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Factsheet for case FI-2020-17/550

Temporarily shortened working requirement for unemployment benefit eligibility

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Country	Finland, applies nationwide
Time period	Temporary, 20 April 2020 - 06 July 2020
Type	Legislation or other statutory regulation
Category	Income support to workers and those laid off – Income support for unemployed
Case created	13 April 2020 (updated 20 April 2020)

Background Information

In accordance with section 5 of Unemployment Security Act (Työttömyysturvalaki) (1290/2002), unemployed job-seekers who fulfill the working requirement are entitled to basic unemployment allowance or earnings-related unemployment allowance, depending on whether they are members in a unemployment fund or not. If they do not meet the working requirement, they will receive labour market subsidy instead of unemployment allowance.

Due to market disturbances caused by COVID-19, many workers are or will be temporarily laid off or unemployed. Many of them do not meet the original working requirement of 26 weeks and are not thus entitled to unemployment allowance.

As a result of the temporary amendments to the Unemployment Security Act, the minimum working requirement has been shortened. The requirement is now 13 weeks instead of 26 weeks (during the past 28 months).

Content of measure

This measure applies retroactively to unemployed job-seekers who have worked at least one calendar week since March 2020 and who do not meet the original work requirement of 26 weeks. This applies to both temporarily-laid off job-seekers and job-seekers who are dismissed either due to reasons related to person or financial or production-related reasons.

The original working requirement of 26 weeks is applied to those that meet the original requirement. The shortened requirement of 13 weeks is applied to those who do not meet the original requirement.

As a result of this measure, more unemployed job-seekers will meet the working requirement. If they are members to a unemployment fund, they will receive earnings-related unemployment fund instead of the basic unemployment fund.

Earning-related unemployment allowance is dependent on the wage the unemployed job-seeker has earned during the work requirement period, in other words either the past 13 weeks or 26 weeks (or more).

The average earning-related unemployment fund is €65 per working day whereas the basic unemployment allowance (and the labour market subsidy) is €34 per day.

Use of measure

No information to date.

Actors, target groups and funding

Actors	Target groups	Funding
National government Public employment service	unemployed	National funds

Social partners

Role of social partners	Consulted
Form of involvement	Unknown

In March 2020, the social partners jointly proposed a set of actions for the Finnish Government. These proposed measures seek to amend labour law and facilitate adaptation of businesses to the new circumstances. Shortening the working requirement was part of the 15-point list suggested by the social partners.

Furthermore, peak-level social partners were consulted during the drafting period of the amendment.

Sectors and occupations

This case is not sector-specific.

This case is not occupation-specific.

Sources

- 20 March 2020: Social partners' proposals to help businesses in the corona crisis (akava.fi)
- 02 April 2020: Hallituksen esitys eduskunnalle laeiksi työttömyysturvalain, työttömyysetuuksien rahoituksesta annetun lain ja työttömyyskassalain väliaikaisesta muuttamisesta (www.eduskunta.fi)