Public and Social Law
Questionnaire 2011
Unemployment benefits

Introductory remarks:
Unemployment is commonly defined as a condition (being without work), a desire (for work), a need (income from work) and an activity (seeking work). Only if someone satisfies all of these criteria he is classified as unemployed in the sense of this questionnaire.

There are different means to improve the economic security of the unemployed like
- unemployment insurance benefits (where contributions are paid to earn entitlements to compensatory income),
- unemployment assistance (public welfare),
- labour market policy (state-provided combination of training or jobs coupled with income transfers; “public works”, in which the unemployed are obliged to take a training course or a job provided or subsidized by the state, in return for an income transfer),
- employment or wage transfers (a sum or money or tax credit paid either to the worker on being hired or to the firm hiring the unemployed) or
- citizenship income grants (unconditional basic income paid as a citizenship right to all, including the unemployed).

The purpose of this questionnaire is on the one hand to provide an overview on the scope of all means, which are used in the different countries, and on the other hand on the legal systems regarding unemployment insurance as a part of the social security system.

1. What means of improving the economic security of the unemployed are used in your country? Give an overview.

In Slovenia the status of unemployed is regulated by the Labour Market Regulation Act from the 28th of September 2010 (valid from 1st of January 2011). According to this act the aim is to increase the security of job-seekers, especially the security of the unemployed and employed of persons whose employment is at risk. The objective is to establish a system of lifelong career orientation and employment brokerage, which shall enable free choice of employment or vocation to comply with an individual’s competences and employment opportunities, and to achieve the highest employment rate possible. This shall also be ensured through active employment policy measures aimed at education and training to comply with labour market needs, promotion of employment and the creation of jobs. Any person shall have access to the required consultancy and support necessary to prevent and eliminate his/her unemployment, and the responsibility to contribute actively hereto. The aim of the mentioned Act is to assure the security of insured persons if unemployment occurs through no fault of their own or against their will by providing an unemployment cash benefit or compliance with the reciprocity and solidarity principles.

In Slovenia the means to improve the economic security of the unemployed are:
- labour market government measures: two labour market services (lifelong career orientation and employment brokerage), active employment policy, unemployment insurance and guaranteeing the rights arising from the compulsory and voluntary unemployment insurance;
- active employment policy includes training and education, replacement of a worker at a job position and job sharing, employment incentives, creation of new jobs and promotion of self-employment,
- public work - a special programme within the measure aimed at creating jobs, 
- with regard to seeking employment and participation in services, the allowance for activity and compensation for postal service costs and travel expenses for the total or partial reimbursement of incurred costs may be guaranteed, 
- rights that are derived from compulsory and voluntary unemployment insurance: the right to the unemployment cash benefit, the right to pay compulsory social insurance contributions and the right to pay pension and disability insurance contributions one year before meeting the minimum conditions for obtaining the right to an old-age pension according to the regulations governing pension and disability insurance.

2. Have You got a social security system regarding unemployment?

Yes.

3. Is this social security system mandatory?

The social security system regarding unemployment is mandatory for workers - persons who entered into an employment relationship in Slovenia. With the 1st of January 2011 a new Act regarding unemployment has broadened the compulsory insurance against unemployment. It also includes elected or nominated holders for public office, self employed, managers in a partnership, single-member private limited liability company and institutes, home care assistants, persons of professional performance of foster placement, beneficiaries of parental compensation and recipients of the unemployment cash benefit, etc. Some persons may also enter into compulsory insurance voluntarily (Slovenian citizens employed in foreign country, their spouses and unmarried partners and persons during employment contract suspension).

4. Who pays contributions to this social security system?

The insured persons as well as the employers pay contributions for unemployment insurance. In case, where the contributions are not sufficient to cover the obligations for the rights arising from unemployment insurance, the funds are provided from other budgetary sources.

5. How high are these contributions?

The contributions, paid by insured persons, are 0,14 % of gross wage or wage compensation, and the contributions, paid by employers, are 0,06 % of the gross wage or wage compensation.

6. What are the conditions for entitlement to unemployment benefits (time of paying contributions, availability work, leaving the last job only with good cause...)?

To the unemployment benefits is entitled an unemployed person, that is a job-seeker, capable of work, registered with the Employment Service who actively seeks employment and is prepared to accept any appropriate or suitable employment. The conditions are:
- that the unemployed did not become unemployed through his/her own fault or volition (the termination of the employment contract by written consensual agreement, by employer’s ordinary termination submitted to the worker on fault-based grounds or due to the employer’s ordinary termination as a result of the worker not accepting the employer’s proposal to conclude a new
employment contract for appropriate work and for an indefinite period),
- that the unemployed was insured for at least nine months in the last 24 months before the
unemployment occurred and that the contributions for this period are paid (the entire duration of
the employment relationship shall be included even if the employer failed to pay unemployment
insurance contributions).
- that the unemployed is available for work (the right to the unemployment cash benefit shall cease
if the unemployed refuses to enter an active employment policy programme, has been engaged in
occasional or regular illegal employment, refuses to accept appropriate or suitable employment, is
not an active job seeker, etc.
The entitlement to the employment cash benefit shall cease if the insured person concludes an
employment contract or starts work based on some other legal relationship or is entered in the
register as self-employed, obtains the status of a pensioner etc.

7. How high are unemployment benefits (percentage of last income)?

The unemployment cash benefit shall be paid in the amount of 80% of the last income for the first
three months, and in the amount of 60% for the following months. The lowest cash benefit amount
shall not be lower than 350 Euros and the highest cash benefit amount shall not exceed the lowest
amount more than threefold.

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