



# Labour market policy

## Qualitative report

**Spain 2001**.....



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## A - Introduction

## A - Introduction

The first publication of the **Qualitative Reports** of the **Labour Market Policy (LMP) database** is issued in 16 volumes, one for each country participating in the LMP data collection<sup>1</sup>. The reports present qualitative information extracted from the database to describe, in total, 550 labour market policy measures included in the Eurostat database for the year 2001. The reports constitute a fundamental component of the Eurostat Labour Market Policy (LMP) database allowing the user to understand what lies behind the figures on expenditure and participants collected in the database. The qualitative reports give a succinct description of each of the labour market policy measures and should be considered as complementary information to the publication *Labour Market Policy - Expenditure and Participants - Data 2001*<sup>2</sup>.

The reports all have the same structure: Part A presents the Introduction, Part B includes the Inventory of measures - i.e. the list of all measures grouped by category, and Part C presents the main details of each measure in three sections: Identification, Description, and Supplementary information. The *Description* contains seven sub-sections: Aim, Beneficiaries, Action/Instrument, Financing/Support, Eligibility, Legal basis, and Recent changes. The *Supplementary Information* contains nine sub-sections covering the target groups, the conditions for participation and other characteristics of the measure. Together, these items summarise the qualitative information collected through the LMP questionnaire<sup>3</sup>.

The measure descriptions in the LMP database are up-dated every year with the contribution of the LMP delegates in each country and should be published by Eurostat every 2 years. They are also available as a chapter of the Basic Information Reports (BIRs) produced by the European Employment Observatory<sup>4</sup>.

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<sup>1</sup> The reports are issued primarily in English but French and German versions are also available on request. Eurostat makes every effort to ensure that measure descriptions entered in one language are updated in the other two languages but the alignment of translations cannot be guaranteed. Bearing this in mind, the preferred language for each country report is considered to be English for all countries except Belgium, France and Luxembourg (French); Germany and Austria (German).

<sup>2</sup> European Social Statistics - *Labour market Policy - Expenditure and Participants - Data 2001*. Eurostat Theme 3 - Population and Social conditions - 2003 Edition.

<sup>3</sup> *Labour Market Policy Database - Methodology* - April 2000. Eurostat Working Papers.

<sup>4</sup> The BIRs are produced on behalf of the European Employment Strategy Unit (General Directorate of Employment and Social Affairs) and can be accessed via <http://www.eu-employment-observatory.net/en/publications/bir>.

## B - Inventory of measures

**Inventory of measures**
**Spain 2001**

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## C - Qualitative information by measure

**Identification:**

**Country:** Spain      **Year:** 2001      **Category** 1 - Intensive counselling and job-search assistance  
**Measure n°/name:** 28      **Managing placement, vocational guidance and retraining**  
**Type of action:** 1      Intensive counselling and job-search assistance

**Description:**
**Aim:**

To help the unemployed in their search for a job.

**Beneficiaries:**

Registered unemployed.

**Action/Instrument:**

Placement policy is based on the fundamental principles of equality of opportunity and treatment in access to employment. The main tasks carried out by INEM are:

- promoting the placement of workers in activities corresponding to their skills;
- matching labour supply and demand;
- making the labour market as transparent as possible;
- contributing to the development of measures to achieve the highest level of employment possible;
- promoting the occupational mobility of workers by implementing retraining, qualifying and development plans;
- participating in the preparation of vocational training programmes;
- contributing to workers' vocational information, guidance, skills and classification.
- producing statistics on employment and unemployment.

**Financing/support:**

Central government budget

**Eligibility:**

Registered unemployed

**Legal basis:**

Law 51/1980 of 8.10.80;  
 Royal Decree 735/1995 of 5.5.95;  
 Royal Law Decree 1/1995 of 24.3.95;  
 Ministerial ordinances of 20.1.98 and 10.3.98

**Recent changes:**

None

**Supplementary information:**

<b>Target groups:</b>	Unemployed, Registered jobseekers	<b>Detailed target groups:</b>	None
<b>Unemployment registration:</b>	<i>Condition for participation:</i> Yes <i>Registration continued:</i> Yes	<b>Other cash benefits:</b>	None
<b>Type of expenditure:</b>	Transfers to service providers	<b>Planned duration:</b>	<i>Typical:</i> Not available <i>Maximum:</i> Not available
<b>Responsible institution(s):</b>	Public employment services	<b>Area of Application:</b>	National
<b>Implementation:</b>	<i>Year started:</i> 1980 <i>Year ended:</i> Ongoing		

**Identification:**

**Country:** Spain      **Year:** 2001      **Category** 1 - Intensive counselling and job-search assistance  
**Measure n°/name:** 48      **Managing placement, vocational guidance and retraining (regions)**  
**Type of action:** 1      Intensive counselling and job-search assistance

**Description:**
**Aim:**

To help the unemployed in their search for a job.

**Beneficiaries:**

Registered unemployed.

**Action/Instrument:**

Placement policy is based on the fundamental principles of equality of opportunity and treatment in access to employment. The main tasks carried out by INEM are:

- promoting the placement of workers in activities corresponding to their skills;
- matching labour supply and demand;
- making the labour market as transparent as possible;
- contributing to the development of measures to achieve the highest level of employment possible;
- promoting the occupational mobility of workers by implementing retraining, qualifying and development plans;
- participating in the preparation of vocational training programmes;
- contributing to workers' vocational information, guidance, skills and classification;
- producing statistics on employment and unemployment.

**Financing/support:**

Regional government budget

**Eligibility:**

Registered unemployed.

**Legal basis:**

Law 51/1980 of 8.10.80;  
 Royal Decree 735/1995 of 5.5.95;  
 Royal Law Decree 1/1995 of 24.3.95;  
 Ministerial ordinances of 20.1.98 and 10.3.98

**Recent changes:**

None

**Supplementary information:**

<b>Target groups:</b>	Unemployed, Registered jobseekers	<b>Detailed target groups:</b>	None
<b>Unemployment registration:</b>	<i>Condition for participation:</i> Yes <i>Registration continued:</i> Yes	<b>Other cash benefits:</b>	None
<b>Type of expenditure:</b>	Transfers to service providers	<b>Planned duration:</b>	<i>Typical:</i> Not available <i>Maximum:</i> Not available
<b>Responsible institution(s):</b>	State/regional government	<b>Area of Application:</b>	Regional
<b>Implementation:</b>	<i>Year started:</i> 1980 <i>Year ended:</i> Ongoing		

**Identification:**

**Country:** Spain                      **Year:** 2001                      **Category** 2 - Training  
**Measure n°/name:**                      8                      **National plan for vocational training and integration (Plan FIP)**  
**Type of action:**                      2.1                      Institutional training

**Description:**
**Aim:**

To facilitate participants' integration into the labour market through vocational training in institutional centres or in enterprises.

**Beneficiaries:**

Low-skilled unemployed (particularly the young and long-term unemployed).

**Action/Instrument:**

Eligible unemployed are entitled to financial support for vocational training courses in INEM-approved vocational centres or in enterprises (courses lasting from 100 to 800 hours). The following financial incentives are provided:

- Daily allowance for transport, food and accommodation
- Grants for the disabled
- Grants for employers to compensate for the provision of training
- Subsidies to the INEM-approved participating centres to compensate for training costs.

**Financing/support:**

Social security funds, European Social Fund (ESF)

**Eligibility:**

Unemployed job seekers, with priority given to the under-25, long-term unemployed aged over 25, hard-to-place unemployed, unemployed looking for their first job and all those on unemployment benefit.

**Legal basis:**

Royal Decree 631/1993 of 3.5.93;  
 Ministerial ordinances of 13.4.94 and 14.10.98;  
 Council of Ministers Accord of 13.3.98

**Recent changes:**

None

**Supplementary information:**

<b>Target groups:</b>	Unemployed (LTU)	<b>Detailed target groups:</b>	None
<b>Unemployment registration:</b>	<i>Condition for participation:</i> Yes <i>Registration continued:</i> Yes	<b>Other cash benefits:</b>	Unemployment benefit
<b>Type of expenditure:</b>	Transfers to individuals (Periodic cash payments, Lump-sum payments), Transfers to service providers	<b>Planned duration:</b>	<i>Typical:</i> 300 Hours <i>Maximum:</i> Not available
<b>Responsible institution(s):</b>	Local government, Public employment services	<b>Area of Application:</b>	National
<b>Implementation:</b>	<i>Year started:</i> 1985 <i>Year ended:</i> Ongoing		

**Identification:**

**Country:** Spain                      **Year:** 2001                      **Category** 2 - Training  
**Measure n°/name:**                      35                      **National plan for vocational training and integration (Plan FIP, regions)**  
**Type of action:**                      2.1                      Institutional training

**Description:**
**Aim:**

To facilitate participants' integration into the labour market through vocational training in institutional centres or in enterprises.

**Beneficiaries:**

Low-skilled unemployed (particularly the young and long-term unemployed).

**Action/Instrument:**

Eligible unemployed are entitled to financial support for vocational training courses in INEM-approved vocational centres or in enterprises (courses lasting from 100 to 800 hours). The following financial incentives are provided:

- Daily allowance for transport, food and accommodation
- Grants for the disabled
- Grants for employers to compensate for the provision of training
- Subsidies to the INEM-approved participating centres to compensate for training costs.

**Financing/support:**

Social security funds, European Social Fund (ESF)

**Eligibility:**

Unemployed job seekers, with priority given to the under-25, long-term unemployed aged over 25, hard-to-place unemployed, unemployed looking for their first job and all those on unemployment benefit.

**Legal basis:**

Royal Decree 631/1993 of 3.5.93;  
 Ministerial ordinances of 13.4.94 and 14.10.98;  
 Council of Ministers Accord of 13.3.98

**Recent changes:**

None

**Supplementary information:**

<b>Target groups:</b>	Unemployed (LTU)	<b>Detailed target groups:</b>	None
<b>Unemployment registration:</b>	<i>Condition for participation:</i> Yes <i>Registration continued:</i> Yes	<b>Other cash benefits:</b>	Unemployment benefit
<b>Type of expenditure:</b>	Transfers to individuals (Periodic cash payments, Lump-sum payments), Transfers to service providers	<b>Planned duration:</b>	<i>Typical:</i> 300 Months <i>Maximum:</i> Not available
<b>Responsible institution(s):</b>	State/regional government	<b>Area of Application:</b>	Regional
<b>Implementation:</b>	<i>Year started:</i> 1985 <i>Year ended:</i> Ongoing		

**Identification:**

**Country:** Spain      **Year:** 2001      **Category** 2 - Training  
**Measure n°/name:** 9      **Scheme for workshop schools and youth training centres (ET y CO)**  
**Type of action:** 2.3      Integrated training

**Description:**
**Aim:**

To facilitate participants' integration into the labour market through alternate training in institutional centres and in activities of public interest.

**Beneficiaries:**

Low-skilled unemployed youth.

**Action/Instrument:**

Participants can be trained at centres and through work-experience in activities of public interest linked to the artistic, historic and cultural heritage. They receive grants and allowances for transport, accommodation and food in the same amount as for the Plan FIP (see measure E-8) for a maximum period of 24 months.

**Financing/support:**

Central government budget, European Social Fund (ESF)

**Eligibility:**

Low-skilled registered unemployed aged under 25

**Legal basis:**

Royal Decree 1593/1994 of 15.7.94;  
 Ministerial ordinances of 3.8.94 and 6.10.98

**Recent changes:**

None

**Supplementary information:**

<b>Target groups:</b>	Unemployed	<b>Detailed target groups:</b>	Youth
<b>Unemployment registration:</b>	<i>Condition for participation:</i> Yes <i>Registration continued:</i> No	<b>Other cash benefits:</b>	None
<b>Type of expenditure:</b>	Transfers to individuals (Periodic cash payments), Transfers to service providers	<b>Planned duration:</b>	<i>Typical:</i> Not available <i>Maximum:</i> 24 Months
<b>Responsible institution(s):</b>	Local government, Public employment services	<b>Area of Application:</b>	National
<b>Implementation:</b>	<i>Year started:</i> 1985 <i>Year ended:</i> Ongoing		

**Identification:**

**Country:** Spain      **Year:** 2001      **Category** 2 - Training  
**Measure n°/name:** 49      **Scheme for workshop schools and youth training centres (ET y CO, regions)**  
**Type of action:** 2.3      Integrated training

**Description:**
**Aim:**

To facilitate participants' integration into the labour market through alternate training in institutional centres and in activities of public interest.

**Beneficiaries:**

Low-skilled unemployed youth.

**Action/Instrument:**

Participants can be trained at centres and through work-experience in activities of public interest linked to the artistic, historic and cultural heritage. They receive grants and allowances for transport, accommodation and food in the same amount as for the Plan FIP (see measure E-8) for a maximum period of 24 months.

**Financing/support:**

Regional government budget, European Social Fund (ESF)

**Eligibility:**

Low-skilled registered unemployed aged under 25

**Legal basis:**

Royal Decree 1593/1994 of 15.7.94;  
 Ministerial ordinances of 3.8.94 and 6.10.98

**Recent changes:**

None

**Supplementary information:**

<b>Target groups:</b>	Unemployed	<b>Detailed target groups:</b>	Youth
<b>Unemployment registration:</b>	<i>Condition for participation:</i> Yes <i>Registration continued:</i> No	<b>Other cash benefits:</b>	None
<b>Type of expenditure:</b>	Transfers to individuals (Periodic cash payments), Transfers to service providers	<b>Planned duration:</b>	<i>Typical:</i> Not available <i>Maximum:</i> 24 Months
<b>Responsible institution(s):</b>	State/regional government	<b>Area of Application:</b>	Regional
<b>Implementation:</b>	<i>Year started:</i> 1985 <i>Year ended:</i> Ongoing		

**Identification:**

**Country:** Spain                      **Year:** 2001                      **Category** 3 - Job rotation and job sharing  
**Measure n°/name:** 17                      **Temporary work to replace workers during maternity leave, adoption and childcare**  
**Type of action:** 3.1                      Job rotation

**Description:**
**Aim:**

To encourage the hiring of the unemployed to replace workers on leave to care for children under 3 years old.

**Beneficiaries:**

Unemployed.

**Action/Instrument:**

Employers recruiting an unemployed person in place of a workers on leave to care for children under 3 years of age are entitled to a 100% exemption to social contributions payable in respect of the new recruit..

**Financing/support:**

Central government budget

**Eligibility:**

Registered unemployed

**Legal basis:**

Royal Decree 1/95 of 24.3.95;  
 Royal Decree 11/1998 of 4.9.98

**Recent changes:**

The 100% exemption applied from September 1998. Before this the exemption was degressive - 95% for the first year of leave; 60% for the second and 50% for the third..

**Supplementary information:**

<b>Target groups:</b>	Unemployed (LTU)	<b>Detailed target groups:</b>	None
<b>Unemployment registration:</b>	<i>Condition for participation:</i> Yes <i>Registration continued:</i> No	<b>Other cash benefits:</b>	None
<b>Type of expenditure:</b>	Transfers to employers ( Reduced social contributions)	<b>Planned duration:</b>	<i>Typical:</i> 4 Months <i>Maximum:</i> 120 Days
<b>Responsible institution(s):</b>	Public employment services	<b>Area of Application:</b>	National
<b>Implementation:</b>	<i>Year started:</i> 1980 <i>Year ended:</i> Ongoing		



**Identification:**

**Country:** Spain      **Year:** 2001      **Category** 3 - Job rotation and job sharing  
**Measure n°/name:** 41      **Temporary work to replace maternity leavers, adoption, etc. (regions)**  
**Type of action:** 3.1      Job rotation

**Description:**
**Aim:**

To encourage the hiring of the unemployed to replace workers on leave to care for children under 3 years old.

**Beneficiaries:**

Unemployed.

**Action/Instrument:**

Employers recruiting an unemployed person in place of a workers on leave to care for children under 3 years of age are entitled to a 100% exemption to social contributions payable in respect of the new recruit.

**Financing/support:**

Regional government budget

**Eligibility:**

Registered unemployed.

**Legal basis:**

Royal Decree 1/95 of 24.3.95;  
 Royal Decree 11/1998 of 4.9.98

**Recent changes:**

The 100% exemption applied from September 1998. Before this the exemption was degressive - 95% for the first year of leave; 60% for the second and 50% for the third.

**Supplementary information:**

<b>Target groups:</b>	Unemployed (LTU)	<b>Detailed target groups:</b>	None
<b>Unemployment registration:</b>	<i>Condition for participation:</i> Yes <i>Registration continued:</i> No	<b>Other cash benefits:</b>	None
<b>Type of expenditure:</b>	Transfers to employers ( Reduced social contributions)	<b>Planned duration:</b>	<i>Typical:</i> 4 Months <i>Maximum:</i> 120 Months
<b>Responsible institution(s):</b>	State/regional government	<b>Area of Application:</b>	Regional
<b>Implementation:</b>	<i>Year started:</i> 1980 <i>Year ended:</i> Ongoing		

**Identification:**

**Country:** Spain                      **Year:** 2001                      **Category** 4 - Employment incentives  
**Measure n°/name:**                      29                      **Support for domestic migration**  
**Type of action:**                      4.1                      Recruitment incentives

**Description:**
**Aim:**

To encourage the geographical mobility of the unemployed to favour job acceptance.

**Beneficiaries:**

Unemployed workers finding a job situated over 200 km from their usual place of residence.

**Action/Instrument:**

The unemployed finding a job situated over 200 km from their usual place of residence are entitled to the following economic and social support: full or partial reimbursement of removal expenses and social assistance and information regarding housing, maintenance of housing, child care, vocational training and other activities.

**Financing/support:**

Central government budget

**Eligibility:**

Registered unemployed finding a job situated over 200 km from their usual place of residence.

**Legal basis:**

Ministerial ordinances of 28.2.86 and 13.3.98

**Recent changes:**

None

**Supplementary information:**

<b>Target groups:</b>	Unemployed		<b>Detailed target groups:</b>	None
<b>Unemployment registration:</b>	<i>Condition for participation:</i>	Yes	<b>Other cash benefits:</b>	None
	<i>Registration continued:</i>	No		
<b>Type of expenditure:</b>	Transfers to individuals ( Reimbursements)		<b>Planned duration:</b>	<i>Typical:</i> Not available
				<i>Maximum:</i> Not available
<b>Responsible institution(s):</b>	Central government		<b>Area of Application:</b>	National
<b>Implementation:</b>	<i>Year started:</i>	1986		
	<i>Year ended:</i>	Ongoing		

**Identification:**

**Country:** Spain      **Year:** 2001      **Category** 4 - Employment incentives  
**Measure n°/name:** 11      **Open ended employment contracts for the unemployed**  
**Type of action:** 4.1.1      Permanent

**Description:**
**Aim:**

To encourage the creation of permanent jobs for specific categories of the unemployed.

**Beneficiaries:**

Long-term unemployed, young unemployed (under 30), long-term unemployed women, beneficiaries of UI/UA and unemployed socially excluded.

**Action/Instrument:**

Employers recruiting eligible unemployed under an open-ended contract are entitled to reductions in their social security contributions for a period of 2 years:

- LTU: 20% (24 months). Women: 30% (24 months).
- Beneficiaries of UI/UA: 50% the first year and 45% the second year. Women: 60% and 55%, respectively.
- Beneficiaries of Active Allowance: between 45 and 55 years: 65% (24 months) and 45% for the remainder of the contract. Between 55 and 65 years: 65% (24 months) and 50% for the remainder of the contract.
- Women <45 years: 25% (24 months).
- Women underrepresented in men's activities: if >45 years, 70% the first year and 60% the second. If <45 years. 35% (24 months).
- Women 24 months after maternity: 100% (12 months).
- Beneficiaries of UA for casual agricultural workers: 90% during the first year and 85% the second.
- Socially excluded unemployed and women victims of domestic violence : 65% (24 months).

**Financing/support:**

Central government budget, European Social Fund (ESF)

**Eligibility:**

Unemployed persons registered as jobseekers for at least one year; unemployed persons aged under 30; unemployed women registered as jobseekers for at least one year and recruited in occupations and activities in which women are under-represented; women after maternity; unemployed persons beneficiaries of unemployment benefits and socially excluded unemployed.

**Legal basis:**

Law 64/1997 of 26.12.97; Law 50/1998 of 30.12.98; Law 55/1999 of 29.12.99; Law 12/2001 of 9.7.01 and Law 24/2001 of 27.12.01.

**Recent changes:**

Enlargement of beneficiaries and increase of amount of exemptions for the employer.

**Supplementary information:**

<b>Target groups:</b>	Unemployed (LTU)		<b>Detailed target groups:</b>	Youth, Re-entrants/lone-parents, Public priorities and other
<b>Unemployment registration:</b>	<i>Condition for participation:</i>	Yes	<b>Other cash benefits:</b>	None
	<i>Registration continued:</i>	No		
<b>Type of expenditure:</b>	Transfers to employers ( Reduced social contributions)		<b>Planned duration:</b>	<i>Typical:</i> 24 Months <i>Maximum:</i> 730 Days
<b>Responsible institution(s):</b>	Public employment services		<b>Area of Application:</b>	National
<b>Implementation:</b>	<i>Year started:</i>	1997		
	<i>Year ended:</i>	Ongoing		

**Identification:**

**Country:** Spain      **Year:** 2001      **Category** 4 - Employment incentives  
**Measure n°/name:** 12      **Open ended employment contracts for persons aged over 45**  
**Type of action:** 4.1.1      Permanent

**Description:**
**Aim:**

To encourage the creation of permanent jobs for specific categories of the older unemployed.

**Beneficiaries:**

Unemployed persons over 45.

**Action/Instrument:**

Employers recruiting eligible unemployed under an open-ended contract are entitled to reductions in employers' social security contributions (45% the first year and 40% for the remainder of the contract). Employers are also entitled to tax incentives (in determining the net profit of an enterprise for tax purposes, workers hired under these contracts are not regarded as dependent employees for the first 24 months after conclusion of the contract).

**Financing/support:**

Central government budget, European Social Fund (ESF)

**Eligibility:**

Registered unemployed aged over 45.

**Legal basis:**

Law 64/1997 of 26.12.97;  
Law 50/1998 of 30.12.98

**Recent changes:**

None

**Supplementary information:**

<b>Target groups:</b>	Unemployed		<b>Detailed target groups:</b>	Older
<b>Unemployment registration:</b>	<i>Condition for participation:</i>	Yes	<b>Other cash benefits:</b>	None
	<i>Registration continued:</i>	No		
<b>Type of expenditure:</b>	Transfers to employers ( Reduced social contributions)		<b>Planned duration:</b>	<i>Typical:</i> Not available <i>Maximum:</i> Not available
<b>Responsible institution(s):</b>	Public employment services		<b>Area of Application:</b>	National
<b>Implementation:</b>	<i>Year started:</i>	1997		
	<i>Year ended:</i>	Ongoing		

**Identification:**

**Country:** Spain                      **Year:** 2001                      **Category** 4 - Employment incentives  
**Measure n°/name:** 15                      **Conversion of apprenticeship, training and substitution contracts into permanent contracts**  
**Type of action:** 4.1.1                      Permanent

**Description:**
**Aim:**

To encourage employers to give open-ended contracts to workers hired under fixed-term contracts.

**Beneficiaries:**

Workers who have signed an apprenticeship, work-experience, training or substitution contract, as well as those with fixed-term or temporary contracts signed between 4 March 2001 and 31 December 2001.

**Action/Instrument:**

Employers converting fixed-term contracts into open-ended contracts are entitled to a 25% reduction in their social security contributions for 24 months

**Financing/support:**

Central government budget, European Social Fund (ESF)

**Eligibility:**

Workers who have signed an apprenticeship, work-experience, training or substitution contract, as well as those with fixed-term or temporary contracts signed between 4 March 2001 and 31 December 2001.

**Legal basis:**

Law 12/2001 of 9 July 2001.  
 Law 24/2001 of 27 December 2001.  
 Royal-Decree 5/2001.

**Recent changes:**

Workers who have signed an apprenticeship, work-experience, training or substitution contract, as well as those with fixed-term or temporary contracts signed between 4 March 2001 and 31 December 2001.  
 Amount of exemption from employers' contributions: 25

**Supplementary information:**

<b>Target groups:</b>	Employed at risk	<b>Detailed target groups:</b>	None
<b>Unemployment registration:</b>	<i>Condition for participation:</i> No <i>Registration continued:</i> No	<b>Other cash benefits:</b>	None
<b>Type of expenditure:</b>	Transfers to employers ( Reduced social contributions)	<b>Planned duration:</b>	<i>Typical:</i> 24 Months <i>Maximum:</i> 730 Days
<b>Responsible institution(s):</b>	Public employment services	<b>Area of Application:</b>	National
<b>Implementation:</b>	<i>Year started:</i> 1997 <i>Year ended:</i> Ongoing		

**Identification:**

**Country:** Spain      **Year:** 2001      **Category** 4 - Employment incentives  
**Measure n°/name:** 36      **Open ended employment contracts for the unemployed (regions)**  
**Type of action:** 4.1.1      Permanent

**Description:**
**Aim:**

To encourage the creation of permanent jobs for specific categories of the unemployed.

**Beneficiaries:**

Long-term unemployed, young unemployed (under 30) and long-term unemployed women.

**Action/Instrument:**

Employers recruiting eligible unemployed under an open-ended contract are entitled to reductions in their social security contributions for a period of 2 years (young unemployed: 35% the first year and 25% the second year; LTU: 40% the first year and 30% the second; LTU women: 45% the first year and 40% the second). Employers are also entitled for tax reductions for 2 years (in determining the net profit of an enterprise for tax purposes, workers hired under these contracts are not regarded as dependent employees for the first 24 months after conclusion of the contract)

**Financing/support:**

Regional government budget, European Social Fund (ESF)

**Eligibility:**

Unemployed persons registered as job seekers for at least one year, unemployed persons aged under 30 and unemployed women registered as jobseekers for at least one year and recruited in occupations and activities in which women are under-represented.

**Legal basis:**

Law 64/1997 of 26.12.97;  
Law 50/1998 of 30.12.98

**Recent changes:**

None

**Supplementary information:**

<b>Target groups:</b>	Unemployed (LTU)	<b>Detailed target groups:</b>	Youth, Re-entrants/lone-parents, Public priorities and other
<b>Unemployment registration:</b>	<i>Condition for participation:</i> Yes <i>Registration continued:</i> No	<b>Other cash benefits:</b>	None
<b>Type of expenditure:</b>	Transfers to employers ( Reduced social contributions, Reduced taxes)	<b>Planned duration:</b>	<i>Typical:</i> 24 Months <i>Maximum:</i> Not available
<b>Responsible institution(s):</b>	State/regional government	<b>Area of Application:</b>	
<b>Implementation:</b>	<i>Year started:</i> 1997 <i>Year ended:</i> Ongoing		

**Identification:**

**Country:** Spain      **Year:** 2001      **Category** 4 - Employment incentives  
**Measure n°/name:** 37      **Open ended employment contracts for persons aged over 45 (regions)**  
**Type of action:** 4.1.1      Permanent

**Description:**
**Aim:**

To encourage the creation of permanent jobs for specific categories of the older unemployed.

**Beneficiaries:**

Unemployed persons over 45.

**Action/Instrument:**

Employers recruiting eligible unemployed under an open-ended contract are entitled to reductions in employers' social security contributions (45% the first year and 40% for the remainder of the contract). Employers are also entitled to tax incentives (in determining the net profit of an enterprise for tax purposes, workers hired under these contracts are not regarded as dependent employees for the first 24 months after conclusion of the contract).

**Financing/support:**

Regional government budget, European Social Fund (ESF)

**Eligibility:**

Registered unemployed aged over 45.

**Legal basis:**

Law 64/1997 of 26.12.97;  
Law 50/1998 of 30.12.98

**Recent changes:**

None

**Supplementary information:**

<b>Target groups:</b>	Unemployed	<b>Detailed target groups:</b>	Older
<b>Unemployment registration:</b>	<i>Condition for participation:</i> n.a. <i>Registration continued:</i> n.a.	<b>Other cash benefits:</b>	None
<b>Type of expenditure:</b>	Transfers to employers ( Reduced social contributions)	<b>Planned duration:</b>	<i>Typical:</i> Not available <i>Maximum:</i> Not available
<b>Responsible institution(s):</b>	State/regional government	<b>Area of Application:</b>	Regional
<b>Implementation:</b>	<i>Year started:</i> 1997 <i>Year ended:</i> Ongoing		

**Identification:**

**Country:** Spain      **Year:** 2001      **Category** 4 - Employment incentives  
**Measure n°/name:** 39      **Conversion of apprenticeship, training and substitution contracts into permanent contracts (regions)**  
**Type of action:** 4.1.1      Permanent

**Description:**
**Aim:**

To encourage employers to give open-ended contracts to workers hired under fixed-term contracts.

**Beneficiaries:**

Workers who have signed an apprenticeship, work-experience, training or substitution contract, as well as those with fixed-term or temporary contracts signed between 4 March 2001 and 31 December 2001.

**Action/Instrument:**

A fixed amount is paid to employers converting fixed-term contracts into open-ended contracts.

**Financing/support:**

Regional government budget, European Social Fund (ESF)

**Eligibility:**

Workers who have signed an apprenticeship, work-experience, training or substitution contract, as well as those with fixed-term or temporary contracts signed between 4 March 2001 and 31 December 2001.

**Legal basis:**

Law 64/1997 of 26.12.97;  
 Law 50/1998 of 30.12.98;  
 Royal Decree 5/1999 of 9.4.99.

**Recent changes:**

Workers who have signed an apprenticeship, work-experience, training or substitution contract, as well as those with fixed-term or temporary contracts signed between 4 March 2001 and 31 December 2001.  
 Amount of exemption from employers' contributions: 25

**Supplementary information:**

<b>Target groups:</b>	Employed at risk	<b>Detailed target groups:</b>	None
<b>Unemployment registration:</b>	<i>Condition for participation:</i> No <i>Registration continued:</i> No	<b>Other cash benefits:</b>	None
<b>Type of expenditure:</b>	Transfers to employers (Periodic cash payments, Lump-sum payments)	<b>Planned duration:</b>	<i>Typical:</i> 24 Months <i>Maximum:</i> 24 Months
<b>Responsible institution(s):</b>	State/regional government	<b>Area of Application:</b>	Regional
<b>Implementation:</b>	<i>Year started:</i> 1997 <i>Year ended:</i> Ongoing		



**Identification:**

**Country:** Spain      **Year:** 2001      **Category** 5 - Integration of the disabled  
**Measure n°/name:** 13      **Open ended contracts for the disabled**  
**Type of action:** 5.1      Regular employment

**Description:**
**Aim:**

To promote the integration of disabled workers in enterprises and co-operatives through open-ended employment.

**Beneficiaries:**

Unemployed disabled workers (with a handicap of over 33%).

**Action/Instrument:**

The following support is provided for the duration of the contract to employers recruiting the disabled under open-ended contracts:  
 - A lump-sum payment is granted for each employment contract concluded. For the duration of the contract, the employers' social security contributions, including those insuring against accidents at the workplace and occupational illnesses, are reduced by 70% or 90%, depending on whether the disabled employee is under or over 45 years of age. Grants for the adaptation of workplaces and for individual protective devices.  
 Tax deduction of a given amount for each disabled worker recruited if there is an increase in the workforce of the enterprise.

**Financing/support:**

Central government budget, European Social Fund (ESF)

**Eligibility:**

Registered unemployed disabled workers

**Legal basis:**

Royal Decree 1451/1983 of 11.3.83;  
 Ministerial ordinance of 13.4.94;  
 Law 64/1997 of 26.12.97;  
 Law 40/1998 of 9.12.98;  
 Royal Decree 4/1999 of 8.1.99

**Recent changes:**

None

**Supplementary information:**

<b>Target groups:</b>	Unemployed		<b>Detailed target groups:</b>	Disabled
<b>Unemployment registration:</b>	<i>Condition for participation:</i>	Yes	<b>Other cash benefits:</b>	None
	<i>Registration continued:</i>	No		
<b>Type of expenditure:</b>	Transfers to employers ( Lump-sum payments, Reduced social contributions, Reduced taxes)		<b>Planned duration:</b>	<i>Typical:</i> Not available <i>Maximum:</i> Not available
<b>Responsible institution(s):</b>	Public employment services		<b>Area of Application:</b>	National
<b>Implementation:</b>	<i>Year started:</i>	1983		
	<i>Year ended:</i>	Ongoing		

**Identification:**

**Country:** Spain                      **Year:** 2001                      **Category** 5 - Integration of the disabled  
**Measure n°/name:**                      16                      **Temporary contracts for the disabled**  
**Type of action:**                      5.1                      Regular employment

**Description:**
**Aim:**

To encourage the creation of temporary jobs for the disabled.

**Beneficiaries:**

Unemployed disabled workers (with a handicap of over 33%).

**Action/Instrument:**

Enterprises recruiting disabled workers under fixed-term contracts (not less than twelve months and not more than three years) are entitled to a 75% reduction in the employers' social security contributions. The reduction amounts to 100% if the worker concerned is the undertaking's first employee.

**Financing/support:**

Central government budget

**Eligibility:**

Registered unemployed disabled workers

**Legal basis:**

Law 42/1994 of 30.12.94;  
 Law 13/1996 of 30.12.96;  
 Law 63/1997 of 26.12.97;  
 Law 50/1998 of 30.12.98

**Recent changes:**

None

**Supplementary information:**

<b>Target groups:</b>	Unemployed		<b>Detailed target groups:</b>	Disabled
<b>Unemployment registration:</b>	<i>Condition for participation:</i>	Yes	<b>Other cash benefits:</b>	None
	<i>Registration continued:</i>	No		
<b>Type of expenditure:</b>	Transfers to employers ( Reduced social contributions)		<b>Planned duration:</b>	<i>Typical:</i> 36 Months <i>Maximum:</i> 1095 Days
<b>Responsible institution(s):</b>	Public employment services		<b>Area of Application:</b>	National
<b>Implementation:</b>	<i>Year started:</i>	1995		
	<i>Year ended:</i>	Ongoing		

**Identification:**

**Country:** Spain      **Year:** 2001      **Category** 5 - Integration of the disabled  
**Measure n°/name:** 25      **Integration of the disabled through self-employment**  
**Type of action:** 5.1      Regular employment

**Description:**
**Aim:**

To encourage self-employment of unemployed disabled workers.

**Beneficiaries:**

Unemployed disabled workers.

**Action/Instrument:**

Unemployed disabled workers setting up their own business are entitled to the following assistance:  
 - partial grants towards interest on investment loans of up to 6% of the interest rate (there is a ceiling on the amount of the loan)  
 - grants for investment in fixed capital up to a given amount a technical assistance subsidy.

**Financing/support:**

Central government budget, European Social Fund (ESF)

**Eligibility:**

Registered unemployed disabled workers

**Legal basis:**

Ministerial ordinances of 21.2.86, of 22.3.94, of 10.4.97 and of 16.10.98

**Recent changes:**

None

**Supplementary information:**

<b>Target groups:</b>	Unemployed	<b>Detailed target groups:</b>	Disabled
<b>Unemployment registration:</b>	<i>Condition for participation:</i> Yes <i>Registration continued:</i> No	<b>Other cash benefits:</b>	None
<b>Type of expenditure:</b>	Transfers to individuals ( Reimbursements)	<b>Planned duration:</b>	<i>Typical:</i> Not available <i>Maximum:</i> Not available
<b>Responsible institution(s):</b>	State/regional government, Public employment services	<b>Area of Application:</b>	National
<b>Implementation:</b>	<i>Year started:</i> 1986 <i>Year ended:</i> Ongoing		

**Identification:**

**Country:** Spain      **Year:** 2001      **Category** 5 - Integration of the disabled  
**Measure n°/name:** 38      **Open ended employment contracts for the disabled (regions)**  
**Type of action:** 5.1      Regular employment

**Description:**
**Aim:**

To promote the integration of disabled workers in enterprises and co-operatives through open-ended employment.

**Beneficiaries:**

Unemployed disabled workers.

**Action/Instrument:**

The following support is provided for the duration of the contract to employers recruiting the disabled under open-ended contracts:  
 - A lump-sum payment is granted for each employment contract concluded. For the duration of the contract, the employers' social security contributions, including those insuring against accidents at the workplace and occupational illnesses, are reduced by 70% or 90%, depending on whether the disabled employee is under or over 45 years of age. Grants for the adaptation of workplaces and for individual protective devices.

Tax deduction of a given amount for each disabled worker recruited if there is an increase in the workforce of the enterprise.

**Financing/support:**

Regional government budget, European Social Fund (ESF)

**Eligibility:**

Registered unemployed disabled workers

**Legal basis:**

Royal Decree 1451/1983 of 11.3.83;

Ministerial ordinance of 13.4.94;

Law 64/1997 of 26.12.97;

Law 40/1998 of 9.12.98;

Royal Decree 4/1999 of 8.1.99

**Recent changes:**

None

**Supplementary information:**

<b>Target groups:</b>	Unemployed	<b>Detailed target groups:</b>	Disabled
<b>Unemployment registration:</b>	<i>Condition for participation:</i> Yes <i>Registration continued:</i> No	<b>Other cash benefits:</b>	None
<b>Type of expenditure:</b>	Transfers to employers ( Lump-sum payments, Reduced social contributions, Reduced taxes)	<b>Planned duration:</b>	<i>Typical:</i> Not available <i>Maximum:</i> Not available
<b>Responsible institution(s):</b>	State/regional government	<b>Area of Application:</b>	Regional
<b>Implementation:</b>	<i>Year started:</i> 1983 <i>Year ended:</i> Ongoing		

**Identification:**

**Country:** Spain                      **Year:** 2001                      **Category** 5 - Integration of the disabled  
**Measure n°/name:**                      **40**                      **Temporary contracts for the disabled (regions)**  
**Type of action:**                      5.1                      Regular employment

**Description:**
**Aim:**

To encourage the creation of temporary jobs for the disabled.

**Beneficiaries:**

Unemployed disabled workers.

**Action/Instrument:**

Enterprises recruiting disabled workers under fixed-term contracts (not less than twelve months and not more than three years) are entitled to a 75% reduction in the employers' social security contributions. The reduction amounts to 100% if the worker concerned is the undertaking's first employee.

**Financing/support:**

Regional government budget

**Eligibility:**

Registered unemployed disabled workers

**Legal basis:**

Law 42/1994 of 30.12.94;  
 Law 13/1996 of 30.12.96;  
 Law 63/1997 of 26.12.97;  
 Law 50/1998 of 30.12.98

**Recent changes:**

None

**Supplementary information:**

<b>Target groups:</b>	Unemployed		<b>Detailed target groups:</b>	Disabled
<b>Unemployment registration:</b>	<i>Condition for participation:</i>	Yes	<b>Other cash benefits:</b>	None
	<i>Registration continued:</i>	No		
<b>Type of expenditure:</b>	Transfers to employers ( Reduced social contributions)		<b>Planned duration:</b>	<i>Typical:</i> 36 Months <i>Maximum:</i> 3 Months
<b>Responsible institution(s):</b>	State/regional government		<b>Area of Application:</b>	Regional
<b>Implementation:</b>	<i>Year started:</i>	1995		
	<i>Year ended:</i>	Ongoing		

**Identification:**

**Country:** Spain                      **Year:** 2001                      **Category** 5 - Integration of the disabled  
**Measure n°/name:**                      46                      **Integration of the disabled through self-employment (regions)**  
**Type of action:**                      5.1                      Regular employment

**Description:**
**Aim:**

To encourage self-employment of unemployed disabled workers.

**Beneficiaries:**

Unemployed disabled workers.

**Action/Instrument:**

Unemployed disabled workers setting up their own business are entitled to the following assistance:  
 - partial grants towards interest on investment loans of up to 6% of the interest rate (there is a ceiling on the amount of the loan)  
 - grants for investment in fixed capital up to a given amount a technical assistance subsidy.

**Financing/support:**

Regional government budget, European Social Fund (ESF)

**Eligibility:**

Registered unemployed disabled workers

**Legal basis:**

Ministerial ordinances of 21.2.86, of 22.3.94, of 10.4.97 and of 16.10.98

**Recent changes:**

None

**Supplementary information:**

<b>Target groups:</b>	Unemployed	<b>Detailed target groups:</b>	Disabled
<b>Unemployment registration:</b>	<i>Condition for participation:</i> Yes <i>Registration continued:</i> No	<b>Other cash benefits:</b>	None
<b>Type of expenditure:</b>	Transfers to individuals ( Reimbursements)	<b>Planned duration:</b>	<i>Typical:</i> Not available <i>Maximum:</i> Not available
<b>Responsible institution(s):</b>	State/regional government	<b>Area of Application:</b>	Regional
<b>Implementation:</b>	<i>Year started:</i> 1986 <i>Year ended:</i> Ongoing		

**Identification:**

**Country:** Spain                      **Year:** 2001                      **Category** 5 - Integration of the disabled  
**Measure n°/name:**                      3                      **Support for employment in special employment centres**  
**Type of action:**                      5.2                      Sheltered employment

**Description:**
**Aim:**

To provide sheltered work for the disabled.

**Beneficiaries:**

Unemployed disabled workers.

**Action/Instrument:**

Employment centres supporting workplaces contributing to the vocational integration of disabled workers are entitled to the following support:

- contributions to wage costs of up to 50% of the national inter-professional minimum wage;
- 100% exemption from employers' social security contributions;
- technical assistance grants of 100% or 50%, depending on whether officially required or not;
- grants for adapting workplaces and premises for each job;
- one-off capital grants to enable special centres' income and expenditure to be balanced or their finances to be restructured so that they reach acceptable levels of productivity and profitability;
- grants for balancing the budgets of non-profit public utility centres.

**Financing/support:**

Central government budget

**Eligibility:**

Registered unemployed disabled workers

**Legal basis:**

Law 13/1982 of 7.4.82;  
 Ministerial ordinances of 22.2.96, 10.4.97, 31.3.98 and 16.10.98;  
 Royal Decree 427/99 of 12.3.99.

**Recent changes:**

None

**Supplementary information:**

<b>Target groups:</b>	Unemployed		<b>Detailed target groups:</b>	Disabled
<b>Unemployment registration:</b>	<i>Condition for participation:</i>	Yes	<b>Other cash benefits:</b>	None
	<i>Registration continued:</i>	No		
<b>Type of expenditure:</b>	Transfers to employers (Periodic cash payments, Lump-sum payments, Reduced social contributions)		<b>Planned duration:</b>	<i>Typical:</i> Not available <i>Maximum:</i> Not available
<b>Responsible institution(s):</b>	State/regional government, Public employment services		<b>Area of Application:</b>	National
<b>Implementation:</b>	<i>Year started:</i>	1982		
	<i>Year ended:</i>	Ongoing		

**Identification:**

**Country:** Spain      **Year:** 2001      **Category** 5 - Integration of the disabled  
**Measure n°/name:** 34      **Financial support for special employment centres (regions)**  
**Type of action:** 5.2      Sheltered employment

**Description:**
**Aim:**

To provide sheltered work for the disabled.

**Beneficiaries:**

Unemployed disabled workers.

**Action/Instrument:**

Employment centres supporting workplaces contributing to the vocational integration of disabled workers are entitled to the following support:

- contributions to wage costs of up to 50% of the national inter-professional minimum wage;
- 100% exemption from employers' social security contributions;
- technical assistance grants of 100% or 50%, depending on whether officially required or not;
- grants for adapting workplaces and premises for each job;
- one-off capital grants to enable special centres' income and expenditure to be balanced or their finances to be restructured so that they reach acceptable levels of productivity and profitability;
- grants for balancing the budgets of non-profit public utility centres.

**Financing/support:**

Regional government budget

**Eligibility:**

Registered unemployed disabled workers

**Legal basis:**

Law 13/1982 of 7.4.82;  
 Ministerial ordinances of 22.2.96, 10.4.97, 31.3.98 and 16.10.98;  
 Royal Decree 427/99 of 12.3.99.

**Recent changes:**

None

**Supplementary information:**

<b>Target groups:</b>	Unemployed		<b>Detailed target groups:</b>	Disabled
<b>Unemployment registration:</b>	<i>Condition for participation:</i>	Yes	<b>Other cash benefits:</b>	None
	<i>Registration continued:</i>	No		
<b>Type of expenditure:</b>	Transfers to employers (Periodic cash payments, Lump-sum payments, Reduced social contributions)		<b>Planned duration:</b>	<i>Typical:</i> Not available <i>Maximum:</i> Not available
<b>Responsible institution(s):</b>	State/regional government		<b>Area of Application:</b>	Regional
<b>Implementation:</b>	<i>Year started:</i>	1982		
	<i>Year ended:</i>	Ongoing		



**Identification:**

**Country:** Spain                      **Year:** 2001                      **Category** 5 - Integration of the disabled  
**Measure n°/name:** 14                      **Training contracts for the disabled**  
**Type of action:** 5.3                      Other rehabilitation and training

**Description:**
**Aim:**

To facilitate the socio-professional integration of the disabled through paid work and unpaid vocational training.

**Beneficiaries:**

Unemployed disabled workers (with a handicap of over 33%).

**Action/Instrument:**

Employers recruiting unemployed disabled workers for a maximum duration of 2 years under training contracts or work-experience contracts and are entitled to a 50% reduction in employers' social security contributions.

- Training contract: may be concluded with disabled workers of any age without university or vocational training. At least 15% of working time must be devoted to training.

- Work-experience contract: the contract must be concluded with a disabled worker within six years of completion of the relevant training, i.e. university or vocational training.

**Financing/support:**

Central government budget

**Eligibility:**

Registered unemployed disabled workers

**Legal basis:**

Law 64/1997 of 26.12.97;

Royal Decree 488/98 of 27.3.98;

Ministerial ordinance of 14.7.98 and Resolution of 26.10.98

**Recent changes:**

None

**Supplementary information:**

<b>Target groups:</b>	Unemployed		<b>Detailed target groups:</b>	Disabled
<b>Unemployment registration:</b>	<i>Condition for participation:</i>	Yes	<b>Other cash benefits:</b>	None
	<i>Registration continued:</i>	No		
<b>Type of expenditure:</b>	Transfers to employers ( Reduced social contributions)		<b>Planned duration:</b>	<i>Typical:</i> 24 Months
				<i>Maximum:</i> 730 Days
<b>Responsible institution(s):</b>	Public employment services		<b>Area of Application:</b>	National
<b>Implementation:</b>	<i>Year started:</i>	1997		
	<i>Year ended:</i>	Ongoing		

**Identification:**

**Country:** Spain      **Year:** 2001      **Category** 6 - Direct job creation  
**Measure n°/name:** 18      **INEM-Public administration accords**  
**Type of action:** 6.2      Temporary

**Description:**
**Aim:**

To facilitate the integration into the labour market of the unemployed through temporary jobs in the public or non-profit sector.

**Beneficiaries:**

Unemployed.

**Action/Instrument:**

INEM, in cooperation with the regional authorities, autonomous communities, universities, non-profit organisations and other public administration bodies, helps the unemployed find a subsidised and temporary job in the public or non-profit sector. INEM finances all labour costs (including 100% of social security contributions). Compensation ranges from the minimum wage to three times the minimum wage.

**Financing/support:**

Central government budget

**Eligibility:**

Registered unemployed

**Legal basis:**

Ministerial ordinances of 2.3.94, of 19.12.97 and of 26.10.98

**Recent changes:**

None

**Supplementary information:**

<b>Target groups:</b>	Unemployed	<b>Detailed target groups:</b>	Public priorities and other
<b>Unemployment registration:</b>	<i>Condition for participation:</i> Yes <i>Registration continued:</i> No	<b>Other cash benefits:</b>	None
<b>Type of expenditure:</b>	Transfers to employers (Periodic cash payments, Reduced social contributions)	<b>Planned duration:</b>	<i>Typical:</i> Not available <i>Maximum:</i> Not available
<b>Responsible institution(s):</b>	Public employment services	<b>Area of Application:</b>	National
<b>Implementation:</b>	<i>Year started:</i> 1985 <i>Year ended:</i> Ongoing		

**Identification:**

**Country:** Spain                      **Year:** 2001                      **Category** 6 - Direct job creation  
**Measure n°/name:** 19                      **Promotion of agricultural employment in Andalucía, Extremadura and under-developed rural areas**  
**Type of action:** 6.2                      Temporary

**Description:**
**Aim:**

To promote the employment of casual agricultural wage-earners through a package of labour market measures, particularly through temporary jobs in the public or non-profit sector.

**Beneficiaries:**

Unemployed casual agricultural workers in Andalucía, Extremadura and under-developed rural areas.

**Action/Instrument:**

Integration into the labour market of the beneficiaries is to be achieved via a package of measures that includes participation in public employment schemes, information, guidance, training, etc. The activities carried out in the autonomous communities of Andalucía and Extremadura and in under-developed rural areas are subsidised by INEM. In addition, the employment programme for the agricultural sector is eligible for annual loans from the various public administrations to finance projects and create new jobs for unemployed casual agricultural workers.

The assistance provided by INEM consists of subsidies (wages + social security contributions) for local authorities and other public administrations for the recruitment of unemployed workers and especially casual workers in the agricultural sector. Subsidies may be made available for: integrated employment services (information, guidance, follow-up measures, etc.), vocational training measures, youth training projects and other employment-promotion measures (open-ended recruitment, local employment initiatives, etc.).

**Financing/support:**

Central government budget, State/regional government budget

**Eligibility:**

Registered unemployed casual agricultural workers in Andalucía, Extremadura and under-developed rural areas

**Legal basis:**

Royal Decree 939/1997 of 20.6.97

**Recent changes:**

None

**Supplementary information:**

<b>Target groups:</b>	Unemployed	<b>Detailed target groups:</b>	None
<b>Unemployment registration:</b>	<i>Condition for participation:</i> Yes <i>Registration continued:</i> No	<b>Other cash benefits:</b>	None
<b>Type of expenditure:</b>	Transfers to employers (Periodic cash payments, Reduced social contributions)	<b>Planned duration:</b>	<i>Typical:</i> Not available <i>Maximum:</i> Not available
<b>Responsible institution(s):</b>	State/regional government, Local government, Public employment services	<b>Area of Application:</b>	Regional
<b>Implementation:</b>	<i>Year started:</i> 1987 <i>Year ended:</i> Ongoing		

**Identification:**

**Country:** Spain                      **Year:** 2001                      **Category** 6 - Direct job creation  
**Measure n°/name:**                      31                      **Employment workshops**  
**Type of action:**                      6.2                      Temporary

**Description:**
**Aim:**

To facilitate the integration into the labour market of hard-to-place unemployed through the creation of temporary jobs in the social sector and through alternate training and work.

**Beneficiaries:**

Hard-to-place unemployed aged over 25: long-term unemployed, unemployed aged over 45, women, disabled and other priorities of the NAP (national action plan).

**Action/Instrument:**

Training and labour costs (1.5 times the minimum wage plus related social contributions) are financed by the employment workshops measure.

**Financing/support:**

Central government budget, European Social Fund (ESF)

**Eligibility:**

Hard-to-place unemployed aged over 25: long-term unemployed, unemployed aged over 45, women, disabled and other priorities of the NAP

**Legal basis:**

Royal Decree 282/1999 of 22.2.99;  
 Ministerial ordinance of 9.3.99;  
 Resolution of 31.3.99

**Recent changes:**
**Supplementary information:**

<b>Target groups:</b>	Unemployed		<b>Detailed target groups:</b>	Older, Disabled, Public priorities and other
<b>Unemployment registration:</b>	<i>Condition for participation:</i>	Yes	<b>Other cash benefits:</b>	None
	<i>Registration continued:</i>	No		
<b>Type of expenditure:</b>	Transfers to employers (Periodic cash payments, Reduced social contributions), Transfers to service providers		<b>Planned duration:</b>	<i>Typical:</i> 12 Months <i>Maximum:</i> 12 Months
<b>Responsible institution(s):</b>	Public employment services		<b>Area of Application:</b>	National
<b>Implementation:</b>	<i>Year started:</i>	1999		
	<i>Year ended:</i>	Ongoing		

**Identification:**

**Country:** Spain                      **Year:** 2001                      **Category** 7 - Start-up incentives  
**Measure n°/name:**                      20                      **Capitalisation of unemployment benefits**  
**Type of action:**                      7                      Start-up incentives

**Description:**
**Aim:**

To encourage eligible unemployed to become self-employed.

**Beneficiaries:**

Unemployed entitled to unemployment benefit.

**Action/Instrument:**

Beneficiaries becoming self-employed receive the following assistance:

- a lump-sum payment of the total amount of unemployment benefits to which they are entitled;
- a quarterly 50% reduction in social security contributions in accordance with the special regulation for the self-employed (or 100% of employee social security contributions) for the duration of the benefits which would have applied had there not been a lump-sum payment (maximum 2 years);
- tax exemption up to a given amount.

**Financing/support:**

Central government budget, Social security funds

**Eligibility:**

Unemployed entitled to benefit

**Legal basis:**

Royal Decree 1044/1985 of 19.6.85;  
 Law 22/1992 of 30.7.92;  
 Law 50/98 of 30.12.98

**Recent changes:**

None

**Supplementary information:**

<b>Target groups:</b>	Unemployed		<b>Detailed target groups:</b>	None
<b>Unemployment registration:</b>	<i>Condition for participation:</i>	Yes	<b>Other cash benefits:</b>	None
	<i>Registration continued:</i>	No		
<b>Type of expenditure:</b>	Transfers to individuals ( Lump-sum payments, Reduced social contributions, Reduced taxes)		<b>Planned duration:</b>	<i>Typical:</i> 24 Months <i>Maximum:</i> 730 Days
<b>Responsible institution(s):</b>	Public employment services		<b>Area of Application:</b>	National
<b>Implementation:</b>	<i>Year started:</i>	1985		
	<i>Year ended:</i>	Ongoing		

**Identification:**

**Country:** Spain                      **Year:** 2001                      **Category** 7 - Start-up incentives  
**Measure n°/name:**                      21                      **Promotion of self-employment**  
**Type of action:**                      7                      Start-up incentives

**Description:**
**Aim:**

To encourage the unemployed to become self-employed.

**Beneficiaries:**

Unemployed, with special attention paid to long-term unemployed over 25 and youth under 25.

**Action/Instrument:**

Registered unemployed persons setting up their own business are entitled to the following financial incentives:

- Lump-sum payment for subsistence income for persons aged under 25 and for the long-term unemployed aged over 25. The amount is doubled when the European Social Fund co-finances the project.
- Grants of up to 6% towards interest charged on loans of up to a fixed amount with the aim of facilitating fixed capital formation (there is a ceiling on the amount of the loan).
- Grants of up to 100% (by order of the authorities) or 50% (on application) of costs viability studies, auditing and consultation.

**Financing/support:**

Central government budget, European Social Fund (ESF)

**Eligibility:**

Registered unemployed

**Legal basis:**

Ministerial ordinances of 21.2.86 and of 22.3.94

**Recent changes:**

None

**Supplementary information:**

<b>Target groups:</b>	Unemployed		<b>Detailed target groups:</b>	None
<b>Unemployment registration:</b>	<i>Condition for participation:</i>	Yes	<b>Other cash benefits:</b>	None
	<i>Registration continued:</i>	No		
<b>Type of expenditure:</b>	Transfers to individuals ( Lump-sum payments, Reimbursements)		<b>Planned duration:</b>	<i>Typical:</i> Not available <i>Maximum:</i> Not available
<b>Responsible institution(s):</b>	Public employment services		<b>Area of Application:</b>	National
<b>Implementation:</b>	<i>Year started:</i>	1986		
	<i>Year ended:</i>	Ongoing		

**Identification:**

**Country:** Spain                      **Year:** 2001                      **Category** 7 - Start-up incentives  
**Measure n°/name:**                      22                      **Financial aid for the integration of returning emigrants**  
**Type of action:**                      7                      Start-up incentives

**Description:**
**Aim:**

To encourage self-employment among unemployed emigrants who have returned to Spain.

**Beneficiaries:**

Returned Spanish emigrants who have been unemployed for at least 6 months after working abroad for at least twelve months.

**Action/Instrument:**

Returned Spanish emigrants who have been unemployed for at least 6 months and who want to start their own business are entitled to a financial incentive in the form of a lump-sum payment (fixed amount).

**Financing/support:**

Central government budget

**Eligibility:**

Returned Spanish emigrants registered as unemployed for at least 6 months.

**Legal basis:**

Ministerial ordinances of 14.12.95 and of 30.12.97

**Recent changes:**

None

**Supplementary information:**

<b>Target groups:</b>	Unemployed		<b>Detailed target groups:</b>	Public priorities and other
<b>Unemployment registration:</b>	<i>Condition for participation:</i>	Yes	<b>Other cash benefits:</b>	None
	<i>Registration continued:</i>	No		
<b>Type of expenditure:</b>	Transfers to individuals ( Lump-sum payments)		<b>Planned duration:</b>	<i>Typical:</i> Not available <i>Maximum:</i> Not available
<b>Responsible institution(s):</b>	Central government		<b>Area of Application:</b>	National
<b>Implementation:</b>	<i>Year started:</i>	1995		
	<i>Year ended:</i>	Ongoing		

**Identification:**

**Country:** Spain                      **Year:** 2001                      **Category** 7 - Start-up incentives  
**Measure n°/name:** 23                      **Promotion of employment in co-operatives**  
**Type of action:** 7                      Start-up incentives

**Description:**
**Aim:**

To encourage employment in co-operatives.

**Beneficiaries:**

Unemployed recruited by co-operatives, with special attention paid to long-term unemployed aged over 25 or unemployed youth (under 25).

**Action/Instrument:**

In order to promote co-operatives, the measure provides the following assistance:

- lump sum payment as subsistence income for persons aged under 25, or for long-term unemployed aged over 25, or for over 45 or unemployed women during +6 months, or for the disabled.
- exceptional assistance as benefit in kind for newly created co-operatives established exclusively for young people aged under 25;
- grants towards interest on loans for investment in fixed capital;
- financial aid for technical assistance of up to 50% of costs or up to 100% if measures are compulsory, especially for viability studies, auditing and consulting (up to a maximum amount).

**Financing/support:**

Central government budget, European Social Fund (ESF)

**Eligibility:**

Registered unemployed

**Legal basis:**

Ministerial ordinances of 21.2.86, of 18.3.93, of 29.12.98 and 24.11.99;  
 Law 4/1997 of 24.3.97;  
 Law 27/1999 of 16.7.99

**Recent changes:**

None

**Supplementary information:**

<b>Target groups:</b>	Unemployed (LTU)		<b>Detailed target groups:</b>	Youth
<b>Unemployment registration:</b>	<i>Condition for participation:</i>	Yes	<b>Other cash benefits:</b>	None
	<i>Registration continued:</i>	No		
<b>Type of expenditure:</b>	Transfers to individuals ( Lump-sum payments, Reimbursements)		<b>Planned duration:</b>	<i>Typical:</i> Not available <i>Maximum:</i> Not available
<b>Responsible institution(s):</b>	Central government, State/regional government		<b>Area of Application:</b>	National
<b>Implementation:</b>	<i>Year started:</i>	1986		
	<i>Year ended:</i>	Ongoing		



**Identification:**

**Country:** Spain      **Year:** 2001      **Category** 7 - Start-up incentives  
**Measure n°/name:** 24      **Promotion of local employment initiatives**  
**Type of action:** 7      Start-up incentives

**Description:**
**Aim:**

To encourage the creation of permanent jobs for unemployed in newly created small and local enterprises involved in innovative activities.

**Beneficiaries:**

Unemployed.

**Action/Instrument:**

Newly created small enterprises recruiting the unemployed under an open-ended contract are entitled to the following assistance:

- Grants for every worker hired on a full-time basis under an open-ended employment contract and a proportional share of the grant for every open-ended, part-time contract.
- An initial grant amounting to a 6% reduction in the interest rate fixed by a public or private creditor for a loan, depending on the number of permanent jobs created.
- Financing of part of general management costs up to a maximum amount.

**Financing/support:**

Central government budget, European Social Fund (ESF)

**Eligibility:**

Registered unemployed recruited by a newly created small enterprise.

**Legal basis:**

Ministerial ordinances of 21.2.86, of 12.4.94, of 15.7.99 and of 27.12.99

**Recent changes:**

None

**Supplementary information:**

<b>Target groups:</b>	Unemployed		<b>Detailed target groups:</b>	None
<b>Unemployment registration:</b>	<i>Condition for participation:</i>	Yes	<b>Other cash benefits:</b>	None
	<i>Registration continued:</i>	No		
<b>Type of expenditure:</b>	Transfers to employers ( Lump-sum payments, Reimbursements)		<b>Planned duration:</b>	<i>Typical:</i> Not available <i>Maximum:</i> Not available
<b>Responsible institution(s):</b>	Public employment services		<b>Area of Application:</b>	National
<b>Implementation:</b>	<i>Year started:</i>	1986		
	<i>Year ended:</i>	Ongoing		

**Identification:**

**Country:** Spain                      **Year:** 2001                      **Category** 7 - Start-up incentives  
**Measure n°/name:** 43                      **Promotion of self-employment (regions)**  
**Type of action:** 7                      Start-up incentives

**Description:**
**Aim:**

To encourage the unemployed to become self-employed.

**Beneficiaries:**

Unemployed, with special attention paid to long-term unemployed over 25 and youth under 25.

**Action/Instrument:**

Registered unemployed persons setting up their own business are entitled to the following financial incentives:

- Lump-sum payment for subsistence income for persons aged under 25 and for the long-term unemployed aged over 25. The amount is doubled when the European Social Fund co-finances the project.
- Grants of up to 6% towards interest charged on loans of up to a fixed amount with the aim of facilitating fixed capital formation (there is a ceiling on the amount of the loan).
- Grants of up to 100% (by order of the authorities) or 50% (on application) of costs viability studies, auditing and consultation.

**Financing/support:**

Regional government budget, European Social Fund (ESF)

**Eligibility:**

Registered unemployed

**Legal basis:**

Ministerial ordinances of 21.2.86 and of 22.3.94

**Recent changes:**

None

**Supplementary information:**

<b>Target groups:</b>	Unemployed		<b>Detailed target groups:</b>	None
<b>Unemployment registration:</b>	<i>Condition for participation:</i>	Yes	<b>Other cash benefits:</b>	None
	<i>Registration continued:</i>	No		
<b>Type of expenditure:</b>	Transfers to individuals ( Lump-sum payments, Reimbursements)		<b>Planned duration:</b>	<i>Typical:</i> Not available <i>Maximum:</i> Not available
<b>Responsible institution(s):</b>	State/regional government		<b>Area of Application:</b>	Regional
<b>Implementation:</b>	<i>Year started:</i>	1986		
	<i>Year ended:</i>	Ongoing		

**Identification:**

**Country:** Spain      **Year:** 2001      **Category** 7 - Start-up incentives  
**Measure n°/name:** 44      **Promotion of employment in co-operatives (regions)**  
**Type of action:** 7      Start-up incentives

**Description:**
**Aim:**

To encourage employment in co-operatives.

**Beneficiaries:**

Unemployed recruited by co-operatives, with special attention paid to long-term unemployed aged over 25 or unemployed youth (under 25).

**Action/Instrument:**

In order to promote co-operatives, the measure provides the following assistance:

- lump sum payment as subsistence income for persons aged under 25 or for long-term unemployed aged over 25 or the disabled
- exceptional assistance as benefit in kind for newly created co-operatives established exclusively for young people aged under 25;
- grants towards interest on loans for investment in fixed capital;
- financial aid for technical assistance of up to 50% of costs or up to 100% if measures are compulsory, especially for viability studies, auditing and consulting (up to a maximum amount).

**Financing/support:**

Regional government budget, European Social Fund (ESF)

**Eligibility:**

Registered unemployed

**Legal basis:**

Ministerial ordinances of 21.2.86, of 18.3.93, of 29.12.98 and 24.11.99;  
 Law 4/1997 of 24.3.97;  
 Law 27/1999 of 16.7.99

**Recent changes:**

None

**Supplementary information:**

<b>Target groups:</b>	Unemployed (LTU)		<b>Detailed target groups:</b>	Youth
<b>Unemployment registration:</b>	<i>Condition for participation:</i>	Yes	<b>Other cash benefits:</b>	None
	<i>Registration continued:</i>	No		
<b>Type of expenditure:</b>	Transfers to individuals ( Lump-sum payments, Reimbursements)		<b>Planned duration:</b>	<i>Typical:</i> Not available <i>Maximum:</i> Not available
<b>Responsible institution(s):</b>	State/regional government		<b>Area of Application:</b>	Regional
<b>Implementation:</b>	<i>Year started:</i>	1986		
	<i>Year ended:</i>	Ongoing		

**Identification:**

**Country:** Spain                      **Year:** 2001                      **Category** 7 - Start-up incentives  
**Measure n°/name:**                      45                      **Promotion of local employment initiatives (regions)**  
**Type of action:**                      7                      Start-up incentives

**Description:**
**Aim:**

To encourage the creation of permanent jobs for unemployed in newly created small and local enterprises involved in innovative activities.

**Beneficiaries:**

Unemployed.

**Action/Instrument:**

Newly created small enterprises recruiting the unemployed under an open-ended contract are entitled to the following assistance:

- Grants for every worker hired on a full-time basis under an open-ended employment contract and a proportional share of the grant for every open-ended, part-time contract.
- An initial grant amounting to a 6% reduction in the interest rate fixed by a public or private creditor for a loan, depending on the number of permanent jobs created.
- Financing of part of general management costs up to a maximum amount.

**Financing/support:**

Regional government budget, European Social Fund (ESF)

**Eligibility:**

Registered unemployed recruited by a newly created small enterprise.

**Legal basis:**

Ministerial ordinances of 21.2.86, of 12.4.94, of 15.7.99 and of 27.12.99

**Recent changes:**

None

**Supplementary information:**

<b>Target groups:</b>	Unemployed		<b>Detailed target groups:</b>	None
<b>Unemployment registration:</b>	<i>Condition for participation:</i>	Yes	<b>Other cash benefits:</b>	None
	<i>Registration continued:</i>	No		
<b>Type of expenditure:</b>	Transfers to employers ( Lump-sum payments, Reimbursements)		<b>Planned duration:</b>	<i>Typical:</i> Not available <i>Maximum:</i> Not available
<b>Responsible institution(s):</b>	State/regional government		<b>Area of Application:</b>	Regional
<b>Implementation:</b>	<i>Year started:</i>	1986		
	<i>Year ended:</i>	Ongoing		

**Identification:**

**Country:** Spain      **Year:** 2001      **Category** 8 - Out-of-work income maintenance and support  
**Measure n°/name:** 5      **Contributory unemployment benefit**  
**Type of action:** 8.1.1      Unemployment insurance

**Description:**
**Aim:**

To compensate for earnings lost due to full-time unemployment.

**Beneficiaries:**

Unemployed workers who are willing and able to work and who have been in contributory employment for a minimum duration.

**Action/Instrument:**

For eligible unemployed, the unemployment benefit is equal to: - 70% of the wage during the first 180 days; - 60% of the wage for the following days; - the payment of social security contributions (100% of employers' contributions and 35 % of workers' contributions).

The monthly amount of the contributory unemployment benefit may under no circumstances be less than 100% or 75% of the national inter-professional minimum wage applicable when eligibility to compensation begins, including two extraordinary payments, regardless of whether the beneficiary has dependent children or not; nor may it exceed 170% of this amount except when the worker has dependent children, in which case the maximum ceiling can be raised to 220%, depending on the number of children. Maximum duration of the benefit is 2 years.

**Financing/support:**

Social security funds

**Eligibility:**

Eligible unemployed must:

- be affiliated with the social security system or an equivalent scheme which insures against unemployment; have paid contributions for a period of at least 360 days during the six years preceding unemployment upon the commencement of unemployment or on the date on which the obligation to pay contributions expired;
- be in a situation of unemployment recognised by the law;
- not have reached the age legally giving the right to a retirement pension, with the exception of cases where the applicant cannot justify having completed a sufficient number of years of work, or in cases of employment relationships having been suspended, or the reduction of working hours having been authorised on the basis of a petition for employment regulation.

**Legal basis:**

General Law on Social Security (Royal Decree 1/94 of 20.6.94)

**Recent changes:**

None

**Supplementary information:**

<b>Target groups:</b>	Unemployed		<b>Detailed target groups:</b>	None
<b>Unemployment registration:</b>	<i>Condition for participation:</i>	Yes	<b>Other cash benefits:</b>	None
	<i>Registration continued:</i>	Yes		
<b>Type of expenditure:</b>	Transfers to individuals (Periodic cash payments, Reduced social contributions)		<b>Planned duration:</b>	<i>Typical:</i> 24 Months <i>Maximum:</i> 720 Days
<b>Responsible institution(s):</b>	Public employment services		<b>Area of Application:</b>	National
<b>Implementation:</b>	<i>Year started:</i>	1980		
	<i>Year ended:</i>	Ongoing		

**Identification:**

**Country:** Spain      **Year:** 2001      **Category** 8 - Out-of-work income maintenance and support  
**Measure n°/name:** 6      **Unemployment assistance**  
**Type of action:** 8.1.2      Unemployment assistance

**Description:**
**Aim:**

To provide income support to the unemployed not entitled to unemployment benefit.

**Beneficiaries:**

Unemployed persons who have exhausted their entitlement to unemployment benefit and who are considered to be in need.

**Action/Instrument:**

For the eligible unemployed the allowance consists of:

- payment of the unemployment assistance benefit corresponding to 75% of the inter-professional minimum wage for a period of 18 to 30 months.
- payment during the duration of the benefit of social security contributions for health care, family protection (if over 52 also for retirement) and pension insurance.

**Financing/support:**

Central government budget, Social security funds

**Eligibility:**

- Unemployed whose entitlement to unemployment benefit has expired;
- unemployed who have not paid the minimum contributions for entitlement to unemployment benefit in the required time period;
- returned emigrants, former convicts and employees who have been classified as partially or fully fit for work in a follow-up examination of their invalidity and who are liable for dependants;
- and unemployed who are in exceptional circumstances or over 52 fulfilling the requirements for entitlement to early retirement.

**Legal basis:**

General Law on Social Security (Royal Decree 1/94 of 20.6.94)

**Recent changes:**

None

**Supplementary information:**

<b>Target groups:</b>	Unemployed (LTU)	<b>Detailed target groups:</b>	None
<b>Unemployment registration:</b>	<i>Condition for participation:</i> Yes <i>Registration continued:</i> Yes	<b>Other cash benefits:</b>	None
<b>Type of expenditure:</b>	Transfers to individuals (Periodic cash payments, Reduced social contributions)	<b>Planned duration:</b>	<i>Typical:</i> 18 Months <i>Maximum:</i> 30 Months
<b>Responsible institution(s):</b>	Public employment services	<b>Area of Application:</b>	National
<b>Implementation:</b>	<i>Year started:</i> 1980 <i>Year ended:</i> Ongoing		

**Identification:**

**Country:** Spain      **Year:** 2001      **Category** 8 - Out-of-work income maintenance and support  
**Measure n°/name:** 7      **Assistance for unemployed casual agricultural workers**  
**Type of action:** 8.1.2      Unemployment assistance

**Description:**
**Aim:**

To provide unemployed casual agricultural workers in Andalucía and Extremadura with financial support.

**Beneficiaries:**

Unemployed casual agricultural workers in Andalucía and Extremadura.

**Action/Instrument:**

Unemployed casual agricultural workers in Andalucía and Extremadura, who are covered by the Special Agricultural Social Security Scheme (REASS), are entitled to receive an unemployment allowance equal to 75% of the inter-professional minimum wage for at least 100 days and up to 360 days, and for those over 52 up to retirement age, plus reimbursement of the monthly quota that workers pay to the REASS. The benefit is means-tested (household income) and its duration also depends on the composition of the household.

**Financing/support:**

Central government budget

**Eligibility:**

Eligible unemployed must:

- be an unemployed casual worker affiliated with the special agricultural scheme as an active contributor or a person with equivalent status;
- have paid contributions into the Special Agricultural Scheme on at least 35 days in the previous twelve months;
- not be entitled to a retirement pension for reasons of age, with the exception of those who have not paid contributions;
- be resident in the autonomous communities of Andalucía or Extremadura;
- not have an income higher than the annual inter-professional minimum wage (with the exception of extraordinary payments). If the worker lives with other family members, the total for the family is calculated to determine the income limit;
- not be in a situation incompatible with receipt of the benefit.

**Legal basis:**

General Law on Social Security (Royal Decree 1/94 of 20.6.94);  
 Royal Decree 5/1997 of 10.1.97

**Recent changes:**

None

**Supplementary information:**

<b>Target groups:</b>	Unemployed		<b>Detailed target groups:</b>	Public priorities and other
<b>Unemployment registration:</b>	<i>Condition for participation:</i>	Yes	<b>Other cash benefits:</b>	None
	<i>Registration continued:</i>	Yes		
<b>Type of expenditure:</b>	Transfers to individuals (Periodic cash payments, Reduced social contributions)		<b>Planned duration:</b>	<i>Typical:</i> 3 Months <i>Maximum:</i> 360 Months
<b>Responsible institution(s):</b>	Public employment services		<b>Area of Application:</b>	Regional
<b>Implementation:</b>	<i>Year started:</i>	1981		
	<i>Year ended:</i>	Ongoing		

**Identification:**

**Country:** Spain                      **Year:** 2001                      **Category** 8 - Out-of-work income maintenance and support  
**Measure n°/name:**                      32                      **Active jobseeker's back-to-work allowance**  
**Type of action:**                      8.1.2                      Unemployment assistance

**Description:**
**Aim:**

To facilitate the integration into the labour market of older unemployed through activation measures and financial aid.

**Beneficiaries:**

Long-term unemployed aged over 45.

**Action/Instrument:**

The unemployed signs an active jobseeking commitment (which consists of participation to employment and/or training programmes or activities leading to a return to the labour market) with the PES in order to help him/her get back to work. He/she receives an allowance during participation.

**Financing/support:**

Central government budget

**Eligibility:**

Registered long-term unemployed aged over 45 having exhausted their entitlement to unemployment allowance, and which revenue do not exceed 75% of the minimum interprofessional wage (SMI).

**Legal basis:**

Law 14/2000 of 28.12.00. Royal Decree 236/2000 of 18.02.00  
 Law 24/2001 of 27.12.01. Royal Legislative Decree 5/2002 of 24.05.02.

**Recent changes:**
**Supplementary information:**

<b>Target groups:</b>	Unemployed (LTU)		<b>Detailed target groups:</b>	Older
<b>Unemployment registration:</b>	<i>Condition for participation:</i>	Yes	<b>Other cash benefits:</b>	Other LMP benefit
	<i>Registration continued:</i>	Yes		
<b>Type of expenditure:</b>	Transfers to individuals (Periodic cash payments)		<b>Planned duration:</b>	<i>Typical:</i> 10 Months <i>Maximum:</i> 10 Months
<b>Responsible institution(s):</b>	Public employment services		<b>Area of Application:</b>	National
<b>Implementation:</b>	<i>Year started:</i>	2000		
	<i>Year ended:</i>	Ongoing		



**Identification:**

**Country:** Spain      **Year:** 2001      **Category** 8 - Out-of-work income maintenance and support  
**Measure n°/name:** 4      **Partial unemployment benefits (contributory)**  
**Type of action:** 8.2      Partial unemployment benefits

**Description:**
**Aim:**

To compensate for partial loss of earnings and to maintain employment for workers who might otherwise be dismissed.

**Beneficiaries:**

Workers experiencing temporary suspension of employment or involuntary short-time working due to the circumstances of the employer.

**Action/Instrument:**

Employment contracts may be temporarily or partially suspended in order to prevent job losses. Under this measure, and after having submitted a petition for employment regulation, enterprises experiencing grave economic difficulties of an exceptional nature as a result of economic, technological, organisational or production-related circumstances or due to a temporary force majeure may temporarily suspend the employment contracts of the entire workforce or a part of it, or temporarily reduce the normal working hours by one third.

During the period of temporary suspension or short-time working, the worker receives unemployment benefit in accordance with the regulations governing total unemployment (see measure E-5): unemployment allowance between 75% and 220% of the inter-professional minimum wage, reimbursement of social security contributions to both employers (100%) and workers (35%).

**Financing/support:**

Social security funds

**Eligibility:**

- affiliation with the social security system or an equivalent scheme which insures against unemployment;
- partial unemployment (working day and salary have to be reduced by at least a third);
- payment of contributions for a period of at least 360 days during the six years preceding unemployment upon the commencement of unemployment or on the date on which the obligation to pay contributions expired;

**Legal basis:**

General Law on Social Security (Royal Decree 1/94 of 20.6.94)

**Recent changes:**

None

**Supplementary information:**

<b>Target groups:</b>	Unemployed	<b>Detailed target groups:</b>	None
<b>Unemployment registration:</b>	<i>Condition for participation:</i> Yes <i>Registration continued:</i> Yes	<b>Other cash benefits:</b>	None
<b>Type of expenditure:</b>	Transfers to individuals (Periodic cash payments, Reduced social contributions)	<b>Planned duration:</b>	<i>Typical:</i> 24 Months <i>Maximum:</i> 720 Days
<b>Responsible institution(s):</b>	Public employment services	<b>Area of Application:</b>	National
<b>Implementation:</b>	<i>Year started:</i> 1980 <i>Year ended:</i> Ongoing		

**Identification:**

**Country:** Spain                      **Year:** 2001                      **Category** 8 - Out-of-work income maintenance and support  
**Measure n°/name:**                      30                      **Bankruptcy compensation**  
**Type of action:**                      8.5                      Bankruptcy compensation

**Description:**
**Aim:**

To guarantee that employees are paid in the event their employer declares bankruptcy.

**Beneficiaries:**

Workers not paid before the bankruptcy.

**Action/Instrument:**

Once the bankruptcy is legally recognised, unpaid workers are entitled to economic compensation following dismissal due to the bankruptcy.

**Financing/support:**

Social security funds

**Eligibility:**

Workers not paid before the bankruptcy.

**Legal basis:**

Royal Decree 505/1985 of 6.3.85 and 1/1995 of 24.3.95;  
Law 60/1997 of 19.12.97

**Recent changes:**

None

**Supplementary information:**

<b>Target groups:</b>	Unemployed		<b>Detailed target groups:</b>	Public priorities and other
<b>Unemployment registration:</b>	<i>Condition for participation:</i>	Yes	<b>Other cash benefits:</b>	Unemployment benefit
	<i>Registration continued:</i>	Yes		
<b>Type of expenditure:</b>	Transfers to individuals ( Lump-sum payments)		<b>Planned duration:</b>	<i>Typical:</i> Not available <i>Maximum:</i> Not available
<b>Responsible institution(s):</b>	Central government		<b>Area of Application:</b>	National
<b>Implementation:</b>	<i>Year started:</i>	1985		
	<i>Year ended:</i>	Ongoing		

**Identification:**

**Country:** Spain      **Year:** 2001      **Category** 9 - Early retirement  
**Measure n°/name:** 26      **Early retirement with substitution by another worker**  
**Type of action:** 9.1.1 Full

**Description:**
**Aim:**

To encourage early retirement of workers aged 64 if they are replaced by the unemployed.

**Beneficiaries:**

Workers aged 64.

**Action/Instrument:**

The minimum age for full retirement without a reduced pension has been lowered to 64 years for workers whom the enterprise agrees to replace immediately by registered unemployed. These unemployed workers can be hired under any type of employment contract except those covering part-time or casual work. Early retirees receive their full pension.

**Financing/support:**

Social security funds

**Eligibility:**

Workers aged 64

**Legal basis:**

Royal Decree 1194/1985 of 17.7.85.  
Law 63/1997 of 26.12.97

**Recent changes:**

None

**Supplementary information:**

<b>Target groups:</b>	Employed at risk	<b>Detailed target groups:</b>	Older
<b>Unemployment registration:</b>	<i>Condition for participation:</i> No <i>Registration continued:</i> No	<b>Other cash benefits:</b>	None
<b>Type of expenditure:</b>	Transfers to individuals (Periodic cash payments)	<b>Planned duration:</b>	<i>Typical:</i> 12 Months <i>Maximum:</i> 365 Days
<b>Responsible institution(s):</b>	Social security funds, Public employment services	<b>Area of Application:</b>	National
<b>Implementation:</b>	<i>Year started:</i> 1984 <i>Year ended:</i> Ongoing		

**Identification:**

**Country:** Spain      **Year:** 2001      **Category** 9 - Early retirement  
**Measure n°/name:** 47      **Early retirement with substitution by another worker (regions)**  
**Type of action:** 9.1.1 Full

**Description:**
**Aim:**

To encourage early retirement of workers aged 64 if they are replaced by the unemployed.

**Beneficiaries:**

Workers aged 64.

**Action/Instrument:**

The minimum age for full retirement without a reduced pension has been lowered to 64 years for workers whom the enterprise agrees to replace immediately by registered unemployed. These unemployed workers can be hired under any type of employment contract except those covering part-time or casual work. Early retirees receive their full pension.

**Financing/support:**

Social security funds

**Eligibility:**

Workers aged 64.

**Legal basis:**

Royal Decree 1194/1985 of 17.7.85.  
Law 63/1997 of 26.12.97

**Recent changes:**

None

**Supplementary information:**

<b>Target groups:</b>	Employed at risk	<b>Detailed target groups:</b>	Older
<b>Unemployment registration:</b>	<i>Condition for participation:</i> No <i>Registration continued:</i> No	<b>Other cash benefits:</b>	None
<b>Type of expenditure:</b>	Transfers to individuals ( Lump-sum payments)	<b>Planned duration:</b>	<i>Typical:</i> 12 Months <i>Maximum:</i> 365 Days
<b>Responsible institution(s):</b>	State/regional government	<b>Area of Application:</b>	Regional
<b>Implementation:</b>	<i>Year started:</i> 1984 <i>Year ended:</i> Ongoing		

**Identification:**

**Country:** Spain                      **Year:** 2001                      **Category** 9 - Early retirement  
**Measure n°/name:** 27                      **Replacement contracts**  
**Type of action:** 9.1.2                      Partial

**Description:**
**Aim:**

To encourage partial early retirement so as to give the freed jobs to the unemployed.

**Beneficiaries:**

Workers aged over 62.

**Action/Instrument:**

Replacement contracts are concluded with registered unemployed to take over working time made available by means of employed workers (> 60) taking partial retirement. The worker taking partial early retirement will continue to work with an employment contract for 50% of previous working hours and wages. The social security contribution is proportional to the wage received for the hours and days in which work is actually carried out. During implementation of the measure (maximum 5 years), workers taking partial early retirement receive 30% to 70% of their pension until they reach legal retirement age. They then receive their full pension.

**Financing/support:**

Social security funds

**Eligibility:**

Workers over 60

**Legal basis:**

Royal Decree 1991/1984 of 31.10.84;  
 Law 63/1997 of 26.12.97;  
 Royal Law Decree 15/1998 of 27.11.98

**Recent changes:**

None

**Supplementary information:**

<b>Target groups:</b>	Employed at risk		<b>Detailed target groups:</b>	Older
<b>Unemployment registration:</b>	<i>Condition for participation:</i>	No	<b>Other cash benefits:</b>	None
	<i>Registration continued:</i>	No		
<b>Type of expenditure:</b>	Transfers to individuals (Periodic cash payments)		<b>Planned duration:</b>	<i>Typical:</i> 36 Months <i>Maximum:</i> 1095 Days
<b>Responsible institution(s):</b>	Social security funds, Public employment services		<b>Area of Application:</b>	National
<b>Implementation:</b>	<i>Year started:</i>	1984		
	<i>Year ended:</i>	Ongoing		

**Identification:**

**Country:** Spain      **Year:** 2001      **Category** 9 - Early retirement  
**Measure n°/name:** 1      **Employment promotion funds (early retirement)**  
**Type of action:** 9.2.1 Full

**Description:**
**Aim:**

To provide older workers in economic sectors undergoing restructuring with financial support until the age of retirement.

**Beneficiaries:**

Older workers employed in one of the following four sectors of activity: special steels industry, iron and steel industry, shipyards and electric household appliances.

**Action/Instrument:**

The Employment Promotion Funds (FPEs) are currently not accepting new members and the number of members is decreasing annually. All members have now exceeded the age of 60, so that there are no longer any educational or placement activities taking place. Remaining participants benefit from periodic payments supplementary to the unemployment benefit plus the reimbursement of extra social security contributions in order to guarantee a full pension. These benefits are provided until the age of retirement (65 years) which corresponds to the end of the participation in the FPEs.

**Financing/support:**

Central government budget

**Eligibility:**

Older workers laid off within the framework of a social plan in one of the following four sectors of activity: special steels industry, iron and steel industry, shipyards and electric household appliances.

**Legal basis:**

Royal Decree 335/1984 of 8.2.1984;  
 Royal Decree 341/1987 of 6.3.1987

**Recent changes:**

None

**Supplementary information:**

<b>Target groups:</b>	Unemployed		<b>Detailed target groups:</b>	Older
<b>Unemployment registration:</b>	<i>Condition for participation:</i>	Yes	<b>Other cash benefits:</b>	Other benefit
	<i>Registration continued:</i>	Yes		
<b>Type of expenditure:</b>	Transfers to individuals (Periodic cash payments, Reduced social contributions)		<b>Planned duration:</b>	<i>Typical:</i> 60 Months <i>Maximum:</i> 1820 Days
<b>Responsible institution(s):</b>	Central government		<b>Area of Application:</b>	National
<b>Implementation:</b>	<i>Year started:</i>	1984		
	<i>Year ended:</i>	2001		

**Identification:**

**Country:** Spain      **Year:** 2001      **Category** 9 - Early retirement  
**Measure n°/name:** 2      **Early retirement allowance**  
**Type of action:** 9.2.1 Full

**Description:**
**Aim:**

To provide older workers with financial support until the age of retirement.

**Beneficiaries:**

Older workers aged over 60 laid off for economic, technical, organisational or productive reasons.

**Action/Instrument:**

Financial support is provided to participants starting the day of their dismissal and lasting as long as contributions are being paid on their behalf and until actual retirement age (65). Participants then have full entitlement to retirement in accordance with the contributory procedures of the social security system. During the early retirement period (up to 5 years), beneficiaries receive economic assistance equivalent to 75% of social security plus the reimbursement of social security contributions.

**Financing/support:**

Central government budget

**Eligibility:**

Older workers aged over 60 laid off for economic reasons

**Legal basis:**

Ministerial ordinance of 5.10.94

**Recent changes:**

None

**Supplementary information:**

<b>Target groups:</b>	Unemployed	<b>Detailed target groups:</b>	Older
<b>Unemployment registration:</b>	<i>Condition for participation:</i> Yes <i>Registration continued:</i> Yes	<b>Other cash benefits:</b>	Other LMP benefit
<b>Type of expenditure:</b>	Transfers to individuals (Periodic cash payments, Reduced social contributions)	<b>Planned duration:</b>	<i>Typical:</i> 60 Months <i>Maximum:</i> 5 Years
<b>Responsible institution(s):</b>	Central government, State/regional government	<b>Area of Application:</b>	National
<b>Implementation:</b>	<i>Year started:</i> 1986 <i>Year ended:</i> Ongoing		

**Identification:**

**Country:** Spain      **Year:** 2001      **Category** 9 - Early retirement  
**Measure n°/name:** 33      **Early retirement allowance (regions)**  
**Type of action:** 9.2.1 Full

**Description:**
**Aim:**

To provide older workers with financial support until the age of retirement.

**Beneficiaries:**

Older workers aged over 60 laid off for economic, technical, organisational or productive reasons.

**Action/Instrument:**

Financial support is provided to participants starting the day of their dismissal and lasting as long as contributions are being paid on their behalf and until actual retirement age (65). Participants then have full entitlement to retirement in accordance with the contributory procedures of the social security system. During the early retirement period (up to 5 years), beneficiaries receive economic assistance equivalent to 75% of social security plus the reimbursement of social security contributions.

**Financing/support:**

Regional government budget

**Eligibility:**

Older workers aged over 60 laid off for economic reasons

**Legal basis:**

Ministerial ordinance of 5.10.94

**Recent changes:**

None

**Supplementary information:**

<b>Target groups:</b>	Unemployed		<b>Detailed target groups:</b>	Older
<b>Unemployment registration:</b>	<i>Condition for participation:</i>	Yes	<b>Other cash benefits:</b>	Other LMP benefit
	<i>Registration continued:</i>	Yes		
<b>Type of expenditure:</b>	Transfers to individuals ( Lump-sum payments)		<b>Planned duration:</b>	<i>Typical:</i> Not available <i>Maximum:</i> 5 Years
<b>Responsible institution(s):</b>	State/regional government		<b>Area of Application:</b>	Regional
<b>Implementation:</b>	<i>Year started:</i>	1986		
	<i>Year ended:</i>	Ongoing		