

Table 1.8. Employment-conditional benefits,<sup>1</sup> 2005

[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]	[12]
Name of programme	Type of benefit	Beneficiaries	Maximum benefit	Minimum earnings	Working hour criterion	Transition criterion	Phase-in rate	Phase-out rate	Earnings when phasing out begins	Approximate maximum earnings when benefit is phased out completely	Income assessment unit
Australia	Employment entry payment.	Unemployed lone parents or long term income support recipients. Eligible once every 12 months.	Lump sum of AUD 104.	No	Full time.	Starting employment.	No	No	—	—	—
Belgium	Complément de garde d'enfant.	Long-term unemployed lone parents.	Lump sum of EUR 743.68.	No	At least half-time.	Starting employment.	No	No	—	—	—
	Bonus à l'Emploi/Werkbonus.	Working individuals with low income.	Maximum value of SSC allowance is EUR 1 395 (4% of AW).	No	No	No	No	26%	EUR 14 593.28 (40% of AW).	EUR 20 207.10 (55% of AW).	Individual
Canada <sup>2</sup>	Ontario start up benefit.	Social assistance recipients (eligible once every 12 months).	Lump sum of CAD 253.	No	No	Starting or changing employment, or joining a training programme.	No	No	—	—	—
Finland	Earned income allowance.	Working individuals with low income.	Maximum value of tax allowance is EUR 3 850 (12% of AW). Maximum value in terms of tax reduction is approximately EUR 620 (2% of AW) per employee.	EUR 2 500 (8% of AW).	No	No	For value of tax reduction: 2 to 12%, depending on earnings level.	For value of tax reduction: 1%.	EUR 14 000 (43% of AW).	EUR 110 873 (339% of AW).	Individual
France	Prime pour l'emploi.	Working individuals with low income.	Approximately: EUR 537, 639 and 686 (2% of AW) for an individual, lone parent with two children and couple with two children.	Approximately EUR 3 507 (11% of AW).	No	No	4-5%	9%	Approximately EUR 14 644 (66% of AW).	Approximately EUR 20 100, 32 900 and 53 600 (66%, 108% and 176% of AW) respectively for an individual, lone parent with two children and one-earner couple with two children.	Family

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Germany	Mini-Job reduced social security contributions.	Working individuals with low income.	Maximum SSC reduction of EUR 1 018 (2% of AW).	No	No	No	—	6% to 21%	Full SSC reduction until earnings reach EUR 4 800 (12% of AW).	EUR 9 600 (23% of AW).	Individual
Hungary	Employee tax credit.	Working individuals with low income.	HUF 108 000 (6% of AW).	No	No	No	18%	18%	HUF 1 350 000 (74% of AW)	HUF 1 950 000 (107% of AW)	Individual
	Extended employee tax credit.	Working individuals with low income.	HUF 15 120 (1% of AW).	HUF 600 000 (33% of AW).	No	No	18%	5%	HUF 1 000 000 (55% of AW)	HUF 1 302 400 (72% of AW)	Individual
Ireland	Back-to-work allowance (BTWA).	Long-term unemployed (over two years) aged over 23.	EUR 5 803 (75% of SA amount). 50% of SA amount for 2nd year, 25% for 3rd.	No	—	Starting employment.	No	—	—	—	Individual
	Family income supplement (FIS).	Working families with children and low earnings.	60% of difference between net family earnings and income limit (see maximum earnings column).	—	19 hours per week or 38 hours per fortnight	No	No	60%	—	Approximately EUR 24 544 if two children (85% of AW).	Family
	Continued child dependent payment (CCDP).	Long-term unemployed (over 12 months) receiving UI or UA.	EUR 874 per child (for 13 weeks only).	No	Full-time for at least four weeks.	Starting employment.	No	No	—	—	Family
	Part-time job incentive (PTJI).	Long-term unemployed previously receiving UA.	Flat rate of EUR 4 898 for a single person, EUR 8 154 for a couple (17 and 28% of AW respectively).	No	Part-time.	No	No	No	—	—	—

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Japan	Re-employment allowance.	Unemployment benefit recipient.	Lump sum = remaining days of term of benefits × 1/3 × daily unemployment benefit (basic allowance).	No	20 hours per week.	Starting employment while over of benefit duration remains (minimum 45 days).	No	No	—	—	—
Korea	Early re-employment allowance.	Unemployment benefit recipient.	Lump sum of 50% of remaining benefits.	No	20 hours per week.	Starting employment while over 50% of benefit duration remains.	No	No	—	—	—
Netherlands	Combination tax credit.	Working families with children aged under 12.	EUR 228 for a tax payer with children.	EUR 4 366 (11% of AW).	No	No	No	No	—	—	Individual
	Additional combination credit.	A taxpayer who is entitled to the combination credit and who is either a single parent or the partner with the lowest income.	EUR 389.	The same as combination tax credit	No	No	No	No	—	—	Individual
New Zealand	Family tax credit.	Working non-beneficiary families (employees) with low income.	Ensures a minimum net income of NZD 15 080 (37% of AW) before other tax credits.	—	30 hours per week for two-parent family, 20 for lone parent.	No	No	100%	—	See maximum benefit column.	Family
	Child tax credit	Working non-beneficiary families (employees)	NZD 780 (2% of AW) per child per year.	—	No	No	No	Affected by the abatement regime used with the family support tax credit.	—	Reduced when family support tax credit has been abated to zero.	Family
	Transitional Tax allowance.	Working individuals with low income.	NZD 728.	—	Full time or full-time employment but for sickness or accident.	No	No	20%.	NZD 6 240 (15% of AW).	NZD 9 880 (24% of AW).	Family

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	Benefit	Benefit recipients.	Lump sum of NZD 500.	—	Minimum 15 hours per week.	Starting employment.	No	No	—	—	—
Slovak Republic	Non-wastable tax credit.	Working families.	Tax bonus of SKK 5 000 (2% of AW) per child.	SKK 39 000 (18% of AW).	No	No	No	No	—	—	Individual
United Kingdom	Non-wastable tax credit.	Working individual.	Maximum GBP 3 752.84 (13% of AW) per adult (working over 30 hours/week), plus GBP 1 437.8 per child, reduced by difference between net income and limit.	No	16 hours per week, 30 hours if aged 25 and over and does not have a child or a disability.	No	No	14%	Net income of GBP 5 060 (17% of AW).	Approximately GBP 13 909 (47% of AW) for a family with two children.	Family
United States	Earned income tax credit.	Working families with children and individuals with low income.	USD 399 without children, USD 2 662 with one child, USD 4 400 with two children.	No	No	No	7.65% without children, 34% with one child, 40% with two children.	In per cent of gross income: 0.765% without children, 15.98% with one child, 21.06% with two children.	USD 6 530 without children, USD 14 370 with children (21 and 46% of AW). All values increased by USD 2 000 if married.	USD 11 750 without children, USD 31 030 with one child, USD 35 263 with two children (38, 100 and 113% of AW). All values increased by USD 2 000 if married.	Family

1. All amounts are shown on an annualised basis. “—” indicates that no information is available or not applicable. Non-general schemes that are specifically targeted towards younger or older age groups are not shown.

2. Most Canadian provinces have a scheme similar to this; there are no federal programmes.  
Source: OECD Tax-Benefit Models.