakdown of expenditure: Transfers to individuals (Periodic cash payments, Reimbursements), Transfers to service providers  
Target groups: Registered unemployed (All)  
Other registered jobseekers (All)  
Treatment of unemployment spells: Broken

Receipt of benefits:	Cash benefits (Source: Current intervention)		
Planned duration:	Maximum: 40 Days		
Responsible institution(s):	Public employment services		
Area of application:	National		
Implementation:	<i>Year started:</i> 2013	<i>Year Ended:</i>	Ongoing

## Identification

Country Finland 2017 Category 1 - Labour market services  
Intervention n°/name 61 Job coaching  
Type of action: 1.1.2 - Individual case-management

## Description

### Aim:

To promote persons' ability to stay in the labour market or to get back into the labour market.

### Beneficiaries:

Jobseekers.

### Action/Instrument:

TE-office can offer training when a person needs personal guidance to look for a job, to make a contract of employment and/or to establish employment. Training can be provided before employment but also during employment. For the employer the training gives information about the employee's working ability and the available public employment services which can be used during the training. Usually the training can be combined with with other public employment services and measures. For some clients "Training for work" can follow "Job search training" (FI-59).

Participation to the training will be agreed in the employment plan or other similar plan. If there are many potential service providers the person can first get to know the different possibilities before signing the training contract.

The maximum duration of the training during 12 months is 50 hours.

### Finanacina/Support:

Central government budget

### Eligibility:

All jobseekers.

Person will receive the same benefits during the training for work as unemployed. If the training is part of the person's employment plan or other similar plan, unemployment benefit may be increased. The decision on this increase will be made by the party paying the unemployment benefit, in other words the unemployment fund or the Social Insurance Institution.

### Legal basis:

Act on Public Employment and Enterprice Services (916/2012)

Degree on Public Employment and Enterprice Services (1073/2012)

### Recent changes:

## Supplementary information

Breakdown of expenditure: Transfers to individuals (Periodic cash payments), Transfers to service providers  
Target groups: Registered unemployed (All)  
Other registered jobseekers (All)  
Employed (All)  
Treatment of unemployment spells: Continuous/Continuous  
Reciept of benefits: Cash benefits (Source: Unemployment benefit)  
Planned duration: Maximum: 7 Days  
Responsible institution(s): Public employment services  
Area of application: National  
Implementation: *Year started:* 2013 *Year Ended:* Ongoing

## Identification

Country Finland 2017 Category 1 - Labour market services  
Intervention n°/name 50 Administration of active measures (PES)  
Type of action: 1.2.1 - Administration of LMP measures

## Description

**Aim:**

To offer jobseekers good and appropriate active measures.

**Beneficiaries:**

Jobseekers and all clients in active measures.

**Action/Instrument:**

Employment offices advice and guide jobseekers (mainly unemployed jobseekers) to take part to different Labour Administration's active measures.

Depending on the clients' needs, they will advise different measures if the jobseekers cannot be employed.

Public employment services operational costs (costs for advising clients and arranging the subsidized employment or training places) are included. All costs caused by staff time use for active measures are included.

Employment offices have to control that participants to the measures and their employers do their duties.

**Finanacina/Support:**

Central government budget

**Eligibility:**

See active measures (FIN-6-14&35-36&55&59-63) in the database.

**Legal basis:**

Act on Public Employment and Enterprice Services (916/2012)  
Degree on Public Employment and Enterprice Services (1073/2012)  
Decree on Enforcement of Public Employment Service (1347/2002).  
Decree on Benefits of Public Employment Service (1346/2002).

**Recent changes:**

## Supplementary information

Breakdown of expenditure: Transfers to service providers  
Target groups: Registered unemployed (All)  
Other registered jobseekers (All)  
Treatment of unemployment spells: Not relevant  
Reciept of benefits: Cash benefits (Source: Other LMP intervention)  
Planned duration: Not relevant  
Responsible institution(s): Public employment services  
Area of application: National  
Implementation: *Year started:* 1930 *Year Ended:* Ongoing



## Identification

Country Finland 2017 Category 1 - Labour market services  
Intervention n°/name 51 Administration of benefits (PES)  
Type of action: 1.2.2 - Administration of LMP supports

## Description

### Aim:

To advice and control unemployed jobseekers and employed at risk about unemployment benefits and pay security.

### Beneficiaries:

Jobseekers and all possible clients in passive measures.

### Action/Instrument:

The Employment office informs people about unemployment benefits and the different possibilities to get benefits.

The Employment office has to follow up if people fulfil the eligibility criteria for unemployment allowances. Based on the person's situation, it sends a declaration to the Social Insurance Institution or Unemployment fund. The payment decision is based on the declarations.

All operational costs of the PES caused by staff time use with passive unemployment benefits is included here.

### Financing/Support:

Central government budget.

### Eligibility:

See passive measures (FI-1-4&28&30-33) in the database.

### Legal basis:

Act on Public Employment and Enterprise Services (916/2012)  
Degree on Public Employment and Enterprise Services (1073/2012)  
Act on Unemployment Benefits (1290/2002)  
Act on Unemployment Funds (603/1984)  
Act on Financing of Unemployment Benefits (555/1998)

### Recent changes:

## Supplementary information

Breakdown of expenditure: Transfers to service providers

Target groups: Registered unemployed (All)  
Other registered jobseekers (All)

Treatment of unemployment spells: Not relevant

Receipt of benefits: Cash benefits (Source: Unemployment benefit)

Planned duration: Not relevant

Responsible institution(s): Public employment services

Area of application: National

Implementation: *Year started:* 1934 *Year Ended:* Ongoing

## Identification

Country Finland 2017 Category 1 - Labour market services  
Intervention n°/name 64 Employer services  
Type of action: 1.2.3 - Others services / activities

## Description

**Aim:**

To promote enterprises' activity and help companies to grow.

**Beneficiaries:**

Employers.

**Action/Instrument:**

- Employers guidance
- Development services
- Evaluation of employers service needs.

**Finanacina/Support:**

Central government budget

**Eligibility:**

All employers.

**Legal basis:**

Act on Public Employment and Enterprice Services (916/2012)  
Degree on Public Employment and Enterprice Services (1073/2012)

**Recent changes:**

## Supplementary information

Breakdown of expenditure: Transfers to service providers

Target groups: Registered unemployed (All)  
Other registered jobseekers (All)  
Not registered (All)  
Employed (All)

Treatment of unemployment spells: Not relevant

Reciept of benefits: None

Planned duration: Not relevant

Responsible institution(s): Public employment services

Area of application: National

Implementation: *Year started:* 2008 *Year Ended:* Ongoing

## Identification

Country Finland 2017 Category 1 - Labour market services  
Intervention n°/name 65 Administrative services  
Type of action: 1.2.3 - Others services / activities

## Description

**Aim:**

All employment offices' costs which are not already reported under other categories.

**Beneficiaries:**

Employment offices.

**Action/Instrument:**

- Secretary and office services
- Documentary service, information service and filing
- Development of the employment offices' operations
- Personnel administration

**Finanacina/Support:**

Central government budget

**Eligibility:**

Employment offices.

**Legal basis:**

Act on Public Employment and Enterprice Services (916/2012)

Degree on Public Employment and Enterprice Services (1073/2012)

Recent changes:

## Supplementary information

Breakdown of expenditure: Transfers to service providers

Target groups: Registered unemployed (All)  
Other registered jobseekers (All)  
Not registered (All)  
Employed (All)

Treatment of unemployment spells: Not relevant

Reciept of benefits: None

Planned duration: Not relevant

Responsible institution(s): Public employment services

Area of application: National

Implementation: *Year started:* 1900 *Year Ended:* Ongoing

## Identification

Country Finland 2017 Category 2 - Training  
Intervention n°/name 6 Labour market training  
Type of action: 2.1 - Institutional training

## Description

### Aim:

To adapt the skills of unemployed, to improve and maintain the equilibrium between supply and demand in the labour market, to avoid unemployment and to abolish labour shortage in certain regions and industries through the provision of training in either public or private vocational institutions.

### Beneficiaries:

Unemployed and employed at risk in general, but with a special attention paid to young long-term unemployed, to partially disabled people and to people aged over 40.

### Action/Instrument:

Labour market training consists for the most part of further training and updating training. The training is flexible in form and can last from a few days to more than a year. Initial vocational training can be provided if the participant lacks professional skills. Supplementary training is intended to broaden the scope of participants' skills. Retraining is offered when the person is changing occupation. Academic degree as Labour market training is also possible to supplement earlier cancelled education if it can be finished during 24 months. Recently labour market training has been increasingly channelled to cover the young long-term unemployed, and to cater for the special training needs of the partially disabled and those over 40.

Training can take place at vocational adult training institutions or institutions of higher education, but can also be organised by private suppliers through tendering procedures. Over half of all student work days have been provided by adult training centres. Labour market training can be arranged to answer private employer's labour force needs in employer's premises in co-operation with the Employment office, the employer and the possible training provider. Training can also take place abroad so long as it has been arranged by the administrative authorities of Finland or another Nordic country. Normally regional Employment and Economic Development Centres carry out the purchasing of the training but the Employment office can also do it based on the regional centre instructions. Either the Employment offices or the regional Employment and Economic Development Centres sign an agreement with the service providers defining the duration, approach and costs of training.

The Employment administration pays the costs of the training services whilst participants receive unemployment benefit as well as possible subsistence allowance for accommodation and travel expenses (maximum 5 days/week). Increased subsistence allowance is paid if the student is outside his/her home municipality or commuting area. Unemployment benefit during labour market training is paid under same amount and regulations than during unemployment. However deductible time and time-at-work are not counted during the training. But maximum duration (500 days) of earnings-related and basic allowance is also counted during the training. If maximum duration full-fills during the training person will get after that LMS. Benefit is paid on application from the individual together with confirmation from the employment office that the person has been accepted on training. The unemployment benefit is considered as taxable income and may be reduced in case of income from other social benefits or work.

Person who is not a jobseeker will get training subsidy.

The benefit will not be paid if student gets an alternative income paid as a result of:

- health insurance
- rehabilitation allowance act or employee pension act
- accident insurance, motor insurance or military injury insurance.

The payment of unemployment benefits and subsistence allowances is terminated if the student drops out of training.

Training can also be terminated on the decision of the training provider or employment office if student has been absent so much that it is not possible to complete the training. The student has an obligation to attend the training that is defined in individual action plan.

### Finanacina/Support:

Central government budget, social security funds and ESF

**Eligibility:**

Registered unemployed, employed at risk and inactive persons who need training because of any kind of lack of professional or other skills that are needed in labour market. Participants should be assigned to suitable training and must be aged at least 20 before starting a course. Those <20 can only participate if entry to regular vocational training courses requires basic or preparatory qualifications that they do not have, or education can not be achieved as self-motivated studies.

To get the unemployment benefit (earnings-related unemployment allowance, basic unemployment allowance or LMS) is based on the same regulations than during unemployment.

**Legal basis:**

Act on Public Employment and Enterprise Services (916/2012)

Degree on Public Employment and Enterprise Services (1073/2012)

Act on Unemployment Benefits (1290/2002).

**Recent changes:**

### **Supplementary information**

Breakdown of expenditure:	Transfers to individuals (Periodic cash payments, Reimbursements), Transfers to service providers		
Target groups:	Registered unemployed (All, LTU) Other registered jobseekers (All) Employed (All)		
Treatment of unemployment spells:	Broken		
Receipt of benefits:	Cash benefits (Source: Current intervention)		
Planned duration:	Variable		
Responsible institution(s):	Public employment services		
Area of application:	National		
Implementation:	<i>Year started:</i>	1964	<i>Year Ended:</i> Ongoing



## Supplementary information

Breakdown of expenditure:	Transfers to individuals (Periodic cash payments, Reimbursements)		
Target groups:	Registered unemployed (All) Other registered jobseekers (All) Employed (All)		
Treatment of unemployment spells:	Broken		
Receipt of benefits:	Cash benefits (Source: Current intervention)		
Planned duration:	Maximum: 2 Years		
Responsible institution(s):	Public employment services		
Area of application:	National		
Implementation:	<i>Year started:</i>	1997	<i>Year Ended:</i> Ongoing

## Identification

Country Finland 2017 Category 2 - Training  
Intervention n°/name 63 Education try-out  
Type of action: 2.1 - Institutional training

## Description

**Aim:**

To clarify person's career choice options.

**Beneficiaries:**

Jobseekers.

**Action/Instrument:**

During education try-out person try education in an institution to find out if the education and career will be suitable for him/her. Person get familiar with education's content and occupations needs, follow lessons, discuss with teachers and study counsellors. Also person's working ability and ability to function will be evaluated. Also institution's accessibility for the person can be evaluated during the try-out.

TE office and person will make an agreement of the try-out. Participation of the try-out will be agreed in the employment plan or other similar plan. With the institution will be agreed about the feed-back of the try-out and notifications of absence.

Maximum duration of the try-out is 10 days.

**Finanacina/Support:**

Central government budget.

**Eligibility:**

All jobseekers.

Person will receive the same benefits during the try-out as he/she did during unemployment. If the try-out was part of person's employment plan or other similar plan, unemployment benefit may be increased. The decision on this increase will be made by the party paying the unemployment benefit, in other words the unemployment fund or the Social Insurance Institution. Person may also receive compensation for expenses over the days on which he/she take part in the try-out. If this is not granted by the party paying the unemployment benefit, the TE Office may grant discretionary compensation.

**Legal basis:**

Act on Public Employment and Enterprice Services (916/2012)

Degree on Public Employment and Enterprice Services (1073/2012)

Recent changes:

## Supplementary information

Breakdown of expenditure: Transfers to individuals (Periodic cash payments, Reimbursements)  
Target groups: Registered unemployed (All)  
Other registered jobseekers (All)  
Treatment of unemployment spells: Broken  
Reciept of benefits: Cash benefits (Source: Current intervention)  
Planned duration: Maximum: 10 Days  
Responsible institution(s): Public employment services  
Area of application: National  
Implementation: *Year started:* 2013 *Year Ended:* Ongoing



## Identification

Country Finland 2017 Category 2 - Training  
Intervention n°/name 62 Work try-out  
Type of action: 2.2 - Workplace training

## Description

### Aim:

To clarify person's career choice options or to support the return to the job market.

### Beneficiaries:

Jobseekers.

### Action/Instrument:

A work try-out at a workplace may help person to get a foot in the door when returning to the job market. The persons can look for a place for the try-out by themselves, but the TE Office can also provide informations about employers providing a place. The work try-out is an opportunity to impress the employer with skills and motivation. The persons can also establish with the try-out organiser and the TE Office what other support will be needed to return to the working life.

For example, a work trial may be organised in one of the following situations:

- Persons do not have vocational education or training, or are planning to change fields or occupations for some reason. In this case, the objective is to find out if the new field or occupation is suitable.
- The trial may be used to establish if enterprising would be a suitable career choice.
- If the person has been outside the job market for a long period, for example while being unemployed or caring for children, the objective of the work trial is to find out what type of support will be needed to get back to work.

### Duration of the work trial and working hours

The duration of the work trial varies, as the customers' situations and the goals of the trial may be different. The duration of a work trial may not exceed 12 months. Person cannot continue a work trial with the same employer for more than six months. If the work trial is organised by a municipality, person can stay on in the same tasks for no more than six months. The daily and weekly working hours during the trial may also vary depending on person's situation. The work trial may at the most take place on five days a week and 4–8 hours a day.

### Work trial agreement

Before person start a work trial, he/she will conclude a written agreement with the trial organiser and a TE Office representative.

The agreement specifies the work trial's objective and tasks, total duration and the daily and weekly hours, the person responsible for supervising the trial at the workplace.

The employer will inform the shop steward at the workplace about the agreement.

### Cancelling the agreement

The TE Office may cancel the work trial agreement or the trial if person is absent without permission for more than five consecutive days during the trial. The trial may also be cancelled if person has been absent for so many days in total that the objectives set for the trial cannot be achieved.

The TE Office and the work trial organiser can also cancel the agreement for some other reason by informing the other parties in writing. However, the agreement may not be cancelled because of discrimination prohibited in law or other inappropriate reason.

### Legal position during a work trial

The work trial organiser will be responsible for person's guidance and supervision throughout the trial period.

person will not have an employment relationship with the work trial organiser or the TE Office during the trial, but many of the same acts and procedures that apply to workers in an employment relationship will also apply to person.

The Act on Equality between Women and Men (609/1986), the Non-Discrimination Act (21/2004) and, in applicable parts, the provisions of the Act on the Protection of Privacy in Working Life (759/2004), for example those regarding the processing of personal data and information on drug use, camera surveillance in the workplace, and retrieving and opening employees' e-mail messages will apply to person. The work trial organisers will be responsible for person's occupational health and

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Source: Eurostat LMP database. Date of extraction: 23 January 2019

safety as detailed in the Occupational Safety and Health Act (738/2002) and the Young Workers' Act (998/1993). Person will be entitled to breaks during the working day, and he/she will be informed of work shifts and any cancellations of shifts in the same way as workers in an employment relationship.

Compliance with legislation applicable to work are most commonly supervised by the occupational safety and health authorities. In addition to the occupational safety and health authorities, compliance with the Data Protection Act is supervised by the Data Protection Ombudsman. Compliance with the Non-Discrimination Act is supervised by the Ombudsman for Equality. If necessary, the TE Office will direct person to the right authority to clarify an issue related to a work trial.

Insurance cover during a work trial

The Ministry of Employment and the Economy will take out insurance for person for the duration of the work trial that will cover for occupational diseases, injuries and accidents.

Person's own assessment of how the try-out went is important when he/she are planning the next step with the TE Office. The work try-out organiser will also give feedback and recommend further action. After the work try-out, person return to the job market can be supported e.g. by work on a pay subsidy, education or training, or the services of a job coach.

Work try-out is not possible:

- work try-out causes other employees notices or laid-offs or a decrease of working conditions
- work try-out would cause advantage for the employer comparing to other employers
- If person is unwilling to produce drug test certificate
- If person is unwilling to produce an extract from the criminal records
- if work try-out will start in two weeks than previous six months work try-out without any breaks has been ended.

The try-out is possible with the employers who have given notices, laid-offs or shortened employees working time if it has offered the job first to the persons who it have given notices, laid-offs or shortened employees working time.

Finanacina/Support:

Central government budget

Eligibility:

All jobseekers. Person can take part of a work try-out again after maximum duration when his/her duration of unemployment without any breaks exceeds 12 months and for under 25 years old duration of unemployment exceeds 3 months.

An unemployed jobseeker, the TE Office may reimburse travel and accommodation expenses when person travel to meet an employer to agree upon a work try-out.

Person will receive the same benefits during the work try-out as he/she did during unemployment. If the work try-out was part of person's employment plan or other similar plan, unemployment benefit may be increased. The decision on this increase will be made by the party paying the unemployment benefit, in other words the unemployment fund or the Social Insurance Institution. Person may also receive compensation for expenses over the days on which he/she take part in the try-out. If this is not granted by the party paying the unemployment benefit, the TE Office may grant discretionary compensation.

Drug test certificate

Should they wish to do so, the work trial organiser may require that those participating in the trial take a drug test and produce a drug test certificate before the agreement is signed. The Act on the Protection of Privacy in Working Life will be applied to the drug test certificate, and the expenses of obtaining it will be paid by the work trial organiser.

The drug test certificate contains sensitive health information. If person is unwilling to produce this certificate, a work trial agreement will not be concluded. However, person will not lose unemployment benefit for this reason.

Background checks on persons working with children

If the employee is to work with children, the employer must run a background check on him/her. The Act on Background Checks will also be applied to a work trial whose duration exceeds three months.

The person taking part in a work trial must produce an extract from the criminal records before an agreement is concluded, if the work involves personal interaction with minors. If the extract from the criminal records contains an entry about a crime against a child or a sexual, violent or drugs crime, the TE Office will consider whether or not the work trial should go ahead. If person are unwilling to produce an extract from the criminal records, a work trial agreement will not be concluded.

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Source: Eurostat LMP database. Date of extraction: 23 January 2019

However, person will not lose unemployment benefit for this reason.

Legal basis:

Act on Public Employment and Enterprise Services (916/2012)

Degree on Public Employment and Enterprise Services (1073/2012)

Recent changes:

### **Supplementary information**

Breakdown of expenditure: Transfers to individuals (Periodic cash payments, Reimbursements)

Target groups: Registered unemployed (All)  
Other registered jobseekers (All)

Treatment of unemployment spells: Broken

Receipt of benefits: Cash benefits (Source: Current intervention)

Planned duration: Maximum: 6 Months, Maximum extended: 12 Months

Responsible institution(s): Public employment services

Area of application: National

Implementation: *Year started:* 2013 *Year Ended:* Ongoing



Degree on Public Employment and Enterprise Services (1073/2012)

Recent changes:

As a service supporting employment, the recruitment try-out is offered for a limited period, from the start of 2017 to the end of 2018.

### **Supplementary information**

Breakdown of expenditure:	Transfers to individuals (Periodic cash payments, Reimbursements)		
Target groups:	Registered unemployed (All) Other registered jobseekers (All)		
Treatment of unemployment spells:	Continuous/Continuous		
Receipt of benefits:	Cash benefits (Source: Current intervention, Unemployment benefit)		
Planned duration:	Maximum: 1 Months		
Responsible institution(s):	Social security funds, Public employment services		
Area of application:	National		
Implementation:	<i>Year started:</i>	2017	<i>Year Ended:</i> 2018

## Identification

Country Finland 2017 Category 2 - Training  
Intervention n°/name 7 Apprenticeship for the unemployed  
Type of action: 2.4 - Special support for apprenticeship

## Description

### Aim:

To promote employability and reduce the threat of exclusion from the labour market by increasing professional skills, knowledge and work-experience of unemployed persons and other jobseekers through apprenticeship training.

### Beneficiaries:

Unemployed with a special attention paid to long-term unemployed, disabled and youngsters. Other jobseekers can also participate.

### Action/Instrument:

Apprenticeship is closely linked with other vocational training as a type of labour intensive vocational training and forms an alternative channel for young people.

It can take the form of basic vocational training, further training, updating training or retraining.

The local Employment office draws up an agreement with the employer for an apprenticeship training for jobseekers.

Employers have the right to obtain government compensation for the costs incurred in training and apprenticeship.

When taking on a jobseeker, employers also receive an additional subsidy paid by the labour administration (only this additional expenditure is covered in the LMP database).

The subsidy is the normal employment subsidy or LMS that is used also in other measures and is payable for 5 days/week.

The subsidy is between 100-190% of the normal employment subsidy. Subsidy can be lifted 1-60% based on person's decreased productivity. Maximum lift can be 90% of basic subsidy for hiring person who have got unemployment benefit 500 days and who are eligible for LMS.

A subsidy can be granted for the whole period of the apprenticeship agreement provided there is enough money in the budget for subsequent years if the agreement lasts for more than one year.

The duration of the apprenticeship contract can be fixed-term or until further notice.

The Employment office can ask to put in the contract a condition according to which employers must employ the person after the apprenticeship ends.

### Subsidy will not be paid if:

- the contract of employment started before subsidy was granted
- it will cause notices or laid-offs or reduced working conditions for other workers in the workplace.
- the subsidised employment causes problems in markets between other companies producing same kind of products or services.
- the workplace can be filled without subsidy
- the employer have neglected taxes or other legislation based payments. Subsidy is although possible if TE office considers it appropriate for person's needs.
- the employer get another subsidy for the same period except if compensation of the apprenticeship has been paid but all the subsidies together may not exceed the costs of employment.

The subsidy can be paid for the employers who have given notices, laid-offs or shortened employees working time if it has offered the job first to the persons who it have given notices, laid-offs or shortened employees working time. Employer have to be offered the job also for persons whom have give notices during last 12 months based on production and economic related reasons.

### Finanacina/Support:

Central government budget and ESF.

### Eligibility:

The subsidy is payable to employers taking on registered unemployed jobseekers or other jobseekers as apprentices. People employed with the employment subsidy for maximum duration cannot be employed with the subsidy again until they

are unemployed jobseekers for at least 5 months during the last 6 months. Person whose disability or disease cause difficult-to-employ can be employed again right after previous maximum employment period.

A written application for the subsidy must be submitted by the employer to an Employment office (either where the apprenticeship training will take place or the office responsible for the registration of the unemployed).

A training inspectors statement must be attached to the application. In the statement, it must be clear that employer is justified for apprenticeship, syllabus is appropriate and can be implemented with the employer.

The subsidy is financed by the Employment office where the application has been delivered, based on its own budget specified by the competent Employment and Economic Development Centre.

The Centre will then pay the subsidy to the employer on a monthly basis subject to the approval of the Employment office.

Legal basis:

Act on Public Employment and Enterprise Services (916/2012)

Degree on Public Employment and Enterprise Services (1073/2012)

Apprenticeship Training Act (605/1998).

Recent changes:

### **Supplementary information**

Breakdown of expenditure: Transfers to employers (Periodic cash payments)

Target groups: Registered unemployed (All, LTU, Youth, Disabled)

Treatment of unemployment spells: Broken

Receipt of benefits: None

Planned duration: Variable

Responsible institution(s): Public employment services

Area of application: National

Implementation: *Year started:* 1995 *Year Ended:* Ongoing

## Identification

Country Finland 2017 Category 4 - Employment incentives  
Intervention n°/name 10 Employment subsidy, private companies  
Type of action: 4.1.1 - Permanent

## Description

### Aim:

To provide opportunities for unemployed persons to gain work experience and to increase their vocational skills and to encourage companies to take on unemployed people.

### Beneficiaries:

Unemployed persons, particularly long-term unemployed, youth, disabled and older workers.

### Action/Instrument

The labour office can grant support for up to 10 months to private companies who take on registered unemployed. The subsidy is either the employment subsidy or the LMS. It can be granted up to 24 months if disabled unemployed or a person who have got 500 days unemployment benefit are employed or if people works as a work planner in municipality, federation of municipalities. For the social economy, the subsidy can be granted for up to 36 months if considered appropriate due to person's working ability or possibility to get a job.

Employees must have an open-ended employment contract in full accordance with all relevant collective agreements (the exception is for forestry work and when as part of service contents will be arranged work opportunity for unemployed then a fixed-term contract is permissible). Fixed-term contract is also permissible if employed person is disabled, long-term unemployed, difficult to employ or his/her duration of unemployment have last at least 6 months. The subsidy is only payable in respect of employment that is full-time or at least 85% of normal full-time hours in the sector and for a maximum of 5 days/week. The subsidy can be paid also for part-time job if employment office consider it to be suitable for the person's needs to increase him/her employability. The amount payable per employee per day cannot be more than the normal employment subsidy plus 90% and at least normal employment subsidy, depending on the wage costs being paid and employed person. Anyway the paid subsidy cannot exceed the employers wage costs incurred by the employment of unemployed jobseekers. Wages must be the same as agreed in the collective labour agreement (or if there isn't any agreement usual and reasonable wage in the job).

Wage costs can cover: gross wage, employer's statutory social security, employee pension insurance, accident insurance, unemployment insurance and group life assurance payments. Subsidy can be lifted 1-60% based on person's decreased productivity. Maximum lift can be 90% of basic subsidy for hiring person who have got unemployment benefit 500 days and who are eligible for LMS.

During the job, the new employee may take part to additional actions such as training, rehabilitation or other measures to promote employability were previously agreed in their individual action plan.

The employment subsidy will not be paid during these activities. In total, the actions may last up to 24 months but the subsidy is payable only for a maximum of 10 months.

Employment subsidy will not be paid if:

- the contract of employment started before subsidy was granted
- it will cause notices or laid-offs or reduced working conditions for other workers in the workplace.
- the subsidised employment causes problems in markets between other companies producing same kind of products or services.
- the workplace can be filled without subsidy
- the employer have neglected taxes or other legislation based payments. Subsidy is although possible if TE office considers it appropriate for person's needs.
- the employers get another subsidy for the same period except if compensation of the apprenticeship has been paid but all the subsidies together may not exceed the costs of employment.

The subsidy can be paid for the employers who have given notices, laid-offs or shortened employees working time if it has offered the job first to the persons who it have given notices, laid-offs or shortened employees working time. Employer have to be offered the job also for persons whom have give notices during last 12 months based on production and economic related reasons.



Finanacina/Support:  
Central government budget and ESF

Eligibility:

Registered unemployed jobseekers. Tradesman can get the subsidy when hiring person who is difficult to employ based on disability, got 500 days unemployment benefit, have been 6 months as unemployed, doesn't have any vocational education, is over 50 years old or is eligible for integration plan.

Once people are employed through the subsidy for the maximum 10 months period (not necessarily with the same employer throughout), they must be registered unemployed for at least 5 of the last 6 months before they are eligible to be employed with any subsidy again. Person whose disability or disease cause difficult-to-employ can be employed again right after previous maximum employment period.

Employers must submit a written application to the Employment office, either in the area where the workplace is located or in that of the unemployed recruit.

The subsidy is financed by the Employment office where the application has been delivered, based on its own budget specified by the competent Employment and Economic Development Centre.

The Centre will then pay the subsidy to the employer on a monthly basis subject to the approval of the Employment office.

Legal basis:

Act on Public Employment and Enterprise Services (916/2012)

Degree on Public Employment and Enterprise Services (1073/2012)

Recent changes:

### **Supplementary information**

Breakdown of expenditure:	Transfers to employers (Periodic cash payments)		
Target groups:	Registered unemployed (All, LTU)		
Treatment of unemployment spells:	Broken		
Receipt of benefits:	None		
Planned duration:	Maximum: 10 Months, Maximum extended: 36 Months		
Responsible institution(s):	Public employment services		
Area of application:	National		
Implementation:	<i>Year started:</i>	1979	<i>Year Ended:</i> Ongoing

## Identification

Country	Finland	2017	Category	4 - Employment incentives
Intervention n°/name	16	Job rotation		
Type of action:	4.3.1 - Job rotation			

## Description

### Aim:

To encourage employees to take unpaid leave for training and other reasons and at the same time to increase opportunities for the unemployed to gain work experience in the open labour market.

### Beneficiaries:

Unemployed persons replacing employees taking unpaid leave, with special attention set to just graduated youth and long-term unemployed.

### Action/Instrument:

The measure is based on a voluntary agreement between an employee working full-time (or over 75% of full-time hours) and his/her employer so that the employee can take unpaid leave for a fixed period (between 100-180 calendar days). The leave must be spent in one period. The employer is obliged to hire over this period one or more registered unemployed in order to make up the same hours of work as the employee going on leave, but not necessarily in the same job. The substitute employee(s) will have an employment contract for this period. When taking on a long-term unemployed for the job rotation period as substitute worker, the employer may also receive an employment subsidy to cover the wage costs.

The person on leave receives 70% of the unemployment allowance that he/she would be entitled to and this is paid either by the Social Insurance Institute (SII) or the Unemployment Fund of which the applicant is a member. Right payer is based on the rules if person is eligible to earnings related/basic unemployment allowance or to LMS. As with regular unemployment allowances, the amounts paid during job rotation leave are liable to taxation.

If the person on leave undertakes full-time vocational training, a training supplement is granted. The allowance during the leave is not payable if the person:

- gets from the employer a wage or holiday pay or other payments for which employee gets free-time
- serves in the military
- is in deprivation of liberty
- has over two weeks contract of employment with another employer
- has full-time entrepreneurship or
- gets normal unemployment allowances.

The person on leave may only break the contract and return to work on agreement of the employer. However the leave will come to an end if the person on leave starts to get maternity/paternity/parental allowances or if the leave is based on those reasons. The contract does not end when the substitute worker's contract ends during the leave if the employer (without any delay or after 2 months) employs a new person as substitute worker or if the Employment office cannot offer a new unemployed jobseeker to be employed. People whose leave ends have the right to return to their old job or same kind of job or at least another job.

### Finanacina/Support:

Central government budget and social security funds.

### Eligibility:

Substitute workers should be as primary registered unemployed jobseekers. Primarily substitute worker should be unemployed at least 90 days in previous 14 months. Secondly substitute worker should be under 25 years old or over 55 years old unemployed or recently university or vocational education graduated person.

Employees are eligible to take a leave after working at least 20 years preceding the job rotation leave. Re-qualification to the leave is again after person has been working totally at least 5 years after previous job-rotation leave has ended.

Normally people on leave get 70% of the unemployment allowance they are entitled to when unemployed.

Before the job-rotation leave starts, the agreement between the employee going on leave and his/her employer and the employment contract of the substitute worker(s) has to be delivered to the Employment Office, which takes the final decision about the job-rotation period.

### Legal basis:

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Source: Eurostat LMP database. Date of extraction: 23 January 2019

Act on Job Rotation Leave (1305/2002).  
Act on Public Employment and Enterprise Services (916/2012)  
Degree on Public Employment and Enterprise Services (1073/2012)  
Recent changes:

### Supplementary information

Breakdown of expenditure:	Transfers to individuals (Periodic cash payments)		
Target groups:	Registered unemployed (All, LTU)		
Treatment of unemployment spells:	Broken		
Receipt of benefits:	Cash benefits (Source: Current intervention)		
Planned duration:	Maximum: 180 Days		
Responsible institution(s):	Public employment services		
Area of application:	National		
Implementation:	<i>Year started:</i>	1995	<i>Year Ended:</i> Ongoing

## Identification

Country Finland 2017 Category 5 - Supported employment and rehabilitation

Intervention n°/name 34 Employment supporting activity of the municipalities

Type of action: 5.1 - Supported employment

## Description

### Aim:

To promote the socio-professional integration of disabled persons through employment supporting activity (sheltered work).

### Beneficiaries:

Disabled persons unable to find work on the regular labour market.

### Action/Instrument:

Employment supporting activity of the municipalities offers both permanent workplaces for the disabled and temporary workplaces during transition to the regular labour market.

Employment supporting activity is mainly arranged in 126 special work centres that are mainly run by municipalities or federations of municipalities and which benefit from State contributions to cover part of the total cost.

Municipalities have the obligation to arrange an activity (sheltered work) place for eligible disabled persons from the work centres. Private providers can also act as employers.

The worker usually has a special employment contract although the wage may be lower than for corresponding work on the open labour market.

Those with no employment contract get social allowances or other support during the activity.

About 40 % of the employees in employment supporting activity receive a disability pension.

People come to sheltered work centres mostly through the employment offices, but also through local social authorities.

### Finanacina/Support:

Central and local government budget and ESF.

### Eligibility:

Sheltered employment offers workplaces to people with disabilities whose needs cannot be taken into account adequately on the open labour market, or who can by means of transitional work be rehabilitated for jobs on the open labour market.

Work activity will be arranged for disabled people with long-lasting special difficulties to handle with the normal life functions and who need in addition to the labour administration's services/measures more support to be employed on the open labour market.

### Legal basis:

The Act of the care of the disabled (380/1987).

Act of the social assistance (710/1982).

### Recent changes:

## Supplementary information

Breakdown of expenditure: Transfers to employers (Periodic cash payments)

Target groups: Other registered jobseekers (All, Disabled)  
Not registered (All, Disabled)

Treatment of unemployment spells: Not relevant

Receipt of benefits:	Cash benefits (Source: Other)
Planned duration:	Unlimited
Responsible institution(s):	Local government, Public employment services
Area of application:	National
Implementation:	<i>Year started:</i> 1970 <i>Year Ended:</i> Ongoing

## Identification

Country Finland 2017 Category 5 - Supported employment and rehabilitation

Intervention n°/name 25 Rehabilitation activities of the social insurance institution

Type of action: 5.2 - Rehabilitation

## Description

### Aim:

To facilitate the future integration into the labour market of disabled persons through the support of rehabilitation measures.

### Beneficiaries:

Disabled persons.

### Action/Instrument:

The Social Insurance Institution (SII) has a specific obligation to provide vocational rehabilitation services for disabled persons.

This must take place at the latest when a daily allowance has been paid for 60 days under the Sickness Insurance Act. The SII also assesses the rehabilitation needs in conjunction with other social insurance benefits, such as reimbursement for medicine costs, disability allowance and unemployment benefits.

SII pays the rehabilitation allowance during vocational rehabilitation for every day that rehabilitation takes place (maximum 6 days/week). Rehabilitation allowance is a fixed payment.

If a person's capacity to work and financial self-sufficiency decline significantly due to an illness or injury, he/she must be given a chance to obtain:

- essential vocational training in order to maintain or improve his/her capacity to work (e.g. rehabilitation examinations and work testing, training aimed at maintaining work capacity, basic education, further education and retraining)
- assistance with running a business or being self-employed
- basic training if required to enter vocational training or
- expensive and technically advanced aids necessary to help with work and study (for those with severe disabilities).

Service providers are public or private organisations producing rehabilitation services.

They receive payments based on the costs of each person's rehabilitation. Services have been put out to competitive tender on a number of occasions and beneficiaries are obliged to use service providers selected on this basis. Rehabilitation activities have to be approved on the basis of the need before starting. When disabled persons receive technically advanced aids, these remain the property of the SII and their use is monitored.

Before rehabilitation, the age, occupation, previous action, education, socio-economic of the person are assessed and if rehabilitation will allow that person to continue or return to work that is suitable to his/her health.

### Financing/Support:

Social security funds

### Eligibility:

Disabled persons aged between 16-67 who have a reported sickness/injury which can cause non-ability to work or self-sufficiency declining and if person hasn't received rehabilitation based on the Act on Public Employment Service or on the Employees Pension Act.

### Legal basis:

Act on the rehabilitation activities of the Social Insurance Institution (565/2005).

### Recent changes:

## Supplementary information

Breakdown of expenditure: Transfers to individuals (Periodic cash payments), Transfers to service providers

Target groups: Not registered (All, Disabled)  
Employed (All, Disabled)

Source: Eurostat LMP database. Date of extraction: 23 January 2019

Treatment of unemployment spells:	Not relevant			
Receipt of benefits:	Cash benefits (Source: Current intervention)			
Planned duration:	Variable			
Responsible institution(s):	Social security funds			
Area of application:	National			
Implementation:	<i>Year started:</i>	1992	<i>Year Ended:</i>	Ongoing

## Identification

Country Finland 2017 Category 5 - Supported employment and rehabilitation

Intervention n°/name 26 Rehabilitation activities of the employment pension scheme

Type of action: 5.2 - Rehabilitation

## Description

### Aim:

To provide income support and rehabilitation services for workers facing physical and/or psychological decline.

### Beneficiaries:

Workers experiencing a physical and/or psychological decline.

### Action/Instrument:

When an employee's health undergoes a long-term or permanent change reducing his/her capacity to work, he/she may benefit from rehabilitation under the employment pension system.

Normally, people apply for disability pension but before that or if the pension was refused, the possibilities for rehabilitation must be found out by the pension institution.

Rehabilitation provided under this scheme is discretionary for all: the private sector, local authorities and the State. The rehabilitation process is therefore always based on the discretion of the appropriate pension institution. Needs are identified in conjunction with pension applications or on the basis of an initiative taken either by the person involved or an outside party. Rehabilitation allowance will be paid during vocational rehabilitation for every day that rehabilitation takes place (maximum of 6 days/week). The maximum allowance corresponds to the disability pension that the person would have received increased by 33%.

To prevent worker's working incapacity or to promote working/earning capacity the following can be proposed:

- counselling
- rehabilitation tests
- work or vocational oriented training
- coaching for work
- entrepreneurship allowance
- medical rehabilitation supporting the vocational rehabilitation.

The employment pension institution in question carries the costs of the measures taken and provides clients with some income security in the form of a rehabilitation allowance.

Service providers are public or private organisations that produce rehabilitation services. Service providers receive payments based on the costs of each person's rehabilitation.

Rehabilitation activities have to be approved on the basis of the need before starting. The following points are assessed: the age, occupation, previous action, education, connections to working life of the person, if rehabilitation allows the person to continue or return to work that is suitable to his/her health and if rehabilitation will delay retirement.

### Financing/Support:

Social security funds

### Eligibility:

Disabled persons considered in need of rehabilitation with reported sickness/injury that can cause non-ability to work and if person isn't eligible to rehabilitation based on the Accident Insurance Act or on the Motor Insurance Act.

### Legal basis:

Employees' Pensions Act (395/2006).

Implementing Act on Employees' Pensions Act (396/2006).

Act on the rehabilitation activities of the Social Insurance Institution (565/2005).

### Recent changes:

## Supplementary information

Breakdown of expenditure: Transfers to individuals (Periodic cash payments), Transfers to service providers

Source: Eurostat LMP database. Date of extraction: 23 January 2019



Target groups:	Not registered (All, Disabled) Employed (All, Disabled)
Treatment of unemployment spells:	Not relevant
Receipt of benefits:	Cash benefits (Source: Current intervention)
Planned duration:	Variable
Responsible institution(s):	Social security funds
Area of application:	National
Implementation:	<i>Year started:</i> 1992 <i>Year Ended:</i> Ongoing

## Identification

Country Finland 2017 Category 5 - Supported employment and rehabilitation

Intervention n°/name 27 Rehabilitation activities of the accident and traffic insurance

Type of action: 5.2 - Rehabilitation

## Description

### Aim:

To provide rehabilitation and support for workers injured or disabled after an occupational or traffic accident or illness.

### Beneficiaries:

Workers injured or disabled after an occupational or traffic accident or illness.

### Action/Instrument:

As long as the terms laid down in the legislation on rehabilitation based on accident or traffic insurance are met, a person injured or disabled after an occupational/traffic accident or illness is entitled to rehabilitation.

Such rehabilitation is based on the principle of compensation and overrides the other rehabilitation systems.

When an impairment entitling a person to compensation causes long-term restrictions on their working capacity and/or earnings potential, the insurance institution is obliged to initiate an immediate process of vocational rehabilitation. The individuals themselves, the employer, the Employment service or any other person taking care of the rehabilitation can make a motion for the rehabilitation. After the motion, the responsible institution has to immediately clarify the needs and possibilities of the rehabilitation.

If the identification of needs demands specialised help, special examinations and trial periods can be arranged by the Insurance Rehabilitation Association. The relevant insurance institutions are responsible for the cost of the measures and also for safeguarding the client's income through a full-scale loss-of-earnings allowance. Possibilities of rehabilitation must be considered before granting the disability pension. If application to the rehabilitation is refused, the responsible organisation must direct the persons to other rehabilitation possibilities. The rehabilitation must take into account the person's age, previous action, education, living conditions, limitation of the injury or illness and his/her possibilities to end up in a job/occupation with general rules of the labour markets after the rehabilitation.

Rehabilitation can cover the costs incurred by different actions promoting or maintaining the person's working/earnings capacity.

The person can continue to work in the previous job/occupation or can change to another job/occupation.

### Financing/Support:

Social security funds

### Eligibility:

Workers injured or disabled after an occupational or traffic accident or illness and whose current or maybe future working /earning capacity is reduced as a result.

### Legal basis:

Accident Insurance Act (625/1991).

Motor insurance Act (626/1991).

### Recent changes:

## Supplementary information

Breakdown of expenditure: Transfers to individuals (Periodic cash payments), Transfers to service providers

Target groups: Employed (All)

Treatment of unemployment spells: Not relevant

Receipt of benefits:	Cash benefits (Source: Current intervention)			
Planned duration:	One-off			
Responsible institution(s):	Social security funds			
Area of application:	National			
Implementation:	<i>Year started:</i>	1992	<i>Year Ended:</i>	Ongoing



Act on Public Employment and Enterprise Services (916/2012)  
Degree on Public Employment and Enterprise Services (1073/2012)  
Recent changes:

### **Supplementary information**

Breakdown of expenditure:	Transfers to employers (Periodic cash payments)		
Target groups:	Registered unemployed (All, LTU, Disabled)		
Treatment of unemployment spells:	Broken		
Receipt of benefits:	None		
Planned duration:	Maximum: 10 Months, Maximum extended: 24 Months		
Responsible institution(s):	Public employment services		
Area of application:	National		
Implementation:	<i>Year started:</i>	1930	<i>Year Ended:</i> Ongoing



the employment subsidy reaches various fixed proportions of the labour force of the municipality.

The extra subsidy will be 10% if the numbers employed account for at least 1% of the municipality's labour force, 20% for at least 1.5%, and 30% for at least 2%. In order to get the additional subsidy, the municipality has to report quarterly on the numbers employed to the Employment Office and, subject to approval, the subsidy is then paid by the Employment and Economic Development Centre responsible in that area.

Employment subsidy will not be paid if:

- the contract of employment started before subsidy was granted
- it will cause notices or laid-offs or reduced working conditions for other workers in the workplace.
- the subsidised employment causes problems in markets between other companies producing same kind of products or services.
- the workplace can be filled without subsidy
- the employer have neglected taxes or other legislation based payments. Subsidy is although possible if TE office considers it appropriate for person's needs.
- the employer get another subsidy for the same period except if compensation of the apprenticeship has been paid but all the subsidies together may not exceed the costs of employment.

The subsidy can be paid for the employers who have given notices, laid-offs or shortened employees working time if it has offered the job first to the persons who it have given notices, laid-offs or shortened employees working time. Employer have to be offered the job also for persons whom have give notices during last 12 months based on production and economic related reasons.

Finanacina/Support:

Central government budget and ESF and municipalities.

Eligibility:

Registered unemployed jobseekers.

Once people are employed with the subsidy for the maximum 10 month period (not necessarily with the same employer throughout) they must be registered unemployed for at least 5 of the last 6 months before they are eligible to be employed with any subsidy again. Person whose disability or disease cause difficult-to-employ can be employed again right after previous maximum employment period.

Employers must submit a written application for the employment subsidy to the Employment office, either in the area where the workplace is located or where the unemployed was recruited.

The subsidy is financed by the Employment office where the application has been delivered, based on its own budget specified by the competent Employment and Economic Development Centre.

The Centre will then pay the subsidy to the employer on a monthly basis subject to the approval of the Employment office.

Legal basis:

Act on Public Employment and Enterprise Services (916/2012)

Degree on Public Employment and Enterprise Services (1073/2012).

Recent changes:

### **Supplementary information**

Breakdown of expenditure:	Transfers to individuals (Periodic cash payments), Transfers to employers (Periodic cash payments)		
Target groups:	Registered unemployed (All, LTU, Disabled)		
Treatment of unemployment spells:	Broken		
Receipt of benefits:	None		
Planned duration:	Maximum: 10 Months, Maximum extended: 24 Months		
Responsible institution(s):	Public employment services		
Area of application:	National		
Implementation:	<i>Year started:</i>	1978	<i>Year Ended:</i> Ongoing

Source: Eurostat LMP database. Date of extraction: 23 January 2019





- is not adequate for the person's health
- differs essentially from the activation plan
- has been arranged in a way which offends the act
- has been arranged outside the person's commuting area.

Financing/Support:

Central government, Local government and Social security funds.

Eligibility:

Any agreement on rehabilitative work experience is made in the client's activation plan and there are some conditions for the establishment of these plans:

For persons <25 eligible to LMS or getting the income security, an activation plan must be prepared if the person:

- received LMS based on unemployment for at least 180 days in the last 12 months and prepared an individual action plan or;
- received earnings-related or basic unemployment allowance for 500 days and prepared an individual action plan or;
- received income security as main income for 4 months because of unemployment and has made an individual action interview.

For persons aged 25+ eligible to LMS or getting the income security and who prepared an individual action plan, an activation plan must be prepared if the person:

- received LMS based on unemployment for at least 500 days or;
- received earnings-related or basic unemployment allowance for 500 days and then LMS for at least 180 days based on unemployment or;
- received income security as main income for 12 months because of unemployment.

Legal basis:

Rehabilitative Work Experience Act (189/2001).

Act on Unemployment Benefits (1290/2002).

Act on Income Security (1412/1997).

Recent changes:

### Supplementary information

Breakdown of expenditure:	Transfers to individuals (Periodic cash payments, Reimbursements), Transfers to service providers		
Target groups:	Registered unemployed (All, LTU, Disabled)		
Treatment of unemployment spells:	Broken		
Receipt of benefits:	Cash benefits (Source: Current intervention)		
Planned duration:	Maximum: 24 Months		
Responsible institution(s):	Local government, Public employment services		
Area of application:	National		
Implementation:	<i>Year started:</i>	2001	<i>Year Ended:</i> Ongoing



- the grant will not distort competition with other companies producing the same products or services.

During this period, applicants cannot get:

- wage or salary based on other work than entrepreneurship
- old-age pension, disability pension, unemployment pension or part-time pension
- maternity, paternity or parental allowances, sickness benefit or special day-care allowance
- rehabilitation grant or allowance
- study grants.

The start-up grant won't be approved either if the person switches from normal employment (employee) to employer to do the same work or if the business plan proves that the main client will be the previous employer.

Unemployed applicants must submit a written application to the Employment office with which they are registered. The subsidy is financed by the Employment office where the application has been delivered, based on its own budget specified by the competent Employment and Economic Development Centre. The Centre will then pay the subsidy to the applicant on a monthly basis subject to the approval of the Employment office.

Legal basis:

Act on Public Employment and Enterprise Services (916/2012)

Degree on Public Employment and Enterprise Services (1073/2012)

Recent changes:

Rules of the level of the payment changed from de minimis to the level of basic unemployment benefit.

### **Supplementary information**

Breakdown of expenditure:	Transfers to individuals (Periodic cash payments)		
Target groups:	Registered unemployed (All)		
Treatment of unemployment spells:	Broken		
Receipt of benefits:	Cash benefits (Source: Current intervention)		
Planned duration:	Maximum: 18 Months		
Responsible institution(s):	Public employment services		
Area of application:	National		
Implementation:	<i>Year started:</i>	1984	<i>Year Ended:</i> Ongoing

## Identification

Country Finland 2017 Category 7 - Start-up incentives  
Intervention n°/name 55 Start-up grant for non-unemployed  
Type of action: 7 - Start-up incentives

## Description

### Aim:

To encourage employed at risk, inactive and students to start their own business and to promote and increase self-employment and private companies.

### Beneficiaries:

Employed at risk, inactive persons, students and persons doing only house work (all target groups other than unemployed jobseekers).

### Action/Instrument:

People with a feasible business idea can receive counselling and financial assistance when setting up a new business. Training can be provided during the period of payment of the assistance.

The start-up grant is payable over the period that it is estimated it will take to get the business started and established, for a maximum of 18 months.

The grant is paid for up to 5 days/week at the same level as the normal employment subsidy increased up to 60%. If the person is working less than 5 days/week in the business, the grant is paid for the actual working days (when the person gets sickness benefit, the grant is not paid because the person is not capable to work in the business).

Start-up grant will be payed in periods. First period is six months and normally shorter total durations shouldn't be used. Before next period the need and fulfilling of conditions for start-up grant will be evaluated again. Second period can also be six months. After two periods the third period will be paid only if company have employed new workers, it takes longer time than normally to get products or services into the markets, stabilation of cash flow financing takes time based on other reasons than the person him-/herself, company have a lot of current liabilities based on starting the new business or there exits other case-specific reasons. Need of the new period can be evaluated by a specialist, have the business started as planned and if person can get enough income from the business already.

When people start a business they must deliver to the Employment office: an official tax deduction card, a copy of the trade register notification and a copy of articles of association or charter of foundation.

Employment office can also ask for intermediate and final reports of starting of the business and visit the company to make sure that the business started.

The Local Employment and Economic Development Centre have also appropriations to ask expert reports on the eligibility criteria to be fulfilled by the individual enterprise.

This measure is a successor of FI-11 (Start-up grant) where the grant is paid to unemployed jobseekers. In FI-55, the target groups are different (but the intervention is based on the same regulations).

### Finanacina/Support:

Central government budget and ESF.

### Eligibility:

Employed at risk, inactive, students and persons in house work.

People who received a start-up grant earlier can get it again if they fulfil the eligibility criteria but the reasons why the business ended and how long ago it ended and how the new business differs from the previous granted business must be specified.

The conditions for receiving the grant are the following:

- the applicant has experience of running a business or being self-employed or has relevant training (this can also be arranged during the start-up grant period);
- the applicant has suitable skills/experience to cope with the business type/demands;
- the new business has a potential for profitable operation;
- the applicant does not receive any other state grants to cover his/her own wage costs;

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Source: Eurostat LMP database. Date of extraction: 23 January 2019

- the applicant does not receive unemployment allowance or Labour market support over the same period;
- the business has not started before approval;
- the business cannot start without the grant;
- the grant will not distort competition with other companies producing the same products or services.

Applicants cannot get the following support during the same period:

- wage or salary based on other work than entrepreneurship
- old-age pension, disability pension, unemployment pension or part-time pension
- maternity, paternity or parental allowances, sickness benefit or special day-care allowance
- rehabilitation grant or allowance
- study grants.

The start-up grant won't be approved either if people switch from normal employment (employee) to enterprise to do the same work or if the business plan proves that the main client will be the previous employer.

The applicant must submit a written application for the grant to the Employment office. The subsidy is financed by the Employment office where the application has been delivered, based on its own budget specified by the competent Employment and Economic Development Centre. The Centre will then pay the subsidy to the applicant on a monthly basis subject to the approval of the Employment office.

Legal basis:

Act on Public Employment and Enterprise Services (916/2012)

Degree on Public Employment and Enterprise Services (1073/2012)

Recent changes:

Rules of the level of the payment changed from de minimis to the level of basic unemployment benefit.

### **Supplementary information**

Breakdown of expenditure:	Transfers to individuals (Periodic cash payments)		
Target groups:	Other registered jobseekers (All) Not registered (All) Employed (All)		
Treatment of unemployment spells:	Broken		
Receipt of benefits:	Cash benefits (Source: Current intervention)		
Planned duration:	Maximum: 18 Months		
Responsible institution(s):	Public employment services		
Area of application:	National		
Implementation:	<i>Year started:</i>	2005	<i>Year Ended:</i> Ongoing

## Identification

Country Finland 2017 Category 8 - Out-of-work income maintenance and support

Intervention n°/name 1 Earnings-related unemployment allowance

Type of action: 8.1.1 - Unemployment insurance

## Description

### Aim:

To partially compensate for earnings lost due to unemployment.

### Beneficiaries:

Insured, full-time unemployed or laid-off workers who are willing and able to work and fulfil the time-at-work condition and who are not participating to work/training provided by the employment office.

### Action/Instrument:

The payment of the allowances starts after the registration to the employment office as an unemployed jobseeker for at least 5 days in the last 8 weeks (deductible time). The allowance is paid for a maximum of 500 days (5 days/week), is not means-tested and is liable to taxation.

If the beneficiary is born before 1950 and reaches the age of 57 before having received the allowance for the full 500 days, the entitlement is extended and the allowance paid up to the age of 60.

If the beneficiary is born before 1950 and reaches the age of 60 before having received the allowance for the full 500 days, the allowance will be paid for the maximum duration (500 days).

If the beneficiary is born in 1950-1954 and reaches the age of 59 before having received the allowance for the full 500 days and has been working at least 5 years during the last 20 years, the entitlement is extended and the allowance is paid up to the age of 65.

If the beneficiary is born in 1955-1956 and reaches the age of 60 before having received the allowance for the full 500 days and has been working at least 5 years during the last 20 years, the entitlement is extended and the allowance is paid up to the age of 65.

If the beneficiary is born in 1957 or after and reaches the age of 61 before having received the allowance for the full 500 days and has been working at least 5 years during the last 20 years, the entitlement is extended and the allowance is paid up to the age of 65.

### Earnings-related unemployment allowances include 4 components:

- a basic allowance
- a possible child increment (payable for each dependent child <18)
- an earnings-related component, which is based on the beneficiaries income before unemployment
- an increased earning-related component (payable for the first 200 days).

Some social benefits (e.g. various pensions) can reduce the amount of the allowance received.

Earnings-related unemployment allowance is paid by the Unemployment insurance fund to which the beneficiary belongs after application by the individual and confirmation of continued unemployment every 4 weeks.

The employment office has to provide confirmation that the person fulfils the criteria for the payment of the allowance.

Interventions FI-30 and FI-31 deal with the payment of earnings-related unemployment allowances in case of partial or part-time unemployment.

### Finanacina/Support:

Central government budget and social security funds

### Eligibility:

To be eligible for the earnings-related unemployment allowance, people must be a member of an unemployment insurance fund (currently and during the 34 weeks preceding unemployment).

Allowance is payable to those who are at least 17 years old (up to the end of the month when they are 65). In addition, people have right to the allowance between 65-67 if they continued to work after their 65th birthday and work has been interrupted (not ended) based on laid-off, weather conditions or other workers' industrial action.

The employment offices then have to check whether the unemployed are available for the labour market and whether they are actively seeking work. This is important because the qualifying time-at-work condition is relatively short (26 weeks during

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Source: Eurostat LMP database. Date of extraction: 23 January 2019

the last 28 months). For self-employed, the time-at-work condition is longer (15 months during the last 48 months). If people are considered to be outside the labour market for more than 6 months without reasonable justification, they have to re-qualify for the time-at-work condition. People who resign work without reasonable justification cannot get allowance during 90 days and people who refuse without reasonable justification work max. 5 days cannot get allowance during 30 days and people who refuse without reasonable justification over 5 days, training, other measures or individual action plan offer or drop these or have been in the labour market without reasonable justification under 6 weeks during last 6 months cannot get allowance during 60 days. Recurrent refusal of such offers will have as a consequence that the person must work or attend training for at least 3 months until he/she can get the allowance again.

In order to maintain eligibility, beneficiaries must attend interviews every 2 months and must also attend the elaboration of the action plan after 5 months of unemployment and follow its agreements.

If work was interrupted by frost in the construction or forestry business, people will get the full unemployment allowance.

People can get an increased earning-related allowance if they;

- have been given a notice for economical or production related reasons or employee leave the job after 200 days of lay-off. Person have to had working history of 20 years and membership in the unemployment insurance fund at least 5 years.

Increased earnings-related allowance can be paid for 100 days.

- have been working at least 3 years before the unemployment. Increased earnings-related allowance can be paid for 20 days.

- is attending a service which is agreed with the Employment office in the individual action plan. Increased earnings-related allowance can be paid for 200 days.

Legal basis:

Act on Unemployment Benefits (1290/2002).

Unemployment Funds Act (603/1984).

Act on Financing of Unemployment Benefits (555/1998).

Recent changes:

### Supplementary information

Breakdown of expenditure:	Transfers to individuals (Periodic cash payments)		
Target groups:	Registered unemployed (All)		
Treatment of unemployment spells:	Not relevant		
Receipt of benefits:	Cash benefits (Source: Current intervention)		
Planned duration:	Maximum: 500 Days		
Responsible institution(s):	Social security funds, Public employment services		
Area of application:	National		
Implementation:	<i>Year started:</i>	1934	<i>Year Ended:</i> Ongoing

## Identification

Country Finland 2017 Category 8 - Out-of-work income maintenance and support

Intervention n°/name 2 Basic unemployment allowance

Type of action: 8.1.2 - Unemployment assistance

## Description

### Aim:

To provide income support to unemployed not entitled to earnings-related unemployment allowance

### Beneficiaries:

Uninsured, full-time unemployed or laid-off workers who are willing and able to work full-time and fulfil the time-at-work condition and who are not participating to work/training provided by the employment office.

### Action/Instrument:

The payment of the allowance starts after registration to the employment office as an unemployed jobseeker for at least 5 days in the latest 8 weeks (deductible time).

The allowance is paid for a maximum of 500 days (5 days/week), is not means-tested and is liable to taxation.

If the beneficiary is born before 1950 and reaches the age of 57 before having received the allowance for the full 500 days, the entitlement is extended and the allowance is paid up to the age of 60.

If the beneficiary is born before 1950 and reaches the age of 60 before having received the allowance for the full 500 days, the allowance will be paid for the maximum duration (500 days).

If the beneficiary is born in 1950-1954 and reaches the age of 59 before having received the allowance for the full 500 days and has been working at least 5 years during the last 20 years, the entitlement is extended and the allowance is paid up to the age of 65.

If the beneficiary is born in 1955-1956 and reaches the age of 60 before having received the allowance for the full 500 days and has been working at least 5 years during the last 20 years, the entitlement is extended and the allowance is paid up to the age of 65.

If the beneficiary is born in 1957 or after and reaches the age of 61 before having received the allowance for the full 500 days and has been working at least 5 years during the last 20 years, the entitlement is extended and the allowance is paid up to the age of 65.

In addition to the basic allowance, a child increment may be paid for each dependent child <18. Some social benefits (e.g. various pensions) can reduce the amount of the allowance paid.

Basic unemployment allowances are paid by the Social Insurance Institute (SII) after application by the individual and confirmation of continued unemployment every 4 weeks.

The employment office has to provide confirmation that the person fulfils the criteria for the payment of the allowance.

Interventions FI-32 and FI-33 deal with the payment of basic unemployment allowance in case of partial or part-time unemployment.

### Financing/Support:

Social security funds and central government.

### Eligibility:

Allowance is payable to those who are at least 17 years old (up to the end of the month when they are 65). In addition, people have right to the allowances between 65-67 if they continued to work after their 65th birthday and work was interrupted (not ended) based on laid-off, weather conditions or other workers' industrial action.

The employment offices have to check whether the unemployed are available for the labour market and whether they are actively seeking work. This is important because the qualifying time-at-work condition is relatively short (26 weeks during the last 28 months). For self-employed the time-at-work condition is longer (15 months during the last 48 months). If people are considered to be outside the labour market for more than 6 months without a reasonable justification then they have to re-qualify for the time-at-work condition. People who resign work without reasonable justification cannot get allowance during 90 days and people who refuse without reasonable justification work max. 5 days cannot get allowance during 30 days and

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Source: Eurostat LMP database. Date of extraction: 23 January 2019



people who refuse without reasonable justification work over 5 days, training, other measures or individual action plan offer or drop these or have been in the labour market without reasonable justification under 6 weeks during last 6 months cannot get allowance during 60 days. Recurrent refusal of such offers will have as a consequence that the person must work or attend training for at least 3 months until he/she can get the allowance again.

In order to maintain eligibility, beneficiaries must attend interviews every 2 months and must also attend the elaboration of the action plan after 5 months of unemployment and follow its agreements.

If work was interrupted by frost in the construction or forestry business people get the full unemployment allowance.

People can get an increased basic allowance if they;

- have been given a notice for economical or production related reasons or employee leave the job after 200 days of lay-off.

Person have to had working history of 20 years and membership in the unemployment insurance fund at least 5 years.

Increased basic allowance can be paid for 100 days.

- have been working at least 3 years before the unemployment. Increased basic allowance can be paid for 20 days.

- is attending a service which is agreed with the Employment office in the individual action plan. Increased basic allowance can be paid for 200 days.

Legal basis:

Act on Unemployment Benefits (1290/2002).

Unemployment Funds Act (603/1984).

Act on Financing of Unemployment Benefits (555/1998).

Recent changes:

### **Supplementary information**

Breakdown of expenditure:	Transfers to individuals (Periodic cash payments)		
Target groups:	Registered unemployed (All)		
Treatment of unemployment spells:	Not relevant		
Receipt of benefits:	Cash benefits (Source: Current intervention)		
Planned duration:	Maximum: 500 Days		
Responsible institution(s):	Social security funds, Public employment services		
Area of application:	National		
Implementation:	<i>Year started:</i>	1959	<i>Year Ended:</i> Ongoing

## Identification

Country Finland 2017 Category 8 - Out-of-work income maintenance and support

Intervention n°/name 4 Labour market support (passive component)

Type of action: 8.1.2 - Unemployment assistance

## Description

### Aim:

To provide income support to specific categories of unemployed.

### Beneficiaries:

Unemployed persons entering the labour market for the first time or who have exhausted entitlement to an unemployment allowance or who do not fulfil the time-at-work condition.

### Action/Instrument:

The payment of the support starts after registration to the employment office as an unemployed jobseeker for at least 5 days in the latest 8 weeks (deductible time).

Labour market support (LMS) ensures a minimum subsistence for various categories of unemployed persons and can be paid for 5 days/week for an unlimited period provided that the recipient is unemployed and continues to fulfil the labour market conditions for entitlement. The full amount of labour market support is equivalent to the basic unemployment allowance but is means-tested (taking into account the joint income of applicant and partner/spouse). However, for the first 180 days following the end of the 500-day unemployment allowance period and for unemployed persons over 55 years fulfilling the time-at-work condition and during a service agreed in the individual action plan no means test is required.

A child increment is payable in respect of each dependent child <18. Increment is also payable during a service agreed in the individual action plan for 200 days if person has got LMS max. 500 days or has got LMS max. 180 after 500 days is full-filled in earning-related or basic unemployment allowance. The payments are liable to taxation.

There is a waiting time (before payments begin) of 21 weeks if the applicant have not fulfilled the time-at-work condition (26 weeks during last 28 months) and has not completed any vocational training.

Otherwise, the waiting time is 5 days during the last 8 weeks except when the applicant has already received an unemployment allowance for the maximum duration (then no waiting time between the payments of the allowances is required).

LMS is paid by the Social Insurance Institute (SII) on application from the individual and confirmation of continued unemployment every 4 weeks.

The employment office has to provide confirmation that person fulfils the criteria for payment of the allowance.

Interventions FI-32 and FI-33 deal with the payment of LMS in case of partial/part-time unemployment.

### Finanacina/Support:

Labour market support is financed from government funds through the Social Insurance Institution, which pays out the support.

### Eligibility:

Allowance is payable to those who are at least 17 years old (to the end of the month when they are 65). In addition, people have right to the allowance between 65-67 if they continued to work after their 65th birthday and work was interrupted (not ended) based on laid-off, weather conditions or other workers' industrial action.

Unemployed jobseekers who are seeking full-time work, available to work and who are not participating to work/training provided by the employment office. LMS provides support to people who do not meet the time-at-work criterion for unemployment allowance or who have already received the basic or earnings-related unemployment allowance for the maximum period of 500 days. People who resign work without reasonable justification cannot get allowance during 90 days and people who refuse without reasonable justification work max. 5 days cannot get allowance during 30 days and people who refuse without reasonable justification work over 5 days, training, other measures or individual action plan offer or drop these or have been in the labour market without reasonable justification under 6 weeks during last 6 months cannot get allowance during 60 days. Recurrent refusal of such offers will have as a consequence that the person must work or attend training for at least 3 months until he/she can get the allowance again. Beneficiaries must also attend the elaboration of the

Source: Eurostat LMP database. Date of extraction: 23 January 2019

action plan after 5 months of unemployment and follow its agreements.

For young people (<25), eligibility to LMS is linked to education/training. 17-year olds without any vocational training only during a service agreed in the individual action plan. 18-24 year olds without any vocational training who have refused or dropped-out work or labour market measures or have not actively applied for or dropped-out of training or education without justified reason are excluded until they have passed any vocational training/education or have worked or attended measures (FI-6, FI-15, FI-22) for at least 5 months. 18-24 years olds without any vocational training can get LMS if he/she have not refused or dropped-out work or labour market measures and have actively applied for or not dropped-out of training or education without justified reason.

If unemployed persons getting LMS do not fulfil the time-at-work condition and live with their parents, then the allowance will be cut at most by 50% based on parents' incomes. The allowance will be fully paid if the person can give proofs that his/her parents aren't providing any financial assistance.

If work was interrupted by frost in the construction or forestry business people will get the full unemployment allowance. For people who have 500 days, eligibility to LMS will stop if they refuse, resign or get dismissal by their own fault work or offered active measure.

Legal basis:

Act on Unemployment Benefits (1290/2002).

Act on Financing of Unemployment Benefits (555/1998).

Recent changes:

### **Supplementary information**

Breakdown of expenditure:	Transfers to individuals (Periodic cash payments)		
Target groups:	Registered unemployed (All, LTU, Youth)		
Treatment of unemployment spells:	Not relevant		
Receipt of benefits:	Cash benefits (Source: Current intervention)		
Planned duration:	Unlimited		
Responsible institution(s):	Social security funds, Public employment services		
Area of application:	National		
Implementation:	<i>Year started:</i>	1994	<i>Year Ended:</i> Ongoing

## Identification

Country Finland 2017 Category 8 - Out-of-work income maintenance and support

Intervention n°/name 30 Earnings related adjusted unemployment allowance as partial unemployment benefit

Type of action: 8.2 - Partial unemployment benefits

## Description

### Aim:

To provide income support for workers obliged to reduce their working hours.

### Beneficiaries:

Insured workers who are obliged to reduce their working time because of temporary lay off or short-time working.

### Action/Instrument:

Adjusted unemployment allowance is paid such that, during a month or 4 consecutive calendar weeks (the adjustment period), the amount of the allowance paid plus 50% of the income received can be at most the same as the full allowance payable over the same period.

The maximum payable amount of earnings-related daily allowance, including any child increases, and work income received during the adjustment period shall not exceed 90 % of the wages it is based on, but shall not be less than the person concerned is entitled to receive as basic daily allowance.

People eligible to increased earnings-related unemployment allowance may also get adjusted unemployment allowance with child increase and work income as maximum 100% of the wages it is based on and anyway it shall not be less than the person concerned is entitled to receive as basic daily allowance. Allowance can be paid adjusted to a maximum of 36 months for 5 days/week.

Adjusted allowance can be paid more than 36 months if the beneficiary is born before 1950 and reaches the age of 57 or the beneficiary is born in 1950-1954 and reaches the age of 59 or the beneficiary is born in 1955-1956 and reaches the age of 60 or the beneficiary is born in 1957 or after and reaches the age of 61 before having enjoyed the maximum duration of the allowance.

Earnings-related unemployment allowance is paid by the Unemployment insurance fund to which the beneficiary belongs after application by the individual and confirmation of continued situation every 3 weeks.

The employment office has to provide confirmation that the person fulfils the criteria for the payment of the allowance.

### Finanacina/Support:

Central government budget and social security funds

### Eligibility:

Allowance is payable to those who are at least 17 years old (up to the end of the month when they are 65). In addition, people have right to the allowance between 65-67 if they continued to work after their 65th birthday and work was interrupted (not ended) based on laid-off, weather conditions or other workers' industrial action.

Workers who are obliged to reduce their working time because of temporary lay off or short-time working or based on other workers industrial action where the person him-/herself isn't participating and who are members of an unemployment fund.

Persons who work more than 75% of normal full-time hours in the sector during a review period are not entitled to receive adjusted unemployment allowance.

Maximum duration for the adjusted unemployment allowance is 36 months.

Re-qualification for the adjusted allowance: people must have worked full-time at least 6 months or fulfil again the time-at-work condition (26 weeks during last 28 months).

### Legal basis:

Act on Unemployment Benefits (1290/2002).

Unemployment Funds Act (603/1984).

Act on Financing of Unemployment Benefits (555/1998).

### Recent changes:

### Supplementary information

Breakdown of expenditure:	Transfers to individuals (Periodic cash payments)		
Target groups:	Employed (All)		
Treatment of unemployment spells:	Not relevant		
Receipt of benefits:	Cash benefits (Source: Current intervention)		
Planned duration:	Maximum: 36 Months		
Responsible institution(s):	Social security funds, Public employment services		
Area of application:	National		
Implementation:	<i>Year started:</i>	1934	<i>Year Ended:</i> Ongoing

## Identification

Country	Finland	2017	Category	8 - Out-of-work income maintenance and support
Intervention n°/name	32	Adjusted basic unemployment allowance or labour market support as partial unemployment benefit		
Type of action:	8.2 - Partial unemployment benefits			

## Description

### Aim:

To provide income support for workers obliged to reduce their working hours.

### Beneficiaries:

Workers who are obliged to reduce their working time because of temporary lay off or short-time working and who are not entitled to an earnings-related unemployment allowance.

### Action/Instrument:

Adjusted unemployment allowance is paid such that, during a month or 4 consecutive calendar weeks (the adjustment period), the amount of the allowance paid plus 50% of the income received can be at most the same as the full allowance payable over the same period. Allowance can be paid adjusted as maximum of 36 months for 5 days/week.

Adjusted allowance can be paid more than 36 months if the beneficiary is born before 1950 and reaches the age of 57 or the beneficiary is born in 1950-1954 and reaches the age of 59 or the beneficiary is born 1955-1956 and reaches the age of 60 or the beneficiary is born in 1957 or after and reaches the age of 61 before having enjoyed the maximum duration of the allowance.

Basic unemployment allowance and LMS are paid by the Social Insurance Institution (SII) on application from the individual and confirmation of continued situation every 4 weeks.

The employment office has to provide confirmation that the person fulfils the criteria for the payment of the allowance.

### Financing/Support:

Central government budget and social security funds.

### Eligibility:

Allowance is payable to those who are at least 17 years old (up to the end of the month when they are 65). In addition, people have right to the allowance between 65-67 if they continued to work after their 65th birthday and work was interrupted (not ended) based on laid-off, weather conditions or other workers' industrial action.

Workers who are obliged to reduce their working time because of temporary lay off or based on other workers industrial action where the person him-/herself isn't participating or short-time working and who are not entitled to an earnings-related unemployment allowance.

People working more than 75% of normal full-time hours in the sector during a review period are not entitled to receive adjusted unemployment allowance.

Maximum duration for the adjusted unemployment allowance is 36 months.

Re-qualification for the adjusted allowance is that people must work full-time at least 6 months or fulfil again the time-at-work condition (26 weeks during last 28 months).

### Legal basis:

Act on Unemployment Benefits (1290/2002).

Unemployment Funds Act (603/1984).

Act on Financing of Unemployment Benefits (555/1998).

### Recent changes:

## Supplementary information

Breakdown of expenditure: Transfers to individuals (Periodic cash payments)

Target groups:	Employed (All)
Treatment of unemployment spells:	Not relevant
Receipt of benefits:	Cash benefits (Source: Current intervention)
Planned duration:	Maximum: 36 Months
Responsible institution(s):	Social security funds, Public employment services
Area of application:	National
Implementation:	<i>Year started:</i> 1934 <i>Year Ended:</i> Ongoing

## Identification

Country Finland 2017 Category 8 - Out-of-work income maintenance and support

Intervention n°/name 31 Earnings related adjusted unemployment allowance as part-time unemployment benefit

Type of action: 8.3 - Part-time unemployment benefits

## Description

### Aim:

To provide income support for part-time unemployed workers.

### Beneficiaries:

Insured workers who are considered as part-time unemployed.

### Action/Instrument:

Adjusted unemployment allowance is paid such that, during a month or 4 consecutive calendar weeks (the adjustment period), the amount of the allowance paid plus 50% of income received can be at most the same as the full allowance payable over the same period.

The maximum payable amount of earnings-related daily allowance, including any child increases, and work income received during the adjustment period shall not exceed 90 % of the wages it is based on, but shall not be less than the person concerned is entitled to receive as basic daily allowance.

People eligible to increased earnings-related unemployment allowance may also get adjusted unemployment allowance with child increase and work income as maximum 100% of the wages it is based on and anyway it shall not be less than the person concerned is entitled to receive as basic daily allowance. Allowance can be paid adjusted as maximum of 36 months for 5 days/week.

Adjusted allowance can be paid for more than 36 months if the beneficiary is born before 1950 and reaches the age of 57 or the beneficiary is born in 1950-1954 and reaches the age of 59 or the beneficiary is born 1955-1956 and reaches the age of 60 or the beneficiary is born in 1957 or after and reaches the age of 61 before having enjoyed the maximum duration of the allowance.

Earnings-related unemployment allowance is paid by the Unemployment insurance fund to which the beneficiary belongs after application by the individual and confirmation of continued situation every 4 weeks.

The employment office has to provide confirmation that the person fulfils the criteria for the payment of the allowance.

### Finanacina/Support:

Central government budget and social security funds

### Eligibility:

Allowance is payable to those who are at least 17 years old (up to the end of the month when they are 65). In addition, people have right to the allowance between 65-67 if they continued to work after their 65th birthday and work was interrupted (not ended) based on laid-off, weather conditions or other workers' industrial action.

Earnings related adjusted unemployment allowance can be paid to people who are a member of an unemployment fund and who have:

- accepted part time employment while unemployed;
- accepted full-time employment lasting no more than 2 weeks while unemployed;
- started entrepreneurial activities while unemployed;
- started part-time work or are obliged to reduce their working time.

People working more than 75% of normal full-time hours in the sector during a review period are not entitled to receive adjusted unemployment allowance.

Maximum duration for the adjusted unemployment allowance is 36 months.

Re-qualification for the adjusted allowance is that people must have worked full-time at least 6 months or fulfilled again the time-at-work condition (26 weeks during last 28 months).

### Legal basis:

Act on Unemployment Benefits (1290/2002).

Source: Eurostat LMP database. Date of extraction: 23 January 2019



Unemployment Funds Act (603/1984).  
Act on Financing of Unemployment Benefits (555/1998).  
Recent changes:

### **Supplementary information**

Breakdown of expenditure:	Transfers to individuals (Periodic cash payments)		
Target groups:	Registered unemployed (All) Employed (All)		
Treatment of unemployment spells:	Not relevant		
Receipt of benefits:	Cash benefits (Source: Current intervention)		
Planned duration:	Maximum: 36 Months		
Responsible institution(s):	Social security funds, Public employment services		
Area of application:	National		
Implementation:	<i>Year started:</i>	1934	<i>Year Ended:</i> Ongoing

## Identification

Country	Finland	2017	Category	8 - Out-of-work income maintenance and support
Intervention n°/name	33	Adjusted basic unemployment allowance or labour market support as part-time unemployment benefit		
Type of action:	8.3 - Part-time unemployment benefits			

## Description

### Aim:

To provide income support for part-time unemployed.

### Beneficiaries:

Workers who are considered as part-time unemployed but not entitled to an adjusted earnings-related unemployment allowance

### Action/Instrument:

Adjusted unemployment allowance is paid such that, during a month or 4 consecutive calendar weeks (the adjustment period), the amount of the allowance paid plus 50% of income received can be at most the same as the full allowance payable over the same period. Allowance can be paid adjusted as maximum of 36 months for 5 days/week.

Adjusted allowance can be paid more than 36 months if the beneficiary is born before 1950 and reaches the age of 57 or the beneficiary is born in 1950-1954 and reaches the age of 59 or the beneficiary is 1955-1956 and reaches the age of 60 or the beneficiary is born in 1957 or after and reaches the age of 61 before having enjoyed the maximum duration of the allowance.

Basic unemployment allowance and LMS are paid by the Social Insurance Institution (SII) on application from the individual and confirmation of continued situation every 4 weeks.

The employment office has to provide confirmation that the person fulfils the criteria for the payment of the allowance.

### Financing/Support:

Central government budget and social security funds.

### Eligibility:

Allowance is payable to those who are at least 17 years old (up to the end of the month when they are 65). In addition, people have right to the allowance between 65-67 if they continued to work after their 65th birthday and work was interrupted (not ended) based on laid-off, weather conditions or other workers' industrial action.

Adjusted basic unemployment allowance or labour market support can be paid to people not eligible for earnings-related benefits and who have:

- accepted part time employment while unemployed;
- accepted full-time employment lasting no more than 2 weeks while unemployed;
- started entrepreneurial activities while unemployed;
- started part-time work or are obliged to reduce their working time.

People working more than 75% of normal full-time hours in the sector during a review period are not entitled to receive adjusted unemployment allowance.

Maximum duration for the adjusted unemployment allowance is 36 months.

Re-qualification for the adjusted allowance is that people must have worked full-time at least 6 months or fulfilled again the time-at-work condition (26 weeks during last 28 months).

### Legal basis:

Act on Unemployment Benefits (1290/2002).

Unemployment Funds Act (603/1984).

Act on Financing of Unemployment Benefits (555/1998).

Recent changes:

## Supplementary information

Source: Eurostat LMP database. Date of extraction: 23 January 2019

Breakdown of expenditure:	Transfers to individuals (Periodic cash payments)		
Target groups:	Registered unemployed (All) Employed (All)		
Treatment of unemployment spells:	Not relevant		
Receipt of benefits:	Cash benefits (Source: Current intervention)		
Planned duration:	Maximum: 36 Months		
Responsible institution(s):	Social security funds, Public employment services		
Area of application:	National		
Implementation:	<i>Year started:</i>	1934	<i>Year Ended:</i> Ongoing

## Identification

Country Finland 2017 Category 8 - Out-of-work income maintenance and support

Intervention n°/name 28 Pay security

Type of action: 8.5 - Bankruptcy compensation

## Description

### Aim:

To guarantee that employees are paid in case their employer becomes insolvent.

### Beneficiaries:

Workers who have not been paid because their employer is declared bankrupt or is insolvent.

### Action/Instrument:

All remuneration that an employer should have paid can be paid as pay security upon application to an Employment Office or Employment and Economic Development Centre.

Only amounts due in the 3 months immediately preceding the application for pay security can be claimed and the amount that an employee can claim from any employer is subject to a maximum level (15,200€).

A written decision is issued for every pay security application and any amounts due as a result will be paid within one week of the decision.

Employers are obliged to repay to the State the amount of any claims against them together with annual interest.

The Ministry of Employment and the Economy is able to give some relief or discharge from repayment in some situations (for example in order to ensure continuation of important employment or where repayments are simply beyond the economic means of the employer).

Pay security is paid initially from the central government budget but each year the Unemployment Insurance Fund retrospectively pays the State the difference between amounts of pay security issued and those recovered from employers.

### Financing/Support:

Central government budget and social security funds

### Eligibility:

The condition for receiving pay security is that the employer is insolvent, i.e. the employer:

- was declared bankrupt;
- is unable to pay debts in case of recovery proceedings;
- has failed to pay statutory withholding taxes or employer contributions on time;
- cannot be contacted or has terminated operations and sufficient funds cannot be found for payment of the claim; or
- is in a similar situation of insolvency as established by the pay security authorities.

Pay security is only payable in relation to claims from employees based on an employment relationship in accordance with the Contracts of Employment Act.

An employee is entitled to pay security if the work concerned was done in Finland (or if work was done abroad for a Finnish employer and the employee is domiciled in Finland).

Work done in Finland does not, however, entitle an employee to pay security if carried out by an employee sent to Finland from abroad by a foreign employer to do temporary work.

### Legal basis:

Pay Security Act (866/1998).

Pay Security Decree (868/1998), as amended.

Seamen's Pay Security Act (1108/2000).

Act on Financing of Unemployment Benefits (555/1998).

Recent changes:

## Supplementary information

Source: Eurostat LMP database. Date of extraction: 23 January 2019

Breakdown of expenditure:	Transfers to individuals ( Lump-sum payments)		
Target groups:	Employed (All)		
Treatment of unemployment spells:	Not relevant		
Receipt of benefits:	Cash benefits (Source: Current intervention)		
Planned duration:	One-off		
Responsible institution(s):	Public employment services		
Area of application:	National		
Implementation:	<i>Year started:</i>	1974	<i>Year Ended:</i> Ongoing

## D - Reference data

**R.1 Registered jobseekers (total)**

**37 Registered jobseekers**

Persons who have personally attended an Employment Office or via electrical form asked to start his/her jobseeking and been registered as a jobseeker.

In the Ministry of Labour's Employment service statistics, jobseekers are divided into 5 main groups and totally into 7 sub-categories based on their employment status:

- unemployed (FI-38)
  - laid-off (FI-40)
- employed
  - in non-subsidized employment (FI-41)
  - in subsidized employment (FI-42)
- employed but on reduced working time (FI-43)
- inactive (persons outside the labour force) (FI-44)
  - in education
  - in employment promoting services
- receiving unemployment pension (FI-45)

**38 Registered unemployed**

Persons registered at the Employment Office and who are without a job or have found work and are waiting to start. A job-seeker is categorised as "unemployed" if he/she does not have an employment relationship, does not work full-time as an entrepreneur or self-employed worker and is not a full-time student.

1. Full-time school children and students cannot be RU (not even during holidays).

No specific restriction for school-leavers/first-time jobseekers.

2. Retirement age: Not specified.

All UBR have the same obligations to seek work regardless of their age.

3. Registered Unemployed are allowed to work? Yes.

Normally a person cannot have an employment contract or be self-employed, but minimal working hours (less than 4 hours per week) is possible.

4. RU have to be immediately available for work: Yes.

Available to start a work.

5. Restrictions on the type of work sought (full/part-time, permanent/temporary, etc.): No.

6. Notes

People who cannot be RU:

- full-time students
- unemployed pensioners (FI-45: LTU aged 60-64 having exhausted their right to UB)
- people in military service
- people in maternity or paternity leave

7. RU and UBR - Are all UBR counted as RU? Yes.

It is obligatory to register as unemployed in order to claim UB.

8. RU and UBR - Do all RU receive benefits? No.

The conditions to receive benefits are tighter than to be RU. Therefore not all RU receive benefits.

9. Treatment of periods of activation during unemployment.

Unemployment spell is always broken.

**40 Laid-offs**

Source: Eurostat LMP database. Date of extraction: 23 January 2019

Persons who are fully laid-off from workplace without wage or salary for fixed-term or until further notice and who have been registered as a jobseeker at an Employment Office.

All UBR have the same obligations to seek work regardless of their age.

Normally fully laid-off persons' figures are included into the registered unemployed data. This explains the classification into R.1.1 (Registered unemployed).

#### **41 Employed but on reduced working week**

A person is "on reduced working week" if the employer has shortened his/her weekly working time and he/she is not paid for the time that has been reduced and who have been registered as jobseeker at an Employment Office. Also those employees who have been laid off by reducing their weekly or daily working time belong to this category.

However, if a job-seeker has originally agreed with the employer that his/her work is part-time work (e.g. half-time work), he/she belongs to the "employed in the non-subsidized labour market" category rather than this one.

#### **42 Employed in non-subsidized employment**

Persons who have been registered as a jobseeker at an Employment Office and who are employed as employee or entrepreneur for regular weekly work at least for one day per week and at least 4 hours/week

Non-subsidized employed if they are temporarily absent from the workplace based on illness, vacation, labour dispute, bad weather (frost leave), broken machines or other similar reasons.

Normally employed persons can be registered as jobseekers if they want a new job or if they are at risk of losing their job.

#### **43 Employed in subsidized employment**

Persons who have been registered as a jobseeker at the Employment Office and who are employed in Labour administration's active measures (FI-7-14, 35, 55) and whose jobseeking registration is still valid during the measure.

Persons who are in the measures do not have to continue their jobseeking but they may do so.

Unemployment will break when the person starts a measure.

This group also includes job-seekers who have become entrepreneurs and received a start-up grant.

#### **44 Inactive**

Persons who have been registered as a jobseeker at an Employment Office. A job-seeker is considered "inactive" if he/she meets the criteria of unemployment, but the employment situation is not appropriate, on the grounds of the person's situation. This category includes persons who have reported as job-seekers but who can only accept employment or participate in services after a fixed period of time due to situations such as imprisonment, long-term hospital treatment and obligatory military service.

This category also includes persons who are absent from the workplace for a long time, for example due to parental leave or child-care leave.

Jobseekers may be still in school, studying, in military service or working unpaid in household but will be after fixed-term available to full-time work.

#### **57 Individual action plans**

- Unemployed jobseekers.

After 2 weeks of unemployment without any break, an interview will be arranged for preparing individual action plan.

- Jobseekers who are eligible for change security based on an employee notice or in danger of unemployment.

Activation plan

For persons <25 eligible to LMS or getting the income security, an activation plan must be prepared if the person:

- received LMS based on unemployment for at least 180 days in the last 12 months and prepared an individual action plan or;
- received earnings-related or basic unemployment allowance for 500 days and prepared an individual action plan or;
- received income security as main income for 4 months because of unemployment and has made an individual action

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Source: Eurostat LMP database. Date of extraction: 23 January 2019



interview.

For persons aged 25+ eligible to LMS or getting the income security and whom have prepared an individual action plan, an activation plan must be prepared if the person:

- received LMS based on unemployment for at least 500 days or;
- received earnings-related or basic unemployment allowance for 500 days and then LMS for at least 180 days based on unemployment or;
- received income security as main income for 12 months because of unemployment.

58

### **Integration plans**

Non-Finnish immigrants who have been registered as unemployed jobseekers.

Integration plan must be carried out at the latest 5 months after unemployment without any breaks.

Immigrants have the right to the integration plan during 3 years after their first registration as permanent resident in Finland.



# Abbreviations

Abbreviation, Description