

Eurostat

Labour market policy statistics

Qualitative report

Lithuania, 2017

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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 ¹ 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 ². 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

¹

http://epp.eurostat.ec.europa.eu/portal/page/portal/product_details/publication?p_product_code=KS-GQ-13-002

² 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 | |
| 7 | Open information system: "Find information on your own", Vocational information centres, Youth job centres | Atviro informavimo sistema: "Susirask informaciją pats" (SIP), Profesinio informavimo centrai (PIC), Jaunimo darbo centrai |
| 8 | Individual Employment Plans, assistance in finding jobs, employment mediation services | Individualių įsidarbinimo planų rengimas, pagalba ieškant darbo, tarpininkavimas įsidarbinant |
| 9 | Group counselling (former "Job clubs") | "Darbo klubai" |
| 17 | EURES-Lithuania activity | EURES veikla |
| 18 | Administration of active labour market policy measures by Lithuanian Labour Exchange and territorial labour exchanges | Lietuvos darbo biržos ir teritorinių darbo biržų vykdomas aktyvios darbo rinkos politikos priemonių administravimas |
| 20 | Administration of interventions in categories 8-9 | Pasyvios darbo rinkos politikos priemonių administravimas |
| 24 | Other services/activities provided by PES | Kitos paslaugos |
| 2 | Training | |
| 41 | Recognition of competences acquired by non-formal and informal learning | Neformaliojo švietimo ir savišvietos būdu įgytų kompetencijų pripažinimas |
| 40 | Internship | Stażuotė |
| 1 | Vocational training of the registered unemployed and employees facing redundancy | Profesinio mokymo programa |
| 39 | Employment under an apprenticeship employment contract | Įdarbinimas pagal pameistrystės darbo sutartį |
| 4 | Employment incentives | |
| 2 | Support of social enterprises | Socialinių įmonių parama |
| 3 | Local Employment Initiative projects | Vietinių užimtumo iniciatyvų projektai |
| 31 | Promotion of work skills development | Darbo įgūdžių įgijimo rėmimas |
| 32 | Subsidised employment | Įdarbinimas subsidijuojant |
| 33 | Support for self-employment | Savarankiško užimtumo rėmimas |
| 34 | Subsidies for job creation | Darbo vietų steigimo subsidijavimas |
| 30 | Job rotation | Darbo rotacija |
| 5 | Supported employment and rehabilitation | |
| 35 | Subsidised employment of the disabled | Įdarbinimas subsidijuojant (neįgalųjų) |
| 28 | Vocational (occupational) rehabilitation | Profesinė reabilitacija |
| 6 | Direct job creation | |
| 5 | Public works | Viešieji darbai |

| | | |
|-------|--|---|
| 7 | Start-up incentives | |
| 38 | Subsidy for individual activities under a business license | Subsidija individualiai veiklai pagal verslo liudijimus |
| 8 | Out-of-work income maintenance and support | |
| 21 | Unemployment social insurance benefit | Bedarbių pašalpos |
| 22 | Compensation from the Guarantee Fund | Išmokos iš Garantinio fondo |
| 9 | Early retirement | |
| Mixed | \$353 | |

Number of measures: **51**

C - Qualitative information by intervention

Identification

| | | | | |
|----------------------|------------------------------|--|----------|----------------------------|
| Country | Lithuania | 2017 | Category | 1 - Labour market services |
| Intervention n°/name | 7 | Open information system: "Find information on your own", Vocational information centres, Youth job centres | | |
| Type of action: | 1.1.1 - Information services | | | |

Description

Aim:

estimatesTo help the unemployed and persons who are looking for a job to search independently for information on job vacancies, to acquaint themselves with the descriptions of occupations that are on demand in the labour market

Beneficiaries:

All job-seekers including the unemployed, pupils, students, employees

Action/Instrument

Open Information System of the Lithuanian Labour Exchange covers all regions of the country with different types of information units set up at territorial labour exchanges. Open Information System encompasses 6 Job Centres and 37 Youth Job Centres, as well as 49 information and counselling centres set up at each territorial labour exchange and ready to offer miscellaneous services to customers.

Customers of these centers can independently search for information and jobs using modern computer facilities and specialized computers including self-serve internet based databases on job vacancies and training opportunities.

The Youth Job Centers (JDC) activity is based on the publicity and volunteerism principles - no compulsory registration of customers, the most state-of-the-art information technologies are used for searching employment and education opportunities. The JDC employ highly qualified consultants who organize specialized seminars and discussions on various youth employment and professional choice issues. The youth independence, self-confidence and informal communication are promoted.

Lithuanian Labour exchange also provides electronic services to the clients which are available in the interactive regime. Electronic services are specified for separate groups of users: jobseekers, employers and other web site visitors.

For Jobseekers:

- Provision of information on newly registered vacancies in the form of SMS messages directly to mobile phones of the clients;
- Request of information on newly registered job offers on the internet (www.ldb.lt) followed by the reply in the form of e-mail;
- Preliminary registration with the labour exchange by internet filling in the form of a job-seeker;
- Direct registration of students, graduates and other high quality specialists on the internet page of the Talent Bank.

For Employers:

- Direct registration of vacancies by internet filling in the form for a job offer on the web-site of the Lithuanian Labour Exchange (www.ldb.lt);
- Computerised search for employees supplying CVs of appropriate candidates to the employers by e-mail.

For All Other Visitors of the web site:

- Interactive communication, when clients submit questions and receive competent responses from labour exchange specialists on internet;
- Subscription to internet news – a possibility to receive the latest announced information by e-mail;
- Placement of the outcomes of visitors surveys on the internet summarising the received responses to the raised question of the month;
- The possibility of self-search for information using the terminals equipped at information centres of the labour exchange.

Lithuanian Labour Market Training Authority provides interactive counselling. The web-site www.darborinka.lt has an interactive real-time counselling and guidance service, where customers may book and receive counselling on choice of profession, career planning, and job search issues. This service is free.

Six computerised professional orientation tests are available on the test menu, and upon choosing them customer receive interpretation result right away.

Interactive methodological guidance "Six Job Search Steps" is available to every visitor in the web-site www.darborinka.lt. It

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

consists of the following parts-steps: self-analysis, information and job search, job application documents, psychological selection tests, job interview, and controlling job search steps.

Financing/Support:

Ear-marked taxes: Employment Fund

Eligibility:

Job-seekers

Legal basis:

Law on Support for Employment (came into force on 1 August 2006);

the Order No A1-227 of the Minister of Social Security and Labour of the Republic of Lithuania as of 3 August 2006 "On Approval of Description of Conditions and Procedure for Provision of General Employment Promotion Services" (Official Gazette, 2006, Nr. 84-3321)

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 |
| Receipt of benefits: | None |
| Planned duration: | Continuously available |
| Responsible institution(s): | Public employment services |
| Area of application: | National |
| Implementation: | <i>Year started:</i> 1997 <i>Year Ended:</i> Ongoing |

Identification

Country Lithuania 2017 Category 1 - Labour market services
Intervention n°/name 17 EURES-Lithuania activity
Type of action: 1.1.1 - Information services

Description

Aim:

The purpose of the EURES network is to provide services for the benefit of workers and employers as well as any citizen wishing to benefit from the principle of the free movement of persons.

Beneficiaries:

All job-seekers

Action/Instrument:

EURES provides three types of services: information, advice and recruitment/placement (job-matching). Information accumulated by EURES-Lithuania is available through the whole EURES network.

EURES-Lithuania web-site contain information on:

- job vacancies;
- CVs;
- living and working conditions; and
- learning opportunities.

EURES coordinating service at Lithuanian Labour Exchange and eight EURES bureaus at territorial labour exchanges operate. EURES bureaus are in Vilnius, Kaunas, Klaipeda, Siauliai, Panevezys, Alytus, Utena and Taurage labour exchanges; prospective EURES advisers work here. Besides them in each territorial labour exchange there are assistants of EURES advisers. They provide information for local people about free movement of workers.

Personnel of EURES network gives information and consultation for those who want to know about job opportunities, living, working and studying conditions in EU countries, also for Lithuanian employers who looking for workers in other EU countries.

Financing/Support:

State budget

Eligibility:

All job-seekers

Legal basis:

Treaty Establishing the European Community (article 3, 39 and 40)

Regulation (EEC) no 1612/68 of the Council of 15 October 1968 on freedom of movement for workers within the community
Decision 2003/8/EB of the European Commission of 23 December 2002

EURES charter (Official Journal C 106, 03.05.2003, p.3)

Law of the Republic of Lithuania on the Legal Status of Aliens Nr. IX-2206 (29 April, 2004)

Typical Regulations of the EURES bureau at the territorial labour exchange (adopted by the Order Nr. V-211 of the Director of the Lithuanian Labour Exchange on 15 September 2003)

Regulations of the Service of the EURES network Coordinator at the Lithuanian Labour Exchange (adopted by the Order Nr. V-357 of the Director of the Lithuanian Labour Exchange on 11 October 2005)

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)

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

| | | | |
|-----------------------------------|----------------------------|------|----------------------------|
| Treatment of unemployment spells: | Not relevant | | |
| Receipt of benefits: | None | | |
| Planned duration: | Continuously available | | |
| Responsible institution(s): | Public employment services | | |
| Area of application: | National | | |
| Implementation: | <i>Year started:</i> | 2003 | <i>Year Ended:</i> Ongoing |

Identification

Country Lithuania 2017 Category 1 - Labour market services
Intervention n°/name 8 Individual Employment Plans, assistance in finding jobs, employment mediation services
Type of action: 1.1.2 - Individual case-management

Description

Aim:

To help the unemployed to assess their situation and opportunities in the labour market, to prepare for competition in it and to be resolute in seeking employment goals - to get a job or to get ready for labour market.

Beneficiaries:

Registered unemployed

Action/Instrument:

The specialists of the labour exchange assist the unemployed in finding job and provide mediation services. In order to implement these objectives, the Individual Employment plans are worked out for the unemployed who fail to get jobs during the first month after registration with the labour exchange. The Individual Employment Plan contains measures of raising motivation, training, employment and professional career.

In the process of the preparation of the Employment plan, the unemployed and the officer of the labour exchange agree on: what active actions will be taken by the unemployed seeking employment, in which active labour market programmes he/she will participate, the terms of their implementation and other actions taken by labour exchange in order to improve the employability of the unemployed.

The Individual Employment plan is usually designed for a year; afterwards it is corrected. Measures are planned for quarters. Advance is monitored on every visit, and also when the time limit for the measure comes to an end. Making plans are requirement only on behalf of unemployed (not needed for other registered persons) - in 3 months for younger than 25 years of age, in 6 months - for older persons. Plan is made by the specialist of local labour exchange and unemployed person together, plan is only valid when there are a signatures of both of them. If unemployed refuses to act according to the plan without the considerable reasons, the person might lose the remaining periods of payment of unemployment insurance benefit.

Financing/Support:

Ear-marked taxes: Employment Fund

Eligibility:

Registered unemployed

Legal basis:

Law on Support for Employment (came into force on 1 August 2006);
the Order No A1-218 of the Minister of Social Security and Labour of the Republic of Lithuania as of 31 July 2006 "On Approval of Description of Procedure for Design of Individual Employment Plans" (Official Gazette, 2006, Nr. 86-3377)

Recent changes:

Supplementary information

Breakdown of expenditure: Transfers to service providers

Target groups: Registered unemployed (All)

Treatment of unemployment spells: Not relevant

| | | | |
|-----------------------------|--|------|----------------------------|
| Receipt of benefits: | Cash benefits (Source: Unemployment benefit) | | |
| Planned duration: | Maximum: 1 Years | | |
| Responsible institution(s): | Public employment services | | |
| Area of application: | National | | |
| Implementation: | <i>Year started:</i> | 1996 | <i>Year Ended:</i> Ongoing |

Identification

Country Lithuania 2017 Category 1 - Labour market services
Intervention n°/name 9 Group counselling (former "Job clubs")
Type of action: 1.1.2 - Individual case-management

Description

Aim:

Intensive strengthening of employment motivation, awareness raising and development of job-seeking skills

Beneficiaries:

Unemployed or registered jobseekers

Action/Instrument:

Group Counseling is organised depending on common needs and competitive opportunities of participants; they are arranged for different target groups - youth, older +50, disabled, women, ex-prisoners, long-term unemployed, re-entrants and etc.

The measure is oriented towards improvement of occupational self-determination of an unemployed or a jobseeker and acquisition of occupation. It includes motivation and encouragement to choose occupation, which is on demand in the labour market, training how to use modern means of communication and to draft a CV, preparation for the interview with an employer, usage of the psychological tests. The consultant could combine several small components according to the needs of the individual participant.

Financing/Support:

Ear-marked taxes: Employment Fund

Eligibility:

Legal basis:

Law on Support for Employment (came into force on 1 August 2006) , Programme of the Republic of Lithuania for Increasing Employment for 2001-2004 (approved on May 8, 2001); Orders of the Director of Lithuanian Labour Exchange

Recent changes:

Supplementary information

Breakdown of expenditure: Transfers to service providers

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

Treatment of unemployment spells: Not relevant

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:* 1994 *Year Ended:* Ongoing

Identification

Country Lithuania 2017 Category 1 - Labour market services
Intervention n°/name 18 Administration of active labour market policy measures by Lithuanian Labour Exchange and territorial labour exchanges
Type of action: 1.2.1 - Administration of LMP measures

Description

Aim:

Support the implementation of active labour market measures.

Beneficiaries:

All job-seekers

Action/Instrument:

The Lithuanian Labour Exchange is responsible for job-brokerage as well as for managing a range of active labour-market programmes. It also has responsibility for ensuring the legal employment guarantees for the groups identified in the Law on Support for the Unemployed. The Lithuanian Labour Exchange operates through 46 district labour exchange offices situated throughout Lithuania, with 26 additional sub-district offices in a number of major settlements.

Financing/Support:

Employment Fund

Eligibility:

Legal basis:

Law on Support of the Unemployed (passed in 1990, amended in 1996, 2001, 2003, 2004);
Regulations of the Lithuanian Labour Exchange (2003, Nr. A1-123)

Recent changes:

Supplementary information

Breakdown of expenditure: Transfers to service providers

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

Treatment of unemployment spells: Not relevant

Receipt of benefits: None

Planned duration: Not specified

Responsible institution(s): Public employment services

Area of application: National

Implementation: *Year started:* 1992 *Year Ended:* Ongoing

Identification

Country Lithuania 2017 Category 1 - Labour market services
Intervention n°/name 20 Administration of interventions in categories 8-9
Type of action: 1.2.2 - Administration of LMP supports

Description

Aim:

Support the administration of unemployment social insurance benefits and pre-pension unemployment benefits as well as administration of the Guarantee Fund

Beneficiaries:

Unemployed, former Ignalina's nuclear plant workers.

Action/Instrument:

Administration of the Unemployment benefits (categories 8) and pre-pension unemployment benefits (category 9) is carried out by State Social Insurance Fund Board Under the Ministry of Social Security and Labour since 1 January 2013. Before that - by Lithuanian Labour Exchange and 48 territorial labour exchanges.

Since 1 September 2010 administration of the Guarantee Fund is carried out not by the Guarantee Fund administration unit subordinated to the Ministry of Social Security and Labour, but by Department of Enterprise Bankruptcy Management under the Ministry of Economy.

Financing/Support:

Guarantee Fund, Unemployment Fund

Eligibility:

Legal basis:

Law on Support of the Unemployed (passed in 1990, amended in 1996, 2001, 2003, 2004);

Regulations of the Lithuanian Labour Exchange (2003, Nr. A1-123);

Law on Guarantee Fund (passed in 1990)

Regulations of the Guarantee Fund (Official Gazette, No. 50-1753, 2001)

Recent changes:

Supplementary information

Breakdown of expenditure: Transfers to service providers
Target groups: Registered unemployed (Public priorities and Other)
Treatment of unemployment spells: Not relevant
Receipt of benefits: None
Planned duration: Not specified
Responsible institution(s): Social security funds
Area of application: National
Implementation: *Year started:* 2013 *Year Ended:* Ongoing

Identification

Country Lithuania 2017 Category 1 - Labour market services
Intervention n°/name 24 Other services/activities provided by PES
Type of action: 1.2.3 - Others services / activities

Description

Aim:

To ensure efficient services of PES.

Beneficiaries:

All.

Action/Instrument:

All activities of the PES not covered elsewhere. Including operational costs related with the staff of Lithuanian Labour Exchange (including territorial labour exchanges) and Lithuanian Labour Market Training Authority routine work, namely costs of consumables and supplies, IT purchase and maintenance, transport, telecommunication, upkeep of buildings (electricity, heating, and etc.), missions, publications, as well as staff training.

Financing/Support:

Employment Fund.

Eligibility:

Legal basis:

Law on Support of Employment (last amendment in 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

Receipt of benefits: None

Planned duration: Not relevant

Responsible institution(s): Public employment services

Area of application: National

Implementation: *Year started:* 1992 *Year Ended:* Ongoing

Identification

Country Lithuania 2017 Category 2 - Training
Intervention n°/name 41 Recognition of competences acquired by non-formal and informal learning
Type of action: 2.1 - Institutional training

Description

Aim:

To increase possibilities of the unemployed and employed persons, that are registered in the territorial labour exchange and are seeking new job position, to compete on the labour market by giving them qualification meeting the labour market needs, improving it, acquiring new or additional competence and developing professional skills.

Beneficiaries:

Registered unemployed

Action/Instrument:

Recognition of competences acquired by non-formal and informal learning shall be organised on the terms and conditions set in a bilateral agreement concluded between a local labour exchange and the unemployed whose competences acquired by non-formal and informal learning will be recognised.

Recognition of competences of the unemployed acquired by non-formal and informal learning shall be conducted by a person who organises recognition of competences and who is selected by the unemployed.

The amount of funds allocated for the recognition of competences acquired by non-formal and informal learning cannot exceed 0.6 of the MMW.

Recognition of competences acquired by non-formal and informal learning may be organised not more often than 3 times a year.

Financing/Support:

Ear-marked taxes: Employment Fund and ESF

Eligibility:

Registered unemployed

Legal basis:

Law on Support of Employment (last amendment in 2017); The Order of the Minister of Social Security and Labour of the Republic of Lithuania Regarding approval of the description of the conditions and procedure of implementation of Active labour market measures"

Recent changes:

Supplementary information

Breakdown of expenditure: Transfers to service providers
Target groups: Registered unemployed (All)
Treatment of unemployment spells: Suspended
Receipt of benefits: None
Planned duration: Variable
Responsible institution(s): Public employment services
Area of application: National
Implementation: *Year started:* 2017 *Year Ended:* Ongoing

Identification

Country Lithuania 2017 Category 2 - Training
Intervention n°/name 40 Internship
Type of action: 2.2 - Workplace training

Description

Aim:

To improve or restore person's work skills or professional qualifications

Beneficiaries:

Registered unemployed

Action/Instrument:

Internship as an unpaid work practice period, intended for the improvement or restoration of the person's work skills or professional qualifications may be organised for the unemployed who possess the relevant professional qualification or a competence acquired by non-formal adult education, provided that the person has not worked according to such a qualification or competence for at least 6 months in succession.

The length, purpose and other conditions of internship shall be set in a trilateral agreement on internship concluded by and between the local labour exchange, the institution, enterprise, organisation or another organisational structure providing internship (hereinafter referred to as the 'organisation providing internship) and the person referred to internship; however, the length shall not exceed 6 months. During the term of internship, the person referred to it shall be ensured internship for at least 20 hours and not more than 40 hours per week.

The unemployed shall be paid, once in a month throughout the internship period, a grant having regard to the number of hours of internship.

Financing/Support:

Ear-marked taxes: Employment Fund and ESF

Eligibility:

Registered unemployed, that have not worked according to a qualification or competence for at least 6 months in succession.

Legal basis:

Law on Support of Employment (last amendment in 2017); The Order of the Minister of Social Security and Labour of the Republic of Lithuania Regarding approval of the description of the conditions and procedure of implementation of Active labour market measures"

Recent changes:

Supplementary information

Breakdown of expenditure: Transfers to individuals (Periodic cash payments)
Target groups: Registered unemployed (All)
Treatment of unemployment spells: Suspended
Receipt of benefits: Cash benefits (Source: Current intervention)
Planned duration: Maximum: 6 Months
Responsible institution(s): Public employment services
Area of application: National
Implementation: *Year started:* 2017 *Year Ended:* Ongoing

Identification

Country Lithuania 2017 Category 2 - Training
Intervention n°/name 1 Vocational training of the registered unemployed and employees facing redundancy
Type of action: 2.3 - Alternate training

Description

Aim:

To increase possibilities of the unemployed and employed persons, that are registered in the territorial labour exchange and are seeking new job position, to compete on the labour market by giving them qualification meeting the labour market needs, improving it, acquiring new or additional competence and developing professional skills.

Beneficiaries:

Registered unemployed and employed persons, that are registered in territorial labour exchange

Action/Instrument:

Vocational training of the unemployed according to formal vocational training programmes shall be organised on the terms and conditions set in a trilateral or bilateral agreement. A trilateral agreement shall be concluded by and between a local labour exchange, the relevant employer and the unemployed who will receive the vacant job. Where the unemployed are referred for training under formal vocational programmes for occupations in demand, as determined by the labour market projections made by the Lithuanian Labour Exchange, or where the unemployed wish to start working at jobs offered by a local labour exchange or found by them or start self-employment, a bilateral agreement shall be concluded between a local labour exchange and the unemployed.

Vocational training of the unemployed shall be provided by a vocational training provider selected by the unemployed person. The amount of funds allocated for the services of vocational training may not exceed the amount equal to the minimum monthly wage (MMW) approved by the Government of the Republic of Lithuania, multiplied by 6, for the acquisition of a qualification, and the amount equal to MMW, multiplied by 3, for the qualification improvement or acquisition of a competence.

The unemployed shall be paid, once in a month throughout the vocational training period, a training grant having regard to attendance. The amount of the training grant shall be, at the choice of the unemployed, 0.6 of the minimum monthly wage approved by the Government of the Republic of Lithuania or the unemployment social insurance benefit to which the unemployed is entitled. The costs of travel, accommodation, mandatory health checks and vaccinations against infectious diseases are paid.

Vocational training of the unemployed shall be repeated not earlier than after 3 years upon completion of a vocational training programme and acquisition of a qualification and not earlier than after 1 year upon acquisition of a competence.

The unemployed who are acquiring a competence and/or qualification for the first time or the unemployed who are referred to training under non-formal adult education programmes on the basis of a bilateral agreement shall not be liable to repay the expenses of vocational training incurred by a local labour exchange in the event of failure to fulfil their obligations under the agreement without a valid reason in accordance with the procedure established in the Law on Employment.

Financing/Support:

Ear-marked taxes: Employment Fund and ESF

Eligibility:

- Persons of at least 18 years old;
- Persons younger than 18 years old if they have an accomplished initial vocational education and training.

Legal basis:

Law on Support for Employment (Official Gazette, Nr.73 -2762) came into force from 1 August 2006;
the Order No. A1-225 of the Minister of Social Security and Labour of the Republic of Lithuania as of 31 August 2006
"Regarding approval of the description of the conditions and procedure of referral of the unemployed and employees warned about dismissal from work to be trained under vocational training programmes"

Recent changes:

Since 2017 employed persons can also participate in vocational training programs

Supplementary information

| | | | |
|-----------------------------------|---|------|----------------------------|
| Breakdown of expenditure: | Transfers to individuals (Periodic cash payments, Reimbursements), Transfers to service providers | | |
| Target groups: | Registered unemployed (All) Employed (Public priorities and Other) | | |
| Treatment of unemployment spells: | Suspended | | |
| Receipt of benefits: | Cash benefits (Source: Current intervention) | | |
| Planned duration: | Maximum: 8 Months | | |
| Responsible institution(s): | Public employment services | | |
| Area of application: | National | | |
| Implementation: | <i>Year started:</i> | 1991 | <i>Year Ended:</i> Ongoing |

Identification

Country Lithuania 2017 Category 2 - Training
Intervention n°/name 39 Employment under an apprenticeship employment contract
Type of action: 2.4 - Special support for apprenticeship

Description

Aim:

To increase possibilities of the unemployed and employed persons, that are registered in the territorial labour exchange and are seeking new job position, to compete on the labour market by giving them qualification meeting the labour market needs, improving it, acquiring new or additional competence and developing professional skills.

Beneficiaries:

Registered unemployed and employed persons, that are registered in territorial labour exchange

Action/Instrument:

Employment under an apprenticeship employment contract shall be organised for persons who take part in vocational training in the form of apprenticeship.

Employers that provide vocational training in the form of apprenticeship and have employed persons referred to by a local labour exchange under an apprenticeship employment contract shall be compensated 40 per cent of the pay specified in the contract concluded with the person employed under the apprenticeship employment contract that does not exceed 1 MMW plus the mandatory state social insurance contribution payable by the insured on that part of the pay.

Financing/Support:

Ear-marked taxes: Employment Fund and ESF

Eligibility:

- Persons of at least 18 years old;
- Persons younger than 18 years old if they have an accomplished initial vocational education and training.

Legal basis:

Law on Support of Employment (last amendment in 2017); The Order of the Minister of Social Security and Labour of the Republic of Lithuania Regarding approval of the description of the conditions and procedure of implementation of Active labour market measures"

Recent changes:

Supplementary information

Breakdown of expenditure: Transfers to individuals (Periodic cash payments), Transfers to employers (Reimbursements), Transfers to service providers
Target groups: Registered unemployed (All)
Other registered jobseekers (All)
Treatment of unemployment spells: Suspended
Receipt of benefits: None
Planned duration: Variable
Responsible institution(s): Public employment services
Area of application: National
Implementation: *Year started:* 2017 *Year Ended:* Ongoing

Identification

Country Lithuania 2017 Category 4 - Employment incentives
Intervention n°/name 2 Support of social enterprises
Type of action: 4.1 - Recruitment incentives

Description

Aim:

To facilitate re-integration through employment on the labour market of persons from groups that have lost their professional and general working capacity, economically inactive, not able to compete on the labour market, their social integration and to reduce social exclusion.

Beneficiaries:

Not working disabled people, long-term unemployed, pre-pension aged people, ex-prisoners, single parents caring for a child under the age of 8 years.

Action/Instrument:

Social enterprises employ a certain number of persons from the identified groups. Financial state aid is prescribed to compensate for the additional costs related to the lack of occupational skills of the employees from the identified target groups, their lower work efficiency or limited working ability.

The social enterprises may be allocated 1. partial compensation for wage fund contributions and social insurance premiums; 2. earmarked subsidies for the establishment of a work place or its adaptation to a disabled person; 3. subsidies to train employees belonging to the target groups, etc.

Social enterprise of the disabled (special status provided for some social enterprises starting from the year 2005, more about in "Eligibility") could get an additional state financial aid in a form of:

- 1) subsidy to apply work environment, workshops and recreation area for the needs of the disabled;
- 2) subsidy to compensate additional administrative and transportation costs;
- 3) subsidy to compensate costs of the gesture language specialist- interpreter.

The partial compensation of wages and social insurance premiums is paid for each disabled person without limiting the period of payment; for any other person belonging to the target group - during one year. Subsidy for the establishment of a work place is paid in case three conditions are in place: 1. due to establishment of a work place the average number of employees would increase in comparison to the average number of employees within the last 12 months; 2. this workplace will exist no shorter than for the 36 months (3 years), and 3. a representative of the target group will be employed to this workplace.

An employment contract with an employee belonging to a target group must be concluded for a period not shorter than 12 months (so it could be open-ended contract or fixed-term contract with no less than 1 year duration). The aim of this requirement is to retain such person with a limited ability for work for a period during which he/she would acquire the necessary working skills. Taking account of limited ability for work and insufficient working skills of target groups, at the person's request different times of starting and ending daily work/shift and shorter working time may be established in accordance with the Labour Code. Work normatives that are lower than standard normatives for analogous works may also be established for such persons, however, no pay reduction is allowed. The time of participation in working and social skills development measures is included in the working time, with a pay not lower than the average pay.

Apart from the state aid types referred to above, other state aid is also provided to social enterprises. Article 5 of the Law on Income Tax establishes a zero income tax rate for social enterprises. According to Article 64 of the Law on Public Procurement, a simplified procedure may be applied to purchases of products and services from social enterprises. This facilitates sale of social enterprises' products and services. Article 13 of the Law on Management, Use and Disposal of State and Municipal Property states that state and municipal property/premises may be granted to social enterprises on loan-for-use basis for temporary management and use free of charge. Costs saved by social enterprises by receiving premises free of charge are deemed to be actual state aid.

Financing/Support:
State Budget

Eligibility:

For a social enterprise : employees belonging to the mentioned target groups must account for at least 40% of the average annual number of employees of an enterprise

For a social enterprise of the disabled (this measure started in 2005) : the disabled employees must account for at least 50% of the average annual number of employees of an enterprise, on additional condition that the disabled from disability groups I and II must account for at least 40% of the average annual number of employees

Legal basis:

Law on Social Enterprises (1 June 2004, IX-2251; new wording is valid from 2005 07 14, X-293),

Governmental Regulation on Authorisation of Implementation of the Law on Social Enterprises (07 July 2004, Nr.852)

Law on Social Integration of the Disabled (11 May 2004; new wording is valid from 1 July 2005)

Law for Amendment on the Law on Social Enterprises Nr. XI-1771 (20 December 2011, Nr. 155-7352)

Recent changes:

Supplementary information

| | | | |
|-----------------------------------|--|------|----------------------------|
| Breakdown of expenditure: | Transfers to employers (Reimbursements) | | |
| Target groups: | Registered unemployed (LTU, Older, Disabled, Re-entrants/lone parents, Public priorities and Other) Other registered jobseekers (Older, Disabled, Re-entrants/lone parents, Public priorities and Other) Not registered (Disabled) | | |
| Treatment of unemployment spells: | Broken | | |
| Receipt of benefits: | None | | |
| Planned duration: | Variable | | |
| Responsible institution(s): | Public employment services | | |
| Area of application: | National | | |
| Implementation: | <i>Year started:</i> | 2004 | <i>Year Ended:</i> Ongoing |

Identification

Country Lithuania 2017 Category 4 - Employment incentives
Intervention n°/name 3 Local Employment Initiative projects
Type of action: 4.1 - Recruitment incentives

Description

Aim:

To facilitate job creation and employment of the unemployed in areas of high unemployment supporting the creation of new workplaces for open-ended employment of the unemployed, through combining of forces of the local community and social partners with the view of increasing employment of population

Beneficiaries:

Unemployed persons in areas of high unemployment.

Action/Instrument:

Projects of local employment initiatives are implemented in areas of the highest unemployment (municipalities, wards), where the unemployment rate is 1.5 times higher than the average national rate of unemployment or where such an unemployment rate is likely to occur due to mass lay-offs and they cannot attract investments at the moment.

Open tenders are announced for the project of local employment initiatives. The projects selected are subsidised for the creation of new jobs from the state and municipal budgets and the Employment Fund. The beneficiary must cover at least 35% of the Project means. Maximum state aid for one project - 100 thous. euro (345 thous. Litas); for agriculture and fishery sector maximum aid is about 3 thous. EUR (10 350 LT). State support for creation of one job place can not exceed the amount of 22 average monthly wages.

The Project executor undertakes to employ to the jobs created the unemployed people with the priority given to persons who are the most vulnerable on the labour market (long-term unemployed, people with disabilities, etc.) and to preserve such jobs for three years. The Project executor employs to created job vacancies persons referred by the labour exchange who meet the requirements for job vacancies by concluding with them unfixed-term employment contracts and within 5 working days submit to the labour exchange approved copies of those contracts.

Labour exchange transfers the subsidy to the Project executor according to the following procedure:

1. advance payment of financial support amounting to 30 per cent within 20 calendar days after the signing of the Agreement between labour exchange and project executor;
2. advance payment of financial support amounting to 50 per cent within 20 calendar days after the fulfilment of not less than 50 per cent of the works specified in the project and after the receipt of documents certifying the fulfilment of works;
3. carry out the final settlement of accounts within 15 calendar days after the receipt of the act of fulfilment of works specified in the project signed between the Labour Exchange and Project Executor and approved by the Lithuanian Labour Exchange. That is why the expenditure is considered as a reimbursement of employers costs rather than a cash subsidy.

Labour exchange arranges vocational training or retraining for unemployed persons who are referred for employment in local employment initiatives project if it is required for their employment in newly created vacancies and covers the cost of training. The number of participants and cost of training is included into the data of measure "Vocational training " (category 2).

The local labour exchanges are responsible for the organisation and administration of local employment initiatives and training of project providers. There are boards functioning under local labour exchanges formed of local social partners. The key function of these boards is to assess and select submitted project proposals on the basis of set assessment criteria. There is also a Project Supervision Committee functioning under the Lithuanian Labour Exchange. This committee is formed of social partners functioning on the central level, which make final revision of submitted project proposals from the national efficiency position and comparison of quality of the projects of different territories and approve a list of projects to which state financial aid shall be allocated.

Financing/Support:

Central Government budget, municipalities' budget and Employment Fund

Eligibility:

Registered unemployed

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

Legal basis:

Law on Support for Employment (came into force on 1 August 2006); Order of the Minister of Social Security and Labour on the Procedure of Drafting, Selection and Conditions for Implementation of the Projects of Local Employment Initiatives (4 August 2006, Nr. A1-231)

Recent changes:

Supplementary information

| | | | |
|-----------------------------------|---|------|----------------------------|
| Breakdown of expenditure: | Transfers to employers (Reimbursements) | | |
| Target groups: | Registered unemployed (Public priorities and Other) | | |
| Treatment of unemployment spells: | Broken | | |
| Receipt of benefits: | None | | |
| Planned duration: | Typical: 3 Years | | |
| Responsible institution(s): | Public employment services | | |
| Area of application: | Other | | |
| Implementation: | <i>Year started:</i> | 2001 | <i>Year Ended:</i> Ongoing |

Identification

Country Lithuania 2017 Category 4 - Employment incentives
Intervention n°/name 33 Support for self-employment
Type of action: 4.1 - Recruitment incentives

Description

Aim:

To support new jobs' creation and self-employment initiatives

Beneficiaries:

Jobseekers willing to start their own business and creating new jobs or adapting the already existing workplaces to the disability of the unemployed person and employing unemployed persons under an open-ended contract of employment.

Action/Instrument:

Local labour exchange offices provide information about the conditions for starting up a business, its development, the employment of employees and the opportunities for pursuing their activities under a business certificate, and shall organise basic business training for jobseekers seeking self-employment.

A micro-enterprise, falling within the definition provided for in the Republic of Lithuania Law on Small and Medium-Sized Business, whose founder is a former unemployed person who started his own business, within 36 months from the day of registering the enterprise may receive support for the creation of a workplace in accordance with the conditions and the procedure described below, where an unemployed person sent by a local labour exchange office is employed in the created workplace.

The support for job creation is provided by paying the employers a subsidy, the amount of which can not exceed 22 last published national average monthly wages, for the creation of one workplace. The employers must maintain one created (adapted) workplace for at least 36 months from the employment of persons sent by local labour exchange offices and in the case they liquidate such workplace they have to repay to a local labour exchange office:

- 1) the total amount of the subsidy where a workplace is liquidated during the period of the first 12 months from its creation (adaptation);
- 2) 80% of the subsidy where a workplace is liquidated during the period of 12-24 months from its creation (adaptation);
- 3) 50% of the subsidy where a workplace is liquidated during the period of 24-36 months from its creation (adaptation).

In case the disabled person (with limited workability below 40 per cent) is starting his business, the creation of jobplace for himself is supported by paying a subsidy the amount of which can not exceed 22 last published national average monthly wages and without a requirement to cover at least 35% of the expenses related to the creation of workplace.

Finanacina/Support:

Ear-marked taxes: Employment Fund and ESF

Eligibility:

To be registered with territorial labour exchange and be willing to start own business

Legal basis:

Law on Support for Employment (1 August 2006, N. X-694) ; the Order of the Minister of Social Security and Labour on the Conditions and Order of the Subsidised Employment (31 July 2006, Nr. A1-220.)

Recent changes:

Supplementary information

Breakdown of expenditure: Transfers to individuals (Reimbursements)

Target groups: Registered unemployed (All, Disabled)

Treatment of unemployment spells: Broken

| | | | |
|-----------------------------|----------------------------|--------------------|---------|
| Receipt of benefits: | None | | |
| Planned duration: | Typical: 36 Months | | |
| Responsible institution(s): | Public employment services | | |
| Area of application: | National | | |
| Implementation: | <i>Year started:</i> 2006 | <i>Year Ended:</i> | Ongoing |

Identification

Country Lithuania 2017 Category 4 - Employment incentives
Intervention n°/name 34 Subsidies for job creation
Type of action: 4.1 - Recruitment incentives

Description

Aim:

Subsidising of job creation is organised seeking to support employment under an open-ended contract of persons and the unemployed with reduced working ability who are employed in a micro-enterprise by creating new workplaces (adapting the already existing ones) and to support self-employment of persons with less than 40 per cent working ability.

Beneficiaries:

- 1) the disabled whose capacity for work is rated at 20-40% or the disabled for whom moderate disability has been established;
- 2) the disabled whose capacity for work is rated at 45-55% or the disabled for whom mild disability has been established;
- 3) persons who have completed vocational rehabilitation programmes.

Action/Instrument:

Support is provided by paying the employers a subsidy, the amount of which can not exceed 22 last published national average monthly wages, for the creation of one workplace. The employers must cover at least 35% of the expenses related to the creation (adaptation) of one workplace and maintain one created (adapted) workplace for at least 36 months from the employment of persons sent by local labour exchange offices and in the case they liquidate such workplace they have to repay to a local labour exchange office:

- 1) the total amount of the subsidy where a workplace is liquidated during the period of the first 12 months from its creation (adaptation);
- 2) 80% of the subsidy where a workplace is liquidated during the period of 12-24 months from its creation (adaptation);
- 3) 50% of the subsidy where a workplace is liquidated during the period of 24-36 months from its creation (adaptation).

Financing/Support:

Ear-marked taxes: Employment Fund and ESF

Eligibility:

Legal basis:

Law on Support for Employment (1 August 2006, N. X-694) ; the Order of the Minister of Social Security and Labour on the Conditions and Order of the Subsidies for Job Creation (31 July 2006, Nr. A1-222)

Recent changes:

Supplementary information

Breakdown of expenditure: Transfers to employers (Lump-sum payments)
Target groups: Registered unemployed (Disabled)
Treatment of unemployment spells: Broken
Receipt of benefits: None
Planned duration: Typical: 36 Months
Responsible institution(s): Public employment services
Area of application: National
Implementation: *Year started:* 2006 *Year Ended:* Ongoing

Identification

Country Lithuania 2017 Category 4 - Employment incentives
Intervention n°/name 31 Promotion of work skills development
Type of action: 4.1.2 - Temporary

Description

Aim:

To provide auspicious conditions and an opportunity for the unemployed to entrench their acquired vocational skills and to develop work practical skills directly at a workplace.

Beneficiaries:

1. those graduated from a vocational rehabilitation programme;
2. those commencing work as per their speciality or vocation:
 - 2.1. graduates of education institutions as per their vocation or speciality;
 - 2.2. the unemployed who successfully accomplished vocational training programme

Action/Instrument:

Employers, who have employed persons for acquiring professional skills directly in the job place, each month receives a subsidy to compensate for the wage, the amount thereof is specified in the contract of employment concluded with the employed person, paid to each employed person and the insurer's compulsory state social insurance contributions calculated from this wage. The amount of this subsidy may not exceed the amount of the minimum monthly wage approved by the Government. Additionally, employer, who have employed persons for acquiring professional skills, gets a partial compensation for the expenses on arrangements of the acquisition of professional skills directly at the workplace (e.g. to cover extra- equipment and expenses of supervisor). Such compensation can not exceed 20% of the total amount of the subsidy.

The duration of promotion of work skills development is from five to twelve month.

Finanacina/Support:

Ear-marked taxes: Employment Fund and ESF

Eligibility:

Legal basis:

Law on Support for Employment (1 August 2006, N. X-694) ; the Order of the Minister of Social Security and Labour on the Conditions and Order of the Promotion of Work Skills Development (31 July 2006, Nr. A1-219.)

Recent changes:

Supplementary information

Breakdown of expenditure: Transfers to employers (Periodic cash payments, Reimbursements)
Target groups: Registered unemployed (Youth, Disabled)
Treatment of unemployment spells: Suspended
Receipt of benefits: None
Planned duration: Maximum: 365 Days
Responsible institution(s): Public employment services
Area of application: National
Implementation: *Year started:* 2006 *Year Ended:* Ongoing

Identification

Country Lithuania 2017 Category 4 - Employment incentives
Intervention n°/name 32 Subsidised employment
Type of action: 4.1.2 - Temporary

Description

Aim:

Subsidised employment is organised for the groups of persons additionally supported in the labour market seeking to help them strengthen their positions in the labour market and to create special conditions, especially for the disabled with limited (less than 40 per cent) work capacity, enabling them to remain in the labour market.

Beneficiaries:

The following groups of persons which are additionally supported in the labour market:

- 1) the disabled whose capacity for work is rated at 45-55% or the disabled for whom mild disability has been established;
- 2) persons who have completed vocational rehabilitation programmes;
- 3) the long-term unemployed;
- 4) persons over 50 years of age who are capable of work;
- 5) pregnant women, at the choice of a family, a mother (adoptive mother) or a father (adoptive father), a guardian or a custodian who actually raises a child under 8 years of age or a disabled child under 18 years of age (before 1 July 2005 - a child recognised as an invalid);
- 6) persons who have been released from places of imprisonment, where the duration of imprisonment was longer than 6 months;
- 7) persons whose unemployment period is or exceeds 2 years from the date of registration with a local labour exchange office;
- 8) persons addicted to drugs, psychotropic or other psychoactive substances, who have completed psycho-social and/or vocational rehabilitation programmes;
- 9) victims of trafficking in human beings, who have completed psycho-social and/or vocational rehabilitation programmes.

Action/Instrument

Employees, who have employed persons specified above shall receive wage subsidies for a period of up to 12 months. Where fixed-term contracts of employment are concluded with the employed persons, the period of payment of the subsidy may not be longer than 3 months.

Employers, who have employed persons specified above each month shall receive a subsidy to compensate for the wage, the amount thereof is specified in the contract of employment concluded with the employed person, paid to each employed person and the insurer's compulsory state social insurance contributions calculated from this wage. The amount of this subsidy may not exceed the amount of the minimum monthly wage approved by the Government.

Financing/Support:

Ear-marked taxes: Employment Fund and ESF

Eligibility:

Legal basis:

Law on Support for Employment (1 August 2006, N. X-694) ; the Order of the Minister of Social Security and Labour on the Conditions and Order of the Subsidised Employment (31 July 2006, Nr. A1-220.)

Recent changes:

Supplementary information

Breakdown of expenditure: Transfers to employers (Periodic cash payments)
Target groups: Registered unemployed (All)
Treatment of unemployment spells: Suspended

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

Receipt of benefits: None
Planned duration: Typical: 6 Months, Maximum: 12 Months
Responsible institution(s): Public employment services
Area of application: National
Implementation: *Year started:* 2006 *Year Ended:* Ongoing

Identification

Country Lithuania 2017 Category 4 - Employment incentives
Intervention n°/name 30 Job rotation
Type of action: 4.3.1 - Job rotation

Description

Aim:

Job rotation is organised as a "new start" opportunity for the unemployed; it is to enhance their employability, motivation to work and chances of integration; to assist job-seekers to earn money for subsistence, to consolidate their professional knowledge and practical skills.

Beneficiaries:

registered unemployed

Action/Instrument:

Job rotation is organised during a special leave of employees, or in the cases provided for in collective agreements, by temporarily replacing employees with jobseekers.

Job rotation cannot exceed the period of 12 months.

The employers, who have employed the unemployed persons by way of job rotation, each month receive compensation in the amount of 0.5 of the minimum monthly wage approved by the Government for each employed person according to the time actually worked.

Financing/Support:

Employment Fund, state budget and ESF

Eligibility:

registered unemployed

Legal basis:

Law on Employment Promotion of the Republic of Lithuania (Official Gazette, 2006, No. 73-2762); Description of the Conditions and Procedure for Work Rotation (approved by the Order of the Minister of Social Security and Labour Nr. A1-221 at 31 July 2006)

Recent changes:

Supplementary information

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

Target groups: Registered unemployed (All)

Treatment of unemployment spells: Suspended

Receipt of benefits: None

Planned duration: Maximum: 365 Days

Responsible institution(s): Public employment services

Area of application: National

Implementation: Year started: 2006 Year Ended: 2017

Identification

Country Lithuania 2017 Category 5 - Supported employment and rehabilitation

Intervention n°/name 35 Subsidised employment of the disabled

Type of action: 5.1 - Supported employment

Description

Aim:

Subsidised employment is organised for the disabled with reduced (20-40 per cent) working capacity to enable them to integrate and remain in the labour market.

Beneficiaries:

The disabled whose working capacity is rated at 20-40% or the disabled for whom moderate disability has been established

Action/Instrument:

Employers, who have employed persons with reduced working capacity, shall receive a subsidy to compensate for the wage, the amount thereof is specified in the contract of employment concluded with the employed person, paid to each employed person and the insurer's compulsory state social insurance contributions calculated from this wage.

Employers, who have employed the disabled whose capacity for work is rated less than 40% or the disabled for whom moderate disability has been established each month, throughout the whole period of their employment, for each employed person shall receive a wage subsidy calculated for the time actually worked according to the minimum hourly pay approved by the Government.

Financing/Support:

Ear-marked taxes: Employment Fund and ESF

Eligibility:

Legal basis:

Law on Support for Employment (1 August 2006, N. X-694) ; the Order of the Minister of Social Security and Labour on the Conditions and Order of the Subsidised Employment (31 July 2006, Nr. A1-220)

Recent changes:

Supplementary information

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

Target groups: Registered unemployed (Disabled)

Treatment of unemployment spells: Broken

Receipt of benefits: None

Planned duration: Unlimited

Responsible institution(s): Public employment services

Area of application: National

Implementation: Year started: 2006 Year Ended: Ongoing

Identification

Country Lithuania 2017 Category 5 - Supported employment and rehabilitation

Intervention n°/name 28 Vocational (occupational) rehabilitation

Type of action: 5.2 - Rehabilitation

Description

Aim:

To re-build the workability of an individual with disability through training, to strengthen his/her employability and to facilitate their re-integration into the labour market

Beneficiaries:

disabled people

Action/Instrument:

Disabled people benefit from training organised for them by the territorial labour exchanges. Vocational rehabilitation is implemented in the approved training centers (i.e. voc. rehabilitation service provider).

Within 3 days after the State Commission of Medical Social Expert Examination identified the demand for the vocational rehabilitation of the individual, he/she has to apply to the territorial labour exchange (public employment service) and to conclude with it the Individual vocational rehabilitation plan. This plan contains information on the objective of vocational rehabilitation (e.g. employment), measures to achieve it, duration of rehabilitation and its stages. Afterwards a person is sent to the approved vocational rehabilitation service provider (training center), which on the base of the Individual vocational rehabilitation plan drafts the Individual vocational rehabilitation programme and implements it.

The duration of the programme is not determined by legal acts; it could vary from several weeks to half a year or even more. The last case is rather an exception than a rule. The participants of vocational rehabilitation are granted a vocational rehabilitation benefit which is paid no longer than 180 calendar days.

If a person is accommodated by vocational rehabilitation service provider, the territorial labour exchange covers accommodation and catering costs as according to invoice but no more than 35 per cent of minimum standard of living per day, the remaining amount is paid by the individual himself.

If a vocational rehabilitation service provider is located in the same territory as an individual (and a person is not accommodated by vocational rehabilitation service provider), the territorial labour exchange covers catering and transportation (in case a person could not use public transport) costs as according to invoice but no more than 10 per cent of minimum standard of living per day, the remaining amount is paid by the individual himself.

Territorial labour exchange also compensates travel costs for an individual.

Financing/Support:

In 2005, vocational rehabilitation services were financed from the state budget.

Vocational rehabilitation benefit of the participant is paid from the State Insurance Fund.

Eligibility:

Inhabitants of the Republic of Lithuania permanently living in the country, for whom the examination of health state was carried out by the State Commission of Medical Social Expert Examination and the demand for the vocational rehabilitation was identified.

Legal basis:

The Law of the Republic of Lithuania of the Modification of the Law on the Social Integration of the Disabled (Official Gazette, 2004, Nr. 83-2983);

The Order of the Minister of Social Security and Labour of 2004-12-31 Nr. A1-302 "On the identification criteria of the demand of the vocational rehabilitation services, and rules of the provision of the vocational rehabilitation services and their financing"

The Decision of the Government of the Republic of Lithuania of 18 April 2005 Nr. 413 on the Regulations of the Entitlement of the Vocational Rehabilitation Benefit and its Payment

Recent changes:

Supplementary information

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

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

Target groups: Other registered jobseekers (Disabled)

Treatment of unemployment spells: Not relevant

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

Planned duration: Maximum: 12 Months

Responsible institution(s): Public employment services

Area of application: National

Implementation: *Year started:* 2005 *Year Ended:* Ongoing

Identification

Country Lithuania 2017 Category 6 - Direct job creation
Intervention n°/name 5 Public works
Type of action: 6 - Direct job creation

Description

Aim:

To avoid labour market exclusion through the creation of socially useful jobs; to assist job-seekers to earn money for subsistence, to consolidate their professional knowledge and practical skills, to enhance their employability, motivation to work and chances of integration; to damp social tension.

Beneficiaries:

Job seekers registered at the territorial labour exchange:

1. Unemployed.
2. Working age employees, who received the note of dismissal.
3. Pupils of general education schools and students of vocational training institutions while on holidays.
4. Part-time employees of enterprises facing economical difficulties.

Action/Instrument:

Public Works are arranged according to the annual programme designed by the territorial labour exchange together with the municipality. Public works are organised to support and develop local social infrastructure (social services, health care, culture, education, tourism, environmental protection, social and personal services).

When selecting employers/enterprises, preference is given to non-profit companies and institutions as well as employers who make a commitment to create new permanent job places. The territorial labour exchange selects and appoints the unemployed and other job-seekers for Public Works. Usually before entering Public Works, other labour market measures are tried and taken into consideration.

Employers, who have employed persons, sent by local labour exchange offices, under the employment contract on carrying out public works, are compensated for 50% of the wage of these persons calculated for the time actually worked according to the minimum hourly pay approved by the Government, and the insurer's compulsory state social insurance contributions calculated from this wage and 50% of a monetary compensation for unused leave.

A local labour exchange office provides compensations to persons carrying out public works in the amount of 50% of the expenses related to transportation to and from their workplace according to submitted documents certifying these expenses, and covers all the expenses related to the compulsory medical examination and vaccination against contagious diseases provided in case this is stipulated in legal acts regulating safety and health at work.

The unemployed and other individuals sent by the territorial labour exchange may perform public works for an aggregate of six months (with intervals) over a 12 month period. Usually the duration of a public works placement is about 3 months.

Students and pupils of general education schools could be involved in public works (with the assistance of local labour exchange) only during school vacations.

Financing/Support:

Ear-marked taxes: Employment Fund, and municipalities' budget

Eligibility:

Unemployed and other job-seekers registered at labour exchange

Legal basis:

Law on Support for Employment (came into force on 1 August 2006; amended on 10 May 2007); the Description of the Procedure and the Conditions of Organisation of Public Works (approved by the Order of the Minister of Social Security and Labour Nr. A1-24 at 31 July 2006; amended at 28 May 2007)

Recent changes:

Supplementary information

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

| | | | |
|-----------------------------------|---|------|-------------------------|
| Breakdown of expenditure: | Transfers to individuals (Reimbursements), Transfers to employers (Periodic cash payments) | | |
| Target groups: | Registered unemployed (All) Other registered jobseekers (All) | | |
| Treatment of unemployment spells: | Suspended | | |
| Receipt of benefits: | None | | |
| Planned duration: | Typical: 3 Months, Maximum: 6 Months | | |
| Responsible institution(s): | Local government, Public employment services | | |
| Area of application: | National | | |
| Implementation: | <i>Year started:</i> | 1991 | <i>Year Ended:</i> 2017 |

Identification

Country Lithuania 2017 Category 7 - Start-up incentives
Intervention n°/name 38 Subsidy for individual activities under a business license
Type of action: 7 - Start-up incentives

Description

Aim:

To encourage the unemployed to start their own business under business licenses

Beneficiaries:

Unemployed, who starts individual activities under a business license. Target groups of the unemployed are determined by the local labor exchange

Action/Instrument:

Unemployed, who starts individual activities under a business license the first time, can get a subsidy to compensate the income tax and compulsory social insurance contributions. Compensation is paid when the acquisition of a business license for no less than 1 month. Maximum duration - 12 months Compensation for one month shall not exceed 0.25 of the minimum monthly wages approved by the government.

Financing/Support:

Ear-marked taxes:Employment fund

Eligibility:

To be registered with territorial labour exchange and willing to start own business

Legal basis:

Law on Support of Employment (last amendment in 2014); The Order of the Minister of Social Security and Labour of the Republic of Lithuania Regarding approval of the description of the conditions and procedure of implementation of Active labour market measures"

Recent changes:

Supplementary information

Breakdown of expenditure: Transfers to individuals (Reimbursements)
Target groups: Registered unemployed (Public priorities and Other)
Treatment of unemployment spells: Suspended
Receipt of benefits: None
Planned duration: Maximum: 365 Days
Responsible institution(s): Public employment services
Area of application: National
Implementation: *Year started:* 2012 *Year Ended:* 2017

Identification

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

Intervention n°/name 21 Unemployment social insurance benefit

Type of action: 8.1.1 - Unemployment insurance

Description

Aim:

To compensate (fully or partly) for earnings lost due to unemployment.

Beneficiaries:

Registered unemployed persons (of working age, able to work, not attending daily educational institutions, registered at the Labour Exchange as searching for work and ready to except the job offer or to participate in active labour market policy measures) meeting the eligibility criterias (see Eligibility)

Action/Instrument

Unemployment Insurance Benefit is a compulsory social insurance scheme for employees with earnings-related benefits

Territorial labour exchange pays the unemployment insurance benefit for the unemployed as defined by the Regulations for the Social Insurance Unemployment Benefit on the 8th day following their registration with the labour exchange. Social insurance unemployment benefit is paid once per month (for the previous month) and is transferred to the individual account of an unemployed. The amount of the benefit depends on the previous wage of the person who became jobless. The duration of payment depends on the working record. Benefit is paid 6 months if service record is less than 25 years, 7 months, if service record is 25-30 years, 8 months, when service record is 30-35 years, and 9 months in case of service record of the length of 35 years and over. Duration of the unemployment insurance benefit payment is prolonged for additional 2 months for elderly persons within 5 years till pension age; it is also prolonged to those unemployed who became temporarily disabled in case of illness or an injury, and for females - in case of pregnancy and childbirth.

The Unemployment Insurance Benefit comprises the fixed and variable components. The fixed component represents the State Supported Income. The State Supported Income approved by the Government for January 2005 was 135 Lt (39 EUR). The variable component is linked with the former insured income of the unemployed and the Insured Income of the Current Year approved by the Government. The Insured Income of the Current Year, used while calculating the variable component of the Unemployment Insurance Benefit, for January 2005 was 990 Lt (288 EUR). The maximum amount of the unemployment insurance benefit could not exceed 70% of the Insured Income of the Current Year ; in 2005, it was limited by 693 Lt (200 EUR).

Sanctions:

The payment of the unemployment insurance benefit is terminated if a person:

- rejected an offered job appropriate to his/her professional competence, health state and in appropriate distance from home;
- refused to participate in the active labour market policy measures planned in the personalised action plan without justifiable reason;
- did not visit labour exchange in time defined to him/her to apply the offered job or to participate in ALMP (active labour market policies) without justifiable reason;
- refused to pass health test to define his/her availability for work.

Sanctions are not taken in case of justifiable reasons defined by the Law (e.g. natural disaster, an accident, death of parents, children or spouse and etc.).

The payment of the unemployment insurance benefit is suspended in case a person:

- participates in the active labour market policy measures and gains work pay;
- informed labour exchange about the placement according to the terminated work agreement not exceeding 6 months' duration;
- gained a business certificate for no longer than 6 months' duration.

Accumulation with other social security benefits:

Accumulation is possible with social benefit paid for families and single individuals, whose income per family member does

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

not exceed the level of supported income established by the Government, i.e. LTL 135 per individual per month, as well as with Child Benefit for families raising one or two children, or Child Benefit to families raising three or more Children; with pregnancy grant and birth grant.

Accumulation with earnings from work:

The payment of unemployment social insurance benefit is cancelled if a person gets a job or starts to work as a self-employed.

The payment of unemployment social insurance benefit is also cancelled in case a person lost workability.

Since 1 January 2013 administration of UB is carried out by the State Social Insurance Fund Board under the Ministry of Social Security and Labour (SODRA).

Finanacina/Support:

Earn-marked taxes: Employment Fund

Eligibility:

1. Previously employed persons (including those served in elective posts in elected organizations, civil servants, state politicians, military men, officers of the State Investigation Service or State Security Department; military men if they have completed mandatory regular initial military service or alternative national defence service, or were dismissed from these services after serving at least half of the established time) of working age,
2. having a minimum period of insurance - 18 months within 3 years preceding unemployment;
3. dismissed through no fault of themselves but on the initiative of the employer or in case of bankruptcy of the employer; and
4. unemployed people who have taken a childcare leave to look after children age 1-3 years.

Legal basis:

Law on Support of the Unemployed of 13 December 1990 (No. I-864),

Law on the Unemployment Social Insurance of 16 December 2003 (No. IX-1904),

Law on Social Cash Assistance for Low-Income Families (Single Residents) of 1 July 2003 (No. IX-1675).

Regulations for the social insurance unemployment benefit adopted by the Resulation No.1656 of the Government of the Republic of Lithuania of 24 December 2004

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: | Typical: 6 Months, Maximum: 11 Months | | | |
| Responsible institution(s): | Social security funds | | | |
| Area of application: | National | | | |
| Implementation: | <i>Year started:</i> | 1991 | <i>Year Ended:</i> | Ongoing |

Identification

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

Intervention n°/name 22 Compensation from the Guarantee Fund

Type of action: 8.5 - Bankruptcy compensation

Description

Aim:

To compensate for the loss of earnings for workers of an enterprise which is bankrupt or in the process of going bankrupt.

Beneficiaries:

Workers of an enterprise which is bankrupt or in the process of going bankrupt.

Action/Instrument:

The following sums as related to employment relationships may be paid from the assets of the Guarantee Fund to a worker of the enterprise which is in the process of going bankrupt or a bankrupt enterprise:

- 1.1.1. a wage in accordance with the claim of employee, but not exceeding the wage sum paid out to the employee for the last three months running in 18 months period prior to the commencement of undertaking bankruptcy process and not exceeding the amount of three gross average wages in the national economy in the quarter before the last calendar quarter (the month prior to the date of application to the Administration of the Guarantee Fund). When the wage sum paid out to the employee for the three months is less than the amount of three minimum monthly wages, the maximum payment to the employee is considered the amount of three minimum monthly wages;
- 1.1.2. cash compensation for the unused annual holiday, not exceeding the amount of 1 minimum monthly wages;
- 1.1.3. the severance pay - limited to 2 minimum monthly wages;
- 1.1.4. a compensation for damage caused by accidents at work or an occupational disease;
- 1.1.5. payment for idle time, however, limited to 1 minimum monthly wages

Documents regarding allocation of resources to meet the employees' claims resulting from the relationships of employment must be submitted to the Administrator of the Guarantee Fund within 1 month from the date of approval of the creditor claims, by the Administrator of the enterprise which is in bankruptcy or the chairman of the liquidation commission of a bankrupt enterprise in accordance with the procedures established in the Regulations of the Guarantee Fund

Allocation of resources from the Guarantee Fund is initiated by the Administrator of the Guarantee Fund, when, after a lapse of 2 months from the date of approval of creditor claims, the employees/employee of an enterprise which is in bankruptcy or a bankrupt enterprise or an organisation representing them communicates to the Board of the Guarantee Fund in writing that the administrator of the enterprise which is in bankruptcy or the chairman of the liquidation commission of a bankrupt enterprise has failed to apply for the allocation of resources.

The documents necessary for granting funds to meet the claims arising out of employment relationships of the employees of enterprises liquidated by reason of bankruptcy are submitted by an institution authorised by the Board of the municipality within the territory of which the enterprise liquidated by reason of bankruptcy was registered/operated or, under its direction, by a legal person who has been authorised to render services of administration of bankruptcy of enterprises.

The employees/employee of an enterprise which is in bankruptcy or a bankrupt enterprise or the organisation representing them must give the administrator of the enterprise which is in bankruptcy or the chairman of the liquidation commission of a bankrupt enterprise a 15-day advance notice in writing of their intention to apply to the Board of the Guarantee Fund. A copy of the notice accompanies the communication addressed to the Administrator of the Guarantee Fund.

A decision on the allocation of the Guarantee Fund resources is taken, on the recommendation of the Administrator of the Guarantee Fund, by the Board of the Guarantee Fund not later than within one month from the date of the receipt of documents from the Administrator of the Guarantee Fund.

After the Board of the Guarantee Fund takes a decision to allocate the resources, the Administrator of the Guarantee Fund together with the enterprise which is in bankruptcy or the bankrupt enterprise or an institution authorised by the municipality Board, or, on its direction, a legal person who has been authorised to render services of administration of enterprise bankruptcy, concludes an agreement on the transfer of the Guarantee Fund resources to the enterprise (a municipality institution, a legal person who provides administration of bankruptcy services).

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

Finanacina/Support:
Ear-marked taxes

The resources of the Guarantee Fund is comprised of:

- 1) contributions by enterprises amounting to 0.2 percent of the employees' pay due to them (on the basis of which compulsory state social insurance contributions are calculated);
- 2) resources of the Privatisation Fund and the state budget resources allocated under a separate programme;
- 3) funds received from the enterprises which are in bankruptcy or bankrupt enterprises to satisfy the creditor claims of the Guarantee Fund;
- 4) voluntary contributions by natural and legal persons as well as by enterprises without the rights of a legal person.

Eligibility:

The resources of the Guarantee Fund shall be allocated for the payment of sums in the amount fixed by this Law to the employees of enterprises in bankruptcy or bankrupt enterprises whose employment relationships with the said enterprises were discontinued, to the employees who continue employment relationships with the enterprise in bankruptcy and to the former employees of enterprises liquidated by reason of bankruptcy after entry into force of this Law, where the enterprises have not paid their outstanding claims as well as for covering the Guarantee Fund administration expenses according to the procedure laid down in the Regulations of the Guarantee Fund.

Legal basis:

Law on the Guarantee Fund of the Republic of Lithuania (Official Gazette, No. 82-2478 , 2000; No. 102-4544, 2002; as last amended on 15 April 2004 No. IX-2139),
Regulations of the Guarantee Fund (Official Gazette, No. 50-1753 , 2001),
Resolution No. 2103 of 31 December 2002 of the Government of the Republic of Lithuania;
Resolution No. 632 of 22 May 2003 of the Government of the Republic of Lithuania

Recent changes:

Supplementary information

| | | | |
|-----------------------------------|---|------|----------------------------|
| Breakdown of expenditure: | Transfers to individuals (Lump-sum payments) | | |
| Target groups: | Not registered (All) | | |
| Treatment of unemployment spells: | Not relevant | | |
| Receipt of benefits: | Cash benefits (Source: Current intervention) | | |
| Planned duration: | One-off | | |
| Responsible institution(s): | Central government | | |
| Area of application: | National | | |
| Implementation: | <i>Year started:</i> | 2001 | <i>Year Ended:</i> Ongoing |

D - Reference data

R.1 Registered jobseekers (total)

25 Registered jobseekers

Registered jobseekers are those individuals who meet the following requirements:

- actively seeking for job;
- registered with labour exchange either as unemployed or as a person looking for a job

26 Registered unemployed

Persons who :

- are voluntary or involuntary unemployed;
- has no working activity; also implies situation "s not a full-time (day-time course) student";
- is capable for work;
- is available to Employment service;
- is of working age (from 16 to the age of old age pension established by the Law on State Social Insurance Pensions; 16-60 years for women and 16-62.5 years for men)
- is registered with the local labour exchange as a job-seeker;
- is seeking employment and ready to participate in the active labour market policy measures (to cooperate with the Employment service to build up an Individual action plan is obligatory);
- is a resident of Lithuania; no conditions referring to citizenship with exception of citizens from the third countries; in this case the bilateal agreement between Lithuania and country -original is needed.

27 Other registered jobseekers

Persons registered with the labour exchange (public employment service) as a job-seeker to get an assistance of PES in a job-search. Usually they are :

- employees looking for a better job (including those who got a notice about adismiisal), or
- those who are in training and looking for a short-term job, namely pupils and students during holidays, or
- pensioners willing to work.

37 Individual Employment Plan

Registered unemployed

Abbreviations

Abbreviation, Description