



WHAT YOU NEED TO KNOW ABOUT **UNEMPLOYMENT INSURANCE**

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This information is published by the Swedish Federation of Unemployment Insurance Funds (SO) which is the interest organization of the Swedish unemployment insurance funds.

The information is intended to provide a general overview and should not be regarded as a legal text. For further information please contact your unemployment insurance fund.

The Riksdag decides on the contents of laws governing unemployment insurance and the activities of the unemployment insurance funds: the Unemployment Insurance Act (1997:238) and the Unemployment Insurance Funds Act (1997:239).

The Government issues ordinances and sets the limits for the daily cash benefit. The Swedish Unemployment Insurance Board, IAF, which is the authority supervising the unemployment insurance funds, issues directives and commentaries on the laws.

Rules and figures may have changed since this information was written. Your unemployment insurance fund can give you up-to-date information. You can also obtain information via the Internet, on www.samorg.org or on the website of your unemployment insurance fund.

Basic insurance and optional loss-of-income insurance

Unemployment insurance makes up a certain part of the loss of income during unemployment. The unemployment insurance scheme has two components: a basic insurance and an optional loss-of-income-insurance.

To obtain benefit from the optional loss-of-income insurance you need to be a member of an unemployment insurance fund. Membership also includes affiliation to the unemployment insurance fund Alfa-kassan.*

Basic conditions

In addition to satisfying a work requirement in order to be granted a period of benefit, you must in order to obtain benefit satisfy certain basic conditions while you are unemployed.

These basic conditions are that you must:

- be able and willing to take a job for at least 3 hours a day and an average of at least 17 hours a week;
- be able and willing to take suitable work; there must be no obstacle to the taking of this work;
- be registered at the public employment service as wholly or partially unemployed and looking for work;
- draw up a plan of action together with the unemployment service
- be actively seeking work.

It is important to be active yourself in seeking work, when you get unemployment benefit. Read more about this in the sections *Important to be active* and *Suitable work*.

*The unemployment insurance fund Alfa charges an administration fee of SEK 17 per day of benefit (2009) from those receiving the basic amount.

Membership

Application for membership must be made in writing.

There are 32 unemployment insurance funds in Sweden (July 2009). It is normally the work/field of activity that determines which unemployment insurance fund you are entitled to belong to. You will find a list of unemployment insurance funds on: www.samorg.org. You can not be a member of more than one unemployment insurance fund at the same time. If you change job and become a member of a different unemployment insurance fund you are entitled to credit yourself with the previous period of membership. Note that there must not be any interruption of your membership when you change unemployment insurance fund. It is not necessary to change unemployment insurance fund if you are only working temporarily (up to six months) in the field of activity of a different unemployment insurance fund.

Many unemployment insurance funds work closely with the unions, but are independent from them.

The membership in an unemployment insurance fund will be discontinued after the age of 65.

Admission by work

Admission to an unemployment insurance fund is based on work. To become a member of an unemployment insurance fund, you must work within the field of activity of the fund. Even if you don't work when you apply for membership you can get a membership, if your latest job was in the field of activity of the the fund.

Forms of work qualifying for admission are a regular job, employment with a supplementary wage allowance or employment subsidy, sheltered employment with a public employer or work at Samhall.

Membership fee

When you are a member of an unemployment insurance fund you pay a membership fee. This is intended to cover a fee that the fund pays to the state plus the unemployment insurance fund's administration costs.

A person who is fully unemployed and gets unemployment benefit, activity support or utvecklingsersättning, has under certain circumstances right to pay a lower membership-fee. If you draw sickness benefit, rehabilitation benefit, activity compensation or in time limited sickness compensation and are not employed, you can have the right to pay a lower membership fee.

Membership condition

You must have been a member of an unemployment insurance fund for a continuous period of 12 months in order to be entitled to income-related compensation from the optional loss-of-income insurance. During 2009 every membership-month (calendar month) is counted twice. It means that you can get income-related compensation after 6 months.

Reporting to the public employment service

Unemployment is calculated as starting on the day when you report yourself unemployed and looking for work at the public employment service.

What the unemployment insurance fund needs in order to deal with your case

When applying for unemployment benefit you must always submit the form "Anmälan om arbetslöshet" [Notice of unemployment]

The unemployment insurance fund needs certification of what you have been doing for the last 12 months before becoming unemployed (the qualifying time).

When applying you must submit the form:

- "Anmälan om arbetslöshet" [Notice of unemployment]

You may also need to submit the following certificates:

- Employer's certificate
- Employment certificate for self-employed person
- Study certificate

Are you entitled to benefit?

In order to be entitled to benefit you must satisfy a work requirement together with the basic conditions.

Work requirement

The work requirement is that you during the 12-month period immediately before the unemployment, must have been gainfully employed for at least 80 hours per month for at least 6 calendar months. If this requirement is not met, it is necessary to have worked for 480 hours during a continuous period of 6 calendar months. At least 50 hours of work in each month is required. You can satisfy the work requirement either as an employee or by working in your own company.

By gainful employment is meant:

- Regular work
- Employment with a supplementary wage allowance or employment subsidy
N.B. This does not include special employment subsidy
- Sheltered employment with a public employer
- Work for Samhall
- Utvecklingsanställning och trygghetsanställning (Development employment and security employment)

Gainful employment also includes:

- Holiday or other leave of absence with whole or part salary, although not absence due to illness, national service or the birth of a child
- Redundancy pay and damages covering financial loss
- Time when parental allowance is being received (although no more than two months together with work for four months)
- Completed national service (although no more than two months together with work for four months).

Time which can be disregarded

Time which can be disregarded implies an extension of the qualifying time. This means that work further back in time than 12 months may be counted towards the work requirement. The time which can be disregarded is limited to a maximum of 5 years. In other words a work requirement can have been satisfied up to a maximum of 6 years ago.

Examples of time which can be disregarded are periods of illness. Also care of a child under the age of two or of an adoptive child for up to two years after the child's arrival in the family, time when parental allowance is being received, and national service extend the qualifying time. Time spent in full-time education may also be disregarded. One of the preconditions here is that the education must have been completed.

Work in another EU/EEA-country

If you have been working in another EU/EEA-country there are special rules regarding admission to an unemployment insurance fund, and for getting unemployment benefit. For further information, contact your unemployment insurance fund. You can also have a look at SO:s website www.samorg.org.

Self-employed person's entitlement to benefit

If you are self-employed you may be entitled to unemployment benefit

- when you have completely terminated your own activity in the company
- in case of temporary interruption of the activity.

Unemployment benefit may not constitute an income supplement at unprofitable companies nor facilitate start-up of companies.

The unemployment insurance fund makes an overall assessment of whether your personal activity in the company has ended. What is important is that the self-employed person is available for employment without restriction.

To obtain benefit in the event of temporary interruption of activity the business must not in any way be of a seasonal nature. There must be no activity in the company at all. Benefit during a temporary interruption may only be utilized once per business and per person.

The benefit is based on the average income from the business over the last three years before the year of discontinuation. If the activity/business has been in operation for a period shorter than three years, the daily cash benefit may be based on the average income throughout the period when the business has been carried on. If the self-employed person has discontinued the business within 12 months after start up, the daily cash benefit may be based on a previous income from employment which the self-employed person had immediately before the start of the business.

Income before membership of the unemployment insurance fund may not be considered for calculation purposes.

Part-time employment and self-employment

If you have become unemployed after part-time employment and at the same time as being in part-time employment you have worked for a substantial time in your own company, you may be entitled to unemployment benefit for the loss of income from the part-time employment if the personal activity in the company has been limited. Normally the employment must have been for at least 17 hours per week and the activity in your own company no more than 10 hours per week. The average income from the company may not have exceeded SEK 2 040 per week before tax.

Suspension

If you have left employment of your own accord or caused dismissal by the employer, you risk being suspended from benefit for a certain period. The suspension is calculated from the date when employment terminated. If you have resigned the longest period of suspension is 45 days of benefit. These must be completed within 112 calendar days. If however you have contributed to dismissal by the employer, the longest period of suspension is 60 days of benefit. These must be completed within 168 calendar days.

SUSPENSION:

45 days of *benefit* within 112 *calendar* days

If you resign or yourself cause your dismissal a third time within the same benefit period, you lose the right to benefit entirely and must satisfy a new work requirement.

You should always inform the unemployment insurance fund of why you have chosen to leave the employment or why you have caused your dismissal by the employer. It is the unemployment insurance fund which, after investigation, decides whether you are suspended from benefit.

If you had acceptable reasons for terminating your employment in accordance with the rules you are not suspended from the right to benefit. To avoid suspension very strong reasons, such as health reasons, are required. Before resigning, it is necessary to get a medical certificate from a doctor confirming that it is not suitable for you to get back to your work or take any other job for your employer. Redeployment should have been tried.

Secondary employment

For unemployment insurance purposes secondary employment is a second job or a self-employed activity that you have managed to carry on for at least 12 months alongside a full-time job. The income from this extra job must not on average have exceeded six times the basic amount per week, which is at present SEK 1 920 per week. Secondary employment must not be an obstacle for taking a suitable full-time job and it can not be extended during the unemployment.

If these requirements are satisfied, you are entitled to continue your secondary employment without your right to benefit being affected.

Work in your own business, e.g. farming or forestry, may be a secondary employment in relation to another occupation which is the primary employment.

Increase in time spent in/income from secondary employment

If the time spent in secondary employment increases during the unemployment, the extra work ceases to be secondary employment, which affects your right to benefit. If the income from the secondary employment on average exceeds SEK 1 920 per week, the benefit is reduced by the amount in excess of this income limit.

A person who has approved secondary employment must notify the unemployment insurance fund if the time is increased and/or the income on average exceeds SEK 1 920 per week.

The length of the benefit-period

Normally a benefit-period is 300 days. If you have children under 18 years of age day 300 in your benefit-period, the period will be extended with another 150 days, that is altogether 450 days. Days with activity grant are included in the benefit-period.

Waiting days

The first seven days of unemployment, you are not entitled to unemployment benefit. These days are so called "waiting days". This applies to each new period of unemployment you start.

The waiting days are not deducted from the benefit period (300 days).

Amount of benefit

The benefit you receive from the unemployment insurance fund depends on

- the number of hours worked
- the average income you have had (applies to the income-related insurance).
- the number of hours per week you can and are willing to work
- the number of hours per week for which you are unemployed.

There is a minimum and a maximum daily cash benefit which it is possible to draw. The unemployment benefit is taxable and is counted as pensionable income.

The limits for the daily cash benefit are set by the Government and cannot be influenced by the unemployment insurance funds.

The basic insurance

Basic amount from the basic insurance

Benefit from the basic insurance, the basic amount, is paid to you when you satisfy a work requirement, but not a membership condition. Are you a member of an unemployment insurance fund, the basic amount is paid to you by that unemployment insurance fund. In the case of a person who is not a member, the basic amount is paid by the unemployment insurance fund Alfa. The basic amount cannot be paid earlier than as from the day when you reach the age of 20.

The basic insurance provides benefit for a maximum of five days a week, normally for a period of 300 days of benefit.

Amount of the basic insurance benefit

Basic amount is paid out in proportion to your average hours worked. The benefit under the basic insurance for a person who has worked full-time, without absence, is SEK 320 per day.

The optional loss-of-income insurance

Income-related benefit

Compensation from the optional loss-of-income insurance is paid to a person who is a member of an unemployment insurance fund and who satisfies a member condition and a work requirement. There is no minimum age limit for the optional loss-of-income insurance.

The optional loss-of-income insurance provides benefit for a maximum of five days a week, normally for a period of 300 days of benefit.

Benefit levels of the optional loss-of-income insurance

During the first 200 days of benefit (unemployment benefit and/or activity grant), the benefit level is 80 per cent. The remaining period the benefit level is 70 per cent.

Amount of the optional loss-of-income insurance benefit

The minimum benefit for a person who has worked full-time under the optional loss-of-income insurance is SEK 320 per day. The maximum benefit under this insurance is SEK 680 per day.

In the case of the income-related insurance the daily benefit is paid at a maximum rate of 80 per cent of the daily earnings you had during the time when you were working before the unemployment.

An average monthly salary of SEK 18 700 the year before the unemployment is equivalent to a daily payment of SEK 680, when the benefit level is 80 per cent

Important to be active

It is important to be active yourself both with regard to seeking work and with regard to obtaining guidance if you wish to change your occupation or to obtain further training. One of the tasks of the employment service is to find suitable work for the jobseeker as soon as possible. This applies both if you are unemployed and if you are looking for a change of job.

Suitable work

Unemployment insurance is not a professional career insurance policy. This means that you do not have the right to demand a job in a particular field, or limit the area where you can look for a job.

The employment service will decide what is suitable work for you. Your previous occupational experience and other prospects of being able to cope with a new job are taken into account, as is the availability of jobs on the market.

A job is regarded as suitable if it satisfies the following criteria:

- The fringe benefits accompanying the employment must be consistent with the benefits available to employees under a collective agreement.
- There may not be a labour dispute at the place of work as a result of action which is permitted by law and collective agreement.
- Other conditions at the place of work must satisfy the requirements of work environment legislation with regard to the prevention of ill health and accidents.

If you reject an offer of suitable work

If you are unemployed and the employment service offers you a job or a labour market programme to apply for you should apply for it. If you do not apply for the job or programme offered, the employment service will inform your unemployment insurance fund of this. Your unemployment insurance fund will enquire into why you have not applied as advised.

If you do not have very good reasons for not seeking or for refusing the offer of a job, you face the risk that the unemployment insurance fund will decide on reduction or suspension of the benefit. It is the employer who decides whether you are suitable for the job, irrespective of your previous experience.

The daily cash benefit may be reduced over a period of 40 days of benefit. The period of the reduction has to be completed within 180 calendar days. On the first occasion of refusal the daily cash benefit is reduced by 25 per cent. If you refuse an offer a second time during the same period of benefit, the daily benefit is reduced by 50 per cent.

In the event of a third refusal within the same period of benefit the right to benefit is suspended.

Plan of action

A plan of action with purpose to facilitate the search process is drawn up by the employment service. The plan of action should be individualized for the particular jobseeker. The plan should assist both the jobseeker and the employment service. For having right to benefit you must cooperate in drawing up a plan of action.

Benefit card

To obtain benefit you fill in a benefit card. The benefit card constitutes the basis for payment of unemployment benefit. It runs for two weeks and you fill in details of unemployment, illness, work, etc for each day including Saturday and Sunday. Detailed instructions for filling in the benefit card are given on the card. Most unemployment insurance funds also offer the possibility of declaring the benefit card electronically by the internet.

Different payment intervals

The unemployment insurance funds have differing procedures with regard to how often the unemployed person receives benefit – monthly or fortnightly. Payments are made through a bank. You may yourself choose the bank to which the money is to be transferred. The unemployment insurance funds have an agreement with Swedbank under which the person unemployed can consult the bank for financial advice.

New job

If you obtain a new job that totally suspends the unemployment you are not entitled to benefit from the unemployment insurance. This applies even if the salary for the new employment is lower than the salary you had before unemployment. If you become unemployed again within

twelve months calculated from the date when you last drew benefit you are entitled to benefit on the same conditions as before.

Work while receiving unemployment benefit

It is important that you notify the unemployment insurance fund when you begin a new job, so that the unemployment insurance fund can inform you about how the job affects your unemployment benefit.

Certain jobs are of such special character that particular rules apply. For example work for a staffing agency, teaching, artistic work and employment on a contractual basis.

If you have been working full-time before the unemployment and obtain part-time work you are regarded as unemployed for the period up to full-time. You may then receive benefit for the time without work. If you have previously been working full-time you need to be without work for at least seven hours a week for benefit to be payable.

If you have worked part-time before you became unemployed and obtain a new part-time job of lesser scope, you may be entitled to benefit for the unemployed period. Contact your unemployment insurance fund for more information.

As a maximum 75 benefit days in combination with part-time job

Weeks when you have worked part-time, you can as a maximum obtain 75 benefit days each benefit period. The remaining days of the benefit period you may only use for weeks when you haven't worked.

The limitation rule applies to all forms of employment, even employment paid by the our. Holiday is also regarded as work. The limitation rule only applies to days with unemployment benefit not days with activity support.

Benefit days, in a week when you have started or completed an employment, are counted. Waiting days are not counted.

Single with children under 18 years of age

Single with own children under 18 years of age, who due to custody or contact rights are living entirely or partly at home, can be assigned to jobb- och utvecklingsgarantin when the 75 part-time benefit days are finished. You can get further information on this from the Public employment service.

Reduction for pension

In certain cases the daily cash benefit is reduced. This may happen, for example, if you are drawing a pension from the Insurance Office/Premium Pension Authority (PPM) or a service pension. Notice that it's your duty to inform your unemployment insurance fund if you draw a pension, that is even if the amounts are low.

Education during the period of unemployment

You cannot normally obtain unemployment benefit while studying. However there are certain circumstances in which studies do not make it impossible to obtain unemployment benefit. Information on this matter is available from the unemployment insurance fund.

If you wish to study while you are unemployed and to apply for a grant for your studies you may contact the employment service or the Central Student Grants Committee (CSN). The employment service is empowered in certain cases to agree to studies with an activity grant.

No unemployment benefit during pauses in studies

It is not possible to get unemployment benefit during pauses in studies e.g summer breaks. During pauses in labour market education you may be entitled to benefit.

Enterprise grant

If you intend to start your own company while unemployed you should consult the employment service about the possibility of obtaining an enterprise grant. The grant can be given by the employment service and is equivalent to the benefit you would have received from the unemployment insurance fund. The grant is paid out by the social insurance office.

End of the benefit-period

When there are approximately 50 days of your benefit-period remaining the unemployment insurance fund will consider whether you satisfy a new work requirement in order to obtain an additional period (new assessment). If you satisfy a new work requirement, you enter a new benefit period which begins immediately after the first 300 days of benefit are finished. Each new period is preceded by seven waiting days. The benefit level in the new period is either 80 per cent of the income which the new period of benefit is based on, or 65 per cent of the income which the previous period of benefit was based on. The most favourable alternative will be chosen. If you do not satisfy a new work requirement you will be informed. In that case you must contact the employment service. The employment service will consider if they are going to offer you a place in jobb- och utvecklingsgarantin.

Incorrect or misleading information

If you supply incorrect or misleading information, deliberately or by gross negligence, suspension from the unemployment insurance fund may be considered or you may be denied the right to benefit/report to the police. If benefit is refused, you will lose a minimum of 130 days of benefit. In addition you will be required to be gainfully employed for at least 80 days before you can obtain benefit again. You also become liable to repay what may have been paid out on incorrect grounds.

Duty to notify

If you have received benefit to which you are not entitled, you may be liable to repay it. Remember that if information you have furnished in your application changes you must inform your unemployment insurance fund.

Decision on unemployment benefit

When the unemployment insurance fund has considered your application for benefit you will receive a decision informing you whether you are entitled to benefit and in that case the amount of the benefit.

If you are not satisfied with the decision of the unemployment insurance fund

If you have been notified of a decision by the unemployment insurance fund with which you are not satisfied, you are entitled to ask the fund to review the decision. Appeal against the unemployment insurance fund decision may be made to county administrative court. If you are not satisfied with the decision of the county administrative court you may appeal to the administrative court of appeal. For the administrative court of appeal to consider the case a leave to appeal is necessary. The judgment of the administrative court of appeal may be appealed against to the Supreme Administrative Court, where a leave to appeal is also required.

At all levels the request for a review or an appeal must be made within two months from the date of receiving notice of the decision. You send a letter with request for a review or an appeal to the level that made the decision. Request for a review or an appeal is free.

WHAT YOU NEED TO KNOW ABOUT
**UNEMPLOYMENT
INSURANCE**

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