



Social partners' involvement in unemployment benefit regimes in Europe

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This report is available in electronic format only.

This report investigates the role played by the social partners in the development, implementation and monitoring of unemployment benefit regimes in the EU27 Member States and Norway over the last decade, with particular emphasis on the years following the financial and economic crisis of 2008. It gives a detailed picture of the characteristics of their involvement and participation in the system, while aiming to develop a wider understanding of the limits and potential of the different forms of interaction. In general, the role ultimately played by the social partner organisations in the face of economic crisis varies considerably according to the institutional factors defining their involvement and their ability to look for and grasp new opportunities for action.

Introduction

Among the challenges Europe has to face as a consequence of the financial and economic crisis of 2008, rising unemployment is certainly one of the most dramatic. This issue affects – albeit to differing extents – all European Union Member States.

EU Commissioner for Employment, Social Affairs and Inclusion László Andor underlined the seriousness of the issue in his speech at the ‘Jobs for Europe’ employment policy conference on 6 September 2012 in Brussels: ‘With a weak economic recovery, unemployment threatens to remain persistently high, rising further above today’s figure of 25 million. The crisis is also likely to continue to impact various groups of workers in different ways and will, in particular, further increase the risk of marginalisation for young people. Long-term and structural unemployment are likely to worsen, leading to erosion of skills, and in turn weighing down on productivity, competitiveness and therefore economic growth.’

This is the reason why he put forward the possibility of introducing an ‘EU-level unemployment insurance structure [...] as an automatic stabiliser mechanism effective in the short term’.

So far, the consequences of the crisis for the EU Member States’ economies have been twofold. Increasing numbers of workers have been losing their jobs, fuelling demand for support from the state through compensatory income and social protection. At the same time, public finances have been put under severe strain, further reducing the state’s already shrinking ability to intervene. Furthermore, the decreasing flow of social contributions caused by growing unemployment and reduced wages has in many cases increased the pressure on the financial sustainability of unemployment benefit (UB) schemes. In countries where trade unions have been more intensively involved in the organisation and funding of the UB system, declining trends in union membership may have contributed to a further weakening of the equilibrium of the system. The future of the various welfare regimes as we have come to appreciate them (Esping-Andersen, 1990; Ferrera, 2005; Hemerijck, 2011) and more generally the survival of the European Social Model are considered to be at risk.

All this raises questions about the ways governments are acting and reacting in response to the crisis, trying to combine measures to keep public expenditure under control and to respond to increased worker demands for intervention in case of job losses and reduced hours. But it also raises questions about the role played by other actors – primarily the social partner organisations – not only in helping to deliver the services related to the different UB regimes, but also in searching for or experimenting with new solutions. There could in fact be possibilities that the current situation of distress may lead to new windows of opportunity for social partners trying to evolve their established patterns of involvement in the provision and/or regulation of UB, so as to complement, integrate or partly substitute retrenched public programmes (Ebbinghaus, 2010). However, while the transformations and constraints regarding the traditional state-based welfare programmes in periods of austerity have been widely discussed under different perspectives

(Pierson, 2001; Korpi, 2003) and kept under continuous observation, not much is known about the role currently played by the social partners in the process of protecting against the loss of earnings in case of unemployment and whether and how it is changing.

Aims of the report

The objective of this comparative analytical report is to investigate and understand better the role played by the social partners in the development, implementation, management and monitoring of UB regimes in the EU27 Member States and Norway over the last decade, with particular attention to the years following the financial and economic crisis of 2008.

Currently, UB regimes intended to provide a ‘replacement income’ to workers losing a job are relatively diversified across Europe, as already shown by a former EIRO comparative study ([TN0509103S](#)). They differ in structure – whether they comprise only an Unemployment Insurance (UI), either voluntary or compulsory, or an Unemployment Assistance (UA) as well – and amount, duration and process of payment. Another important distinction is the difference between UB systems and Social Assistance (SA). Whereas UB systems and related benefits are directly linked to the individuals’ work paths, SA constitutes the last safety net for everyone entitled to it, independently of any employment relationship.

A useful categorisation of these differences provided by the EIRO comparative study mentioned above is shown in Table 1 below.

Table 1: Types of unemployment benefit and social assistance schemes

	Main qualifying conditions	Benefits	Funding
Unemployment Insurance (UI)	<ul style="list-style-type: none"> - involuntary unemployment - employment record - actively looking for work 	(usually) earnings-related	contributions from employer and, sometimes, also employees, often topped up by public expenditure
Unemployment Assistance (UA)	<ul style="list-style-type: none"> - unemployment insurance expired or not eligible for it - (often) a short employment record - actively looking for work 	social minimum (with exceptions), partly means-tested	contributions from employer and employee and/or public expenditure
Social Assistance (SA)	<ul style="list-style-type: none"> - unemployment insurance expired or not eligible for it - (for most categories of claimants) actively looking for work 	social minimum, comprehensively means-tested	taxes

After a preliminary overview of the main general features of the UB systems in the European countries under consideration, with a particular focus on changes and innovations that have occurred over the last decade, this study will peruse the characteristics and developments regarding the role played by social partner organisations in the functioning of such systems, in the light of the results provided by the EIRO national reports on the topic, and supplemented by references to the literature.

For the purpose of the study, Social Assistance will only be considered where it is relevant because it has a direct relationship with the UB system and/or social partner involvement.

Characteristics of UB systems in Europe

With no exceptions, all European countries have modified some aspects of their UB systems – and when relevant, of the Social Assistance programmes – sometimes substantially, over the last decade. We therefore start our preliminary overview of the main characteristics of the UB systems with a quick glance at these changes and the role and positions of the social partners in relation to them.

Recent changes/transformations of the UB systems in the EU and Norway

Table 2 indicates the dates on which the main recent changes in Unemployment Insurance (UI), Unemployment Assistance (UA) and Social Assistance (SA) programmes occurred in the countries considered over the last decade. For a synthesis of the contents of these changes, see Table A1 in the Annexes (and see also the first column of Table 4 below).

In this study, Unemployment Insurance (UI) refers to the main unemployment benefit programmes providing insured unemployed with some form of replacement income, whether earnings-related or not. As shown later, there are in fact countries – Poland, the United Kingdom – in which these benefits consist in flat-rate and not earning-related allowances (in the case of Poland, therefore, what the national contribution for this study refers to as unemployment assistance was re-classified as unemployment insurance for the purposes of this report). Unemployment Assistance (UA) refers to further programmes of protection against unemployment, which may complement the main ones (UI). UA provides the unemployed who do not qualify for UI with either a social minimum, or an allowance based on the recipient's previous income. While UI is by far the most prevalent solution, the German welfare system, for example, used to be based on UA. Social Assistance (SA) refers to universal programmes of social protection, sometimes but not necessarily linked to the condition of unemployment.

Table 2: Major changes in UB regimes in the EU Member States and Norway, 2001–2012*

	Unemployment Insurance (UI)	Unemployment Assistance (UA)	Social Assistance (SA)
AU	2004, 2005, 2008	<i>No significant change</i>	2010
BE	2004	<i>Absent**</i>	<i>No significant change</i>
BG	2002, 2004, 2007, 2009, 2010	<i>Absent</i>	<i>Absent</i>
CY	2010	<i>Absent</i>	<i>No significant change</i>
CZ	2004, 2007, 2011, 2012	<i>Absent</i>	<i>No significant change</i>
DK	2002, 2010	<i>Absent</i>	2002, 2004, 2009, 2011
EE	2007, 2009	2009	<i>No significant change</i>
FI	2005, 2009	2005	<i>No significant change</i>
FR	2001, 2002, 2008, 2009	2002, 2007, 2009	2009
DE	2003	<i>Removed in 2003</i>	2003
EL	2001, 2007, 2010, 2012	<i>No significant change</i>	<i>Absent</i>
HU	2005, 2011	2005, 2011	<i>No significant change</i>

IE	2006, 2009, 2011	2009	<i>No significant change</i>
IT	2005, 2007, 2009, 2012	2009, 2012	<i>Absent</i>
LV	2010	2002, 2010	2009
LT	2005, 2008	<i>Absent</i>	2009
LU	2010	<i>Absent</i>	<i>No significant change</i>
MT	2008, 2009, 2011	2006, 2010	<i>Absent</i>
NL	2006, 2009	2003, 2008	<i>No significant change</i>
NO	2002, 2009, 2011	<i>Absent</i>	<i>No significant change</i>
PL	2003, 2008	<i>Absent</i>	2004
PT	2006, 2009, 2010, 2012	<i>No significant change</i>	<i>No significant change</i>
RO	2002, 2004, 2007, 2008, 2009, 2010	<i>Absent</i>	2012
SK	2003, 2004	<i>Absent</i>	2003
SI	2006, 2010	<i>Removed in 2006</i>	2010
ES	2002, 2010, 2011	2006, 2009, 2011	<i>No significant change</i>
SE	2007	<i>No significant change</i>	<i>No significant change</i>
UK	<i>No significant change</i>	<i>Removed in 2012</i>	2012

* Years in which major changes occurred are reported.

**Absent means that the programme does not exist.

Source: EIRO national reports for this study

Table 2 shows that there have been numerous changes throughout the decade, mainly in UI, where some kind of change or transformation is recorded in all countries, with the notable exception of the UK. Changes have also occurred quite frequently, and in about half of the countries considered, three or more measures of change have been introduced in UI programmes during the last 10 years.

UA – which 10 years ago was established in 17 out of 28 of the considered countries – did not undergo relevant change in four countries (Austria, Greece, Portugal, Sweden), but was changed in the remaining 13, and in three (Germany, Slovenia and the UK) was substantially transformed. Actually, following reforms in Germany in 2003, in Slovenia in 2006 and in the UK in 2012, the previous UA was fully transformed and recombined with SA into a new programme. In these countries UA no longer exists as such.

Finally, changes concerning the SA programmes either directly or indirectly targeted at the unemployed – which are active everywhere, with the exception of Bulgaria, Greece, Italy and Malta – occurred in 11 out of the 24 European countries considered here.

Focusing on UI unless otherwise indicated, Table 3 helps demonstrate the dynamics and content of the observed changes. For each of the relevant features of the UB system (coverage, eligibility, duration, replacement rate, financing, organisation) in each country, it reports the years in which change occurred and also a brief description of the direction of such change: whether the coverage has been extended or reduced; the eligibility criteria relaxed or tightened; the benefit duration expanded or shortened; the size of benefits increased or lowered; the financing structure

modified by increasing or lowering the proportion of contributions paid by employees and/or employers; the structure and organisation of the system modified.

Table 3: Recent changes in UB regimes in the EU Member States and Norway, 2001–2012 (changes to UI unless otherwise specified)*

	Coverage		Eligibility criteria		Duration		Size of benefits		Contrib./ premium	Reorg./ restruct.
	extended	reduced	relaxed	tightened	expanded	shortened	increased	reduced		
AT	2008		2004 2008	2005	<i>nsc</i>		<i>nsc</i>		<i>nsc</i>	2010 (SA)
BE	<i>nsc</i>			2004	<i>nsc</i>		<i>nsc</i>		<i>nsc</i>	<i>nsc</i>
BG	2004 2007		<i>nsc</i>		2007		2010	2009	2007 (lowered for employers)	2002
CY	<i>nsc</i>		<i>nsc</i>		<i>nsc</i>		<i>nsc</i>		2010 (increased for employees)	<i>nsc</i>
CZ		2007 2011		2012	2004		<i>nsc</i>		<i>nsc</i>	<i>nsc</i>
DK	2002		<i>nsc</i>			2010	<i>nsc</i>		<i>nsc</i>	2002, 2004, 2009, 2011 (SA)
EE	<i>nsc</i>		2007 2009		<i>nsc</i>		2007 2009 (UI and UA)		2009 (increased)	<i>nsc</i>
FI	2009		2009		<i>nsc</i>		<i>nsc</i>		<i>nsc</i>	2005
FR	<i>nsc</i>		2009			2002 2009	<i>nsc</i>		2002 (increased)	2001, 2008 2002, 2007, 2009 (UA) 2009 (SA)
DE	<i>nsc</i>			2003		2003	<i>nsc</i>		<i>nsc</i>	2003 (UI, UA+SA)
EL	2010			2001				2007, 2012	<i>nsc</i>	<i>nsc</i>
HU	<i>nsc</i>		2011 (UA)	2011		2011		2005	<i>nsc</i>	2005
IE	<i>nsc</i>			2009 (UI and UA)	<i>nsc</i>			2011	2011 (lowered)	2006 (UI+UA)
IT	2009 2009 (UA)		2009		2005 2007		2005 2007		<i>nsc</i>	2012 (UI+UA)
LV	<i>nsc</i>		2001			2008	2009	2010	<i>nsc</i>	2002 2009 (SA) 2010 (UA)

LT	<i>nsc</i>		2005	2008 2009 (SA)	2005		2005	2008	<i>nsc</i>	<i>nsc</i>
LU	<i>nsc</i>		<i>nsc</i>		<i>nsc</i>		<i>nsc</i>		2010 (increased)	<i>nsc</i>
MT	2009		2008 2009 2011 2010 (UA)	2006 (UA)	<i>nsc</i>		<i>nsc</i>		<i>nsc</i>	<i>nsc</i>
NL	2008 (UA) 2009	2003 (UA) 2006	2006 2008 UA 2009	2003 (UA) 2006		2006	Simplified/unified		2009 (abolished for employees)	2003 2006
NO	2009		2009 2011	2002 2012	2009	2002 2012	<i>nsc</i>		<i>nsc</i>	2009
PL	<i>nsc</i>		<i>nsc</i>			2008	<i>nsc</i>		<i>nsc</i>	2003 2004 (SA)
PT	2009 2010		2009	2006 2010	2006 2009	2012	2012	2010 2012	<i>nsc</i>	2006 2009, 2012
RO	2004		2004 2009	2004 2008	2009		2004	2010	2002 2007 (lowered)	2002 2012 (SA)
SK	<i>nsc</i>			2003 2004 (SA)		2003		2003		2003 2004 (SA)
SI	2010		2010	2006	<i>nsc</i>		2010		<i>nsc</i>	2006 (UI, UA) 2010 (UI, SA)
ES	2006 (UA) 2009 (UA) 2010 2011 (UA)			2002 2002 (UA) 2011	<i>nsc</i>		<i>nsc</i>		<i>nsc</i>	2002 (UI and UA) 2011 (UI and UA)
SE	<i>nsc</i>			2007	<i>nsc</i>			2007	2007 (increased)	2007
UK	<i>nsc</i>		<i>nsc</i>		<i>nsc</i>		<i>nsc</i>		<i>nsc</i>	2012 (UA+SA)

**The years in which major changes in the relevant features of the country's UB system occurred are reported; 'nsc', standing for 'no significant change', indicates that the considered feature was not significantly modified over the decade.*

Source: EIRO national reports for this study

An in-depth analysis of all these changes is beyond the purpose of this study. But it is certainly important to underline the following points.

- The issue of **coverage** – the categories of those who can receive the benefits has been changed in almost half the countries (13 out of 28). These are changes clearly linked to the onset of the economic crisis and increasing unemployment, as indicated by the timing and content of the adopted measures. All were introduced after 2007, with the exception of the Netherlands, Bulgaria and Romania, where changes had been made earlier. Moreover, in nearly all cases the aim was to extend/ameliorate the protection of groups previously not or insufficiently covered (an exception being the Czech Republic where more restrictive measures were introduced). Particularly significant is the case of the Netherlands, where the 2003 and 2006 reforms inspired by restrictive intent, were followed changes in the opposite direction after 2008.
- Changes regarding the **eligibility criteria** –in 22 of the 28 countries, and often repeatedly over the decade – appear to be better distributed in the years before and after the crisis. But before 2008 in the majority of cases they were intended to establish more restrictive criteria for admission to the programmes – notable examples being those of Germany with the Hartz reforms, and Austria, Belgium, the Netherlands, Norway, Sweden, Spain, Greece, Malta and Slovenia. Exceptions were some of the Member States that have joined since 2004 (the Baltic states and Romania), in which the UB systems were being reorganised in those years. In the subsequent period, the direction of change was somewhat more equally distributed between relaxation of eligibility criteria (Austria, Estonia, Finland, France, Italy, Malta, the Netherlands, Norway, Portugal, Romania, Slovenia) and tightening of criteria (Czech Republic, Hungary, Ireland, Lithuania, Portugal, Romania, Spain), although relaxation was slightly more common.
- Measures prolonging to some extent the **duration** of benefits were introduced, especially before 2008, in seven countries: four Member States joining since 2004 (Bulgaria, Czech Republic, Lithuania, Romania); Italy (characterised – at least until the recent 2012 reform – by a poorly institutionalised and piecemeal system) (Berton *et al*, 2012; Eurofound, 2010), Portugal and Norway. Duration was reduced instead in 10 countries (Denmark, France, Germany, Hungary, Latvia, the Netherlands, Norway, Portugal, Romania, and Slovakia).
- The **amount of benefit** became more generous in seven cases (Estonia, Lithuania, Latvia, Romania, Slovenia, Italy and Portugal); while, especially after the beginning of the crisis, it was lowered in 10 countries (Greece, Hungary, Ireland, Lithuania, Latvia, Portugal, Romania, Slovakia, Sweden and Bulgaria, where its previous level was however subsequently restored).
- Changes affecting the **financing** of the system occurred in nine countries: in five (Cyprus, Estonia, France, Luxembourg, Sweden) contributions by employers and/or employees, were increased; in four (Bulgaria, Ireland, the Netherlands and Romania) they were lowered.
- Finally in 17 countries (20, when taking UA and SA into account) the **structure and organisation** of systems was more or less significantly readjusted – and sometimes more than once –during the decade.

In conclusion, the first decade of the new century has been characterised by processes of steadily diffused re-adaptation, and in a few cases by more radical transformation of the UB systems (especially of UI programmes). Two distinct phases can be distinguished. In the first phase, before the 2008 crisis, change was primarily intended to rationalise/reduce the generosity of specific aspects of the programmes (especially in the countries enjoying a better consolidated welfare system such as the German one with the Hartz reforms), or at ameliorating their quality (in countries with a less consolidated tradition). Subsequently, in more recent years, change appears to be more clearly directed at improving the coverage of UB protection, while somehow reducing in one way or another the amount. In other words, attempts were made to extend lighter protection to a greater number of people.

Not surprisingly, during both phases the initiative to intervene and modify some aspects of the previous configuration of the system was in nearly all cases taken by the governments, although

sometimes with the open support of the social partners, as in Austria and Finland, where such support appears to be quite systematic, or with the more occasional support of some social partners according to the situation, as happened in Italy in 2007. There are few cases, however, in which the initiative was not primarily taken by the government, but the social partners, jointly (as has sometimes happened in Estonia, Finland, France, Spain, Romania), or separately, either by employers' organisations or trade unions (as documented in Bulgaria). In Luxembourg, finally, change was fostered by the tripartite committee which has in charge the management of the system (see Table 4 for a stylised presentation).

Table 4: Dynamics of change in UB regimes in the EU Member States and Norway, 2001–2012

	Main changes (affecting UI if not otherwise specified)	Initiative	Social partner positions
AT	2004: eligibility criteria for older workers relaxed 2005: eligibility criteria tightened 2008: eligibility criteria for low incomers relaxed 2008: coverage extended 2010 (SA): reorganisation	By government together with social partners	Always favourable
BE	2004: eligibility criteria tightened	By government	Neutral. Trade unions disliked change but assessed it as marginal
BG	2002: reorganisation 2004: coverage increased 2007a: employers' social security contributions lowered 2007b: coverage increased and benefit duration for old workers expanded 2009: benefit size lowered 2010: previous calculation of benefit size restored	In 2002, 2004, 2009, by government In 2007a by employers' associations In 2007b and 2010 by trade unions	Generally, support by social partners Trade unions disagreed in 2007a and 2009
CY	2010: limited increase in employees' social security contribution	By government	Neutral
CZ	2004: for older workers duration increased and replacement rate expanded 2007: coverage and different replacement rate reduced 2011/2012: coverage reduced and eligibility criteria tightened	By government	General support in 2004. Trade unions strongly criticised subsequent reforms
DK	2002: occupational relationships to UI funds liquidated 2002: special SA for migrant workers introduced 2002, 2004, 2009: restrictive criteria on SA introduced 2010: UI benefit duration shortened	In 2002-2010: by liberal-conservative Government. In 2011: by centre-left	2002-2010: Employers' associations favourable. Trade unions disapproved and prevented introduction of further reforms

	2011: SA restrictive reforms abolished	government	
EE	2007 (and 2009): eligibility criteria relaxed and benefit size increased 2009: insurance premiums increased 2009 (UA): increase in benefit level agreed upon	By government supported by tripartite discussions 2009 UA reform by social partners	General support After 2009, with decreasing unemployment, social partners unsuccessfully proposed reduction of insurance premium
FI	2005: system reorganised to enhance activation 2009: coverage extended and eligibility criteria relaxed	By government and by Social partners (Social Wage Agreement in 2009)	Supportive and leading actors
FR	2001 and 2008: organisational reforms 2002: contributions increased, duration shortened 2009: eligibility criteria relaxed, duration shortened 2002, 2007, 2009 (UA): protection extended 2009 (SA): reorganisation	By social partners: UI changes and reforms By government: UA and SA	UI: Initiated and supported by social partners, but with opposition of 2 TUs.
DE	2003: system reorganised, eligibility criteria tightened, duration reduced (also UA and SA):	By government	Supported by employers Criticised by trade unions
EL	2001: eligibility criteria tightened 2007: benefit size reduced 2010: coverage extended 2012: benefit size reduced	By government	Accepted by social partners (but complaints about lack of resources for UB system)
HU	2005: system (including UA) reorganised, eligibility criteria tightened, benefit size reduced 2011: duration shortened, eligibility criteria tightened; (UA) eligibility criteria relaxed	By government	2005: Employers' associations favourable. Trade unions opposed 2011: both social partners disagreed
IE	2006: reorganisation of programmes 2009: (UI and UA) eligibility criteria tightened 2011: benefit size reduced 2011: contributions lowered	By government	Employers' associations favourable. Trade unions opposed
IT	2005 and 2007: benefit size increased, duration expanded 2009: extended coverage and relaxed eligibility (also for UA) 2012: reorganisation and rationalisation of system	By government In 2007 supported by tripartite agreement/discussion (centre-left government)	2005-9: general support, at times with criticism by trade unions 2012: Trade unions very critical of reform
LV	2001: eligibility criteria relaxed for specific categories of workers	By government (through continuous changes – 13	General support but with specific

	2008: duration shortened 2009: more favourable calculation of benefit size for workers in child care leave 2010: less favourable calculation of benefit size 2009: introduction of SA	times) and discussion in tripartite council	criticism by trade unions or employers' associations
LT	2005: eligibility criteria relaxed, duration expanded and benefit size increased 2008 and 2009 (SA): benefit size reduced, replacement rate and eligibility criteria tightened	By government	2005: trade unions favourable, employers' associations contrary 2008 and 2009: employers' associations favourable, trade unions contrary
LU	2010: social partner contribution increased	Tripartite Committee	Favourable
MT	2008, 2009, 2011: eligibility criteria (for specific categories of workers) relaxed 2009: coverage extended 2006 and 2010 (UA): eligibility criteria tightened and then relaxed	By government	General support
NL	2003 (UA): eligibility criteria tightened 2006: eligibility criteria both tightened (in general) and relaxed (to favour activation) and duration reduced 2008 (UA) and 2009: temporarily coverage extended and eligibility criteria relaxed	By government	2003 and 2006 changes: trade unions opposed 2008 and 2009: supported by all social partners
NO	2002: eligibility criteria tightened, duration shortened 2006, 2008: partial modifications to 2002 rules 2009: (temporarily) coverage extended, eligibility criteria relaxed, duration prolonged 2009: reorganisation 2011: eligibility criteria (for migrant workers) relaxed 2012: 2009 softer layoff rules reversed	By government, in 2009 following pressures by social partners	In general social partners support. But strong criticism by trade unions in 2002, which contributed to subsequent change. 20012: opposition by both social partners
PL	2003 and 2004 (SA): reorganisation 2008: shortened duration	By government	General support
PT	2006: eligibility criteria tightened, duration extended 2009: coverage extended, eligibility criteria relaxed, duration temporarily extended 2010: eligibility criteria tightened, benefit size reduced, but coverage somewhat	By government supported by tripartite discussions and tripartite agreement (2012)	2006 and 2009: general support, although with criticism by some of trade unions. 2010 and 2012: strong criticism by trade unions, which divided

	extended 2012: duration shortened, benefit size reduced, but temporarily increased for unemployed parents		on the 2012 agreement
RO	2002: reorganisation of system 2002, 2005, 2007: contributions lowered 2004 and 2005: coverage extended, eligibility criteria recalibrated (both tightened and relaxed), benefit size increased 2008: eligibility criteria tightened 2009: duration temporarily expanded, eligibility criteria relaxed 2010: benefit size reduced 2012 (SA): reorganisation of system	By government - firstly to meet EU access criteria - in 2009 on initiative by social partners	In general supportive Leading actors in 2009 In 2008 and 2010 opposed
SK	2003- general reform: eligibility criteria tightened, benefit size lowered, duration shortened 2004- reform of SA: eligibility criteria tightened, benefit size lowered	By government	In general social partners supported, although with criticism by trade unions
SI	2006: eligibility criteria tightened 2006-UA abolished and combined with SA 2010: coverage extended, eligibility criteria relaxed, benefit size increased, 2010-SA reorganisation	By government	In general social partners supported, although with some criticism by trade unions
ES	2002: eligibility criteria tightened 2006 and 2009 (UA): coverage extended 2010: coverage extended to self-employed 2011: eligibility criteria tightened 2011 (UA): coverage extended	By government 2006 and 2011: changes promoted through agreements between social partners and government	In general favourable and proactive actors In 2002 trade unions strongly opposed change. Proposal was modified
SE	2007- UI reform: contributions increased, eligibility criteria tightened, benefit size reduced	By government	Trade unions widely disapproved change
UK	2012 (UA, SA): reorganisation into a Universal Credit (UC) system	By government	Employers' associations favourable. Trade unions opposed

Source: EIRO national reports for this study

social partners reactions to change varied quite extensively in the various countries according to different dimensions such as the direction and the intensity of the specific measures of change in each given social-economic situation, and the characteristic of the social partners' role (especially the trade unions') in the governance of the UB system.

Without much distinction between them, the social partners supported change – and the government's initiatives – extensively in Austria, Finland, Luxembourg, Malta, Slovenia, or only partly, according to the issues, in Belgium, Estonia, France, Italy, the Netherlands, Norway,

Portugal, Romania. These were cases in which the social partners' role in the functioning of the system was significant, although with great variations (as we shall see in detail below), and the measures introduced either improved or affected rather marginally the existing programmes in a more restrictive way.

The trade unions did disagree instead on all or some of the proposed transformations in Bulgaria, the Czech Republic, Denmark, Germany, Hungary, Ireland, Lithuania, the Netherlands, Norway, Romania, Spain, Sweden and the UK. Sometimes they tried openly to resist change by organising forms of protest (as in Spain), or cooperated with the opposition in preventing the introduction of further restrictive measures (as in Denmark).

In a few cases, the employers' organisations also opposed specific aspects of change. Sometimes this took place together with the trade unions: as in Hungary, where the 2011 reform, by which the eligibility criteria for the UI benefit were modified and the duration of the allowance significantly shortened, was criticised by both social partners as it heavily reduced protection for the unemployed in a period of severe crisis; or in Norway, where in 2012 the social partners together unsuccessfully opposed the reversal of the 2009 changes to regulations regarding the right to unemployment insurance during temporary layoffs for employees in companies with collective agreements. Sometimes it took place independently from the unions: in Latvia and Lithuania, for instance, the employers' organisations disagreed with reforms increasing the generosity of protection.

In yet other cases, namely in Poland, Slovakia, Greece, and Cyprus, the social partners seemed to accept unwanted changes in quite a passive way, in the absence of alternatives.

Main characteristics of the current unemployment benefit regimes

After the changes that took place over the last decade, the current structural configuration of the UB systems in the EU Member States and Norway is summarised in Table 5. Since UI programmes – the main unemployment benefit programmes providing insured unemployed with some form of replacement income being it earning related or not – are present everywhere, the countries are only classified according to whether their UB regime provides also for UA and/or SA programmes or not.

Table 5: Structural configuration of UB regimes in the EU Member States and Norway (2012)*

		Unemployment assistance (UA)	
		YES	NO
Social Assistance (SA)	YES	AT, EE, FI, FR, HU, IE, LV, NL, PT, ES, SE	BE, CY, CZ, DK, DE, LT, LU, NO, PL**, RO, SK, SI, UK
	NO	EL, IT, MT	BG

** Forms of Unemployment Insurance (UI) programmes have been introduced in all countries. They are a constant and therefore not considered in the classification.*

*** in PL the classification of the uB not always consistent ; in view of the definition here adopted the Polish situation is that UI exist but not UA*

Sources: EIRO 2007; EIRO national reports for this study.

As is evident from Table 5, currently two main types of UB regimes appear to prevail in Europe. One is characterised by a three-pillar system, in which UI – the insurance-based type of protection against involuntary unemployment, in the two variants of the occupational ‘Bismarckian’ welfare systems (Palier, 2010) and the Nordic or ‘Ghent’ ones (Kjellberg, 2006; Vandaele, 2006) – is complemented by both a general programme of protection against unemployment with reduced requirements (UA) and a universal programme of social protection also covering the unemployed not eligible for the other programmes. This describes 11 countries out of 28, mainly EU15 countries and two Baltic states (Estonia and Latvia). The other system is based on a two-pillar system, where the insurance-based type of protection against involuntary unemployment (UI) is directly combined with a universal programme of social protection (SA). This describes 12 Member States and Norway, five countries from the EU12, six from the EU27 and Norway.

The two other configurations – one based on the combination of UI and UA, and one based on UI only – appear to be marginal in quantitative terms. They are indicative – especially that based on a single system of protection – of limits in the overall capacity of the UB regimes to protect against the risks of becoming/remaining unemployed.

It has to be noted that the picture is rather different from that of only a decade ago, when the combination of the UI and UA, and SA, was typical of most of the well-established systems of the EU Member States. As indicated in Table 6, the structural configuration of UB regimes in two thirds of the then 15 Member States was indeed characterised by a three-pillar system.

Table 6: Structural configuration of UB regimes in the EU15 Member States and Norway (2002)*

		Unemployment assistance (UA)	
		YES	NO
Social assistance (SA)	YES	AT, DE, FI, FR, IE, NL, PT, ES, SE, UK	BE, DK, LU, NO,
	NO	EL, IT	

** Unemployment Insurance (UI) programmes have been introduced in all countries. They are a constant and therefore not considered in the classification.*

Sources: EIRO 2007; EIRO national reports for this study.

The current changed configuration is the outcome of both entrance into the EU during the last decade of new Member States, the majority of which had not established a second pillar of UA programmes, and of the strategic decisions made by the Germans, the British, and the Slovenian, governments to supersede their existing UA programmes and concentrate on only the other two, UI and SA.

In this combination, UI and SA programmes are clearly differentiated according to the dual distinct principles of insurance and assistance: the former providing an inner circle of eligible workers with strong protection – workers contributing to the insurance fund and complying with the requirements established by the insurance system; the latter providing a lighter ‘safety net’ of

means-tested benefits for a looser circle of unemployed persons, not eligible for the principal programme. In terms of the general design of UB regimes, the concentration on these two pillars amounts to a simplification and rationalisation of protection systems, and possibly a reduction of the overall welfare expenditure.

Beneath the structural configuration of UB regimes, observation of the detailed relevant features of the various UB systems – coverage, eligibility, duration, replacement rate, funding – reveals numerous variations. Table 6 provides a summary, showing a distinction between UI (unemployment insurance), UA (unemployment assistance) and SA (social assistance) systems, where relevant.

Table 6: Main features of UB regimes in the EU Member States and Norway, 2012

		Coverage	Eligibility criteria	Duration	Replacement rate	Funding
AT	UI	- All employees and, if voluntarily insured, self-employed. - Public servants and workers on minimum hours are exempt from paying contributions but covered	- Having paid contributions for at least 52 weeks out of last two years (reduced for the young) - Being able and willing to work.	- According to claimant's age and insured periods: from 20 weeks up to one year. - Extended up to 3/4 years if beneficiary takes part in active policies	- Basic amount (55% of average net income) + family supplements, or for low income earners. - Ceiling (€814) fixed	- Contribution of 6% of insurable income shared equally by employers and employees (3% each)
	UA	- UA: long-term unemployed once UI expired	- UA: UI benefit exhausted, + satisfying means-test.	- UA: No limits. Beneficiaries have to reapply every year	- UA: 92-95% of UI. Ceilings. Family supplements.	- UA: Contributions by employees' and employers'
	SA	- SA: universal needs-based minimum income system	- SA: satisfaction of means-test + participation in active labour market policies		- SA: flat rate benefit (basic + living assistance benefit)	- Taxation
BE	UI	- All persons over 18 years who are seeking job or involuntarily lost it	- Prior work record - School-leavers who never worked are eligible after 1 year	- Unlimited duration	- Based on previous earning and family status (around 60% of last wage, decreasing after 15 months). - Minimum and maximum (€1.472/€2.370) levels set	- Contributions by employees and employers to (union controlled/ independent) funds
	SA	- SA: universal minimum income				- Taxation
BG	UI (no UA/SA)	All compulsorily insured employees + others, if voluntarily insured (sailors, freelancers, craft persons, self-	- Having paid contributions for at least nine months out of last 15	- According to the length of service: between four and 12 months	- 60% of previous average daily wage. - Minimum (BGN 7.20 daily) level set	- Contribution of 1% (since 2007) of insurable income by employees and employers

		employed				(at 0.4% and 0.6% respectively)
CY	UI	- All compulsorily insured employees and, if voluntarily insured, persons working for Cypriot employers abroad.	- Having paid contributions for at least 26 weeks. - Having lost job involuntarily - Obligation to participate in active labour market policies and accept appropriate work or vocational training	- 156 working days	- Basic allowance (60% of previous weekly earnings) + family supplements	- Contribution of 1.5% of insurable earnings shared equally by employers and employees + State contribution
	SA	- Guaranteed minimum income				- Taxation
CZ	UI	- Compulsorily insured employees resident in CZ without a foreign income. - self-employed excluded	- Insured for at least 12 months. - Having lost job involuntarily - Obligation to participate in active labour market policies and accept appropriate work or vocational training	- According to claimant's age: between 5 and 11 months.	- 58% of the average wage in the national economy, - 65% in case of re-training support	- Contribution of 1.2% of insurable income by employers, and self-employed
	SA	- Subsistence minimum	- Satisfying household-based means-test			- Taxation
DK	UI	- Workers belonging to 31 recognised national UI funds covering employees and self-employed in every occupation and industry (of which few cross-sectoral and independent of the unions)	- Registered at employment service - Member of a UI fund for at least 1 year. - Employed for at least one year out of the last three (34 weeks for part-timers) - Actively seeking work.	- Up to two years	- 90% of previous wages for low income earners - 50-60% of previous wages for mid-income earners	Contributions shared jointly by wage-owners and the state (at the proportion of 1/3 and 2/3 respectively on average)
	SA	- Social assistance for persons not belonging to UI funds (More restrictive SA programmes were abolished in 2011)	- Having been in Denmark for seven of the previous eight years. - Obligation to participate in active labour market policies and accept appropriate work or vocational training (same applies to partner)			- Taxation
EE	UI	- All insured employees, public servants, wives of officials in mission abroad - self-employed, executives and managers	- Registered at PES. - Paid contributions for at least 12 months of previous 36 - Having lost job involuntarily	- According to insured periods: from 180 to 360 days	- 50% of previous gross earnings reduced to 40% after 100 days. - Maximum and minimum rates fixed	- Contributions to UI fund by employees.

		excluded.				
	UA	- UA: Unemployed not fulfilling eligibility criteria for UI	- UA: Registered at PES	- Up to 270 days (reduced if unemployed on fault)	- around 22% of minimum wage and 8% of gross average wage.	- Taxation
	SA	- or whose UI benefits became exhausted - <u>SA</u> : independent programme	- Employed or engaged in activity assimilated to work (for instance, studying) for at least 180 days in previous year. - means-tested income - <u>SA</u> : municipalities can refuse benefits to people of working age refusing suitable work		(increasing at least to 50% of national minimum wage)	
FI	UI	- Workers belonging to one of 30 UI funds - even if only partially unemployed	- Having been member of a UI fund for at least 34 weeks, with at least 28 monthly contributions paid. - Registered at PES and available for work	- Up to 500 days (for five days a week).	- about 70% of previous gross earnings (for full-time unemployed)	- Contributions by members of UI funds (around 1–2 % of gross pay) and employers
	UA	- <u>UA</u> : <i>Basic Unemploy. Allowance</i> for persons not covered by UI funds, - or whose benefits became exhausted	- <u>UA</u> : Working records of eight months in the last 24 (reduced to five for the young) - no previous work requisite for young with vocational qualification	- <u>UA</u> : Up to 500 days	- <u>UA</u> : in 2012: €31.36 per day (€25.74 in 2011)	- Taxation
	SA	- <u>SA</u> : <i>Labour market subsidy</i> for those not covered by UA either	- <u>SA</u> satisfying strictly means-tested conditions	- <u>SA</u> : No limits	- <u>SA</u> : same size as <i>Basic Unemployment Allowance</i> . (being means-tested it is lower)	
FR	UI	- All workers, also voluntarily unemployed if for legitimate reasons	- Working records for at least 122 days out of last 28 months (36 for out of 50 years old) - Registered at PES and available to accept reasonable job offers	- According to claimant's age: 730 days (for workers under 50 years), 1095 days (for workers over 50 years)	- 57.4% of previous daily work earnings, or alternatively 40.4% + a fixed part of €11.34. - Maximum and minimum levels fixed	- Contribution of 6.4% of gross earnings by both employers (4%) and employees (2.4%)
	UA	Special regimes for specific groups: - unemployed whose UI benefits expired - retired with requisite conditions but not legal age for pension - on-training persons - asylum seekers,	According to the programme: - working record (at least five out of last 10 years); means-test; - household means-test - being in training without benefit - - having not working record to be eligible for	According to the programme	According to the programme	- Taxation

		stateless people, etc. - artists and the like	other programmes			
DE	UI	<i>Unemployment Benefit I</i> : - Compulsorily insured persons - civil servants and marginally employed workers who are exempt from contributions but covered	- Registered at local employment agency	- According to claimant's age and insured periods: from six to 24 months	- 60% of last net wage (67% for applicants with children)	- Contribution of 3% of monthly wage shared equally by employers and employees (1.5% each)
	UA/SA	<i>Unemployment Benefit II</i> (merger of UA and SA) - persons from 15 to 65/67 years of age - Able to work, but without income nor family assistance	- living in Germany - satisfying household means-test	No limits	- flat rate monthly grant (€374), reduced if living with partner getting the benefit + allowances for children, - lower grant for young adults living with parents (€299)	- Taxation
EL	UI	- All insured employees - Ordinary public servants, domestic workers and self-employed excluded	- Registered at PES. - for first application: working records for at least 80 days per year out of last two years (125 of which within the last 14 months), or 200 days out of two years; for a second application: 125 days during last 14 months. - for special occupational groups different working record criteria apply	- According to length of service, from a minimum of five to a maximum of 12 months	- 55% of the national minimum wage, + family supplements. - Since March 2012, it has been fixed at €360, as a result of 22% cut in national minimum wage.	- Contribution of 4% of wages: 2.67% by employees and 1.33% by employers. Government participates with small percentage
	UA	Special programmes including: - Insured unemployed not meeting eligibility criteria, or whose UI benefit expired - professions of seasonal nature - insured persons fired due to industrial readjustment or insolvency of firms	Variable according to the programme	Generally lump-sum once a year (sometimes granted up to three times a year)	Variable according to the programme and the sector. In all cases family supplements, and additional allowances to persons participating in retraining programme..	Same as for UI, contributions by employers, employees and the Government
HU	UI	All persons paying contributions:	- Registered as unemployed.	- According to length of service,	- 60% of previous average income;	- Contribution of 2.5% of

		employees, self-employed, single entrepreneurs	<ul style="list-style-type: none"> - Working records for at least one year out of last three - Actively looking for jobs 	with a maximum of 90 days	cannot exceed 60% of monthly mandatory minimum wage	monthly gross wages to National Employment Fund: 1% by employees and 1.5% by employers. Entrepreneurs pay both amounts
	UA	- <u>UA</u> : Ageing unemployed persons	<ul style="list-style-type: none"> - <u>UA</u>: < five years to reach retirement age limit - services period to be entitled for pension achieved - UI benefit exhausted - no appropriate job available 	- <u>UA</u> : No limits until obtaining other state allowance or pension	- <u>UA</u> : 40% of mandatory minimum wage	- <u>UA</u> : Same as for UI
	SA	- <u>SA</u> : persons under 50 years able to work not eligible for UI or whose UI benefit expired	<ul style="list-style-type: none"> - <u>SA</u>: Obligation to cooperate with local employment office to find job - if no alternatives, joining 'public work' schemes, set by municipalities required 	- <u>SA</u> :	- <u>SA</u> : social minimum; cannot exceed 80% of national minimum of guaranteed monthly pension	- <u>SA</u> : After 2011 reform, is funded by same source as UI and UA
	UI	- All insured workers unemployed for at least 3 days out of 6	<ul style="list-style-type: none"> - at least 104 weeks of contributions, of which 39 in relevant tax year - Capable of work - Available for and genuinely seeking work. 	- According to the class and number of contributions paid, from nine to 12 months.	- Depending on average weekly earnings: a maximum of €188.00 weekly, reduced if average weekly earnings are less than €300	Contributions on wages by employers and employees, financially supported by the state
	UA	- <u>UA</u> : Unemployed not eligible for UI or having used up UI entitlements	<ul style="list-style-type: none"> - <u>UA</u>: Capable of work - Available for and genuinely seeking work - Satisfying means test - If part-timer or on casual work trying to get full-time employment 	- <u>UA</u> : No limits	- <u>UA</u> : According to total household means	- <u>UA</u> : Employers, employees, state
	SA	- <u>SA</u> : a number of SA schemes only indirectly linked to protection against unemployment				
IT	UI	- All insured involuntarily laid off employees (with exclusion of agriculture and building sector) are covered by. <u>Ordinary UI</u>	<u>Ordinary UI</u> <ul style="list-style-type: none"> - Registered at PES and available for work. - two years of social security seniority with at least 52 weeks of contributions 	<u>Ordinary UI</u> <ul style="list-style-type: none"> - according to claimant's age: from eight to 12 months. 	<u>Ordinary UI</u> <ul style="list-style-type: none"> - 60% of previous wage, reduced after six months to 50% and 40% Ceiling at around 1000. 	<u>Ordinary UI</u> <ul style="list-style-type: none"> - Contribution of 1.61% of wages by employers
		- Employees				

		dismissed by larger firms in manufacturing and some categories of services sector are covered by a <u>special mobility programme</u> - Unemployed employees in agriculture and constructions are covered by <u>specific sectoral programmes</u> NB. The system is strictly intertwined with the operation of Ordinary and Extraordinary Wage Guarantee Funds, often in fact covering dismissed workers.	<u>Special mobility programme</u> - at least one year's working record in firms admitted to the programme	<u>Special mobility programme</u> - according to claimant's age: from 12 to 36 months. - according to local socio-economic conditions: 12 months more in Southern regions	<u>Special mobility programme</u> - 80% of previous wage, reduced to 80% of the allowance after 1 year	<u>Special mobility programme</u> - besides the 1.61% contribution, an additional 0.30% by employers required
	UA	- Discontinuous workers not reaching requirements for UI - freelancers, economically dependent workers	- one week of contributions in two years and working records of 78 days within the year - Dependent on only one contractor. - Having earned at least 5,000 in previous year. - 3/10 months of contributions in last year	Lump-sum Lump-sum	- 35% of earnings in the first 120 days of previous year + 40% of earnings in subsequent ones (with a maximum of 180 days) - 10% of previous year's earnings	- contribution of 1.61% of wages by employers - Taxation
	UI	- All insured persons	- Registered as unemployed at PES and available for work. - At least nine months of contributions in the last year	- According to insured periods: from four to nine months	- 50-65% of insurable earnings according to insured periods, decreasing to 75% and 50% of the granted benefit after the first two to three months	- contribution of 0.09% of wages
LV	UA	More than 10 specific programmes	Specific conditions according to the programme			Specific sources of funding according to the programme
	UI	- All persons dismissed from work or services	- Registered at PES and available for work or training courses	- According to insured periods: from six to nine months (extended	- combination of fixed part corresponding to state supported	- contribution of 1.5% of gross wages

LT		specified by law - graduated from vocational training schools, colleges and universities - persons previously out of labour market because of raising children - self-employed	- At least 18 months of contributions out of last 36 - Obligation to cooperate with local employment office to find suitable job offer	for further two months for claimants approaching old-age pension) - Unemployed dismissed on their fault are granted UI benefit 3 months later their registration..	income (€102) and a variable one corresponding to 40% of wage last 36 months, reduced to half after three months	by employers - specific funding for self-employed)
	SA	Unemployed irrespective of whether receiving UI benefits	Satisfying household means-test		Social allowance and other compensations	
LU	UI	- All workers, self-employed and youth leaving school.	- Registered at PES and willing to accept any appropriate job. - Be unemployed involuntarily - Working record for at least 26 weeks, for a minimum of 16 hours per week, during last 12 months; if self-employed, two years of contributions	- one year out of two-year period. - It may be extended of further 6–12 months according to age, working capacity, involvement in labour market measures, length of insurance	- 80% of previous gross salary, - 85% for recipients with children. - Ceiling at 250% of minimum social wage, reduced to 200% after nine months. - Youth get 70% of minimum social wage	- Solidarity tax and annual budget contribution from the State.
	SA	Minimum guaranteed income scheme largely accessed by unemployed not/no longer eligible for UI	- Satisfying household means-test - If able to work, active participation in labour market programmes required		- higher for low income households and with children	- Taxation
MT	UI	- Employed persons having paid Class 1 contributions Access can be made to: - general programme (UB) - Special programme (UBS)	To access UB - Registered at ETC and available for all training and employment programmes proposed. - Contributions paid for at least 50 weeks To access UBS, besides general requirements: - be head of household - meeting criteria of SA means-test	one day's benefit per contribution paid up to 156 days maximum	According to family conditions, - between 29.1% and 44.5% of minimum wage for UB - between 48.8% and 74.8% of minimum wage for UBS	- Weekly contribution shared equally by employers, employees and the state (33.3% each)
	UA	Registered heads of households having exhausted 156 days UB period	- available for all training and employment programmes proposed by ETC - satisfying means test	Unlimited	- 62.8% of minimum wage, + 5.4% for each unemployed person in household	- Taxation
NL	UI	All insured employees and public servants	- Insured workers losing five or more hours of work	According to the claimant's working records:	- 75% of previous earnings (not exceeding a fixed	- From 2009, contributions by employers

		<ul style="list-style-type: none"> - Self-employed are not covered. - Excluded those who lost job on their responsibility 	<ul style="list-style-type: none"> - Working records of 26 out of previous 36 weeks - Available for and actively searching for another job 	<ul style="list-style-type: none"> - one month per year of work experience from a minimum of three to a maximum of 38 months 	maximum) for two months, then reduced to 70%.	only
	UA	<ul style="list-style-type: none"> Two programmes for older unemployed - IOAW for over 50s - IOW for over 60s 	<ul style="list-style-type: none"> - Having exhausted ordinary UB - Looking actively for work - Satisfying household means-test (IOAW) 	Until retirement age	<ul style="list-style-type: none"> - IOAW: at social minimum level depending on household income IOW: at maximum of 70% of minimum wage 	- Taxation
NO	UI	<ul style="list-style-type: none"> - All workers who had their working time reduced by at least 50%, and whose previous income was over minimum level 	<ul style="list-style-type: none"> - Minimum income of 15,000 during previous year, or 29,000 out of last three 	<ul style="list-style-type: none"> According to claimant's previous average annual income, from up to 52 or 104 weeks 	<ul style="list-style-type: none"> - 62.4% of previous gross income, not exceeding a fixed maximum 	- Taxation
	SA	<ul style="list-style-type: none"> SA for those not satisfying the minimum income requirement 	<ul style="list-style-type: none"> - satisfying means-test 			- Taxation
PL	UI	<ul style="list-style-type: none"> UB: All insured employees and self-employed. - those leaving jobs voluntarily can be included after 90 days - Special stipend for unemployed on training, internship and vocational programmes 	<ul style="list-style-type: none"> - Registered at PES and committed to accept job proposals, training, internship, vocational preparation. - Having worked and been insured for at least 365 days within last 18 months. - Women returning to work after child-care leave 	<ul style="list-style-type: none"> Depending on the level of unemployment in the district of residence, from six to 12 months, -12 months are guaranteed in any case for people over 50 and long employment records, or with children and dependent spouse 	<ul style="list-style-type: none"> The amount is not earnings-related and depends on claimant's employment records 	<ul style="list-style-type: none"> - contribution of 2.45% of wages by employers Supplemented by state subsidy
	SA	<ul style="list-style-type: none"> SA not directly related to UI 				
PT	UI	<ul style="list-style-type: none"> - All insured employees - also self-employed if working for a single firm. 	<ul style="list-style-type: none"> - being involuntarily unemployed - Registered at PES and available for work. - Contributions paid for at least 360 days out of last two years 	<ul style="list-style-type: none"> From 150 to 540 days 	<ul style="list-style-type: none"> 65% of previous earnings up to a limit of 2.5 times the social support (€419 monthly), which defines also its minimum 	<ul style="list-style-type: none"> - A quota of the whole social security contribution, which amounts at 11% of gross pay paid by employees and 23.75% by employers
	UA	<ul style="list-style-type: none"> UA: Unemployed not fulfilling eligibility criteria 	<ul style="list-style-type: none"> UA: Contributions paid for at least 180 days out of last year. 	<ul style="list-style-type: none"> UA: From 150 to 540 days 	<ul style="list-style-type: none"> UA: according to family condition from 100% to 80% 	<ul style="list-style-type: none"> UA: As for UI

	SA	for UI - or whose UI benefits became exhausted <u>SA</u> : Guaranteed minimum income	- Meeting household means-test <u>SA</u> : means-tested programme		of social support	<u>SA</u> : taxation
RO	UI	- All workers paying UI contribution, also voluntarily (partners, administrators, self-employed, working abroad).	- Involuntarily unemployed - Capable for work and available to seek work - Contributions paid for at least 12 months within the last 24 (with exemptions for freshly graduated, those having completed military training)	According to length of insured periods, from six to 12 months	According to length of insured periods - a variable percentage of the social reference indicator, - + plus a variable percentage of previous average gross base salary over last year	- Contributions to the UB fund by employers and employees (with , respectively the 51.7% and the 35.8% of total) complemented by non-tax revenues and donations
	SA	Minimum guaranteed income, not directly linked to UB				
SK	UI	- All insured economically dependent workers. - Self-employed are not covered.	- involuntarily unemployed - registered at EO - Contributions paid for at least two years out of the last three (four in case of fixed-term contracts)	six months	- 50% of the base of assess, calculated on the amount paid by individual claimant to UI fund - maximum at the times the average wage in the economy	- 2% contribution on gross wages, equally shared by employers and employees. - In case of voluntary UI, individual rate is 2%
	SA	- Not directly linked to UB. But around 90% of long-term unemployed are covered by SA	- means-tested programme			- Taxation
SI	UI	- All compulsorily and voluntarily insured workers, including, for instance, self-employed, parents returning to labour market. - Partially unemployed also covered	- Working records for at least nine months in the last 24. - Up to €200 per month for partially unemployed	According to length of insured periods, from three to 25 months	- 80% of average wage in previous eight months for first three months, then reduced. - Minimum (€350) and maximum (three times the minimum) levels are set	- 0.2% contributions on wages, due by employers (0.06%) and employees (0.14%)
	UA/S	In 2006 previous UA was unified	In 2006 obligations for unemployed receiving SA			

	A	with SA	were tightened			
ES	UI	<ul style="list-style-type: none"> - All workers included in the general regime of Social Security, and in Special ones (coal-mining, agricultural, sea workers), civil servants - Since 2010, also self-employed, under a specific UI 	<ul style="list-style-type: none"> - Contributions paid for at least 360 days out of previous six years - For self-employed: at least 12 months of contributions in the period immediately before becoming unemployed 	<ul style="list-style-type: none"> - According to length of insured periods, from 120 to 720 days - For self-employed minimum at two months 	<ul style="list-style-type: none"> - 70% of previous base income for first 120 days, then reduced at 60%, with a maximum amount (€1,100), increased for recipients with dependent children 	<ul style="list-style-type: none"> - Contributions on wages paid by employers, employees and the state, varying on the employers' part according to the type of contract (lower for open-ended, higher for temporary and part-time contracts)
	UA	<ul style="list-style-type: none"> - <u>UA</u>: Unemployed not eligible for UI, or whose UI benefits became exhausted <p><u>SA: Active Insertion Income Programme</u></p> <p>Further Assistance programmes also at Regional level</p>	<ul style="list-style-type: none"> - <u>UA</u>: Registered as job-seekers for one month - Having not refused a suitable job and participating to active labour market policies - income below 75% minimum wage. - for under 45s without family responsibilities: at least three months of contributions required - <u>SA</u>: long-time unemployed over 45s or with disabilities, income below 75% minimum wage - committed to participate in active labour market policies 	<ul style="list-style-type: none"> - <u>UA</u>: 3–6 months that may be extended to 12–21, according to insurance position and family condition - <u>SA</u>: 11 months 	<ul style="list-style-type: none"> - <u>UA</u>: 80–75% of Public Indicator of Multiple Effect Income - <u>SA</u>: 80% of Public Indicator of Multiple Effect Income 	<ul style="list-style-type: none"> - <u>UA</u>: Taxation
SE	UI	<p>Members of the sector-based UI funds or of the cross-sectoral one (Alfa Kassan)</p> <p><u>Additional income insurance</u>: voluntary system supplementing UI funds</p>	<ul style="list-style-type: none"> - Been made redundant due to scarcity of work - Registered at PES and actively seeking work. - being paying member of a UI fund for at least 12 months. - working records for, on average, 80 hours per month in the last 12 	<ul style="list-style-type: none"> - Maximum of 300 days (five days per week) + further 150 if with children 	<ul style="list-style-type: none"> - income-related benefit of up to 80% of previous salary (not exceeding a fixed maximum) for 200 days, reduced to 70% for other 100 days, then to 65% (for members with children). 	<ul style="list-style-type: none"> - UI funds are financed by UI membership fees and by state subsidies (in the proportion of 40% to 60%. Until 2007 it had been 13% to 87%). Membership fees consist of a basic fee + an unemployment fee (paid only when in employment)

	UA	Workers not qualifying for income-related benefit or not belonging to UIs can i) apply at Alfa Kassan for basic benefit ii) enter a <i>Job and development guarantee programme</i> administered by PES	i) Registered at PES and actively seeking work; - paying administrative fee to Alfa Kassan, if non-member of a UI ii) UI compensation expired, - commitment to fulfilling all phases until finding new job	i) Maximum of 300 days ii) three phases of 150, 300, 450 days	i) maximum basic benefit for non-members of a UI is SEK 320/day ii) 65% of former wage for job-seekers who had previously the right to UI; for others a minimum compensation per day	- Taxation
UK	UI	Non-means tested unemployment insurance scheme = <u>contribution-based JSA</u> - All workers, also partially unemployed	- out of work or working less than 16 working hours per week – Capable of work and available for work (as specified in Job Seeker's Agreement) - registered and actively seeking work. - With enough national security contributions paid during previous two tax years	Maximum of six months	Government defined flat-rate unemployment benefit (linked with changes in prices rather than wages) [in 2011 corresponded to a 29% of the minimum wage (15% of average weekly earnings), reduced for the young]	- Paid out of National Insurance Fund, that receives contributions by both employees and employers: the former paying 12% of earnings between €175 and €980 per week, the latter paying 13% of earnings above €173 per week
	UA/SA	Means tested unemployment assistance scheme = <u>income-based JSA</u> All workers, also partially unemployed, whose contributory-based UB expired. * In October 2013, this UB will be integrated with SA schemes, creating the so called Universal Credit	- out of work or working less than 16 working hours per week – Capable of work and available for work (as specified in Job Seeker's Agreement) - registered and actively seeking work. - Savings below GBP 9,600	No limits	Same as contribution-based JSA	- Taxation

Source: EIRO national reports for this study

This section now looks at the main differences, focusing on coverage, eligibility, duration and amount of benefits and funding.

Coverage

As far as **coverage** is concerned, country systems differ mainly according to the ways in which the first pillar – (UI), the insurance-based one – is designed to protect against the risks connected to being unemployed; and, perhaps more importantly, the extent to which some ‘new’ categories of workers are included or excluded.

Ways in which the first pillar is designed to protect against the risks connected to being unemployed: the main distinction here is between the systems in which coverage is substantially based on workers’ voluntary decision to become members of one of the UI funds – traditionally established and managed by the trade unions on a sectoral basis, but more recently complemented by a few cross-sectoral independent ones (the so called Ghent System) – and those in which a general obligation for employees to be covered by UI has been introduced.

The first type is typical of the Northern democracies, or Scandinavian model (Denmark, Finland, Sweden). The second, the so-called Continental model (Ferrera, 2005), is the one prevailing in the other countries, although with many variants (as in the UK) and exceptions. In this area, Italy – at least until the approval in 2012 of a framework labour market reform – has long been a special case of a diversified and segmented UB system. The actual performance of the UB system is strictly linked to the operation of the Wage Guarantee Fund programmes; the latter are formally dedicated to supporting wage losses in case of reduced hours, but in fact have often been used as substitutes for unemployment benefits. In the first case, UI coverage is defined and measured by the persons belonging and contributing to the UI funds; in the second, coverage is rather indicated the categories of workers that are compulsorily insured, according to a more universalistic orientation.

As we shall see, this is an important distinction when we come to the role of the social partners in the UI regimes. Not necessarily, however, it is a good predictor of the ability of the different systems to actually cover as widely as possible workers in need of protection. Moreover, if we also take in consideration the coverage provided by the other one or two pillars – UA and/or SA where relevant – all distinctions becomes somewhat blurred, as the second or third pillar may compensate more or less efficiently for the limits and weaknesses of the first. What becomes more important is the overall capacity of the systems to reach an efficient equilibrium between their consolidated tradition and the aim of extending coverage to the new categories of risks.

This leads us to the second point.

The extent to which some ‘new’ categories of workers are included or excluded: on the inclusion/exclusion dimension, the main difference is between systems in which the self-employed, those on non-standard contracts, the partially unemployed, or else civil servants and public employees are excluded from protection and those where they are included.

Focusing on UI, in some countries (as in Austria, Germany, Greece) civil servants and public employees are not included in the insurance-based programme, as they generally enjoy other forms of protection against the risk of unemployment, while in others (Estonia, Netherlands; Spain) they are included.

Similarly, the self-employed appear to be excluded in some countries (the Czech Republic, Netherlands, Estonia, Greece, Slovakia), and included in others, but generally under specific conditions or programmes, or with specific limitations – for instance in Austria, Bulgaria, Denmark, Hungary, Lithuania, Luxembourg, Poland, Portugal, Romania, Slovenia and Spain.

Moreover, there are countries in which partially unemployed workers – that is, working for only a quite limited number of hours – can also be covered by the programmes, as is the case in Germany, Finland, Ireland, Netherlands, Norway, Slovenia and the UK, while workers on fixed-term contracts are covered in Spain and Slovakia.

More generally, as already stressed, coverage was extended in quite a number of cases in consequence of the crisis. In some countries provisions were extended to temporary lay-offs (Finland, Netherlands, Norway), in others to the self-employed (Spain), or other non-standard forms of employment (short-term job-holders in Malta, lower-income workers in Romania).

In conclusion, one may observe a certain tendency towards an expansion of the categories of persons covered by the UI programmes to better accommodate to the ongoing transformations affecting work and the labour market.

In a majority of countries, however – namely in Austria, Estonia, Finland, France, Greece, Hungary, Ireland, Italy, Latvia, Malta, Netherlands, Portugal, Spain and Sweden, and in the UK and Germany albeit within transformed systems – the coverage provided by the main insurance-based programmes have to be complemented by those of the unemployment assistance (UA).

These programmes cover those unemployed people whose insurance-based protection against unemployment expired or who are not eligible for it. Here a distinction can be drawn between the UA programmes that are primarily designed to extend (reduced) benefits to claimants who are no longer (or not yet) entitled to the main programmes, and those that are substantially designed to furnish some kind of reduced benefit to the unemployed for whom appropriate UI programmes have not been introduced. In other terms, while the former may compensate for the lack of the required subjective requirements to be eligible for UI (on which we'll turn in a while), the latter may make up for more objective limits of the UI system, extending coverage to categories of workers who are in fact not included in these programmes. In Italy, until the recent reform of the labour market, this applied to the special programmes covering workers with non-standard contracts (as freelances and economically dependent self-employed), to which the measures introduced autonomously by the social partners through the operation of bilateral bodies in small firms in the artisanal sector or of agency work can be added (Salvatore, 2010). Other examples are provided by cases in France, Hungary, Latvia and Sweden.

Finally, the picture is completed by reference to the social assistance (SA) programmes that in all countries – with the exception of Bulgaria, Greece, Italy and Malta – provide a minimum safety net on universal principles, further enlarging protection.

Eligibility criteria

With respect to eligibility criteria, it is generally assumed that applicants should be involuntarily unemployed, should have accumulated a minimum amount of contributions or recorded employment, and be available to participate in the active labour market measures provided by the employment offices. National systems differ, however, in the ways these general principles are actually implemented.

There are countries in which people who left a job voluntarily (France, Poland), or even lost it through negligence (as in Estonia and Lithuania) may be admitted to UI, although with specifications and restrictions.

Differences in the minimum amount of contributions that must have been paid, or of the minimum time in employment, for claimants to be eligible for UI are relevant, and constitute one measure of the different degrees of rigour and generosity of the systems. It is obviously not as generous if a claimant must have been insured for 52 weeks out of the last two years, as in Austria, rather than 52 weeks out of the last six years, as in Spain. The amount of benefit will also be different, as will duration, and the way it is financed. There are also cases (Norway, but also Slovenia for the partially unemployed) in which the eligibility criteria include minimum previous income, rather than minimum contribution or work record. Further differences across countries provide exceptions to the general rule. There are cases in which different requirements or special criteria are provided to ease transition from education to employment (Belgium, Romania, Luxembourg) or from child-care to the labour market (Poland), or to admit the self-employed

(Luxembourg, Spain) or temporary workers (Slovakia) to benefits. All such differences are built into the social, political, economic and institutional history of each country and cannot be easily compared in a straightforward way.

Changes in the eligibility criteria that did take place, perhaps more than once, in 15 of the considered countries as a consequence of the crisis, also exhibit variable patterns. As seen earlier, we can in fact distinguish between cases in which after 2007 the eligibility criteria became somewhat relaxed (Austria, Estonia, Finland, France, Italy, Malta, the Netherlands, Norway, Portugal, Romania and Slovenia) and those in which they were on the contrary tightened (Czech Republic, Hungary, Ireland, Lithuania, Portugal, Romania and Spain). In some countries, changes had already occurred before the crisis to different degrees, as in Austria and Belgium, or reforms, as in Germany, Netherlands, Norway, Sweden.

It should be noted that variations can be found not only between but also within UI national systems. In Denmark, for instance, there are special provisions for part-timers, in Luxembourg for the self-employed, in Slovakia for those with fixed-term contracts, in France for the over-50s. In other terms, the major transformations that are affecting the so called 'standard' contract of employment and the social structure of the labour market are also influencing the ways in which the insurance-based systems of protection are designed.

In all cases, finally, claimants to UI benefit must commit themselves to comply with the required active measures designed to help them re-enter the labour market. In a majority of countries, indeed, this requirement has become very explicit, sometimes particularly stringent, examples being Denmark, Finland, Germany, Luxembourg, Netherlands, UK, Ireland, Sweden, Portugal, Cyprus, the Czech Republic, Latvia, Lithuania, Malta, Poland, and, recently, Italy.

In the case of UA (or SA) programmes complementing the insurance-based main pillar, the eligibility criteria can consist of some combination of reduced contribution/work record requirements, commitment to participate in active labour market measures, and some means-testing. However, the country systems – and specific programmes within the national systems – differ largely according to the criterion or criteria that tend to be prevalent.

Further differences regard the provisions of exceptions intended to extend a minimum coverage to specific categories of persons (the young, school-leavers and on-training persons, seasonal workers, part-timers or casual workers, ageing unemployed).

Duration of benefits

Systems differ substantially as to the duration of benefit, be it the one provided by the insurance-based pillar or by unemployment assistance or social assistance ones.

Focusing on UI, while no fixed limits appear to have been established in Belgium, most cases are characterised by the definition of a maximum duration that can vary between the three months of Hungary and the two years of Denmark, France and Germany, or even the three to four years for beneficiaries taking part in active policies in Austria.

Beneath the definition of the maximum allowed duration in general, systems differ as to the way the actual maximum duration for individual applicants is determined. Criteria may be defined as the length of insured period (as in Austria, Estonia, Ireland, Latvia, Romania, Slovenia and Spain), length of service or working record (Bulgaria, Greece, Hungary and the Netherlands), the applicant's age (the Czech Republic, France, Italy, Luxembourg) or a combination of them (Germany, Lithuania). The social and economic characteristics of the environment where the applicant lives (Italy, Poland), or the applicant's family conditions (Sweden, Poland) may also be taken into consideration.

Turning to UA (eventually integrated with SA, as in Germany and the UK), often no limits appear to have been set to the duration of the programmes, as is the case in Austria, Germany, Hungary, Ireland, Malta, the Netherlands and the UK. These are cases in which these programmes are

primarily intended to extend universally reduced benefits to claimants who do not qualify for the main programmes.

On the contrary, limits have been set in other cases: in Estonia, Finland, Portugal and Sweden; in Spain and France, where the provisions vary according to the programme; in Greece and Italy where benefit is provided as a single lump-sum. These are often cases in which UA is intended to furnish some kind of reduced benefit to the unemployed for whom appropriate UI programmes are not available.

Amount of benefit

Also the amount of the UI benefit varies significantly across the national systems and within them.

In the majority of cases it is determined as a proportion of the applicant's previous earnings – mostly around 50–60%. Such proportions may however differ according to specific criteria. It may be higher for low wage earners (Austria, Denmark), and/or be modified or kept under control through the definition of minimum and/or maximum levels (Austria, Belgium, Bulgaria, Estonia, France, Hungary, Italy, Luxembourg, Netherlands, Norway, Portugal, Slovenia, Spain and Sweden).

The amount may also be determined with reference to the average wage or earnings in the national economy (the Czech Republic), or the national minimum wage or other general indicator (Greece, Malta, Romania), or as a flat-rate contribution (Poland, the UK) with variations according to previous earnings (Ireland), or combining a flat and a variable component (Lithuania, France).

Sometimes the amount is integrated by family supplements, or modified according to family considerations, as in Austria, Belgium, Cyprus, Germany, Greece, Luxembourg, Malta, Spain and Sweden. It may be higher for those entering retraining programmes (the Czech Republic). In most systems the initial level is subject to progressive reduction, to incentivise quick re-entrance into the labour market.

The levels and the ways in which UA benefit is determined are heterogeneous. Its amount can be defined as a proportion of UI (Austria), or of the minimum wage (Estonia, Hungary, Malta) or of the social minimum level (Netherlands, Portugal, Spain), or of the beneficiary's earnings in the previous year (Italy). It can be a flat-rate contribution (Finland, Germany, the UK), or be variable according to the specific programme (France, Greece). In most cases the amount is modified according to various criteria, including age, family conditions, household income and participation in retraining programmes.

SA is generally a means-tested flat-rate benefit.

Funding

Finally, UI systems differ according to the ways in which they are funded. The main differences are who pays for such systems – whether the employees, the employers or the state, either alone or in varying combinations – and the amount of contributions required.

As to who pays, four main configurations or models can be distinguished.

The first, typical of the Northern tradition, is the one in which the costs are substantially paid by the employees who join, voluntarily or compulsorily, the various UI funds traditionally controlled by the unions, eventually with contributions by the state or the employers, and it includes Denmark and Sweden (in both cases with subsidies by the state), Estonia, and Finland and Belgium (in both cases with contributions also by employers).

The second is one in which the costs are met jointly, although to varying proportions, by employers and employees, sometimes with supplements by the state, through contributions to a

central insurance institute or fund. This is the most widespread model, including Austria, Bulgaria, Cyprus, France, Germany, Hungary, Portugal, Slovakia, Slovenia, UK, and Ireland, Greece, Malta, Romania, Spain.

A third model is one in which the contributions to the insurance institute are paid by the employers, as is the case in Netherlands, Italy and the Czech Republic – and where the self-employed also contribute.

In a fourth model, the system is mainly financed by the state, as in the cases of Norway, Luxembourg (where funds derive from the combination of a solidarity tax and an annual contribution by the state), and Poland (where the state main contribution is supplemented by minor variable contributions paid by the employers).

As to the contribution amount, generally defined as a percentage of the insurable income, the differences among the systems are considerable. Actually, the range varies between the 0.2% of gross wages in Slovenia to over 6% in France, with a great number of positions between.

Finally, the criteria according to which costs are subdivided among the concurrent parties are variable, where this applies. The most common situation, where employers and employees pay jointly for the programmes, costs are sometimes equally divided between the two parties, but in most cases the two parties pay set contributions in differing proportions.

This is a field where several changes did occur over the last decade, partly, but not exclusively, in response to the financial crisis. In many cases the levels of contributions were readjusted – sometimes raising those made by employees –and support by the state was often reduced.

Finally, while the costs of SA programmes are generally afforded through general taxation, in the case of the second pillar, the UA, this can be funded in several ways; intervention by the state budget (as in Estonia, Finland, France, Malta, Sweden, UK), joint contribution also by employees and employers (as in Austria, Greece, Hungary, Ireland, Portugal), or a combination of the two (in Italy).

In conclusion, even from this quick overview it should be evident that the current characteristics of the UB regimes in the EU countries and Norway continue to be highly differentiated, notwithstanding some common trends towards improving the coverage of UB protection while somehow reducing its generosity as a result of the crisis, and a more general trend towards encouraging rapid re-entrance into the labour market.

These are differences that reflect to some extent not only the history of the welfare systems in the countries concerned, but that also reveal how deeply interconnected this specific policy is with more general labour strategies and economic policies.

It therefore appears to be of the greatest importance to know what role the social partners currently play in the functioning of UB systems, and what positions they take on the future prospects of such systems.

It is to this that we now turn our attention.

Social partners' involvement in the regimes

In general, the social partners have long been involved in the functioning of UB regimes in Europe. This used to apply both to the countries where the so-called Ghent System, based on union founded and controlled UI funds (UIFs), was applied and to those under the continental model. More recently it has also become common practice in the Member States that have joined since 2004 to adopt the social dialogue institutions.

Historically, a reason for the social partners' involvement in UB regimes – and more generally in many fields of social security policies – resided in the insurance nature of such programmes, covering those whose premiums were (normally) paid by their employers and/or themselves under the supervision of the state. The involvement and financial contributions of employers and employees in these schemes furnished a structural motive for the representatives of both sides to have a voice and active role in the functioning of systems.

The pattern of the social partners' involvement varies, however, not only on account of the different history, institutional traditions, current orientation and strategies of the parties concerned, but also according to the specific functional characteristics of the different phases in which the process of UB provision is articulated.

In this respect, several phases can be distinguished: a first phase of policy design and development, subsequent phases centred on the implementation of policy decisions and management of the system, and a final phase devoted to the monitoring and assessment of the process.

This chapter focuses on each of these phases separately. It then discusses the effects of the role actually played by the social partners through their involvement in the UB systems over the last decade will be discussed, and finally addresses the main issues at stake and poses open questions.

Policy design and readjustment phase

As for all policies, the structure of UB regimes is subject to a more or less frequent process of revision and readjustment, in which the original design can be altered or recalibrated. We have indeed seen in Section 1 that all European systems underwent some process of change and reform during the last decade, both before and even more in the wake of the 2008 economic crisis.

Revising and readjusting the design or specific programmes of UB regimes represents politically the most crucial phase in the process of UB provision, in which the general decisions affecting the beneficiaries of the policy – with consequences on the overall social expenditure, and indeed the performance of labour markets and the economy – are made, usually through the enactment of laws.

Although the ultimate responsibility for decisions at this stage of the policy-making process resides with governments and parliaments, there is a long tradition in Europe of involving the social partners in this early phase. As confirmed also by this investigation, this long and consolidated tradition in many countries has been adopted in the Member States that have joined the EU since 2004. From the point of view of political actors, the expected advantages for this involvement concern the potentialities connected with involvement of representatives of the recipients of policies from the outset, during the design phase, to forestall objections and vetoes in the implementation phase.

However this involvement will not necessarily always be looked for. In other terms, the social partners may or may not be allowed a legitimate part in the process. If not, they will either have no role at all or will seek to exert some influence through their own initiative.

Bearing this in mind, we shall now analyse the role played by the social partners, if any, over the last decade in the EU Member States and Norway by focusing on:

- the form of their involvement/participation in the political process;
- the functions and roles assigned to/assumed by them here;
- the features and intensity of their involvement/participation;
- the outcome of this involvement/participation self-perceived influence.

A general overview is summarised in Table 7.

Table 7: Social partners' involvement in the policy design/reform of UB regimes in the EU Member States and Norway

Type of involvement		Forms of involvement and social partner role.	Frequency and level of involvement	(Self-perceived) influence
Institutionalised involvement and participation in stable tripartite bodies (intervening in policy design/reform)	AT	Systematic participation in decision-making. From being informed to negotiation/concertation	When needed or asked for by partners All levels	High
	BG	Mandatorily consulted Submission of <u>proposals</u>	When needed All levels	Variable. Occasionally high
	CY	Consulted Submission of <u>amendments</u>	When needed National, sectoral levels	Low
	CZ	Advisory role	When needed National level	Low
	DK	Traditionally (not mandatorily) consulted. Recently, no involvement	Recently avoided (all levels)	Recently low
	EE	Consulted/negotiation Submission of amendments	When needed National level	Variable. Rather high
	DE	Advisory function Involved in decision-making process also within an ad hoc national level committee	When needed National and local level	High
	EL	No involvement		Non-existent
	HU	System is under change From advisory to strictly consultative role	Used to be frequent and regular	Used to be rather high
	LV	Advisory functions within ad hoc working groups/committees set up to elaborate policies	Regularly when new policies and acts are being developed National and sectoral levels	Effective in harmonising interests
	LT	Common recommendations within tri-partite body	Regularly when new policies and acts are being developed	Variable. Rather high

		Advisory functions within ad hoc working groups/committees set up to elaborate policies	National level	
	LU	Informed and consulted	Regularly when new policies and acts are being developed National level	High
	NL	Long tradition of advisory involvement, discontinued in 2002 and renovated after a 2004 mobilisation by the unions	Used to be regular Interrupted and resumed after protest National level	Traditionally high Decreasing as social partners ability to harmonise interests decreases
	PL	Mandatorily consulted in parliamentary committees and involved in social dialogue institutions	Rather episodic Central and regional levels	Limited
	PT	Consulted and involved	Traditionally regular National, regional, local levels	High, but decreasing in consequence of the crisis
	RO	Elaboration and submission of proposals	Occasionally frequent National and local levels	Traditionally rather low, but increasing in consequence of the crisis
	SK	Regularly consulted	When needed	Rather high. Not necessarily effective
	ES	Advisory role	Occasionally	Low
	SI	Regularly consulted within ad hoc working group	Regular National level	Rather high. Effective
Institutionalised involvement and participation in bipartite bodies (established within/recognised by the administration)	BE	Consulted Elaboration and submission of shared proposals	When needed	High
	FR	Informed and consulted Elaboration and submission of proposals Negotiation of conventions	Regularly when needed National level, regional branches	High. Effective
Systematic involvement in ad hoc tri/bi-partite committees	FI	Tripartite cooperation Submission of shared <u>proposals</u> and advice	When needed	High. Effective
Not	IT	Practice of being informed	Variable	In fact high, but

institutionalised involvement in information/consultation practices		and consulted Sometimes negotiation and concertation (according to the government)	National level More recently also regional	variable Not necessarily effective
	NO	Consolidated practice of being informed/consulted. Elaboration and submission of proposals Lobbying	Frequent, when needed or asked for by social partners National level	High
	SE	(especially the trade unions) occasionally consulted	Occasionally when needed National, sometimes also local levels	Not necessarily effective Union influence decreasing
	UK	social partners informally consulted as just 'one actor among many' Until 2008 advisory role by employer led organisation Currently CBI involved in steering group	Occasionally	Informal employers' influence
Participation without involvement	IE	Lobbying type role (in pre-budget submissions)	Occasional	Occasional
	MT	Lobbying type role (on budget issues)	Rare	Weak

Source: EIRO national contributions to this study

With regard to the form of 'social partners' involvement/participation in the policy-making process, five modalities can be singled out according to the degree of stability and formalisation of this involvement by the public actor (see first column of Table 7):

- institutional involvement in stable tripartite institutions connected to the policy-making process;
- institutional involvement in stable bipartite bodies associated to the process;
- involvement in ad hoc committees established by public authorities when needed;
- not formalised involvement in information and consultation practices within policy-making process;
- participation without (at least explicit) involvement.

As is immediately apparent from the first column of Table 7, the social partners are strongly involved, or incorporated, in stable tripartite institutions in a very large number of cases; 20 out of 28. Note that this number might even be larger, as in other countries the social partners do participate in tripartite bodies operating in the field of social security. However, we have only considered here participation in institutions that, at least in principle, can play an active role in the policy-making process, excluding those that intervene primarily in the phases of policy implementation and management.

This very large group includes continental and Nordic countries (Austria, Germany, Luxembourg, Netherlands, Denmark, and southern Mediterranean countries, Portugal, Spain) in which

cooperation and social dialogue among the social partners has a very long, or quite a long, history, but also many others (Bulgaria, Cyprus, the Czech Republic, Estonia, Greece, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia, Slovenia) in which this tradition is more recent, often as an effect of the requirements linked to the *acquis communautaire* [accumulated legislation] of the EU (Marginson and Sisson, 2004). The tripartite institutions in which social partners are incorporated can be boards or councils governing the public employment services (PES) or social security (as in Austria, Cyprus, Germany, Denmark, Estonia, Greece, Romania, Spain), or tripartite councils for the cooperation and social dialogue in the socio-economic field more in general (as in Bulgaria, the Czech Republic, Latvia, Lithuania, Luxembourg, Netherlands, Poland, Romania, Slovakia, Slovenia), or combinations of the two (Hungary, Portugal).

In two cases (Belgium and France) the social partners' involvement and participation in the decision-making phase appears to be strongly institutionalised within stable bipartite, rather than tripartite, bodies (corresponding to the second indicated form). In the former case it is an influential committee operating within the national PES, while in the latter it is an independent bipartite body (Unédic) responsible for defining the UB policy.

In one case (Finland), the social partners' participation takes the form of systematic involvement in both the bi- and tripartite ad hoc (rather than stable) committees set up by government to intervene in the UB system (third form).

This un-institutionalised involvement of the social partners (or even of only one side of the social partnership) in information and consultation practices within the state's decision-making process (fourth form) is typical of a small group of four cases (Italy, Norway, Sweden, UK).

In two cases, finally, the eventual social partner participation in the process takes place without any explicit involvement by the state (Ireland, Malta).

The distribution based on this classification helps us understand, first, that almost everywhere the social partners are to some extent involved by public authorities in the design or readjustment of UB regimes, and, second, that in a great majority of cases this involvement is highly institutionalised. It does not tell much, however, about real practices and outcomes. If we consider also the other dimensions – those regarding roles and functions, intensity and outcome of participation (see second, third and fourth columns) a lot of differences actually emerge within and among the various formal models.

As regards roles and functions, distinctions can be made according to whether the social partners are only informed, or are also consulted, whether their advice is actively sought, if they can raise problems or make proposals, or finally whether they may resort to lobbying if not involved in the decision-making process.

As far as the frequency of social partners' involvement/participation is concerned, the main distinctions are:

- whether the social social partners' intervention takes place systematically, and in a predictable way, every time it is needed in the design process;
- whether it takes place only occasionally, in quite an unpredictable way;
- whether it tends to be avoided (by public authorities);
- whether it will take place only on demand by the social partners.

There may also be differences in the level at which the social partners involvement/participation can take place, in most cases being at the national level, although a more articulated pattern is reported in others.

The outcome of the involvement/participation is measured by the ability to influence the decision-making process (as perceived by social partners and reported by respondents).

Taking into account these dimensions, and focusing primarily on the first and more widespread form or type of involvement where the social partners are incorporated in stable tripartite institutions connected to the policy-making process, further distinctions can be made in line with the following scenarios.

- Does the highly institutionalised involvement in the system correspond to a strong and systematic role actually performed by social partners in the decision-making process, often at various levels? The clearest case is that of Austria, where the social partners are systematically involved in all decisions regarding the design and change of the UB regime, including both UI and UA. Similar are also those of Germany, Luxembourg, Estonia, Latvia, Lithuania and Slovenia, in which the social partners have been regularly involved in the processes of change, giving advice, and sometimes making proposals, exerting an overall high or rather high influence on the decisions.
- Does highly institutionalised social partner involvement of social partners in the system no longer correspond in recent years to a consistently strong role in the decision-making process, often, but not necessarily, in consequence of the crisis? A point in case is that of Denmark, in which already before the crisis major reforms were carried out by the governments without the involvement of the social partners (especially the trade unions, that opposed them), discontinuing a traditional practice of (not mandatory) consultation. Similar examples of a somewhat reduced social partners capacity of intervening in and influencing decisions in consequence of initiatives by the governments is variously recorded also in the Netherlands, Hungary, Portugal;
- Does the structured incorporation of the social partners in the system give rise to regular practices of consultation and proposal submission, albeit with a rather low, although variable, capacity to effectively influence decisions? Examples are Bulgaria, Cyprus, Poland and Slovakia; in the case of Romania, however, influence appears to have increased in consequence of the crisis;
- Is the structured incorporation of the social partners in the system substantially formal and leading to little significant activity (the Czech Republic, Spain), or to no activity at all (Greece)?

Considering now the second form of involvement in which the social partners are involved in stable bipartite bodies connected to the policy-making process, in both the countries concerned (Belgium and France) the relevance and effectiveness of the social partners' roles and functions, intensity and outcome of participation, appear to be significant and high. What is striking in these two cases is the ability of the social partners to reach – through previous negotiation between them – shared proposals that are then jointly submitted to governments. This possibility of harmonising positions beforehand, facilitated by interaction between the partners within an autonomous space, appears to be the main point of strength of these systems. There are differences between the two countries. A committee operates within the national PES in Belgium, and an independent bipartite body responsible for defining the UB policy in France, but these slight structural differences do not seem to affect the high level of social partners' interaction.

Also the third form of involvement, in which social partners contribute to both bi- and tripartite ad hoc committees set up by government to intervene in the decision-making process, appears to enhance social partner roles and functions, intensity and outcomes in the only country to which it apparently applies (Finland).

In the fourth form, where the involvement by public authorities of social partners in the decision-making process takes the form of un-institutionalised information and consultation, unsurprisingly the relevance and effectiveness of the social partners' action appear to be highly contingent on tradition and external variables. This may be high, as in Norway (where a social dialogue tradition is well consolidated), high at times in Italy (according to political and

economic circumstances), quite variable in Sweden (where a decreasing role of the unions in the policy-making process is recorded), or very limited (and restricted to influence by the employers' organisations) in the UK.

Even more variable, finally, are the possibilities for the social partners to influence policy-making where their involvement is not catered for by the UB system (as in Ireland and Malta). In these cases the social partners (and especially the unions) may occasionally have some role through lobbying, for instance in pre-budget submissions.

In conclusion, it is evident that the form assumed by the social partners involvement/participation in the political process is not on its own a good predictor of the relevance and effectiveness of their actual role in the decision-making process.

In particular, a highly institutionalised involvement in the system does not guarantee the social partners a strong and effective role. Nor this is guaranteed even where such highly institutionalised involvement appears strongly embedded in a long tradition of substantial cooperation, as exemplified by the cases of Denmark and the Netherlands (and also, but within a different institutional framework, Sweden).

To discuss the conditions that facilitate an effective and smooth participation of social partners in this policy-making domain would require systematic country case studies which are currently not available.

It is however important to draw attention to what we may call the 'harmonisation of interests issue'. Especially when the existing systems are no longer able to facilitate previous mediation and aggregation of interests between the parties involved – for instance because the positions of the two social partners have become quite distant or irreconcilable, or because they would resist significant reform proposed by governments – then traditional and even well-consolidated practices tend to become ineffective, especially if they were based on strong forms of incorporation within tripartite institutions. Here, most significant are those cases in which the social partners' involvement/participation appears to be institutionalised within bipartite bodies which make the harmonisation of interests easier, as explicitly stressed by respondents. Also significant is the case in which the social partners are involved in both bi- and tripartite committees of an ad hoc nature (Finland), where apparently the possibility of pre-mediation of interests within the bipartite committees can be a success-promoting factor.

As already observed, from the point of view of governments and parliaments, the reasons underlying their desire to involve the social partners in the policy-making process are connected with the advantages to be gained from involving the recipients of policies – or their representatives – from the outset. Involving them during the design or revision phase may prevent objections and vetoes when policies are implemented. This also makes it likely that such involvement will be discontinued if it fails to anticipate or reduce conflict.

A further observation regards the impact of the crisis in exacerbating problems. On the one hand it is certainly true that increasing unemployment and growing difficulties in the labour market, which are among the most dramatic consequences of the financial crisis, coupled with the generally reduced ability of public finances to intervene, in most cases do not make it possible to find a painless way to aggregate and harmonise interests. On the other hand, it may also be that these difficulties open up new possibilities for an enhanced constructive role for the social partners in the decision-making process, as observed for instance in Romania.

Finally, it should also be added that the social partners occasionally may influence the processes of policy design or readjustment through forms of tripartite negotiations and agreements with governments, even though these do not necessarily take place within an institutionalised framework – examples being recorded in Finland, Portugal, Spain, Italy.

Implementation and management of programme phases

The phases of policy-implementation and daily management of UB systems are analytically distinct, but not easily distinguishable in practice without appropriate in-depth analyses. This is all the more obvious if one considers that the social partners' involvement in these stages of the process of UB provision appears to be on the whole rather limited.

Actually, in 12 (out of 28) cases (France, Bulgaria, Germany, Greece, Hungary, Latvia, Luxembourg, Slovakia, Cyprus, the Czech Republic, Netherlands, Slovenia) it has been explicitly observed that the social partners do not play any specific role in the implementation and management of UB programmes. In others (as in Norway or Romania) such a role appears to be very limited and partial. Finally, in others (Ireland, Malta, UK, Spain, Poland), the issue is not even considered as pertinent (see Table 8).

In this section the social partners' involvement in the two phases will therefore be discussed jointly, although with the appropriate distinctions when relevant.

Table 8: Social partners' involvement in the implementation and management of UB programmes in the EU Member States and Norway

Type of involvement		Formal structure of involvement/participation	social partner functions	social partner organisational commitment and coordination/dedicated staff	social partner operational/financial autonomy	Relationship with other labour market programmes
Direct involvement in the administration of UIB (Ghent system)	BE	Social partners' participation in bi-partite management committees of PES at national and regional level. Union involvement in most UIFs.	- Strong involvement in setting general rules on UB system; - Only indirect involvement in UB programmes implementation, which is responsibility of specific institutions. Unions: executive functions in administering UI funds (except for an independent one).	social partners: -Through involvement in bi-partite managing committees at national and regional level, indirect overall coordination of UB with employment policies. Unions: -Executive administration of UIFs.	Union operational responsibility in managing UIFs under supervision of national bipartite Committee.	Social partners' active involvement in training and job placement services through participation in regional bipartite committees.
	DK	Social partners' participation in consultative tri-multi partite councils in the field of employment policy. Union involvement in UIFs that administrate UIB.	Involvement in appointing members to Supervisory council of National Directorate of Labour (AMS). Consultative functions within councils at national, regional, local levels involved in active employment	Unions: administration and monitoring of UI benefits. social partners Through involvement in Employment Councils, indirect coordination with wider activation policies.	- Union high operational autonomy, in collaboration with and under supervision of AMS - UIFs funded by both employees and the state.	Active involvement in activation policies: - directly through management of UIFs; - indirectly through participation in councils, committed to active employment policy.

			policy Unions: in charge of administration of UIFs, where they act as 'employment service' for members.			
	FI	Social partners' participation in national tripartite government advisory boards. Social partners' participation in Unemployment Insurance Fund's Supervisory Board and Board. Union involvement in wage-earners' unemployment funds.	- strong involvement in setting general rules on UB system. - participation in the management of unemployment insurance fund. Unions: In charge of administration of wage-earners' unemployment funds.	social partners: Through Unemployment Insurance Fund's activities, coordination of UB system with training and active LM policies. Unions: administration of wage-earners' unemployment funds.	Union operational responsibility in managing UIFs.	With 'Social Wage Agreement' (2009) improved and more effective coordination between UB and education and training programmes to 'enhance employability'.
	SE	Union involvement in UIFs that administrate UIB.	Unions: in charge of administration of UIFs in collaboration with and under supervision of Unemployment Insurance Board (IAF). (UA is administered by PES).	Unions: - Overall coordination by Unemployment Insurance Union (SO), a service agency for UIFs; - specific union branches in charge of administering UIFs. Also employer organisations involved Dedicated specialised social partners staff.	- Union high operational autonomy, under the control of IAF - UIFs funded by both employees and the state.	- Regular interaction with PES - within restructuring agreements negotiation of additional support educational assistance and advice, complementing UB, at local level.
Institutional involvement in administrative bodies	AT	Institutional participation within tripartite decision-making bodies of PES.	Social partners nominate representatives to federal government body in charge of UB programmes. Involvement throughout the process, at federal, regional and local levels.	Specific organisational sections dedicated to LM policy. High degree of organisat. coordination. Experts for social and LM policy, including UB, depend economically on membership fees and mandatory contributions, not on PES budget.	Social partners operational autonomy Financial autonomy. Social partners not involved in financial management of UB funds.	As part of federal governing board of PES and of decision-making bodies at provincial and regional level, strong administrative and operative relationship between social partners and PES.
	FR	Stable participation within bipartite Unédic (in 2008 merged with National	Strong involvement in setting general rules and procedures on UB	Organisational coordination of UB regime between national and local level	High autonomy in defining UB strategy within a former independent bilateral	Coordination of employment policies through the creation of Employment Pole through merger of

	Employment Agency)	system through Unédic conventions No direct role in UB implementation, which is responsibility of Employment Pole (tripartite institution) Advisory role on overall social security policy	Dedicated social partners staff within Unédic Administrative responsibility for the fund balance sheet	body social partners aim to preserve its relative autonomy also after merger with National Employment Agency in 2008	Unédic with National Employment Agency in 2008
DE	Institutional participation in the tripartite board of Governors of Federal Employment Agency (BA)	- Involvement in approval of annual budget and overall policy on allocation of funds for employment policy, and in proposal of members for BA Executive Board, through participation in BA's Board of Governors - No direct role in UB implementation and daily operational business		As part of tripartite bodies at BA and local employment agencies social partners put forward suggestions (e.g. further vocational training schemes, comprehensive draft of processing measures for local employment agencies)	As part of tripartite bodies at BA and local employment agencies, involved in overall coordination in LM policies
EE	Institutional participation in the tripartite supervisory board of Unemployment Insurance Fund (EUIF), in charge of delivering UB	Involvement in implementation of both UI and UA through participation in tripartite supervisory board of EUIF, in charge of appointing members of management board and intervening on the costs of UB regime Involvement throughout the process	No specialised sections of social partners are dedicated to UB programmes Dedicated staff at national level (for participation in supervisory board of EUIF).	Operational and financial autonomy as members of supervisory board of EUIF	As members of supervisory board of EUIF, social partners also involved in proposing finance allocation for active labour market measures and approving temporary employment programmes
LV	Institutional participation in National Tripartite Cooperation Council, especially in the Sub commission of	Advisory role especially in the policy implementation of UA programmes on a voluntary basis	Departments specialised in monitoring LM, including UIB, mainly on initiative of trade unions	Active in voluntarily seeking to facilitate implementation of UA policies. Active in promoting debate and taking part in working groups to	social partners aim at wider coordination between UB programmes and LM policies, exploring the topic in public debate

	Social Affairs	Organisation of promotional campaigns No direct involvement in the management of UB programmes		better coordinate employment policies	
LT	Institutional participation in tripartite National and Local commissions of Labour Exchange,	Advisory function within tripartite national commission, whose aim is to submit proposals to prioritise and ameliorate interventions And within local committees which analyse and solve issues related to implementation of LM policy	Not involved in daily operational business	Advisory role in problem-solving activities within tripartite committees	
BG	Institutional participation within tripartite bodies of PES	No direct role in UB implementation	Specialised departments responsible for social security and UB policies	social partners not involved in financial management of UB funds	Through institutional participation within tripartite bodies of PES, involved in coordination of LM policies
PT	Institutional participation in tripartite institutions in charge of labour market, training and employment policy	Advisory function through participation in tripartite institutions		Noticeable role in boards responsible of definition of PES budget, management of job centres and vocational training	Through participation in tripartite bodies social partners role is linked to organisation and provision of other programmes/services
RO	Institutional participation in tripartite advisory board of PES at national and local level	At times, through participation in tripartite bodies active role of elaboration and submission of proposal		social partners actively contributing and seeking solutions within anti-crisis plan	
EL	Institutional participation in tripartite Board of Directors of PES	No direct role in UB implementation and management.			Through participation in Board of Directors of PES, indirect involvement in decisions regarding funding and functioning of employment policy and vocational training programmes
HU	Institutional participation in tripartite body at Labour Market	Indirectly involved, through participation in tripartite body at			As part of tripartite body at Labour Market Fund, social partners (were)

	Fund, recently discontinued and replaced with new ones not yet fully operational	Labour Market Fund, in decisions regarding funding and functioning of employment policy No direct role in UB implementation and management			indirectly involved in all LM policies
IT	Institutional participation in board and committees of Social Security Institute at national and local levels.	Indirect supervision of implementation process (for some programmes) Within specific UI schemes regarding collective lay-offs, trade unions statutorily have to be consulted	Departments specialised in labour market and social security policies Experts within Social Security Committees	As part of steering committee of National Social Security Institutions, relevant role in establishing targets and budget, and appointing members of the board.	Low coordination with other programmes
LU	Institutional participation in different tripartite bodies, especially Permanent Employment Committee within Tripartite Co-ordination Committee	No specific role in the general implementation of programmes. social partners involved in examination of temporary unemployment demands	No dedicated sections/departments		
CY	Participation in Social Insurance Council	No specific role in the implementation /management of programmes			
CZ	Institutional participation in Council of Economic and Social Agreement	No specific role in the implementation /management of programmes			
NL	Participation in bi and tripartite stable institutions	No role in implementation/m anagement of UB programmes since 2000 (when social partners were put aside for misconduct in the disability benefit system)			
PL	Participation in tripartite institutions	N/A			

	SI	Institutional participation in Economic and Social Council	No specific role in the implementation /management of programmes			
	SK	Institutional participation in supervisory board of National Social Insurance Agency	No specific role in the implementation of UB programmes Only advisory functions in case government proposes changes to SA legislation	None	Through supervisory board, social partners can play advisory role. No tasks regarding the UB management are provided for	social partners are not allowed to interfere with organisation and functioning of Social Insurance Agency
	ES	Institutionalised participation in General Council of National Employment System	No role			
No institutional involvement	NO	High, not formalised, involvement	Effective role limited to negotiation for temporary lay-offs at company level			
	IE	No formal involvement				
	MT	No formal involvement				
	UK	No formal involvement	No role			

Source: EIRO national reports for this study

From the point of view of the formal structure of social partners' involvement/participation (see Table 8, first column), it must first be pointed out that, with few exceptions (Ireland, Malta, Norway, UK), in nearly all countries the social partners are institutionally involved in the political apparatus or bureaucratic machinery which supervises or is functionally linked to the administration of the system. This stable institutional involvement is more extensive than the – already very wide – one that appears to characterise the policy-making phase. At the implementation/management stage, in fact, participation in the more operative bodies administering the social security systems, which were not necessarily relevant in its revision and readjustment, may become important.

However, as anticipated, this widespread institutional involvement does not prevent over half of cases being characterised by a low if not absent social partner role for the social partners in the translation of principles and general rules into practice, including some of those in which their social partner influence was recorded as high and steady in the policy-making phase (as in France, Germany and Luxembourg).

This comes as no surprise, if one considers that the actual provision of UB (and particularly UI) is strictly regulated by law and in the majority of cases administered by dedicated sections of the social insurance administration. In this perspective, there may be a very limited role or no role at all for the social partners in the implementation and management of programmes. More opportunities may ultimately emerge in the monitoring phase.

Taking this into account, but also trying to go beyond simple registration of the distinction of competences, four main cases of social partners involvement in the implementation and management of programmes can be distinguished according to the kind and intensity of the role played:

- social partners (at least one of them) do play a strong role in administering UB;
- social partners maintain a fairly important role, not strictly restricted though to the process of UB provision;
- social partners occasionally play a significant, although limited, role in the management of programmes; social partners' role is basically weak or inexistent.

Social partners play a strong role in administering UB - typical of the countries in which the UI model follows the Ghent System (Sweden, Denmark, Finland and Belgium) although with significant variations. Common to these cases is that the social partners (especially the trade unions) are directly involved in the administration of the UI funds that the labour organisations contributed to, in collaboration with and under the supervision of national boards with control functions. This entails organisational commitment and investment at various levels – including the development and training of dedicated staff – to be able to administer and monitor the correct functioning of UIB provision. In Sweden it led to the establishment of the Unemployment Insurance Union (SO), a service agency for the management and overall coordination of funds. Especially in Denmark, Finland and Belgium, this administrative function as regards UIB is complemented/reinforced by systematic social partners involvement in councils and committees dealing with wider UB programmes (Finland) and employment policies in general (Denmark, Belgium). They can thus have a role in setting general rules on UB systems and giving advice on the functioning of labour market interventions.

Where social partners **maintain a fairly important role** – social partner although not restricted to the process of UB provision, this characterises the social partners' involvement in the implementation and management phases in countries as France, Austria, Germany, Estonia, Latvia, Lithuania; and, to a lesser extent, Portugal, Bulgaria, Romania and Greece, and in Hungary (where the system has however been discontinued). In these countries, the social partners have no direct role in UB implementation and management. However, through active participation in bodies with supervisory and coordinating roles (Austria, Germany, Estonia, Latvia, Lithuania, Portugal, Bulgaria, Romania, Hungary) or negotiation rights (France), they may indirectly influence the implementation of the overall UB programmes and general employment policies. Examples can be active participation in setting general rules, appointing members to executive boards, making decisions on resource allocation, or approving budgets. For organisational commitment, this may provide an incentive for the establishment of sections of the social partner organisations dedicated to studying, monitoring and preparing proposals in the field of social and labour market policies (including UB).

Where the social **partners' role in the implementation and management of programmes may occasionally be significant, although limited** – is exemplified by countries such as Italy, Luxembourg and Norway. While the social partners are attributed very limited or no responsibility over the process of implementation in general, they may however exert a somewhat relevant influence in the management of special programmes, or in specific circumstances. In Italy, within specific UI schemes regarding collective lay-offs, by law the trade unions have to be consulted by employers, with possible consequences for the levels of benefits for the unemployed. In Luxembourg, the social partners are involved in the examination of temporary unemployment demands. Similarly, in Norway the social partners are actively involved in the negotiation of temporary lay-offs at company level. In other terms, these cases seem to indicate that the social partners may have a role, although circumscribed, in the UB management process as long as some scope for discretion is provided.

Finally, in around one third of countries – the Netherlands, Poland, Slovenia, Cyprus, the Czech Republic, Slovakia, Ireland, Malta, Spain, the UK – the social **partners' role seems to be substantially irrelevant** in the implementation and management of programmes, even in the limited senses specified above. The list includes not only countries in which the social partners do not enjoy any formal involvement in the policy-making phase, but also others that have appeared to be quite steadily involved in it.

The last observation reinforces what has already been observed, namely that as long as the actual provision of UB (and particularly UI) is strictly regulated by law and administered by dedicated sections of the social insurance administration, very little or no scope is left for the social partners to intervene.

This holds true, however, for involvement in the management phase of the process. As we have seen, the social partners are extensively involved here as long as their systematic intervention is in-built in the UB provision (first group of countries), or, in a very limited way, their discretionary intervention is permitted by existing rules.

However, if we consider involvement in the implementation phase, further observations can be developed. It has been previously pointed out that in quite a number of cases (see the second group of countries listed above, but also the first) the social partners may indirectly influence the implementation of UB programmes and, more generally, employment policies through their active participation in bodies with supervisory and coordinating functions established at national and/or local employment agencies. In a strict sense, this goes beyond the functioning of UI systems and even UB regimes. It opens up, however, far-reaching perspectives for the outcomes and potentials of social partners involvement.

Participation in committees and bodies whose competencies are broadly defined and not restricted to specific tasks and programmes may, in fact, under favourable conditions, enhance the possibilities for social partners to take the initiative and voluntarily play an active role seeking to facilitate the implementation of UB policies (as in Latvia as regards UA) or elaborate innovative proposals. In Germany, for instance, as part of the tripartite bodies at the federal and local employment agencies, the social partners have put forward suggestions for active labour market instruments and procedures, including a scheme promoting further vocational training for low-skilled and older workers who are still employed, and a comprehensive draft of processing measures to be realised by the local employment agencies, by adjusting all existing measures better to the individual needs of the recipients, with the intention of accelerating the reintegration of unemployed persons into working life (DE1008059Q).

More generally, such participation may favour a coordination among different labour market policies and programmes, seeking to overcome inefficiencies linked to their segmentation and enhance employability, as mentioned in a number of cases, including, among others, Denmark, Belgium, Finland, France, Austria, Bulgaria, Estonia, Germany, Hungary, Latvia, Portugal, Romania.

In conclusion, the limits to social partners' involvement in the implementation and administration of UB programmes may turn into wider opportunities to contribute more to the innovation and recalibration of labour market and social policies.

Monitoring phase

Finally, the social partners may be involved in the activities through which the process of UB provision is monitored and assessed. Table 9 outlines some relevant information.

Table 9: Social partners' involvement in monitoring UB regimes in the EU Member States and Norway

	social partner role in evaluating UB performance	Evaluation of social partner role
AT	The supervisory committee, that has to be installed by the national tripartite board of PES, monitors whether PES tasks are properly fulfilled	Social partners' role within UB system is not formally subject to evaluation and monitoring. However, the six-year appointed members within the board of PES may be removed, for serious reasons by the Social and Labour Minister
BE	The bipartite commission within PES checks if UB decisions have been accomplished correctly, and controls budget. Budget is yearly revised by auditing commission	Not specifically defined
BG	social partners ensure that rights of insured persons are properly dealt with, alerting authorities if needed - regularly assess functioning of existing UB programs and produce analyses, - identify problems and measures and initiatives to improve scope, adequacy, funding of system	All aspects of social partners activity are evaluated - procedures, achievement of objectives, results - by: leaders of their organisations, represented members, other partners in social dialogue
CY	No role	Not applicable
CZ	No systematic process of monitoring. Occasional intervention to draw attention against misuse	Not applicable
DK	- UIFs are monitored by Supervisory Council on UB of Directorate of Labour (in which social partners are represented) - Indirect monitoring role by social partners within tri- and multipartite bodies related to employment policies (and activation measures) at national, regional, local level - monitoring role by TU within UIFs	A governmental commission, including scholars and without representation from social partners, recently assessed UB performance, delivering recommendations which were subsequently implemented in the last UB reforms
EE	- Supervisory body of UIF checks correct use of funds and proper resource allocation to UA and other financial support to unemployed, - issues regular reports, approves budget - can indirectly influence proposals to Government (as to levels of premiums)	Not specifically defined It is implicit in the tripartite setting that different parties in the process monitor each other
FI	Implicit assessment of labour market measures within tripartite round-table on productivity	Implicit assessment within tripartite round-table on productivity
FR	Regional commissions and a tripartite monitoring committee assess whether the negotiated conventions are correctly implemented. according to 33 analytical indicators The committee is expected to meet twice a year and write a report (social partners however complain of inadequacy of system)	Not specifically defined (social partners evaluation is implicit in the tripartite nature of committee)
DE	Members of Board of governors - have right to receive official auditing and other reports on BA business, and to request information from regional and local employment agencies,	Not explicitly assessed

	- approve strategy of BA research institute - approve appointment of the head of auditing division	
EL	No involvement	No involvement
HU	Within Labour Market Foundation, social partners involved in approving the yearly UB budget (without distinctions between UI and UA) Possibilities to intervene with advice in legislative process	Not specifically defined Implicit in the tripartite setting
IE	Not applicable	Not applicable
IT	Within steering committee of National Social Security Institute, social partners involved in approving the yearly UB budget (without distinctions between UI and UA)	Not specifically defined
LV	No official monitoring and evaluation of UB system. However, public institutions providing UI and UA present twice a year reports on their activity that are discussed with social partners within consultants council: this allows to come to agreed proposals on how to improve system - employers' organisations focus mainly on policy planning and use of EU SF - TUs on functioning of UI benefit (seen as employees' rights)	social partners role is not monitored/evaluated
LT	No special monitoring/evaluation structures: within national commissions and local tripartite committees at labour exchanges, indirect monitoring on UI performance and discussion on any related aspects can be initiated	social partners role is not monitored/evaluated
LU	National supervisory committee (Conjuncture Committee) in its monthly meetings assesses labour market and employment policy performance	social partners role is not monitored/evaluated
MT	Social partners are not involved. TUs concerned with fighting unemployment benefit fraud.	Not applicable
NL	No explicit role by social partners in monitoring UB programmes. However, social partners used to participate in tripartite consultative Council for Work and Income, to discuss and give advice on labour market developments (discontinued in 2012)	Not applicable
NO	Social partners are not involved in monitoring system. They would notify the authorities in case the system does not appear to function properly	Not applicable
PL	Social partners are part of tripartite consultative and advisory National, Regional and Local Employment Councils, involved in monitoring on a regular basis performance and expenditure of Labour Fund.	social partners role is not monitored/evaluated
PT	Social partners are represented in audit board and advisory councils of PES. Both procedures and results are evaluated, through external and internal processes and recommendations produced	social partners role is not monitored/evaluated

RO	Indirect role through participation in tripartite bodies managing and supervising employment policies	Not applicable
SK	Within Supervisory Board of Social Insurance Agency social partners participate in the approval of the Annual Report	Performances of members of Supervisory Board of Social Insurance Agency can be monitored and assessed by the Parliament, which is also entitled to recall them
SI	Through participation in the Council of Employment Service social partners supervise UB functioning Moreover, some of them (Chamber of commerce) may perform their own evaluation Informal recommendations informally provided	Not applicable
ES	Through participation in the consultative and advisory General Council of National Employment System, issuing non-binding recommendations.	social partners role is not monitored/evaluated
SE	Trade union social partners are very active in monitoring UIFs, in writing regularly reports and publications and intervening on newspapers, in public debates, social medias and blogs on UB system more in general. Very relevant role in influencing public opinion and members' views - social partners and Government systematically evaluate effects of UB system - Commissions (with participation of social partners, political parties, scholars) are appointed to evaluate UB performance before implementing changes.	UIFs are informed about procedures, rules and regulations by SO. The Unemployment Insurance Board supervises and monitors their functioning. If necessary, it can impose corrective action, and decide withdrawal of state subsidies. It can inform PES and Government of violations of binding rules.
UK	Not applicable	Not applicable

Source: EIRO national reports for this study

It must first be pointed out that not in all countries do the social partners appear to be involved in some process of monitoring and evaluation of labour market measures. They are not involved in Ireland, Malta, Norway, the UK – in countries in which the institutional framework for labour market intervention policies does not provide for the formalised inclusion of the social partners in decision-making or implementation processes. At the same time the social partners are not, or only very weakly, involved in Cyprus, the Czech Republic and Greece – in countries where formally they are involved in the decision-making process.

However, this does not necessarily prevent the social partners from playing a role if necessary. In Norway, for instance, the social partners maintain that they would notify the authorities if the system did not appear to be functioning according to current regulations or if their members experienced problems. In the Czech Republic, where the social partners are only weakly involved in discussions over legislative proposals, but not in the implementation and monitoring processes, they sometimes intervene to draw attention to misuse and weaknesses. Similarly, in Malta the social partners at times made pre-budget proposals to control unemployment benefit fraud, and government responded by upgrading its control systems to minimise undeclared work (Eurofound, 2012b). In other terms, in these cases the social partners are not involved in the monitoring process from within the system, but do have a voice from without.

Considering now the countries in which the social partners are involved in the monitoring process at least to some extent, in around half (Belgium, Bulgaria, Denmark, Estonia, France, Italy, Hungary, Latvia, Lithuania, Slovakia, Sweden) this involvement appears to be more or less explicitly targeted at UI and/or UA provision. In the others it is more about the performance of

labour market and employment policies in general (Austria, Finland, Germany, Luxembourg, Netherlands, Poland, Portugal, Romania, Spain).

Focusing on those countries where social partners are involved in the monitoring process, at least to some extent, more or less explicitly targeted at UI and/or UA provision:

- In Denmark and Sweden, social partners' monitoring and evaluation roles are primarily directed towards the correct functioning of UIFs. In Denmark this takes mainly place through assessment activities by the Supervisory Council for UB of the Directorate of Labour (in which the social partners are represented) and also through the continuous supervision exercised by the trade unions themselves. Moreover, in Denmark the social partners are indirectly involved in monitoring employment policies in general through their participation in the various multipartite bodies supervising employment and activation policies at national, regional and local levels.
- In Sweden trade unions are particularly involved not only in the systematic supervision of funds – directly and through the activities of the Unemployment Insurance Union (SO) – but also in writing reports, and collecting and publishing data that are used in newspaper articles, in debates, social media, blogs and the like. More generally, the social partners and the government do systematically evaluate the effects of UB system within multilateral commissions – in which also scholars are involved – that are appointed to evaluate the performance of measures before designing and implementing changes.
- In Belgium, France, Estonia and Bulgaria, the social partners appear to be steadily involved in supervising the proper performance of the UB system. In Belgium, the bipartite commission for employment services checks compliance with regulations and controls the budget. In France, a national tripartite monitoring committee and commissions at regional level assess whether the negotiated conventions are implemented correctly, with reference to a list of analytical indicators. In Estonia, the supervisory body of the Unemployment Insurance Fund controls the appropriate use of funds and monitors the allocation of resources to UA benefits and other financial support to the unemployed, approving the budget and issuing regular reports. In Bulgaria, the social partners monitor the accurate delivery of services to insured persons, producing analyses and accounts.
- In the remaining countries, including Italy, Slovakia, Latvia, Lithuania, and Hungary, where consolidated participation has been recently discontinued, the social partners' involvement in monitoring the UB system through their participation in supervisory or consultative bodies is less systematic and mainly directed to approving the budget or discussing reports delivered by institutions providing UI and UA. However, this may still open up opportunities to make proposals about how to improve the system (as in Latvia). We shall return to this later in this study.

Turning now to the countries in which the social partners involvement in the monitoring process is targeted at the labour market and employment policy performance in general, rather than specifically at the UB process, a distinction can be drawn between those in which such involvement appears to be well structured within formalised procedures (Austria, Germany, Luxembourg, Poland, Portugal), and those in which it is more informal, as in Finland and Romania, and in the Netherlands – although here it was discontinued in 2012.

- In Germany, for instance, the social partners as members of the Board of Governors of the federal employment services (BA) have the right to receive official auditing and other reports on BA business prepared by audit agencies and to request information from regional and local employment agencies. They are required to approve the planning and strategy of the BA institute for research and the appointment of the head of the auditing division. They are primarily involved in overall supervision through the control and use of information. In Portugal, where the social partners participate in the audit board and the advisory councils of

the employment services agencies, they are involved in regular monitoring processes through which both procedures and results of employment policies are evaluated and recommendations produced. Similarly involved in processes of regular and continuous assessment of labour market and employment policy performance, through participation in supervisory committees, are the social partners in Luxembourg and Poland.

- In Finland, the social partners' involvement in the monitoring process, which takes place within a tripartite round-table on productivity, apparently is more informally structured. In the Netherlands, the social partners that were not assigned a formal role in the evaluation of UB programmes had the opportunity to discuss and give advice on labour market developments through their participation in the tripartite consultative Council for Work and Income. However, in July 2012 this council ceased activities.

It is now worth focusing on the topic from the other perspective, and considering whether the social partners' role within the UB system is itself subject to evaluation and monitoring.

Evidently this does not apply where the institutional framework for labour market intervention policies does not provide for the formal inclusion of the social partners in the decision-making (or the implementation) process (as in Ireland, Malta, Norway, the UK). Neither should it apply to those in which this type of direct involvement is negligible. In reality, however, in nearly all other cases, explicit provision for the assessment of the role performed by the social partners apparently has not been established either.

The clearest exception seems to be the Swedish, although it may also apply to Denmark. The institutional framework in Sweden provides for continuous supervision of social partner activity in the UB system by the Unemployment Insurance Board. Sanction mechanisms are also granted, and the Board can impose corrective actions and withdraw state subsidies; where legally binding rules have been violated, it can inform higher authorities and the government. However, this is actually about the functioning of the UIFs and the trade unions' role in their administration. Since the social partners (and especially the trade unions) are directly involved in the management of the UIFs, close monitoring of their role is substantially the same as close monitoring of the functioning of the system. Notable in the case of Denmark is the occasional use by the government of an independent evaluation process through the appointment of a governmental commission – including scholars and experts, but not representatives of the social partners – to evaluate UB performance. Its conclusions have been influential in shaping subsequent reforms of the system.

All in all, these are cases in which formal assessment of the social partners' role is a consequence of their direct involvement and responsibility in the UB provision process. Where this is not the case (or is less so), the social partners' role within the UB system does not seem to be subject to explicit procedures of monitoring and evaluation.

It may, all the same, be kept under control and assessed in other ways: informally from within or exceptionally from without the system. It has been pointed out, for instance, that in the tripartite nature of the bodies through which the social partners are involved in the UB process, different parties will in fact monitor each other; or that an implicit assessment of the social partners' role takes place when performance of labour market measures are assessed. It has also been argued that all aspects of the social partners' activity are under continuous observation by the leaders of the different organisations and the stakeholders or, equally, that the social partners' representatives may in serious circumstances be removed from office by government or parliament.

Underlying all these remarks is the idea that, beyond exceptional interventions from outside, the most effective sanction is a deterioration of reputation, and that this threat may inspire some measure of compliance and self-control.

Returning to the main argument, and in conclusion, the scope and relevance of the social partners' involvement in the monitoring and assessment of the UB provision process appear somewhat limited, although with notable variations, primarily depending on the structural characteristics of the ways in which UIB is delivered and the institutional framework in which the UB provision process is embedded. Such scope and relevance tend therefore to be higher, the more the social partners are made directly responsible for benefit provision, and lower, the less are they systematically included in the decision-making and/or implementation processes.

However, limited participation in the monitoring process can also offer the social partners opportunities to enlarge the scope of their initiative. From this perspective, while in some systems social partners' involvement in the monitoring process is simply to be seen as a complement to institutional activities, in others – including Sweden, Bulgaria, Latvia, Slovenia – it apparently becomes an opportunity to make suggestions, give advice and elaborate proposals.

In Sweden, for instance, while supervising and evaluating UIF functioning and performance, the unions, and the social partners in general, will compile data from various sources that can be used to develop and update their representative strategies and intervene in the public debate on the welfare system. In Bulgaria, the social partners play an important, and sometimes crucial, role for the adoption of balanced decisions in the field of social security through their supervision and analysis of the UI system's functioning, drafting of recommendations to government, and elaboration of amendments to proposals of reform social partner. In Latvia, social partners' participation in the NVA Consultants council allows them not only to evaluate the efficiency and effects of the programmes but also to agree proposals on how to improve unemployment prevention and support. Similar remarks could be added about experiences in Slovenia, Estonia, Lithuania, Hungary (although limited to the past).

At least in cases like these, the social partners' involvement in the monitoring process can thus contribute to the decision-making process in the fields of social security and employment policies in general, while at the same time reinforcing their own influence.

Conclusions: Effects and outcomes

The previous chapters explored and analytically discussed the different functions performed by the representatives of both social partners in the functioning of the UB systems in the EU Member States and Norway.

It is now time to turn in a more general way to the initial question about the overall role ultimately played by the social partner organisations during the financial and economic crisis, through their involvement in the functioning of UB regimes.

On the basis of social partners' and governments' opinions about the perceived consequences and implications of this involvement, the actual influence exerted by the social partners through their participation in the system will be now considered, and insights on future prospects suggested.

Outcomes of social partners involvement

Assessment of the influence exerted by the social partners through their involvement in UB systems is largely dependent on both institutional settings and contingent circumstances. The institutional framework regards the role and functions institutionally assigned the social partners – and culturally accepted – in the different regimes, as illustrated in the previous sections. Contingent circumstances regard the seriousness of the crisis and the ways in which the relevant actors – primarily governments – intended to intervene to face current and future perceived threats. Circumstances may also include attempts by political actors to modify aspects of the consolidated institutional framework, even independently from the crisis.

Having this in mind, many differences have to be pointed out.

Focusing first on the European countries in which models of strong social partner involvement have been part of a consolidated tradition, several cases can be identified in which the social partners appear to have substantially maintained their beneficial and positive role in helping a smooth functioning of the system.

In **Austria** – where the crisis did not hit as seriously as elsewhere – the systematic involvement of the social partners in the unemployment benefit regime is said to be undisputed. Although their positions differ on substantial issues – the employers’ side being in favour of stricter controls on the unemployed according to ‘workfare’ principles, and the unions demanding increases in amount and duration of benefits – their strong involvement both in the federal governing board of UB with decision-making competences and in the labour market policy-making process guarantees a reconciliation and coordination of interests between state, employers and workers. Thus, the small amendments and major innovations to the system that took place in the considered period were – by and large – supported by all three parties. Their opinions have been and are regularly taken into consideration, thus contributing to social peace.

Similar remarks could be extended to the case of **Luxembourg**.

Also in **France**, the social partners’ involvement in unemployment benefit policy has a long and accepted tradition that apparently has not been called into question in recent years – not even when in 2008 the statute of the bi-partite body in charge of unemployment management was reformed to create the Employment Pole (Pole Emploi). Furthermore, this is a case notable for the strong role played by the state. However, the social partners, particularly the unions, claim responsibility for recent measures to readjust rules on eligibility to face crisis.

In **Finland** social partners continued to be actively involved in proposals and preparations concerning unemployment insurance and benefit and employment policies generally. This concerned the structural reforms of 2005, reorganising public labour force services to reduce long-term unemployment by increasing the amount of individually-oriented active measures and improving the traditional labour force guidance provided by employment offices. There is, in fact, broad consensus between the social partners and the government that since job distribution across occupations and industries is continuously changing, different types of measures are needed to help workers to adapt to change and increase their occupational and geographical mobility. Lately, during the ongoing economic crisis, the social partners’ involvement was at least twofold: in the context of the round table on productivity, the social partners participated in the analysis of economic performance; they also suggested the extensive use of temporary lay-offs, which has proved to be more favourable for both employers and employees than mass redundancies.

In **Germany**, the tripartite set-up of the Board of Governors of the Federal Employment Agency and of the administrative committees of the local employment agencies appears to be deeply rooted in the German social security system and its organs. Although the major labour market reforms of early 2000s reduced the autonomy of these agencies, the overall capacity of the social partners to serve, through their involvement in the UB system, the interests of the contributors to the statutory unemployment insurance has remained substantially unaltered. However, this does not prevent the social partners from maintaining different positions on the effectiveness of the new UB regime, especially under current economic distress.

Within the same group of countries traditionally endowed with strong social partner involvement in UB regimes, cases can however be identified in which government-initiated reforms have questioned or undermined the previously undisputed strong position of the social partners in the system, with variable consequences on the social partners’ capacity to actually intervene in a period of crisis.

In **Sweden**, the UI system was reformed in 2007 before the crisis, apparently with insufficient involvement of the social partners. Under the new system, different sectors are covered by different UIs with differentiated fees. The changes increased the UI membership fees and

gradually lowered the replacement rate. The immediate effect was 300,000 members leaving the UIFs in 2007, with negative repercussions on union membership, and ultimately union strength. Today, within a changed context of increased unemployment, the new arrangement seems to give rise to a problem of adverse selection, with groups with lower unemployment-risk being more likely to stay outside the protection of the system, and people with higher unemployment risk staying in it. Meanwhile, the projected obligatory state-administered UI, to make the UI system more stable and to give more people cover, did not take off. Lately, the issue of the obligatory UI has been an object of much debate. Not only the social partners, however, but also the government appears to be hesitant on whether or not an obligatory UI should be the appropriate solution, even though this was their original position. As a result, while the trade unions seem to substantially maintain their important role in delivering UI benefits, the overall coverage of UB is at risk of shrinking.

In **Denmark**, the social partners (especially the trade unions) continued to be involved in administration of the UI system during the 2000s, but – before the crisis – became less involved in the design and development of new initiatives in the area. Even so, the trade unions and the left-wing opposition prevented nearly all attempts to change the levels, maximum benefit periods and other core features of the UI. Reductions were instead focused on the SA system. Apparently these were met with just mild criticism from the trade unions and the left since the changes did not have an impact on their core members and core voters. In 2010, however, using proposals from Labour market wage developments 2009 (European Commission, 2010b), the comparatively long maximum benefit period was halved to two years. Together with the gradual and much less debated reduction in the replacement rate of the UI, this represents a weakening of one of the three ‘legs’ of the Danish flexicurity model that has been further challenged by the economic crisis, as emphasised in the national report by Mailand and Jørgensen (Eurofound, 2012f).

In **the Netherlands**, since 2002 – again, before the crisis – the role of social partners in the Dutch unemployment benefit system was reduced by government to an advisory one in the development phase of UB programmes, after serious criticism of their inefficient management of disability benefit system. Thus the social partners were no longer involved in the implementation, management and monitoring of UB programmes. Lately, in a context in which, due to political and budgetary pressures, government unemployment policy is inclined to more explicitly subordinate income protection to activation goals, unions are arguing in favour of a restoration of the social partners’ role in the implementation and management of the UB schemes. In support of this change, they point to their activating potential in the early stage of unemployment. It seems, however, there is little chance of change. Rather, according to the national report (Eurofound, 2012e), it is now to be feared that even the social partners’ influence in the development phase, which used to be a stronghold of the Dutch consultation model, will be eroding under the influence of close affinity between current government policies and employers’ organisations. Despite the radical reduction of their formal involvement in the UB system, the social partners, and particularly the unions, were nonetheless able to use their mobilisation capacity (as, for example, in the mass demonstration of October 2004) and their involvement in the bi- and tri-partite advisory bodies on social legislation to influence government decisions on measures to prevent mass redundancies.

A particular case is that of **Belgium**. In this case, the involvement and influence of social partners at every level of the unemployment benefit regime is undeniable, although it has been observed that such participation may result in contradictory effects for participants. On the one hand they are informed, can express their voice and negotiate, but they are involved in decisions which can clash with their ideological positions. However, the expected implementation of a governmental agreement of December 2011, as a result of which the system should be significantly reviewed, may give rise to a period of conflict and unrest.

Similarly, in **Italy**, the widespread, although uneven, involvement of the social partners in the UB system appears not to have been significantly altered by the economic crisis. On the contrary, their influence has even increased where specific schemes are concerned (as in the case of workers under non-standard contracts). The recent labour market reform enacted by the technocratic Monti government, to which the social partners partly contributed with joint and individual amendments, may however entail a reduction of their involvement. It may possibly influence the extent to which a more universal UIB system is provided, reducing the scope for special programmes which used to leave more room for negotiation and intervention by the representative organisations.

To these the case of **Portugal** can be added, where the social partners have been extensively involved in the decision-making process on labour market reforms in general and UB in particular, and have also played an important role in the public institute which has the competence of managing public employment services, job centres and vocational training centres. Yet because of the severe economic emergency, their influence capacity decreased dramatically.

Focusing now on the countries in which social partners' involvement in the UB system – at least in its current form – has a shorter tradition, cases can be identified in which recent interventions by governments, under constraints by the crisis, were directed at reducing the social partners' influence.

The clearest case is that of **Hungary**, where the previously well-established social partner involvement in the shaping of UB regimes actually ended in 2011, when the national tripartite bodies in the field were discontinued. Thus the social partners could not resist implementation of measures reducing UI protection.

In **Estonia**, where the social partners' involvement in the UB system is very clearly institutionalised within the tripartite supervisory body of the Estonian Unemployment Insurance Fund, in 2011 the government made two major decisions about how the system should be funded, without the prior agreement or in spite of the opposition of the social partners representatives on the board. As a result, both social partners recalled their representatives in protest, while the parliament discussed how to change legislation so that the government could make more autonomous decisions on budget-related issues. The incident led to discussions about the balance of power between the tripartite body and the government in the UB system. It does not seem to have significantly affected the social partners' control and influence on the UB delivering process (Eurofound 2012g).

In other cases (**Slovenia**, the **Czech Republic**, **Romania**, **Slovakia**, **Bulgaria**), the social partners' position in the system appears to be less explicitly challenged. In fact, because of the crisis they sometimes appear to be able to find new occasions to intervene and make their voice heard.

An example is provided by the case of **Slovenia**. If in the past the social partners – both the employers' organisations and the trade unions – used to be scarcely active in the UB system, as a result of the economic crisis and relatively unpopular measures proposed by the previous and current governments, they have become more proactive. The most significant instance is the Labour Market Regulation Act of January 2011, intended to improving the status and conditions of the unemployed, one of the relatively rare positive examples – detailed in the national report (Eurofound 2012c) – of successful cooperation between the social partners.

Another case is that of **Romania** where, since 2009, the unions started, on their own and in partnership with the employers and other institutions, a fund-raising strategy to finance projects for vocational training, counselling, and professional readjustment of the unemployed. Or that of the **Czech Republic**, where the trade unions have been active in criticising some of the legislative changes in unemployment benefit, receiving wide support, and in fighting abuses in the recourse to UIB.

In yet other countries (as in **Lithuania, Latvia, Poland, Cyprus**), the social partners' role in the UB system continues to be scarcely relevant, sometimes because of the low unemployment level and the limited interests of the social partners in the field, despite a long-standing tradition of tripartite concertation as in **Cyprus** – or because of the more prominent role played by the state (as in **Lithuania**).

Finally, in the countries in which the institutional framework does not provide for a formalised involvement of the social partners in the UB provision process, the role played by the social partners in supporting workers losing jobs in times of crisis is highly dependent on the orientation and will of the parties to take the initiative and put pressure on government. In Norway, for instance, the social partners' involvement in the UB-regime was particularly visible in 2009, when demands from the grassroots of the two confederations contributed to more flexible regulations on the right to unemployment benefits during temporary layoffs.

In general, the role ultimately played by the social partner organisations in the face of crisis in consequence of their participation in the UB system varies considerably according to the institutional limits qualifying their involvement and their ability in seeking for and seizing new opportunities and spaces for action.

In a period in which traditional models for providing a 'replacement income' to workers losing/not having a job may not be wholly in tune with both budgetary pressures and new demands from employers and employees, it is the most consolidated UB systems that are more likely to be put under severe stress, unless they are able to readapt quite easily to circumstances. This seems to hold especially true for those systems in which the social partner's involvement in the development and daily management of UB provision is stronger.

These remarks can help explain the different stories and variations in the overall role played by the social partner organisations in the countries of the 'old Europe' over the last years.

On the other hand, the same situation of harsh budgetary pressures and new demands for intervention rising from both employers and employees in the changed economic context can open new spaces for action, or encourage the use of traditional schemes in new ways. Possibilities like these are more likely to be seized by interested actors in the less consolidated or less strongly structured UB systems.

On the basis of the recorded opinions and accounts, examples of new interventions on the initiative of the social partners are different and various. They range from the innovative use of temporary lay-offs (**Finland**), to the promotion of additional voluntary insurance schemes for the unemployed and/or professional groups (**Bulgaria**); from the trade union-initiated fund-raising activity to cover active labour market policies (**Romania**), to the control activity to prevent misuse of unemployment benefits and implement measures to sanction illegal work (the **Czech Republic**).

In conclusion, despite the somewhat limited space for their intervention within most UB regimes and the restrictions and budgetary pressures imposed by the financial crisis, in many cases the social partners seem to recognise and appreciate the possibility of influencing the smooth and appropriate functioning of the UB provision processes and employment services generally.

This influence can be exerted from within the system, substantially through participation in the formalised spaces provided by the systems, as is illustrated most clearly by **Austria**, or implicit in the recognition that the 'role of social partners is important and sometimes crucial for the adoption of balanced decisions in the field of social security', as observed in the national report for **Bulgaria** (Eurofound 2012a). Such influence can also be the outcome of actions undertaken from outside – or at the borders – of the system, as in the cases of the interventions and programmes initiated by the social partners themselves.

Issues and trends

In the current situation of crisis and change, one may conclude that the social partners' influence is the more beneficial – and, in the end, wider – the more it is effective in favouring transformation and change, rather than simply the correct functioning, of the UB systems.

In general, the debate on what the future holds for UB systems does not seem to be widely developed in most countries.

However, it is possible to say that one group of Issues broadly address the general logic of the UB system in the context of labour market policies in general.

In **Sweden**, a recent debate has focused on whether to make the UI system obligatory instead of keeping it voluntary as it is currently. In **Finland**, one of the themes which may be discussed soon is the introduction of universal unemployment insurance for all. In **Denmark**, under debate are the number of employed who are eligible for neither UI nor SA, which calls into question the overall design of the UB system. Common in all cases is the concern for reducing long-term unemployment by increasing individually-oriented activation measures and improving the traditional labour force guidance provided by employment offices.

Another group of issues addresses specific measures to be changed or introduced to develop the effectiveness of programmes and/or their sustainability.

An important topic here concerns the coverage of specific working positions and employment contracts that previously were not, or not sufficiently, considered. Targeted, for instance, are the self-employed and other entrepreneurs; people in creative industries; temporary and flexible contracts; the young and long-term unemployed.

Here, the discussion deals with alternative options regarding the generosity of protection and the ways these programmes should be financed.

Another topic concerns reform of the administration of the employment services, to improve efficiency and coordination of programmes while allowing unemployed individuals to find jobs more quickly. Another is the funding of the system to balance increased expenses due to increased unemployment.

While one set of issues is consistent with perspectives of radical reform and transformation of UB regimes, the other implies projects of development and improvement of existing systems. It is not by chance that the first set is most discussed in countries characterised by a long history of strong social partners involvement in UB regimes, while development and reform concerns the countries in which systems are less developed and the protection provided is lower.

Commentary

This comparative study shows that during the first decade of the new century, unemployment benefit (UB) regimes in Europe intended to provide a replacement income to unemployed workers have undergone diffused re-adaptation, and sometimes radical transformation.

In a first phase, prior to the 2008 financial and economic crisis, change was primarily intended to rationalise/reduce the generosity of the programmes (in the countries enjoying a better consolidated welfare system), or to improve their quality (in countries with a less developed tradition). Subsequently, in a context of rising unemployment, change was mostly directed at extending the coverage of UB protection, while somehow reducing its generosity; attempts were made to extend less protection to a greater number of categories of workers, in an effort to find a sustainable equilibrium between financial constraints and social pressures.

The structural configuration of UB regimes also changed somewhat, with a significant proportion of countries being currently characterised by the operation of two-pillar systems, where the insurance-based type of protection against involuntary unemployment (UI) is directly combined with a universal programme of social protection (SA). A decade earlier the three-pillar model

prevailed, including a general programme of protection against unemployment with reduced requirements (UA). The concentration on the two-pillar solution in the general design of UB regimes appears to correspond to a simplification and rationalisation of protection systems, and possibly a reduction of the overall welfare expenditure.

Beneath these very general trends, the current characteristics of UB systems continue to be highly differentiated across European countries, coverage, eligibility, duration, replacement rate and funding of programmes, notwithstanding the common pressure by increasing unemployment in a period of economic austerity. This persisting differentiation is not only a legacy of the welfare state histories in the countries concerned. It is not simply the outcome of path dependence, as emphasised by other studies (Ebbinghaus, 2010). It is also the outcome of the diversified initiatives and strategies in the economic and social fields pursued by each country's government in its more or less formalised interaction with the trade unions and employers' organisations, or social partners (social partners).

In Europe, indeed, forms of social partners involvement and participation in welfare and labour market policies, and particularly in the process of UB provision, have become a common and distinctive feature: once typical of the countries of the 'old Europe', with time they have come to concern most EU Member States, if only in relation to the requirements of the *acquis communautaire* and the implementation of the social dialogue institutions (Marginson and Sisson, 2004).

Within this structural and institutional context, this study covers the EU27 Member States and Norway and investigates and discusses the role played by the social partners in the functioning and performance of UB regimes, especially in a period of rising unemployment and economic crisis. On the one hand, it delineates quite a detailed picture of the characteristics of the social partners' involvement/participation in the system. On the other hand, it helps develop a wider understanding of the limits and potentials of these forms of interaction.

Focusing first on the general features of social partners' involvement in UB regimes, the main results of the investigation can be synthesised as follows.

- First, the pattern of the social partners' role and involvement differs even within each national system, depending on the phases in which the process of UB provision is articulated – namely, the phases of policy design and readjustment, of policy implementation and system administration, of process monitoring and assessment.
- Second, considering the phase of policy design and readjustment, five modalities of social partner involvement can be identified, according to the degree of institutionalisation of this involvement:
 - institutional involvement, or incorporation, in stable tripartite institutions connected to the policy-making process (which is by far the most widespread solution);
 - institutional involvement in stable bipartite bodies associated to the process;
 - involvement in ad hoc committees established by public authorities when needed;
 - no formalised involvement in information and consultation practices within the policy-making process;
 - participation without (at least explicit) involvement (in three cases only).

Analysis of distribution on the basis of this classification has shown that almost everywhere the social partners are to some extent involved by public authorities in the design or readjustment of UB regimes, this involvement being highly institutionalised in the great majority of cases. However, taking into consideration also real practices and perceived influence, a lot of differences actually emerge within and among the various formal models. This means that the form assumed by the social partners' involvement is not itself a good predictor of the relevance and effectiveness of their actual role in the decision-making

process. Further, a highly institutionalised involvement in the system does not guarantee the possibility of the social partners having a strong and effective role. Even in the cases in which such highly institutionalised involvement is strongly embedded in a long tradition of substantial cooperation (as exemplified by the cases of Denmark, the Netherlands, Sweden), it does not guarantee influence: on the contrary, it is precisely in these cases that the distance between formal involvement and actual influence may be wider.

- Third, this misalignment between form and practice is even wider when coming to the implementation/management stage. On the one hand, almost everywhere the social partners appear to be institutionally involved in the political apparatus or bureaucratic machinery functionally linked to the operation of the system; on the other hand, this vast institutional involvement does not prevent over half of cases being characterised by low if not absent social partner roles when it comes to performing administrative functions. This is also true of countries in which the social partners' influence had been recorded as high and steady in the policy-making phase (as in France, Germany and Luxembourg). In this case, four main forms of social partner involvement can be distinguished according to the kind and intensity of the role played:
 - social partners play a strong role in administering UB (as most clearly exemplified by the Nordic countries adopting the Ghent System);
 - social partners maintain a fairly important role, but not strictly limited to the process of UB provision;
 - social partners occasionally play a significant, although restricted, role in implementing some programmes;
 - social partners' role is basically weak or non-existent.
- Finally, the social partners' involvement appears much less widespread in process monitoring and assessment activities. When it does take place, it is often targeted at labour market and employment policy performance in general rather than specifically on the UB process. Moreover, looking at the topic from the other way round, in nearly all cases the social partners' role within the UB system does not seem to be subject to explicit procedures of monitoring and evaluation, the clearest exceptions being the Swedish and the Danish cases in which formal assessment of the social partners' role is a consequence of their direct involvement and responsibility in the UB provision process.

These remarks are largely in line with similar results discussed, although generally in less detail and with a selected number of cases, in the literature (Weishaupt, 2011; Lefresne, 2010; see also Mosley et al, 1998). But drawing from our comparative report, further observations can be added that help us go deeper in understanding the dynamics of the social partners' involvement in the various stages of the UB-delivery process.

A first point regards the issue of social partners' involvement in the policy-making process. As noted, revising and readjusting the design or specific programmes of UB regimes is politically the most crucial phase in the process of UB provision, the one in which general decisions affecting the beneficiaries of the policy are made with consequences for overall social expenditure – and indeed the performance of labour markets and the economy – and whose ultimate responsibility resides in governments and parliaments. From the point of view of the political actors, the main reasons for allowing social partners to participate actively – and not simply with consultative functions – in this policy-making process are the advantages to be had in consulting recipients – or their representatives – about policies from the outset, during the design or reform phase, so as to prevent objections and vetoes in the implementation phase. But this requires that a prior mediation and aggregation, or 'harmonisation' (Eurofound, 2012d), of interests may take place. Otherwise, if the social partners' capacity to anticipate and reduce (distributive) conflict falls

short of expectations, it is very likely that their involvement in the decision-making process will be discontinued, especially in periods of austerity and sustained change.

This circumstance may explain cases where governments have interrupted long traditions of social partner involvement. More generally, it calls attention to the fact that there are limits to the possibilities of cooperation, and that risks of deadlock (Mosley, Keller and Speckesser, 1998) are always likely.

On the other hand, it has also to be added that further possibilities for the social partners, together or separately, to influence the policy-making process may derive from lobbying, negotiations or industrial action, in other words, from forms of participation in policy-making without involvement.

A second observation concerns the social partners' involvement in the implementation/management phases. It is often stressed in the literature, and confirmed by our investigation, that widespread social partner institutional involvement of social partners in this stage of the UB provision process often corresponds in practice to a very limited, if not totally absent, role. As long, indeed, as the actual provision of UB (and particularly UI) is strictly regulated by law and administered by dedicated sections of the social insurance administration, little or no scope is left for the social partners to intervene – with the exceptions of the cases in which the systematic intervention of the social partners (especially the trade unions) is in-built in the process itself (as in the countries following the Ghent system).

This is fully true, however, for involvement in the management side of the process. If we focus instead on the implementation phase, the study has shown that in quite a number of cases the social partners do indirectly influence the implementation of UB programmes and – even more importantly – of employment policies in general, through their participation in bodies with supervisory and coordinating functions. Although this goes beyond the strict functioning of UI systems, it opens broader perspectives of outcomes and potentials for social partner involvement. Participation in committees and bodies whose competencies are broadly defined, and not restricted to specific tasks and programmes, may, under favourable conditions, enhance the possibilities for social partners to take the initiative and play an active role in the implementation of existing policies or experiment with innovative proposals.

A third point has to do with the social partners' role in the monitoring and evaluation processes of UB regimes. The comparative report has shown that the scope and relevance of formal involvement in these processes appears to be quite limited and often non-existent, although with variations and exceptions. However, it has also shown that even limited participation in the monitoring process may offer the social partners opportunities to give more substance to and enlarge the scope of their initiatives, furnishing occasions to make suggestions, give advice and elaborate proposals. It has also revealed that the social partners, even if not involved at all in monitoring and evaluation processes, may play an important role by notifying the authorities or the public of dysfunctions, abuses and fraud. In these cases, the social partners that are not involved within the system are able to make their voices heard from without.

Taking all this into consideration, what conclusions can be drawn about the overall role played by the social partner organisations in face of economic crisis, as a result of their participation in the UB system?

In the concluding paragraph, the report shows that such a role will vary considerably according to the institutional limits that qualify the social partners' involvement and the social partners' ability to seek new opportunities and spaces for action.

It is thus possible to distinguish between:

- cases characterised by a long tradition of consolidated involvement in the UB provision process, in which the social partners have substantially maintained their beneficial and positive role in helping a smooth functioning of the system;

- cases similarly characterised by a long tradition of consolidated involvement, but in which government-initiated reforms have been successful in questioning or undermining the previously undisputed role of the social partners in the system, with variable consequences on their capacity to be influential during the crisis;
- cases characterised by a shorter tradition of social partner involvement, in which recent interventions by governments under budgetary and crisis constraints have been directed at reducing the social partners' influence;
- cases in which the social partners' overall weakly consolidated position appears instead to be less explicitly challenged, and the social partners sometimes were able to find new opportunities for intervention;
- cases in which the social partners' overall weakly consolidated position continued to be scarcely relevant;
- cases in which the institutional framework does not provide for institutional forms of social partner involvement, and the role actually played by them is highly dependent on their interest/ability to take the initiative and make pressures.

There is, therefore, no single and common answer to the question of the overall role played by the social partners in the face of crisis through their involvement in the UB regimes. Particularly in the current circumstances, it is not even possible to predict the relevance and effectiveness of such a role on the basis of the form or the degree of consolidation of their involvement.

At the same time, as suggested by various examples, the same situation of harsh budgetary pressures and new demands for intervention emerging from both employers and employees in the changed economic scenario may indeed reveal new spaces for action and windows of opportunity, or encourage the use of traditional schemes in new ways. These new approaches are perhaps more likely to be seized by enterprising actors in less consolidated or less strongly structured UB systems.

More generally, in the current financial crisis, one might expect the social partners' initiatives to be more beneficial where they are more effective in favouring transformation and change – and not simply the correct functioning – of the UB systems, in the general context of employment and labour market policies. Widening the playing field should allow better coordination among different labour market policies and programmes and overcome inefficiencies linked to their segmentation.

Through the enlargement of perspectives and coordination of programmes, it might be possible to devise the appropriate approaches to overcome more systematically the limits of traditional forms of unemployment insurance in post-industrial labour markets (Clasen and Clegg, 2006) and meet the demands of those groups and categories of workers still at the margins of welfare systems.

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