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Factsheet for case PT-2020-11/397

Extraordinary extension of unemployment benefit and social benefit

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| | |
|--------------|---|
| Country | Portugal, applies nationwide |
| Time period | Temporary, 12 March 2020 - 30 June 2020 |
| Type | Legislation or other statutory regulation |
| Category | Income support to workers and those laid off – Income support for unemployed |
| Case created | 08 April 2020 (updated 20 April 2020) |

Background Information

This exceptional and temporary measure provided for Decree Law No. 10-F/2020 of 26 March 2020 aims at protecting income and guaranteeing subsistence minima by extending unemployment benefits and by facilitating the maintenance of social benefits. The measure published on 26 March applies retroactively from 12 March. This measure seeks to address the economic impact of COVID-19 disease pandemic having into account increasing unemployment and protection of those that were already unemployed and were about to end their social benefits.

Content of measure

Decree Law No. 10-F/2020 of 26 March 2020 that 'Establishes an exceptional and temporary regime for complying with tax obligations and for contributions in the context of the COVID-19 disease pandemic' establishes (in Article 1, paragraph e) and in Article 6) the extraordinary extension of unemployment benefits and of all benefits of the social security system that guarantee subsistence minima, and suspends the evaluation of conditions (means test) for maintaining social security system benefits.

The measure published on 26 March applies retroactively from 12 March.

Article 6

Extraordinary extension of social benefits

1 - Unemployment benefits and all benefits of the security system are extraordinarily extended guaranteeing subsistence minimums whose concession period or renewal term ends before the term referred to in paragraph 3.

2 - The reassessments of the conditions for maintaining the benefits of the Social Security payment system are extraordinarily suspended.

3 - The extension and suspension referred to in the previous numbers apply until June 30, 2020.

4 - The measure provided for in this article is financed by the State Budget.

Use of measure

Information released by the Ministry of Labour, Solidarity and Social Security (MTSS) - April 2020 'COVID-19 | Informação relativa a famílias e empresas no âmbito do MTSS'

Data on 6 April 2020 • since the beginning of the month, +4,098 new unemployed people were enrolled per day (double identical period April / 2019), 122 daily job offers (21% of identical period April / 2019) and 114 daily job placements (26% from the same period April / 2019)

- in April, 12,114 new unemployment benefits claimed, 65% more than in the same period in 2019; since March 16 more 41 thousand unemployment benefits claimed compared to 16 thousand in the same period in 2019; 4,220 extensions of unemployment benefits

Actors, target groups and funding

| Actors | Target groups | Funding |
|--|---------------|----------------|
| National government Public employment service Social insurance | unemployed | National funds |

Social partners

| | |
|-------------------------|---|
| Role of social partners | Informed |
| Form of involvement | Bi-or tripartite social dialogue bodies |

Employer and trade union confederations were informed at the tripartite Standing Committee for Social Concertation.

Sectors and occupations

This case is not sector-specific.

This case is not occupation-specific.

Sources

- 26 March 2020: Decree Law No. 10-F/2020 of 26 March 2020 that 'Establishes an exceptional and temporary regime for complying with tax obligations and for contributions in the context of the COVID-19 disease pandemic' establishes (in Article 1, paragraph e) and in Article 6) the extraordinary extension of unemployment benefits and of all benefits of the social security system that guarantee subsistence minimums, and suspends the evaluation of conditions (means test) for maintaining social security system benefits. The measure published on 26 March applies retroactively from 12 March. Article 6 Extraordinary extension of social benefits 1 - Unemployment benefits and all benefits of the security system are extraordinarily extended guaranteeing subsistence minimums whose concession period or renewal term ends before the term referred to in paragraph 3. 2 - The reassessments of the conditions for maintaining the benefits of the Social Security payment system are extraordinarily suspended. Decreto-Lei n.º 10-F/2020 - Diário da República n.º 61/2020, 1º Suplemento, Série I de 2020-03-2 (dre.pt)
- 06 April 2020: COVID-19 | Informação relativa a famílias e empresas no âmbito do MTSS