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for Unemployed with Multiple
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Impact Evaluation of a New Counselling and Support Programme for Unemployed with Multiple Placement Obstacles¹

René Böheim² – Rainer Eppel³ – Helmut Mahringer⁴

Abstract

We analysed a new counselling and support programme for people with low employment prospects in Austria. The Austrian Public Employment Service introduced regional pilots to investigate whether a new counselling strategy could improve labour market outcomes for this group. Eligible unemployed individuals could opt for third-party counselling and support, access a wide range of low-threshold services, and focus on personal stability rather than job placement. The goal was to achieve similar or even better labour market outcomes at lower cost. By comparing pilot and control regions, we found that introducing the offer resulted in higher costs without improving labour market outcomes.

Keywords: Long-term unemployment, active labour market policy, Public Employment Service, counselling, job placement

JEL classification: J64, J68

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One of the key challenges in many countries is to prevent and reduce long-term unemployment. Unemployment, especially long-term unemployment, has increased in many OECD countries since the Great Recession (Bentolila & Jansen, 2016; Organisation for Economic Co-operation and Development, 2019). The COVID-19-pandemic contributed to long-term unemployment as many countries experienced severe recessions and dramatic labour market disruptions. As a result, policymakers are faced with the question of how to support the long-term unemployed as effectively and cost-efficiently as possible.

Despite the extensive literature on programme evaluation, there remains a gap in research on the effectiveness and efficiency of active labour market policies for the long-term unemployed. So far, the literature only provides some rough insights into what works but does not yet allow for strong and sufficiently nuanced conclusions about which specific measures are effective in helping this target group back into employment (Card, Kluve, & Weber, 2018; Katz, Kroft, Lange, & Notowidigdo, 2016). Moreover, the long-term unemployed are a heterogeneous group, and it remains unclear how to effectively help those with multiple placement obstacles and therefore particularly low employment prospects.⁵ Traditional labour market policy instruments may not be sufficient for this group, implying the need for innovative new approaches to support.

We contribute to filling this research gap by exploiting regional pilots of the Austrian Public Employment Service (PES). In 2017 and 2018, the Austrian PES piloted a new programme called 'BBEN'⁶ to support unemployed persons with multiple placement obstacles and particularly poor employment prospects. In selected regional offices ('pilot REOs'), target

⁵ Germany, in particular, has recently experimented with various forms of subsidised employment. These include social labour market programmes designed to enable the unemployed with very poor long-term employment prospects to participate in society. However, the question of what a social labour market should achieve is still under debate and it remains unclear in Germany and elsewhere how best to support this target group (cf. Beckmann & Spohr, 2022).

⁶ BBEN is the German acronym for (labour market-related) counselling and support facilities for people with low labour market prospects.

group members who voluntarily chose to participate were transferred to an external counselling and support facility that offered low-threshold access to a wide range of counselling and support services, such as an 'open space', open counselling on site, in-depth counselling in individual and group settings, activating workshops, and accompanying qualification and health services. This voluntary offer contrasted with the usual obligations of the unemployed, such as mandatory meetings with caseworkers and participation in active measures, and replaced other programmes for participants, such as training and subsidised employment. The focus of the new programme is no longer on placement in the labour market, but on 'stabilising' individuals at a personal level by helping them to cope with everyday life, strengthening their self-help potential ('empowerment') and their self-esteem, and thus maintaining their chances of integration into the labour market.

With this new counselling and support programme, the Austrian PES hoped to achieve similar or even better labour market outcomes than with the previous support strategy, at a lower cost. The PES might save money because the new approach is cheaper, while the unemployed are not forced into activities such as programme participation and job search, which offer little prospect of integration into the labour market.

We exploited regional and temporal differences in the implementation of the programme to examine how the offer affected labour market outcomes. We compared the outcomes in pilot regions with control regions where the new programme had not been offered in the first year after implementation. To examine the possible channels of impact, we show the effects on labour market counselling, job placement, and programme participation. We also assessed the costs of the programme. To counter possible selection bias, we used a difference-in-differences approach to control for differences in the composition of the treatment and comparison groups and in regional labour markets.

We found that the new programme resulted in higher costs for the PES without improving labour market outcomes. The eligible unemployed spent more days unemployed in the year following the introduction of the programme. Their employment integration did not change significantly. Costs increased because expenditure on PES in-house counselling and cost-intensive employment and training measures did not decline sufficiently to offset the additional costs of the new programme. It seems that positive employment effects, if any, can only be expected in the longer term, given the multiple placement obstacles of the participants and the priority given to personal stabilisation over rapid employment. With appropriate adjustments, a stronger focus on empowerment and personal stabilisation has the potential to improve employment prospects. However, it seems important to maintain the focus on employment and to complement rather than substitute a comprehensive range of active labour market measures.

Institutional background

The Austrian PES structure

The Austrian Public Employment Service ('Arbeitsmarktservice', AMS) is the central point of contact for the unemployed. It administers unemployment benefits and (means-tested) unemployment assistance. It also provides counselling and placement services and is responsible for implementing active labour market policy measures.

The PES is divided into a Federal Office, nine Provincial Offices – one for each of Austria's nine federal states – and 101 Regional Employment Offices (REOs), twelve of which are located in Vienna. Central coordination is carried out by the Federal Office. It is responsible for management, controlling, evaluation, analysis, and strategic planning. The Provincial Offices coordinate the REOs, which provide information, counselling, support and labour market assistance tailored to the regional situation. Unemployed persons are assigned to

Regional Offices according to the postcode of their place of residence. This is usually the closest office.

The new counselling and support programme

The new counselling and support programme in the pilot regions was targeted at people with multiple placement obstacles. Only individuals who had been unemployed for at least two years and had at least two of the following three characteristics were eligible to participate: (1) no more than compulsory education, (2) age 45 or older, and (3) health impairment (statutory disability status or other health-related placement obstacle according to the PES caseworker).⁷

The target group excluded persons under 25 years of age, persons re-entering the labour market after a family-related career break, persons with a pending job offer and persons with asylum status.

Members of the target group had to attend a mandatory information session. After the session, they could participate in the new programme and choose the intensity of the services offered. The key points, such as their goals, the content of the counselling and support, the timetable, etc., were recorded in a written agreement between the PES and the individual client, a so-called 'activity plan', which had no legal consequences.

The new programme included a wide range of low-threshold counselling and support services, such as 'open spaces' (i.e., meeting rooms with kitchen, seating areas, etc.) and various offers such as group meetings, a women's café, a repair café, exercise groups, IT support, etc. In-depth counselling took place in individual and group settings, activating workshops (e.g. on health topics, company visits, money management, social skills, social security issues, job

⁷ Strictly speaking, individual episodes of unemployment and training are combined into so-called business cases if the unemployment spell was only briefly interrupted for a period of up to 62 days. Target group persons must have a current business case in which they have already been unemployed or in training for at least two years.

applications, etc.) and accompanying qualification and health offers were provided (Public Employment Service Austria, 2018).

The aim was to maintain the chances of integration into the labour market through personal stabilisation. Job placement was therefore not the immediate goal, but participating clients could receive job placement suggestions upon request. They could also opt for more in-depth counselling and support focused on labour market integration. Another aim was to assist clients with multiple placement obstacles to transition into the appropriate social support and care system. For the duration of the external support, the clients remained registered with the PES, but the PES offered them only limited counselling and placement services.

The background to this new counselling and support programme was a particularly sharp increase in unemployment and long-term unemployment in the wake of the Great Recession in 2009. Moreover, due to long-term trends such as demographic ageing, the Austrian PES was confronted with a growing number of unemployed persons with employment obstacles such as older age and health impairments. At the same time, the PES faced financial constraints and assessed the existing range of labour market policy instruments as partly insufficient or not effective enough for this target group (cf. Weber, Hager, Krüse, & Reidl, 2019).

The new counselling and support programme was also part of a wider change in strategy. The Austrian PES is planning to introduce a statistical profiling that divides the unemployed into three groups according to whether they have good, medium or poor prospects of reintegrating into the labour market. The intention is to provide less support to jobseekers who find work quickly and to offer the new support programme to those with low chances of

reintegration. Unemployed persons with medium job prospects will receive the most support, including all active measures previously offered.⁸

With the new counselling and support programme for the unemployed with low employment prospects, the PES hoped to achieve similar or even better labour market outcomes than before, but at lower costs. Reducing costly programmes that are perceived to be less effective for participants, namely wage subsidies, direct job creation and more intensive training, and outsourcing in-house counselling could indeed reduce costs. However, the introduction of the new offer involved additional costs, and future expenditure on unemployment benefits and unemployment assistance will depend on the effects of the programme on the further labour market trajectories of both participants and non-participants. Theoretically, the net cost effects are therefore unclear.

The employment effects are also theoretically ambiguous. On the one hand, the reduced focus on getting persons into work quickly and the reduction of costly employment and training programmes could prolong unemployment. On the other hand, less pressure, more empowerment and personal stabilisation and more targeted externally provided counselling and support could improve labour market prospects. In a post-implementation survey, PES caseworkers reported that they found counselling persons with multiple placement obstacles particularly challenging and that the time resources available in-house were insufficient to meet the high support needs of this group. They felt that companies were avoiding recruitment and

⁸ The PES expects this shift to result in a more cost-effective use of scarce resources through better targeted active labour market measures. By providing less support to jobseekers with high job prospects, the PES hopes to avoid deadweight effects and achieve savings without negative employment effects. By concentrating in-house counselling, costly training and employment programmes on the unemployed with medium job prospects, the PES aims to increase efficiency, as it is in this segment that the greatest effects are expected to be achieved. In the low segment, the PES hopes to make savings by reducing in-house counselling and expensive programmes, which it considers to be less effective, and plans to replace them with the low-cost external counselling and support programme. So far, statistical profiling has not been fully implemented due to concerns raised by the data protection authority but may be implemented at any time and has been approved by all relevant bodies, including the Austrian Ministry of Labour.

that the unemployed were discouraged by the long, unsuccessful search. They reported that many of the clients had resigned and suffered from disorientation, a lack of daily structure and social isolation (Weber, Hager, Krüse, & Reidl, 2019).

The impact of the new programme is also theoretically ambiguous because it consisted of multiple elements with potentially different effects. Empirically, we could only measure the overall impact of the programme without disentangling the effects of its individual components. In addition, the actual design of the interventions varied between individuals, as participants were free to choose which interventions to take up and to what extent. Their actual choices were not captured in the data. Our measurement was restricted to the average effect of introducing the offer.

Empirical research design

Identification strategy

The key challenge for the evaluation of the programme was that participation was selective rather than random for a number of reasons: First, REOs had not randomly been selected to offer the new programme to their eligible clients. Second, not all eligible clients in a participating REO had received an offer within the pilot period. Third, those who had received the offer could choose whether or not to accept it, and acceptance was likely to be influenced by unobservable characteristics. As it is unlikely to be possible to sufficiently control for these factors, especially self-selection, an individual-level comparison – between participants and non-participants in the new programme in the same labour market region – would not provide an unbiased estimate of the causal treatment effect.

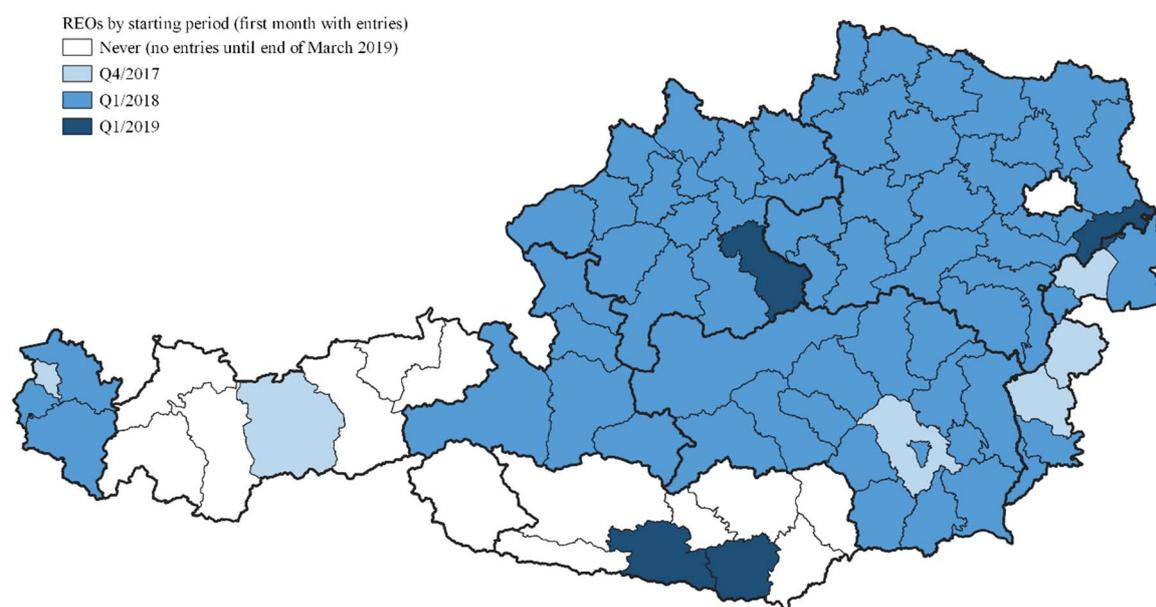
The introduction of the new programme could have had an impact not only on those clients who participated, but also on those who did not participate, for example because they declined the offer. Clients who declined the offer may have been treated differently by their

caseworkers if they were perceived as lacking motivation. Moreover, the reduced caseloads resulting from the outsourcing of counselling may have allowed caseworkers to provide better counselling services to clients who continued to receive counselling from the PES. If this led to faster placement of non-participating clients, it could have indirectly reduced the opportunities of the participants in the same regional labour market.

For these reasons, we estimated the effects of the new programme by comparing 'treated REOs', where the programme had been introduced, with 'control REOs', where it had not (yet) been introduced by the end of 2018. Within these regions, we analysed the entire group of eligible unemployed, not just those who had opted for the counselling programme.

The new programme was introduced in three phases. The first phase began in the fourth quarter of 2017, the second phase in the first quarter of 2018 and the third phase in the first quarter of 2019. Figure 1 shows when REOs first offered the programme. We exploited the regional and temporal variation in the introduction of the programme. Because the programme was not introduced simultaneously in all pilot REOs, but gradually over time, pilot REOs without the programme coexisted in our evaluation period with pilot REOs where the programme had already been introduced.

Figure 1: REOs by starting period of the new counselling and support programme

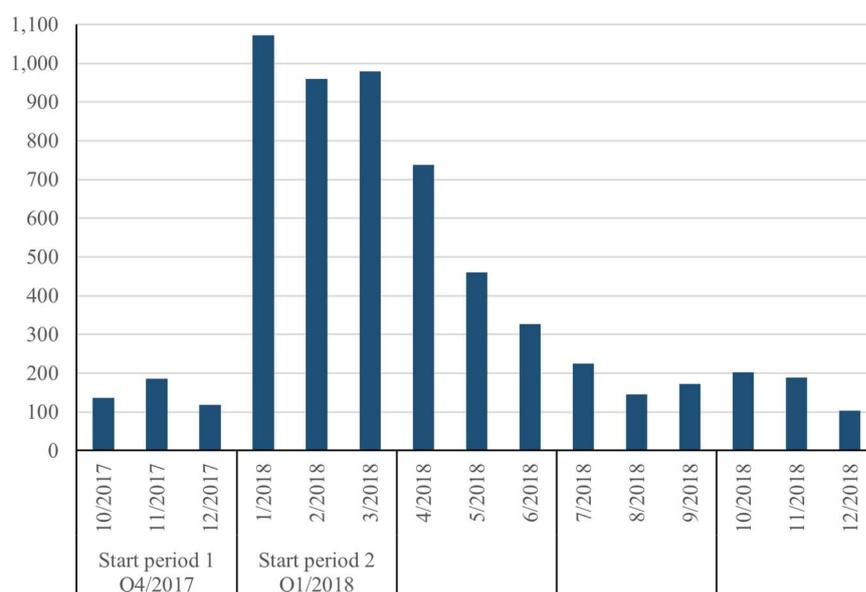


Source: Calculations based on data of the Austrian PES (Arbeitsmarktservice).

In the first phase, the new programme was available in only six of the 86 REOs (after aggregating the twelve labour market districts of Vienna). With the start of the second phase, the programme was available in a further 62 REOs. During the third phase, the number of REOs offering the new programme decreased to 65, as some joined and others discontinued the programme.

Figure 2 shows that the number of clients entering the new programme was low in the first phase, but increased significantly with the start of the second phase and, after a temporary slowdown, again with the start of the third phase in 2019. Across Austria, 11,586 persons entered the programme between October 2017 and March 2019. Of these, 441 entered in the fourth quarter of 2017, 5,574 in 2018, and 5,571 in the first quarter of 2019.

Figure 2: Number of entries into the new counselling and support programme by start period and federal state



Source: Calculations based on data of the Austrian PES (Arbeitsmarktservice).

Since the programme had been launched in very few REOs in the fourth quarter of 2017 (first phase), during which few people had participated, we excluded these early-starting regions from the analysis and focused on the large number of pilot regions that had started offering the programme in the first quarter of 2018 (second phase). We excluded two REOs, Gmunden and Bludenz, because less than 5% of the eligible unemployed had enrolled in the programme in the year after its implementation. We compared the remaining 60 REOs with the 18 control REOs that had not introduced the programme by the end of 2018. This included regions that introduced the programme in 2019, as well as those that never introduced the programme during the observation period.

We estimated the impact of the new programme using a difference-in-differences (DiD) approach. Thus, we followed all eligible unemployed who were registered with their REO at

the beginning of January 2018, i.e., at the beginning of the treatment period, for one year.⁹ In this way, we achieved the longest possible follow-up period (from January to December 2018) without diluting the treatment, as some control REOs subsequently became treated regions.¹⁰

For comparison with a pre-treatment period, we selected the unemployed in January of each year from 2013 to 2017 and tracked their outcomes over a one-year period. In this way, the samples did not overlap, and the pre-treatment period did not extend into the post-treatment period.

In our estimations, we controlled for a wide range of individual and region characteristics to account for observable differences. These included personal characteristics such as age, education and health, as well as detailed employment history, benefit receipt history, previous programme participation and contacts with the PES, and region characteristics measured at the labour market district level, such as the unemployment rate by age group, the structure of the unemployed in terms of education and health and the share of long-term employment (for a full list of the control variables used, see Table 6 in the Appendix). We estimated the effect of introducing the new programme in an REO on the outcomes of all its eligible clients, regardless of whether they participated or not. This corresponds to an intention to treat (ITT) effect.

⁹ More specifically, we identified the stock of eligible unemployed who were registered with their REO on the previous day, i.e., 31 December 2017, at the beginning of January 2018. At the same time, i.e., before the treatment, we measured the individual characteristics that were included in the analysis as control variables. The results were compared over the one-year period from the beginning of January to the end of December 2018.

¹⁰ Restricting the sample to this one month's stock of claimants is not restrictive, as few persons joined in later months if they then met the target group criteria of being at least 45 years old, having been unemployed for at least two years and having a health condition that limits the range of possible jobs.

Data and sample

The analysis was based on a combination of administrative data from the Austrian Unemployment Register (AUR) with data from the Austrian Social Security Database (ASSD). The AUR provides comprehensive information on individual characteristics of the unemployed, their unemployment history, the receipt of unemployment benefits, the counselling and placement process, and participation in active measures such as training or different types of subsidised employment, including the costs of these measures. From the ASSD, we obtained detailed information on employment histories, including wages.

The analysis included all persons eligible for the new programme¹¹, with two exceptions: First, we excluded persons over the statutory retirement age (59 years for women and 64 years for men). Second, we excluded persons who had died during the one-year observation period. As shown in Table 1, the sample consisted of 111,270 observations of eligible unemployed persons living in 60 treated REOs that had introduced the programme in the first quarter of 2018 and 18 control REOs that had not introduced the programme by the end of 2018 (see Table 7 in the Appendix for a list of REOs by treatment status). 13,279 observations were from eligible unemployed persons registered with the treated REOs at the beginning of January 2018 (after the implementation of the programme). Of these, 2,919 observations were from individuals who participated in the year following the implementation of the programme and 10,360 observations were from non-participants. This results in a participation rate of 22.0%.

¹¹ This excluded people under the age of 25.

Table 1: Sample size by period and regional comparison group

| | Total | Treated REOs | Control REOs |
|----------------------------|---------|--------------|--------------|
| Before (January 2015-2017) | 83,777 | 38,420 | 45,357 |
| After (January 2018) | 27,493 | 13,279 | 14,214 |
| Total | 111,270 | 51,699 | 59,571 |

Source: Calculations based on data of the Austrian PES (Arbeitsmarktservice). Before: before the introduction of the programme (pre-treatment period). After: after the introduction of the programme (post-treatment period).

In Table 2, we present selected descriptive statistics by REO treatment status (for full summary statistics, including region characteristics, see Table 6 in the Appendix). We compared the characteristics of eligible unemployed persons in January 2018 between treated and control REOs. In the REOs that offered the new programme, the share of women, single persons, persons with at most compulsory education and persons with foreign nationality was lower, and the share of persons with a health restriction was higher than in the control REOs. The unemployed in the treated REOs had been unemployed for a shorter period of time and had spent more days in employment in the last ten years than the unemployed individuals in the control REOs.

Table 2: Descriptive statistics by REO treatment status

Eligible unemployed persons registered with the REO in January 2018

| | Mean | | | t-test | |
|---|--------------|--------------|---------|--------|-------|
| | Treated REOs | Control REOs | Diff. | *** | P> z |
| <i>% of eligible unemployed</i> | | | | | |
| Woman | 0.339 | 0.362 | -0.023 | *** | 0.000 |
| Single | 0.560 | 0.624 | -0.063 | *** | 0.000 |
| Age (in years) | 52.130 | 51.420 | 0.702 | *** | 0.000 |
| No completed compulsory education | 0.056 | 0.117 | -0.061 | *** | 0.000 |
| Completed compulsory schooling | 0.610 | 0.624 | -0.014 | ** | 0.018 |
| Legal disability status | 0.184 | 0.097 | 0.087 | *** | 0.000 |
| Other health-related restriction | 0.641 | 0.597 | 0.043 | *** | 0.000 |
| EU 15 citizenship (excluding AT) | 0.017 | 0.015 | 0.002 | | 0.194 |
| Citizenship of a new EU member state (EU2004, EU2007/2013) | 0.037 | 0.051 | -0.014 | *** | 0.000 |
| Other citizenship | 0.105 | 0.164 | -0.060 | *** | 0.000 |
| Unemployment benefit receipt | 0.025 | 0.012 | 0.013 | *** | 0.000 |
| Unemployment assistance receipt | 0.906 | 0.908 | -0.002 | | 0.591 |
| <i>Number of days</i> | | | | | |
| Duration of current unemployment episode | 1,443.472 | 1,521.916 | -78.444 | *** | 0.000 |

Employment history: days in last 10 years

| | | | | | |
|-----------------------------|-----------|-----------|----------|-----|-------|
| registered unemployment | 2,333.017 | 2,556.048 | -223.031 | *** | 0.000 |
| PES training | 211.900 | 289.900 | -78.005 | *** | 0.000 |
| active dependent employment | 1,856.963 | 1,477.968 | 378.995 | *** | 0.000 |

Source: Calculations based on AUR and ASSD. Characteristics measured on 31.12.2017, before the start of the programme. Active dependent employment excludes persons with a valid employment relationship who were temporarily absent for reasons such as parental leave.

Outcomes

As a first step, we analysed the effects of introducing the new programme on labour market outcomes by examining the cumulative number of days spent in different employment statuses in the year following the introduction. We analysed days in active employment, days in unemployment and days out of the labour force. Active employment included dependent employment as apprentices, civil servants, employees, labourers, harvesters and persons with freelance contracts.¹² We distinguished between unsubsidised employment, subsidised employment in the first labour market and subsidised active employment in the second labour market. Subsidised employment in the first labour market was mainly dependent employment in companies receiving wage subsidies and, to a very small extent, combined wage work. The second labour market included jobs created directly by social enterprises in the public or non-profit sector. Unemployment included registered unemployment, time spent in PES training courses and time spent looking for an apprenticeship. Days out of the labour force included all periods when a person was neither employed nor unemployed.

¹² Persons doing compulsory military service, conscientious objectors and persons temporarily absent on leave, e.g., for childcare, eldercare or further education, were excluded.

As additional indicators of labour market success, we used the cumulative number of days of unemployment benefits and unemployment assistance and the total amount of benefits received. The effects on counselling, job placement and programme participation were measured by the number of meetings with caseworkers and the number of job offers received from the PES. We measured the number of meetings and, to account for differences in unemployment duration, the number of meetings per month of unemployment (registered unemployment, PES training, and apprenticeship search) and the meeting interval (days of unemployment divided by number of meetings). Similarly, we considered the number of job offers per month of unemployment.¹³

We also compared the number of days spent in the main types of active labour market policies (ALMP), namely days in jobs in the private sector supported by subsidies for the hiring of long-term unemployed (including combined wage work), days in direct job creation schemes in the public or non-profit sector (including non-profit temporary work agencies) and days in training measures delivered by external providers on behalf of and financed by the PES ('training'), days in subsidised training courses chosen on the open education market ('course subsidies'), days in the new counselling and support programme and days in the care of external counselling and support agencies other than those providing the new counselling and support programme.

In a cost-benefit analysis, we estimated the impact of implementing the new programme on the average cost of an eligible unemployed person at an offering REO. Again, we considered not only those who had participated in the new programme, but all eligible persons registered with the REO. We considered all major costs from the perspective of the REO, i.e., the costs of the external institutions offering the new programme, the costs of the other ALMP measures,

¹³ We did not analyse sanctions for breaches of benefit rules as these were extremely rare.

in-house counselling, unemployment benefits and unemployment assistance, and the social security contributions for unemployed clients paid as a lump sum by the PES.¹⁴

Results

Labour market effects

We found that the new counselling and support programme significantly increased the time spent in unemployment by an average of 12.4 days. This change was not reflected in a statistically significant increase in the duration of benefits and the amount of unemployment benefits received. The target group individuals in the pilot REOs spent on average 6.7 more days in subsidised employment in the first labour market (private sector wage subsidies) and 9.1 fewer days in subsidised employment in the second labour market (direct job creation) in the year after the implementation. However, we found no statistically significant effect on the number of days in unsubsidised employment and in total active employment (at the 10% level of error). Overall, the new programme did not lead to a significant change in employment integration (see Table 3).

¹⁴ We did not take into account income from social security contributions and income taxes, as these are relevant from the point of view of the state but not for the PES.

Table 3: Effects on labour market outcomes

| | ITT (SE) | |
|---|----------|----------|
| <i>Labour market integration</i> | | |
| Days in active employment | -7.4 | (4.6) |
| unsubsidised | -5.1 | (3.2) |
| subsidised first labour market | 6.7 | (3.4) ** |
| subsidised second labour market | -9.1 | (4.1) ** |
| Days in unemployment | 12.4 | (5.5) ** |
| Days out of labour force | -4.4 | (3.8) |
| <i>Unemployment insurance benefit receipt</i> | | |
| Days of unemployment benefit receipt | 1.7 | (1.7) |
| Days of unemployment assistance receipt | 7.0 | (4.9) |
| Total unemployment support (in €) | 210.8 | (142.0) |

Source: Calculations based on AUR and ASSD. Differences-in-differences estimates. ITT: Intention-to-treat effect. SE: Robust standard errors clustered at REO level in parentheses. *** p<0.01, ** p<0.05, * p<0.1.

Effects on PES in-house counselling, job placement, and ALMP participation

We found no significant reduction in the number of meetings with PES caseworkers and in the number of job offers received from the PES (see Table 4). However, the number of meetings per month of unemployment decreased and the time between meetings increased. Thus, taking into account the longer duration of unemployment, we see a reduction in the intensity of counselling, which is in line with the policy objective of reducing the workload of PES caseworkers by outsourcing counselling and support services.

The change in the counselling and support strategy was also reflected in the use of ALMP measures: The average number of days in direct job creation schemes in the public or non-profit sector decreased significantly by an average of 10.5 days as a result of the introduction of the new programme. This was accompanied by a reduction in expenditure by an average of 289.00 € per target group person.

In addition, the target group persons were much less likely to be assigned to external counselling and support agencies other than those offering the new counselling and support programme (-20.9 days). Including the new programme, the average number of days with support from external advice and support agencies increased by a statistically highly significant 48.5 days. This was reflected in a cost increase of 277.00 € per target group person.

An average of 108 € more was spent on private sector wage subsidies (per eligible unemployed person) for those assisted in the pilot REOs, despite the plan to stop offering this type of support to participants. The participating REOs used private sector wage subsidies slightly more often for eligible unemployed who did not participate in the programme. Finally, there were no significant changes in the provision of training and subsidies for participation in courses selected from the open education market.

Table 4: Effects on PES in-house counselling, job placement, and ALMP participation

| | ITT (SE) | | |
|--|----------|---------|-----|
| <i>Counselling and job placement</i> | | | |
| No. of personal meetings | -0.2 | (0.3) | |
| No of. personal meetings per month of unemployment | -0.1 | (0.0) | ** |
| Meeting interval | 11.4 | (5.8) | * |
| No of. job offers | -0.2 | (0.4) | |
| No. of job offers per month of unemployment | -0.0 | (0.0) | |
| <i>Days in ALMP</i> | | | |
| Private-sector wage subsidies | 5.1 | (3.6) | |
| Direct job creation | -10.5 | (4.6) | ** |
| Training | -0.4 | (2.1) | |
| Course subsidies | -0.6 | (0.7) | |
| External counselling and support | 48.5 | (8.8) | *** |
| without the new support programme | -20.9 | (5.6) | *** |
| <i>Costs of ALMP (in €)</i> | | | |
| Private-sector wage subsidies | 108.1 | (53.4) | ** |
| Direct job creation | -288.9 | (129.1) | ** |
| Training | 34.0 | (51.4) | |
| Course subsidies | 2.8 | (2.8) | |
| External counselling and support | 276.5 | (47.5) | *** |

Source: Calculations based on AUR and ASSD. Differences-in-differences estimates. ITT: Intention-to-treat effect. SE: Robust standard errors clustered at REO level in parentheses. *** p<0.01, ** p<0.05, * p<0.1.

Cost effects

The Austrian PES aimed to save costs and expected a sizable reduction in the costs of in-house counselling and labour market programmes for persons opting for the new system. However, our cost-benefit analysis shows that the new programme did not lead to cost savings in the first year after its introduction. On the contrary, it resulted in higher costs, as expenditures on PES in-house counselling and cost-intensive employment and training measures did not decrease sufficiently to offset the additional costs of the new programme. The expected savings on training did not materialise and expenditure on private-sector wage subsidies even increased. Moreover, longer unemployment spells tend to increase the expenditure for unemployment benefits and social security contributions that the PES have to pay for their unemployed clients.

Taking into account the costs of the new programme, other ALMP, in-house counselling, unemployment benefits and unemployment assistance, as well as the social security contributions for unemployed clients to be paid by the PES, we calculated an average additional expenditure of 403.00 € in a treated REO for each eligible unemployed person.

Effect heterogeneity

The effects presented are for all pilot regions, with only two exceptions where less than 5% of the eligible unemployed participated in the programme in the year after its introduction. Our control REOs are all regions that did not implement the programme until January 2019. This includes Vienna, the capital of Austria and by far the most populous city.¹⁵ Vienna's labour market is characterised by several particularities: high population growth, a relatively large number of immigrants, and low-skilled workers, and a high share of services and a low share of industry in employment. Structural change has been more pronounced than elsewhere in

¹⁵ The fact that Vienna is one of the control REOs explains why the number of observations in the control REOs is higher than in the treated REOs, even though there are significantly more treated REOs than control REOs.

Austria. Unemployment is relatively high. Vienna has been particularly affected by rising unemployment since the economic and financial crisis in 2008/2009 due to high growth in labour supply. Because of these particularities, we show in Table 5 whether the exclusion of Vienna alters the measured labour market effects.

We found that the programme effect on total days in active employment changes from statistically insignificant to weakly statistically significant negative (at the 10% error level) when Vienna is excluded. However, the effects on the time spent in different forms of employment and unemployment are all very similar with and without Vienna. Overall, therefore, the inclusion or exclusion of Vienna in the control REOs has little impact on the results.

Table 5: Sensitivity of the measured effects on labour market outcomes to changes in the sample
Intention-to-treat effect (ITT) on the days in the respective labour market position

| | Active employment | | Unsubsidised employment | | Subsidised first labour market | | Subsidised second labour market | | Unemployment | | Out of labour force | | | | | |
|------------|-------------------|-------|-------------------------|-------|--------------------------------|-------|---------------------------------|------|--------------|-------|---------------------|-------|--------|------|-------|-------|
| Main | -7.4 | (4.6) | -5.1 | (3.2) | 6.7 | (3.4) | ** | -9.1 | (4.1) | ** | 12.4 | (5.5) | ** | -4.4 | (3.8) | |
| W/o Vienna | -9.1 | (4.8) | * | -4.3 | (3.3) | 6.3 | (3.6) | * | -11.1 | (4.3) | ** | 14.2 | (5.9) | ** | -4.6 | (4.2) |
| <22% | -4.2 | (4.6) | | -4.2 | (3.5) | 5.6 | (3.0) | * | -5.6 | (4.2) | | 7.3 | (5.8) | | -3.0 | (4.2) |
| >22% | -10.1 | (5.5) | * | -5.8 | (3.6) | 7.5 | (4.0) | * | -11.7 | (4.4) | *** | 16.0 | (6.6) | ** | -4.9 | (4.1) |
| >33.3% | -10.0 | (6.3) | | -6.3 | (4.0) | 7.5 | (4.8) | | -11.2 | (4.6) | ** | 16.4 | (7.1) | ** | -6.4 | (4.3) |
| >40% | -12.2 | (6.4) | * | -5.6 | (4.3) | 3.2 | (3.8) | | -9.9 | (4.5) | ** | 16.9 | (7.6) | ** | -5.6 | (4.8) |
| >50% | -17.7 | (7.2) | ** | -1.2 | (4.6) | -3.8 | (3.8) | | -12.8 | (6.2) | ** | 18.8 | (10.4) | * | -3.1 | (6.7) |

Source: Calculations based on AUR and ASSD. Differences-in-differences estimates. ITT: Intention-to-treat effect. SE: Robust standard errors clustered at REO level in parentheses. *** p<0.01, ** p<0.05, * p<0.1. W/o Vienna: control REOs without Vienna. <22%: only treated REOs with participation rate below 22%.

The average participation rate across all treated REOs is 22.0%, but it varies widely between regions. It is possible that the impact of the new counselling and support programme

differs depending on the level of participation. More specifically, it could be that the moderate effects we measure are explained by a low participation rate. To test this, we compared the labour market effects between treated regions with higher and lower participation rates (see Table 5).

We found stronger effects for the treated regions with above-average participation rates (above 22.0%) than for the regions with below-average participation rates (below 22.0%). In regions with above-average participation rates, the effect on days in total active employment was statistically significantly negative (-10 days). The reason is that subsidised employment in the second labour market decreased and unemployment increased to a greater extent. This result is in line with the programme's objective of reducing costly direct job creation in the public or non-profit sector. If more people in a region participated in the programme, this effect should be more pronounced.

When we focussed on the treated regions with the highest participation rates (over a third, over 40% or over 50%), the negative impact on total active employment was most pronounced. The average time spent by individuals in subsidised employment in the second labour market decreased significantly. At the same time, we no longer found a significant increase in subsidised employment in the first labour market. This is also in line with the programme objectives, as wage subsidies were supposed to be used less, not more. Overall, our results suggest that the lack of positive labour market effects is not due to a too low participation rate.

Discussion

The new programme did not lead to better labour market outcomes or cost savings in the first year after its implementation. However, the strategy was a mix of different elements with potentially divergent effects: intensive counselling by external agencies instead of PES in-house counselling, a range of various low-threshold services, a reduction in cost-intensive

ALMP, a shift in focus from job placement to personal stabilisation, and the principle of voluntary participation in the use of services.

The limited focus on finding a job quickly may have led to longer unemployment durations, at least in the short term. The less frequent use of direct job creation may also have worsened employment opportunities, as empirical evidence for Austria suggests that direct job creation helps individuals with poor employment prospects to reintegrate into the labour market (Eppel et al., 2018). In contrast, more intensive (external) counselling and support may have improved labour market integration. Studies for Austria (Böheim, Eppel, & Mahringer, 2017), Germany (Fertig, 2015; Hofmann, Krug, Sowa, Theuer, & Wolf, 2010, 2012; Hainmueller, Hofmann, Krug, & Wolf, 2016; Schiel, Schröder, & Gilberg, 2008), France (Behaghel, Crépon, & Gurgand, 2014) and Denmark (Maibom, Rosholm, & Svarer, 2017) have shown that lower caseloads for PES caseworkers and more frequent meetings with unemployed clients shorten unemployment and increase employment prospects, especially for the long-term unemployed. Furthermore, it is conceivable that less pressure to find a job and more focus on personal stabilisation increase the probability of employment, at least in the longer term.

We could not measure the satisfaction of the treated unemployed with the available data. According to a qualitative evaluation (Weber, Haber, Krüse, & Reidl, 2019), representatives of the PES and the external agencies offering the new programme saw it as a promising new approach that fills a gap in the existing canon of ALMP instruments. They emphasised the importance of voluntary participation as a potential key to successful reintegration. In their view, the voluntary nature of the programme made it easier to reach unemployed persons with particularly poor prospects. The focus on independence, self-determination, self-motivation and active participation was seen as a first step in overcoming placement obstacles. Precisely because the concept was based on voluntary participation and there was no obligation to attend PES courses, the participants were found to be very satisfied.

Another limitation of our study is that we were unable to measure 'soft outcomes' such as improved self-esteem and motivation with the available data. These are important intermediate outcomes and can be considered valuable outcomes in their own right.¹⁶

In many regions, only a small proportion of the eligible unemployed participated in the new scheme. This may explain the moderate impact on labour market outcomes. In addition, the intensity of PES in-house counselling did not decrease much, and private sector wage subsidies were on average used even more often than before. It is therefore possible that, at the time of our study, the programme had not yet been fully implemented as intended. However, we did find slightly negative effects on total active employment when focusing on treated regions with higher participation rates. The lack of positive labour market effects should therefore not be due to limited participation.

Due to selectivity, it was not possible to compare the effects of the new programme between the unemployed who actually participated and those who did not. However, a purely descriptive comparison of outcomes between participants and non-participants in the treated REOs revealed large differences between these two groups (see Table 8 in the Appendix). Those who actually participated in the year following the implementation of the new programme were much less likely than non-participants to receive support through private sector wage subsidies, direct job creation, training, course subsidies or external counselling other than the new programme. They also had lower levels of PES in-house counselling intensity. Furthermore, their labour market outcomes were worse, they were less likely to be employed and much more likely to be unemployed and to claim unemployment insurance benefits. It is possible that the eligible unemployed who did not participate in the new programme benefited from the resources freed up by the partial outsourcing of counselling and

¹⁶ For example, Bredahl & Clement (2010) argued that due to the difficult situation of the long-term unemployed, other aspects such as reducing social marginalisation or increasing self-esteem were more relevant than employment.

support services. They may have received more intensive support and could have participated more often in active measures. This, in turn, may have translated into better employment opportunities for this group. In this case, the more favourable employment effects for non-participants would offset the less favourable effects for participants.

Finally, it should be noted that the longer-term labour market and cost effects of introducing the new programme could possibly differ from their short-term effects. If the immediate goal of personal stabilisation is achieved and this has a positive impact on future employment prospects, the longer term effects could be more favourable. In addition, the Austrian PES was gaining experience and learning effects in the pilot phase. However, the longer-term effects could be even more unfavourable if more people participated, if employment and qualification measures were reduced to a greater extent, and if this reduced support and placement efforts hampered reintegration into employment.

Conclusions

Faced with persistently high unemployment and tight budgets, OECD countries are looking for measures to support the long-term unemployed in the most effective and cost-efficient way. In 2017 and 2018, the Austrian PES piloted a new programme to support this group. In the pilot regions, eligible unemployed persons could voluntarily opt for third-party counselling and support and access a wide range of low-threshold services focused on personal stability rather than job placement. With this approach, the Austrian PES hoped to achieve similar or even better labour market outcomes at lower cost. We examined how the new programme affected labour market success, counselling and placement, programme participation, and costs for the eligible unemployed in the first year after its implementation by comparing the outcomes of eligible unemployed in the pilot regions with those in the regions where the programme had not (yet) been implemented.

We found that the new programme resulted in higher costs for the PES without improving labour market outcomes. The eligible unemployed in the treated regions spent more days unemployed in the year after the introduction of the programme than the eligible unemployed in the control regions. Their overall employment integration did not change significantly. The costs for the PES increased because expenditure on in-house counselling and costly employment and training did not decline sufficiently to offset the additional costs of the new programme.

However, certain adjustments to the programme could make it more effective in the future. More counselling and the provision of methods for personal stability to the unemployed are promising elements for persons who have been unsuccessful in their job search for a long time. Possible improvements lie in avoiding too much of a shift away from a focus on re-employment and in maintaining a wide range of training and employment measures.

The Austrian PES has already made some adjustments in this direction (Eppel, Mahringer, & Böheim, 2020): First, reintegration is no longer promoted only through personal stabilisation, but also through comprehensive support with job applications. The new goal is to increase the chances for perspective integration into the labour market for everyone, not just those who are interested, through increased counselling and support services. Second, there is now the possibility of follow-up support after starting a job. This support is provided for three months and may contribute to the stability of employment.¹⁷ Thus, the new scheme will continue to rely on voluntary action, but the employment target will be more in focus than before.

¹⁷ An evaluation of direct job creation in Austria showed that follow-up services in the form of support during the transition from the second to the first labour market promote the longer-term employment integration of unemployed persons with often multiple placement obstacles (see Eppel et al., 2014).

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Appendix

Table 6: Full descriptive statistics by REO treatment status

Eligible unemployed persons registered with the REO in January 2018

| | Mean | | Diff. | | t-test |
|--|--------------|--------------|---------|-----|--------|
| | Treated REOs | Control REOs | | | P> z |
| Individual characteristics | | | | | |
| Registered unemployment | 0.950 | 0.955 | -0.005 | * | 0.053 |
| PES training | 0.050 | 0.045 | 0.005 | * | 0.056 |
| In active labour market policy measure | 0.168 | 0.196 | -0.027 | *** | 0.000 |
| Duration of current unemployment episode | 1,443.472 | 1,521.916 | -78.444 | *** | 0.000 |
| Woman | 0.339 | 0.362 | -0.023 | *** | 0.000 |
| Single | 0.560 | 0.624 | -0.063 | *** | 0.000 |
| Child (only women) | 0.196 | 0.179 | 0.018 | *** | 0.000 |
| Age (in years) | 52.130 | 51.420 | 0.702 | *** | 0.000 |
| No completed compulsory education | 0.056 | 0.117 | -0.061 | *** | 0.000 |
| Completed compulsory schooling | 0.610 | 0.624 | -0.014 | ** | 0.018 |
| Legal disability status | 0.184 | 0.097 | 0.087 | *** | 0.000 |
| Other health-related restriction | 0.641 | 0.597 | 0.043 | *** | 0.000 |
| EU 15 citizenship (excluding AT) | 0.017 | 0.015 | 0.002 | | 0.194 |

| | | | | |
|---|-------|-------|------------|-------|
| Citizenship of a new EU member state (EU2004, EU2007/2013) | 0.037 | 0.051 | -0.014 *** | 0.000 |
| Other citizenship | 0.105 | 0.164 | -0.060 *** | 0.000 |
| Unemployment benefit receipt | 0.025 | 0.012 | 0.013 *** | 0.000 |
| Unemployment assistance receipt | 0.906 | 0.908 | -0.002 | 0.591 |
| Unemployment insurance benefit 20-25 € | 0.196 | 0.219 | -0.023 *** | 0.000 |
| Unemployment insurance benefit 25-30 € | 0.338 | 0.320 | 0.018 *** | 0.002 |
| Unemployment insurance benefit >30 € | 0.241 | 0.188 | 0.053 *** | 0.000 |
| Partial receipt of social assistance | 0.128 | 0.258 | -0.130 *** | 0.000 |
| <i>Economic sector of last employment</i> | | | | |
| agriculture, mining | 0.010 | 0.004 | 0.006 *** | 0.000 |
| manufacturing | 0.132 | 0.057 | 0.075 *** | 0.000 |
| construction | 0.079 | 0.079 | 0.001 | 0.857 |
| sales and trade | 0.131 | 0.106 | 0.025 *** | 0.000 |
| transport and logistics | 0.050 | 0.053 | -0.003 | 0.239 |
| accommodation and gastronomy | 0.073 | 0.093 | -0.021 *** | 0.000 |
| information and communication, financial and insurance service provision, real estate and housing | 0.034 | 0.036 | -0.002 | 0.369 |

| | | | | |
|--|-----------|-----------|--------------|-------|
| freelance, academic, technological services | 0.027 | 0.023 | 0.004 ** | 0.024 |
| public service | 0.200 | 0.198 | 0.002 | 0.673 |
| other services | 0.036 | 0.034 | 0.002 | 0.477 |
| other economic sector/unknown | 0.017 | 0.035 | -0.018 *** | 0.000 |
| <i>Employment history: days in last 2 years</i> | | | | |
| registered unemployment | 643.737 | 628.558 | 15.178 *** | 0.000 |
| PES training | 28.930 | 33.058 | -4.126 *** | 0.000 |
| other unemployment status | 1.541 | 1.116 | 0.426 *** | 0.000 |
| active dependent employment | 16.490 | 12.830 | 3.661 *** | 0.000 |
| <i>Employment history: days in last 10 years</i> | | | | |
| registered unemployment | 2,333.017 | 2,556.048 | -223.031 *** | 0.000 |
| PES training | 211.900 | 289.900 | -78.005 *** | 0.000 |
| other unemployment status | 22.560 | 23.300 | -0.739 | 0.398 |
| active dependent employment | 1,856.963 | 1,477.968 | 378.995 *** | 0.000 |
| self-employment | 107.500 | 91.880 | 15.620 *** | 0.002 |
| Last job over a year ago | 0.757 | 0.796 | -0.039 *** | 0.000 |
| Last income ≤ 1,000 € | 0.177 | 0.232 | -0.055 *** | 0.000 |
| Last income 1,000-1,500 € | 0.262 | 0.320 | -0.058 *** | 0.000 |
| Last income 1,500-2,000 € | 0.189 | 0.170 | 0.019 *** | 0.000 |

| | | | | |
|--|---------|---------|------------|-------|
| Last income > 2,500 € | 0.133 | 0.104 | 0.029 *** | 0.000 |
| Sickness benefit (employed) in last 2 years | 0.227 | 0.170 | 0.057 ** | 0.033 |
| Sickness benefit (unemployed) in last 2 years | 28.180 | 29.100 | -0.920 * | 0.058 |
| Sickness benefit (employed) in last 10 years | 49.620 | 26.340 | 23.281 *** | 0.000 |
| Sickness benefit (unemployed) in last 10 years | 199.048 | 196.029 | 3.019 | 0.230 |
| No. of PES contacts in last 2 years | 10.041 | 11.293 | -1.252 *** | 0.000 |
| No. of PES placement offers in last 2 years | 5.860 | 4.680 | 1.180 *** | 0.000 |
| <hr/> | | | | |
| Region characteristics | | | | |
| Total unemployment rate | 6.859 | 12.910 | -6.050 *** | 0.000 |
| Unemployment rate age 15-24 | 6.079 | 11.990 | -5.913 *** | 0.000 |
| Unemployment rate age 25-49 | 6.328 | 12.760 | -6.436 *** | 0.000 |
| Unemployment rate age 50-64 | 8.281 | 13.780 | -5.495 *** | 0.000 |
| % of unemployed with health restrictions | 26.930 | 17.510 | 9.420 *** | 0.000 |
| % of low qualified unemployed | 46.160 | 47.520 | -1.360 *** | 0.000 |
| % of medium qualified unemployed | 48.310 | 42.430 | 5.887 *** | 0.000 |
| % of long-term unemployed | 35.140 | 41.800 | -6.664 *** | 0.000 |
| % of registered unemployed | 82.290 | 81.540 | 0.752 *** | 0.000 |

| | | | | | |
|---|------------|------------|------------|-----|-------|
| Job vacancy rate (ratio of unemployed to open positions?) | 4.533 | 10.250 | -5.713 | *** | 0.000 |
| Ø unemployment insurance benefit (daily rate in €), men | 31.910 | 29.270 | 2.649 | *** | 0.000 |
| Ø unemployment insurance benefit (daily rate in €), women | 26.430 | 25.980 | 0.447 | *** | 0.000 |
| Population density | 158.400 | 3,801.000 | -3,642.606 | *** | 0.000 |
| Employment rate | 73.580 | 65.690 | 7.893 | *** | 0.000 |
| % of foreigners in the labour supply | 11.660 | 26.090 | -14.430 | *** | 0.000 |
| % of age 15-29 in the labour supply | 22.930 | 24.460 | -1.527 | *** | 0.000 |
| % of age 50-64 in the labour supply | 29.970 | 26.580 | 3.386 | *** | 0.000 |
| Gross regional product per capita | 37,637.640 | 46,922.150 | -9,284.516 | *** | 0.000 |
| % of services in employment | 72.420 | 83.660 | -11.241 | *** | 0.000 |
| % of manufacture in employment | 17.620 | 8.423 | 9.193 | *** | 0.000 |
| % of construction in employment | 7.115 | 6.246 | 0.869 | *** | 0.000 |
| Ø annual gross wage, men | 52,584.780 | 53,877.240 | -1,292.457 | *** | 0.000 |
| Ø annual gross wage, women | 41,008.810 | 45,336.260 | -4,327.449 | *** | 0.000 |

Source: Calculations based on AUR and ASSD. Characteristics measured on 31.12.2017, before the start of the programme. Active dependent employment excludes persons with a valid employment relationship who were temporarily absent for reasons such as parental leave.

Table 7: REOs by treatment status

| 60 pilot REOs | | | 18 control REOs |
|------------------------|----------------------|---------------------------|------------------------|
| 102-Mattersburg | 331-Tulln | 504-Salzburg | 201-Feldkirchen |
| 103-Neusiedl am See | 332-Waidhofen/Thaya | 505-Tamsweg | 202-Hermagor |
| 106-Stegersbach | 333-Waidhofen/Ybbs | 506-Zell am See | 203-Klagenfurt |
| 107-Jennersdorf | 334-Wr. Neustadt | 601-Bruck/Mur | 204-Spittal/Drau |
| 301-Amstetten | 335-Zwettl | 603-Deutschlandsberg | 205-St. Veit/Glan |
| 304-Baden neu | 401-Braunau | 604-Feldbach | 206-Villach |
| 308-Gänsemdorf | 402-Eferding | 606-Gleisdorf | 207-Völkermarkt |
| 311-Gmünd | 403-Freistadt | 609-Hartberg | 208-Wolfsberg |
| 312-Hollabrunn | 406-Grieskirchen | 610-Judenburg | 306-Bruck/Leitha |
| 313-Horn | 407-Kirchdorf/Krems | 611-Murau | 415-Steyr |
| 314-Korneuburg | 409-Linz neu | 613-Knittelfeld | 701-Imst |
| 315-Krems | 411-Perg | 614-Leibnitz | 704-Kitzbüchel |
| 316-Lilienfeld | 412-Ried im Innkreis | 616-Leoben | 705-Kufstein |
| 317-Melk | 413-Rohrbach | 618-Liezen | 706-Landeck |
| 319-Mistelbach | 414-Schärding | 621-Mürzzuschlag | 707-Lienz |
| 321-Mödling | 418-Vöcklabruck | 622-Voitsberg | 708-Reutte |
| 323-Neunkirchen | 419-Wels | 623-Weiz | 709-Schwaz |
| 326-St. Pölten | 421-Traun | 631-Graz-Ost | 900-Wien |
| 328-Scheibbs | 501-Bischofshofen | 802-Bregenz | |
| 329-Schwechat | 503-Hallein | 805-Feldkirch | |
| 8 excluded REOs | | | |
| 101-Eisenstadt | 105-Oberwart | 630-Graz-West u. Umgebung | 801-Bludenz |
| 104-Oberpullendorf | 404-Gmunden | 702-Innsbruck | 804-Dornbirn |

Source: Calculations based on AUR.

Table 8: Descriptive comparison of outcomes between participants and non-participants in the treated REOs

Eligible unemployed persons registered with the treated REOs in January 2018

| | Participants | Mean Non- participants | Diff. | t-test *** | P> z |
|---|--------------|------------------------------|-----------|---------------|-------|
| <i>Labour market integration</i> | | | | | |
| Days in active employment | 14.228 | 42.110 | -27.882 | *** | 0.000 |
| unsubsidised | 5.778 | 19.145 | -13.367 | *** | 0.000 |
| subsidised first labour market | 3.294 | 13.904 | -10.610 | *** | 0.000 |
| subsidised second labour market | 5.156 | 9.061 | -3.905 | *** | 0.000 |
| Days in unemployment | 325.316 | 264.959 | 60.357 | *** | 0.000 |
| Days out of labour force | 23.705 | 53.478 | -29.773 | *** | 0.000 |
| <i>Unemployment insurance benefit receipt</i> | | | | | |
| Days of unemployment benefit receipt | 2.391 | 8.235 | -5.844 | *** | 0.000 |
| Days of unemployment assistance receipt | 313.866 | 250.338 | 63.528 | *** | 0.000 |
| Total unemployment support (in €) | 8,230.530 | 6,743.684 | 1,486.846 | *** | 0.000 |

| | | | | | |
|--|---------|---------|----------|-----|-------|
| <i>Counselling and job placement</i> | | | | *** | |
| No. of personal meetings | 3.847 | 4.350 | -0.503 | *** | 0.000 |
| No of. personal meetings per month of unemployment | 0.381 | 0.533 | -0.152 | *** | 0.000 |
| Meeting interval | 123.962 | 79.156 | 44.807 | *** | 0.000 |
| No of. job offers | 3.328 | 3.434 | -0.105 | | 0.505 |
| No. of job offers per month of unemployment | 0.295 | 0.344 | -0.049 | *** | 0.000 |
| <i>Days in ALMP measure</i> | | | | | |
| Private-sector wage subsidies | 3.739 | 14.992 | -11.253 | *** | 0.000 |
| Direct job creation | 5.154 | 9.056 | -3.902 | *** | 0.000 |
| Training | 2.706 | 13.413 | -10.707 | *** | 0.000 |
| Course subsidies | 0.279 | 1.032 | -0.753 | *** | 0.005 |
| External counselling and support | 258.121 | 31.416 | 226.705 | *** | 0.000 |
| without the new support programme | 25.946 | 29.224 | -3.278 | ** | 0.031 |
| <hr/> | | | | | |
| <i>Costs of ALMP (in €)</i> | | | | | |
| Private-sector wage subsidies | 99.642 | 269.821 | -170.179 | *** | 0.000 |

| | | | | | |
|----------------------------------|-----------|---------|----------|-----|-------|
| Direct job creation | 275.238 | 392.269 | -117.031 | *** | 0.000 |
| Training | 53.382 | 217.248 | -163.866 | *** | 0.000 |
| Course subsidies | 2.167 | 5.846 | -3.679 | *** | 0.000 |
| External counselling and support | 1,194.762 | 217.554 | 977.208 | *** | 0.000 |

Source: Calculations based on AUR and ASSD. Participants: eligible unemployed who actually participated in the year following the implementation of the programme. Non-participants: eligible unemployed who did not participate in the year following the implementation of the programme. 13,279 observations, 2,919 of participants and 10,360 of non-participants. Active dependent employment excludes persons with a valid employment relationship who were temporarily absent for reasons such as parental leave.