

Legal and operational feasibility of the EUBS at national level

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Feasibility and added value of a European unemployment benefit scheme

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Outline

- Introduction
- Legal feasibility
- Operational feasibility
- Conclusions

Introduction

- What?
 - Compatibility with national legal and administrative frameworks
 - Focus on genuine EUBS
- How?
 - Input from 28 national experts
 - Assumptions

Introduction

- Genuine EUBS dimensions (baseline)
 - Qualifying period: 3 months of employment out of the last 12
 - Benefit amount: 50% of the reference wage, capped at 150% of the average national wage
 - Benefit duration: from month 4 to month 12 of unemployment
- Relation to NUBS
 - EUBS is relatively generous
 - Huge diversity in NUBS

Legal feasibility

- No serious constitutional barriers in most MS
 - Extensive changes to national legislation required in all MS
 - Legal challenges
 - Personal scope: self-employed, voluntary insurance
 - Qualifying period: part-time employment, assimilated periods, reference period extensions, maintenance of rights etc.
 - Other entitlement criteria: age, origin of unemployment, accumulation with earnings from work, cooperation with employment services etc.
 - Benefit amount: calculation basis; gross/net? last/average? wage?
 - Benefit duration: waiting periods, temporary work incapacity during unemployment etc.
- Corresponding application of NUBS rules?

Operational feasibility

- Increased administrative efforts
 - Administration of parallel UBS systems
 - NUBS – EUBS variation
 - Flat-rate benefits / components
 - NUBS dimensions varying according to certain factors
 - Different units
 - Increased caseload
- Operational problems stemming from mismatches between EUBS and NUBS
 - E.g. gaps in coverage, successive shifts between systems, income fluctuations
 - Sound determination of EUBS parameters
- Political obstacles

Conclusions

- NUBS environment characterised by complexity, diversity and systemic interlinkage
- The more similarities between NUBS and EUBS, the more feasible EUBS introduction
- Degree of flexibility required
 - Central definition of essential EUBS parameters
 - Corresponding application of NUBS rules, as much as possible
 - More feasible, but differences in EUBS provision between MS