

REQUIREMENTS ON GEOGRAPHIC MOBILITY OF THE UNEMPLOYED

Eligibility conditions that relate to the behaviour of job seekers are able to offset and even reverse the disincentive effects on the level of unemployment that arise when unemployment benefits are paid without any such conditions. In most OECD countries, eligibility criteria for unemployment benefits include requirements on geographic mobility. In Germany, Norway and Sweden, there is a requirement for geographic relocation in principle, but the wording of legislation is often vague and the risk of being forced to accept a job at the other end of the country is probably very small. Requirements concerning travel-to-work, rather than geographic relocation, tend to be more precise in most countries, ranging from two hours in the United Kingdom to four hours in Belgium (Table). Some countries, such as France and Japan, do not have requirements on this count, while others, such as Austria, Norway and

Sweden, require the unemployed to accept work anywhere in the country, in principle. Most countries have some waivers regarding the obligation to accept a job fulfilling these requirements, the most common one being not to jeopardize family life, but they are rarely precisely defined.

Failure to comply with eligibility requirements has an impact on benefits. When an unemployed worker refuses a suitable job because of lengthy commuting times, all or part of the benefits is suspended for a certain time. National practices vary considerably. The sanction for a first refusal can be as low as a loss of one week of benefit (UK) and as high as a total loss of benefits (the Netherlands). Sanctions increase for repeated refusals. In general, it is difficult to assess how these requirements are implemented in practice.

W. O.

Reference

OECD Employment Outlook 2005, pp. 105–06.

Conditions required for the unemployed to accept a job entailing commuting

	Distance and/or time of commuting	Family or other waivers	Sanction in case of refusal
Australia	Up to 90 minutes journey between home and place of work or number of people living in the same area who regularly commute; must cost less than 10 percent of wage.	–	First time: 18 percent reduction of allowance for 26 weeks; second time: 24 percent for 26 weeks; more than twice: disqualification for 8 weeks.
Austria	Full mobility if family life not jeopardized.	Yes	Suspension of benefits for 8 weeks.
Belgium	After 6 months, up to 4 hours commuting or absence from home of more than 12 hours; these conditions only valid if more than 25 km.	No	–
Czech Republic	No precise conditions; places outside region of residence should be included in job search unless serious family reasons proven.	Yes	Disqualification from entitlement and possibly from the list of job seekers.
Denmark	Up to 3 hours commuting during the first 3 months; more after. Workers with at least bachelor cannot refuse any transportation time if the vacancy cannot be filled otherwise.	Yes	First time: suspension of benefits for 3 weeks; disqualification from entitlement if two refusals in 12 months.
Finland	Job in home and neighbouring regions should be accepted; singles without children should even accept job outside this area.	Yes according to specified list of criteria (health, working hours, obligation to take care of children, etc.).	Suspension of benefits for 60 days; 90 days if repeated refusals.
France	No requirement.	–	–

(Table continued)

	Distance and/or time of commuting	Family or other waivers	Sanction in case of refusal
Germany	Up to 2 and 2.5 hours commuting if daily working is under or above 6 hours, respectively. Can be exceeded in regions that are further away. Unemployed can also be asked to move to take on a job unless important reasons and or important costs stand in the way.	Yes for moving.	Suspension of benefits for 3 weeks the first time, 6 weeks the second time, or 12 weeks any other time, with entitlement period cut accordingly.
Ireland	Full mobility within reasonable distance.	No	Suspension of benefits for 9 weeks.
Iceland	Requirements evaluated for each unemployed.	No	Suspension of benefits for 8 weeks.
Italy	Commute of up to 50 km.	No	Loss of unemployment seniority?
Japan	No requirements.	–	–
Netherlands	Commute of up to 3 hours daily with public transport.	No	Disqualification from entitlement to benefits.
Norway	Full mobility within the country.	For older workers or important social reasons including responsibility of children; no obligation if wage inferior to unemployment benefit.	Suspension of benefits for 8 weeks the first time. 12 weeks for the second time in 12 months, 6 months if three times in a year.
Portugal	Full mobility if no serious hindrance to the unemployed or his/her family.	Yes	Disqualification from entitlement.
Spain	Less than 30 km except if commuting time exceeds 25 percent of daily working time; must cost less than 20 percent of wage with a lower limit on the wage minus cost trip equal to the minimum wage.	Yes	Suspension of benefits for 3 months the first time, 6 months the second time.
Sweden	Full mobility within the country after the first 100 days of unemployment.	Yes for certain family reasons, for medical reasons, lack or high costs of transport or problems in finding accommodation; no obligation if wage less than 90 percent of daily unemployment benefit.	25 percent reduction in benefits for 40 days the first time, 50 percent for 40 days the second time, disqualification from entitlement if third time.
United Kingdom	Up to 1 hours commuting distance each way.	Yes for religious or conscientious objection, or harmful to health.	Between 1 and 26 weeks of suspension of benefits.
United States	Required commuting distance varies according to area: travel expenses can be taken into account in some states.	–	Disqualification from entitlement in most states; suspension (1 to 10 weeks in some) in a few states, with benefit amount sometimes reduced when suspension terminates.

Source: OECD based on Danish Ministry of Finance (2004), availability criteria in 25 countries.