Unemployment Benefits:

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

Taiwan has an unemployment insurance program combined with the job training and other employment services. The Employment Insurance Act\(^1\) was promulgated by presidential decree on May 15, 2002, and was enforced on January 1, 2003. Under the Employment Insurance Act, the benefits include:

1. unemployment payments
2. vocational training living allowance (for the workers who encounter involuntary unemployment)
3. early reemployment allowances (incentive for job seeking)
4. parental leave allowances\(^2\)
5. allowances for universal health insurance premium (for the unemployed insured persons and dependants)

The Employment Insurance Act provides subsidies to strengthen job skills, enhance employment, secure basic life standards during unemployment. The Council of Labor Affairs (CLA) is the competent authority of this insurance, the Bureau of Labor Insurance is entrusted to handle employment insurance affairs, and the Labor Insurance Supervisory Commission takes charge of the supervision of employment insurance affairs and arbitration of disputes.

2. **Have you got a social security system regarding unemployment?**

Yes, the main security system regarding unemployment is the Employment Insurance Act. (see above)

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\(^1\) The title of the law and regulation in Taiwan often uses a positive name instead of a negative phrase. For instance, the “Fair Trade” Act represents the anti trust law, and the “Gender Equality” Act indicates part of our anti discrimination law. Therefore, “Employment Insurance” Act mostly deals with social security system regarding unemployment, with the hope of enhancing employment.

\(^2\) Parental leave (allowance) may not match the definition of unemployment in this questionnaire, but is regarded as an important benefit under the Employment Insurance Act in Taiwan.
Other measures tackling unemployment are short term policies and administrative plans. They include enhancing entrepreneurship and self-employed business, providing public sector jobs for priority groups such as the senior, the differently abled, and the original inhabitants, and connecting the youth or the inexperienced labor with new types of job allowing experiments, … etc.

3. **Is this social system mandatory?**

Yes, the Employment Insurance Act is mandatory.

4. **Who pays contributions to this social security system?**

Unemployment insurance benefits are financed, in the same way of the labor insurance system, by three parties—employer, employee (the insured), and the government.

Employers paid 70%, employees (the insured) paid 20%, and the rest 10% are paid by the central government solely, or equally shared by the central government (5%) and the direct municipality (5%).

5. **How high are these contributions?**

The CLA set employment insurance premium rates at one to two percent of the insured person’s current monthly insurance salary.

The employment insurance premium rates are to be recalculated at least once every three years by a review team of 9-15 actuaries and finance experts appointed by CLA.

6. **What are the conditions for entitlement to unemployment benefits?**

Application for the five benefits in accordance with the Employment Insurance Act is subject to the following conditions:

1. **Unemployment benefits:**
   - the insured person has accumulated at least one year of insurance enrollment within three years previous to his or her involuntary unemployment, and, with the ability and willingness to work, he or she has failed to find work or acquire job training exceeding 14 days after the job seeking registration.

2. **Early reemployment incentive:**

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3 For example, traffic control, tutorial plan, social care, and file management.
the insured person meets the criteria for unemployment benefits, finds work during the period of receiving unemployment benefits, and has been enrolled in the insurance program for at least three months.

3. Vocational training living allowance:
The insured person has involuntarily left work, registered for job placement, and accepted the arrangement of the full-time job training.

4. Parental leave allowance:
The insured person has accumulated at least one year of insurance enrollment, has children under three years of age, and is on parental leave without pay according to the Gender Equality in Employment Act.

5. Allowances for universal health insurance premium:
Those who have met the criteria of unemployment benefits and vocational training allowances are eligible for the allowance for universal health insurance premium.

6. **How high are unemployment benefits?**

Unemployment benefits are based on the 60% of an individual’s earnings over a recent six-month period. The benefits can be paid for up to a maximum of six months in general circumstances, for up to a maximum of nine months for people over 45 years of age or the disabled, and for up to a maximum of 12 months when massive unemployment happens due to recession or emergency. For every dependant of the insured, the benefits can add from 10% to 20% of the insured’s earnings over a recent six-month period.

Vocational training allowances are paid by the same standards of unemployment benefits, but the recipient at the same time can only receive either unemployment or vocational training.

Early reemployment allowances are paid for 50% of the rest of unemployment benefits.

Allowances for universal health insurance premium are paid to the insured and the dependants for the amount required by the Universal Health Insurance Act.

Websites:
- [http://www.moj.gov.tw/mp001.html](http://www.moj.gov.tw/mp001.html) (Ministry of Justice)

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