

### Inventory 3 - Termination Pay in OECD COUNTRIES, SINGAPORE, GCC COUNTRIES, 2009/10

COUNTRY	TYPE OF EMPLOYMENT TERMINATION BENEFITS	COVERAGE		ELIGIBILITY	GENEROSITY			
		Mandatory	Determined by Collective Agreements	Minimum Employment Period to qualify (months)	9 months	3-4 yrs	20 yrs	40 yrs
AUSTRALIA	Severance Pay (Layoff)	1	1	12	0	1.5	2	2
	End-of-Service Benefits (End of contract term)	0	..	n.a.	n.a.	n.a.	n.a.	n.a.
CANADA	Severance Pay (Layoff)	1	..	12	0	0	2	4
	End-of-Service Benefits (End of contract term)	1	..	12	0	0	2	4
DENMARK	Severance Pay (Layoff)	1	1	144	n.a.	n.a.	3	3
	End-of-Service Benefits (End of contract term)	0	..	n.a.	n.a.	n.a.	n.a.	n.a.
FRANCE	Severance Pay (Layoff)	1	1	24	0	1	5	12
	End-of-Service Benefits (End of contract term)	1	1	24	0	1	5	12
NEW ZEALAND	Severance Pay (Layoff)	0	1	n.a.	n.a.	n.a.	n.a.	n.a.
	End-of-Service Benefits (End of contract term)	0	..	n.a.	n.a.	n.a.	n.a.	n.a.
SINGAPORE	Severance Pay (Layoff)	1	1	n.a.	n.a.	n.a.	n.a.	n.a.
	End-of-Service Benefits (End of contract term)	0	..	n.a.	n.a.	n.a.	n.a.	n.a.
SPAIN	Severance Pay (Layoff)	1	1	0	1	2	12	12
	End-of-Service Benefits (End of contract term)	1	1	0	1	2	12	12
SWITZERLAND	Severance Pay (Layoff)	1	1	240	n.a.	n.a.	2	2
	End-of-Service Benefits (End of contract term)	0	..	n.a.	n.a.	n.a.	n.a.	n.a.
UNITED KINGDOM	Severance Pay (Layoff)	1	1	24	0	1	7	7
	End-of-Service Benefits (End of contract term)	0	..	n.a.	n.a.	n.a.	n.a.	n.a.
UNITED STATES	Severance Pay (Layoff)	0	1	n.a.	n.a.	n.a.	n.a.	n.a.
	End-of-Service Benefits (End of contract term)	0	..	n.a.	n.a.	n.a.	n.a.	n.a.

Sources: Holzmann, Vodopivec and Weber (2010), Governmental websites, WB Doing Business (www.doingbusiness.org), ILO EPLex.

## GCC COUNTRIES

COUNTRY	TYPE OF EMPLOYMENT TERMINATION BENEFITS	COVERAGE		ELIGIBILITY	GENEROSITY			
		Mandatory	Determined by Collective Agreements	Minimum Employment Period to qualify (months)	9 months	3-4 yrs	20 yrs	40 yrs
KINGDOM OF BAHRAIN	Severance Pay (Layoff)	1	..	..	..	..	..	..
	End-of-Service Benefits (End of contract term)	1	..	12	0	5 for years	20	40
STATE OF KUWAIT	Severance Pay (Layoff)	.. <sup>1</sup>	..	..	..	..	18.95	37.9
	End-of-Service Benefits (End of contract term)	1	..	12	0	2.5 for 5 years	13.75	33.75
SULTANATE OF OMAN	Severance Pay (Layoff)	..	..	..	..	..	..	..
	End-of-Service Benefits (End of contract term)	1	..	12	0	2.25	17.25	37.25
STATE OF QATAR	Severance Pay (Layoff)	.. <sup>2</sup>	..	..	..	..	15	30
	End-of-Service Benefits (End of contract term)	1	..	12	0	4 for years	20	40
KINGDOM OF SAUDI ARABIA	Severance Pay (Layoff)	1	..	24	0.5	≥ 2 years: 1 month ≥ 4 years: 2 months	18.95	37.9
	End-of-Service Benefits (End of contract term)	1	..	24	0	2.5	17.25	37.25
UNITED ARAB EMIRATES	Severance Pay (Layoff)	1	..	12	0.75	5 for 5 years	27.25	57.25
	End-of-Service Benefits (End of contract term)	1	..	As provided in terms of employment contract or regulations of establishment.	0	As provided in terms of employment contract or regulations of establishment.	As provided in terms of employment contract or regulations of establishment.	As provided in terms of employment contract or regulations of establishment.

Sources: Holzmann, Vodopivec and Weber (2010), Governmental websites, WB Doing Business (www.doingbusiness.org), ILO EPLex.

<sup>1</sup> Severance pay not mentioned in respective Labor Codes but severance pay accounted for after 20 years of service on Doing Business website (www.doingbusiness.org)

<sup>2</sup> Same as above footnote.

## NOTES

**Mandatory** = 1 if the country has a legally mandated severance pay/end-of-service benefits system, 0 if not.

**Determined by Collective Agreements** = 1 if severance payments/end-of-service benefits are determined through collective agreements, 0 if not.

**Minimum employment period to qualify** refers to the number of months the worker should have worked for the current employer to qualify for severance payment/end-of-service benefits.

**9 months** refers to severance payment/end-of-service benefits (in months of salary) made in case of redundancy dismissal/end of contract term of worker with tenure of 9 months.

**3-4 years** refers to severance payment/end-of-service benefits (in months of salary) made in case of redundancy dismissal/end of contract term of worker with tenure of 3-4 years.

**20 years** refers to severance payment/end-of-service benefits (in months of salary) made in case of redundancy dismissal/end of contract term of worker with tenure of 20 years.

**40 years** refers to severance payment/end-of-service benefits (in months of salary) made in case of redundancy dismissal/end of contract term of worker with tenure of 40 years.

‘.’ = not available / missing; ‘n.a.’ = not applicable.