

# Do wage subsidies work in boosting economic inclusion? Evidence on effect heterogeneity in Austria \*

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## Abstract

Two matching scenarios are constructed to estimate the average causal impact of targeted wage subsidies in Austria on the subsequent labour market integration of previously unemployed participants. Compared to similar non-participants, the supported job-seekers experience a significant increase in employment in the seven years from program start and spend considerably less time in unemployment and out of the labour force, even if dead-weight loss is accounted for. The size of the program effect increases with age and with pre-treatment unemployment duration. It is particularly large for older workers and the long-term unemployed. Hence, wage subsidies are particularly effective in helping disadvantaged unemployed individuals back into employment. Participation in the program has no significant long-run effect on the average wage level, but cumulated earnings rise significantly for the treated as a result of their relative increase in employment.

*Key Words:* Program evaluation, targeted wage subsidies, propensity score matching  
*JEL-Codes:* code 1, code 2

## 1 Introduction

In line with the recommendations of international bodies such as the OECD (see, e.g., OECD 1994, 2006), developed countries are investing a considerable amount of financial resources on

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active labour market programs (ALMP) such as training schemes, employment subsidies and public sector job creation, aiming to tackle the problem of persisting unemployment. The OECD average share of total public expenditure on these measures amounted to 0,6% of GDP in 2009 (according to OECD Statistics), reflecting the prominent role they play in governments' efforts to help the unemployed back to work and to protect them from long-term labour market exclusion.

A key category within the toolbox of ALMP are employment incentive programs that provide payments to employers or workers for a limited time period in order to encourage the hiring of disadvantaged unemployed individuals or the maintenance of jobs that would otherwise be broken up. The most widely used instrument within this program type and the subject matter of this article are targeted wage subsidies that cover a share of labour costs and are granted temporarily to employers who decide to recruit from particular groups of unemployed individuals.

From a theoretical perspective, employers face costs when hiring new workers and may be reluctant to recruit from unemployed individuals with major (re-)integration problems, because they are uncertain about the job applicants' work capacity or simply conclude from their previous labour market record that they are less productive. Wage subsidies may serve as a means to overcome employers' reluctance to recruiting from the (long-term) unemployed through several mechanisms (see also Calmfors 1994, and Calmfors – Forslund – Hemström 2002): First and foremost, by temporarily reducing labor costs to employers of employing the targeted individuals, they stimulate the competitiveness and thus the demand for these particular workers (Katz 1998). Second, they may compensate an employer for a gap between the designated wage and the productivity of a worker, hence making hiring profitable even if instruction costs are high. Third, they give workers the opportunity to close a possible wedge over time by learning on-the-job directly in the regular labour market (Jaenichen – Stephan, 2011). At the same time while serving employers as a screening device, targeted wage subsidies can be used by the unemployed to gain knowledge about potential new employers or fields of activity. Hence, targeted wage subsidies may raise the employment and earnings prospects of the supported job-seekers in several ways. The effect to be expected from program participation is however not clear-cut. Even though wage subsidies provide a financial stimulus for firms to recruit from hard-to-place workers and assignment to the program may be perceived as a positive signal of motivation, they may also have negative stigmatization and signaling effects. Especially if they are narrowly targeted on specific groups of the population, employers' notice of the targeted individuals' labour market difficulties might discourage hiring. Whenever this is the case, the success of the program is likely to depend on employers' assessment of its ability to (over-)compensate for the low productivity of a worker with the help of the subsidy received (Hujer – Caliendo 2003).

A growing interest of both policy-makers and academics in policy evaluation has in the past decade given rise to a number of micro-econometric studies assessing the factual effectiveness of various active labour market programs – most of them resting on a non-experimental approach such as matching, instrumental variable regression, control function estimation or regression discontinuity design. With few exceptions, recent cross-country evidence on the impact of targeted wage subsidies, summarized in Table A1 in the Appendix, points to a beneficial impact on the employment prospects of the previously unemployed participants. Even further, micro-econometric studies for various countries find that private sector incentive schemes such as subsidized employment are among the most effective tools to reintegrate the unemployed into the labour market. They point to the conclusion that a program's relative effectiveness rises with the similarity to a regular job in the competitive labour market (e.g., see Gerfin – Lechner 2002 for Switzerland; Carling – Richardson 2004 and Sianesi 2008 for Sweden; Dorsett 2006 for Great Britain, and Kluge 2010 for a cross-country meta-analysis).

For the case of Austria, a few micro-econometric evaluations of active labour market programs have been conducted so far (see Lutz – Mahringer – Pöschl 2005, Lechner – Wiehler 2011)<sup>1</sup>. Only one of them covered, among a range of measures, the object of our analysis: the "integration subsidy", which is a temporary wage-cost subsidy to employers partially compensating for recruiting long-term unemployed or persons at risk of becoming long-term unemployed. Using matching techniques, Lutz – Mahringer – Pöschl (2005) estimated the measure's average effects for persons aged between 25 and 54 years over a 3-year period after program entry in 2000. The obtained results vary by the observed length of the monitoring period due to the prevalence of "lock-in" effects (see Van Ours 2004) but altogether indicate a favorable medium-term impact on labour force participation and employment, being largest for women aged over 45 years. While providing a first estimate of wage subsidies' returns for Austria, the analysis is restricted to a short- to medium-term perspective and leaves unexamined the program's long-term effects. In their concluding remarks, Lutz – Mahringer – Pöschl (2005) point to the need for further analysis with an extended monitoring period that sufficiently overlapses initial "lock-in effects" during program duration. This gap in research has not yet been filled.

Our reading of the national and international evidence on ALMP in general and wage subsidies in particular points to four limitations of previous research:

First, evaluations have started only recently to follow participants' labour market trajectories over a time period of more than three years. Until today, there seems to be a lack of empirical research on the long-term effects of active labour market policies, although an extensive observation period has been found to be crucial for evaluation, since estimates and thus judgements on policies' success are highly sensitive to the available time horizon for observing outcomes (see Lechner – Miquel – Wunsch 2007 and Fitzenberger – Völter 2007 for East Germany, Lechner – Miquel – Wunsch 2011 and Fitzenberger – Osikominu – Völter 2006 for West Germany).

Second, present knowledge on policies' effect heterogeneity on the personal level is still limited. A strong prevalent focus on the overall average impact is in contrast to recent findings which emphasize that returns from programs are likely to differ across subgroups of the population and thus vary by the extent to which they are targeted on disadvantaged groups (see Caliendo – Hujer – Thomsen 2008 for Germany, Månsson – Delander 2011 for Sweden, and Graversen – Jensen 2010 for Denmark). Likewise, policy-makers' interest in optimizing policy design towards a more effective and cost-efficient targeting of resources triggers the need for deeper insights into the possible heterogeneity of effects. The more in detail caseworkers know what works for whom, the better they can allocate unemployed workers to the most adequate measure.

Third, existing studies tend to concentrate on a small subset of possible outcomes, namely the probability of employment and unemployment. As Kluge et al. (2010) argue, this is in line with the general objective of labour market policies in Europe to combat unemployment rather than alleviate poverty. However, for a more exhaustive assessment of welfare effects we need not only know whether people are at work but also need an indication for the quality of their employment. Wage subsidies may, for instance, help jobseekers back into work, but rest on the acceptance of poor working conditions (Kluge et al. 2010). Only some studies estimate a program's effect on the participants' wages, and very few draw upon indicators that mirror the quality of employment with respect to both the dimensions of income and the stability of

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<sup>1</sup>The micro-econometric studies have been complemented by a macro-evaluation (see Aumayr et al. 2009 or Dauth – Hujer – Wolf 2010). Its findings confirm at an aggregate level the favorable effect of the "integration subsidy" found in the micro-studies for the program participants.

employment.

Fourth, micro-econometric evaluations typically focus on the direct effects of active labour market policies on the treated, disregarding possible unintended and detrimental indirect effects on non-participants (Kluve et al. 2010). Apart from possible substitution – the hiring of subsidized instead of unsubsidized workers – and displacement effects – employment gains in some firms at the expense of employment losses in others –, it is likely that part of the subsidized workers would have been recruited anyway without the incentive and thus there is a dead-weight loss meaning that the subsidy is merely a windfall gain to the employer and the policy had no impact on the hiring decision at all. There are some attempts in the literature to fill this gap. However, to the best of our knowledge disentangling wage subsidies’ employment effect net of dead-weight loss remains to be a major challenge.

This paper contributes to extend the current knowledge on the heterogeneous effects of targeted wage subsidies, by identifying short-run (1 year), medium-run (3 years) and long-run effects (7 years) of the Austrian ”integration subsidy” on a variety of labour market outcomes for a large number of target groups. Based on a thorough investigation of selection into treatment, we identify the overall causal impact of program participation on the subsequent labour market integration for adult individuals aged 25-54 years as well as the possible effect heterogeneity across the dimensions gender, age, education, nationality, disability status, and pre-treatment unemployment duration. Furthermore, we recover the treatment effect for females re-entering the labour market after a family-related career break. Hence, we bring forward the question, whether the program works at all in enhancing the employment and earning prospects of the participants and, if so, for whom.

In addition to times in employment and unemployment, we assess the program’s effectiveness by means of several income indicators serving to single out earnings effects that result from differences in employment and those that are due to changes in the average wage level. Moreover, we combine information on wages and employment stability in order to prove whether the wage subsidy scheme is an effective tool to expand economic inclusion in the broader sense that it increases the chances of earning an income high enough for a decent living by society’s standards.

In line with the common micro-econometric literature, we evaluate the partial equilibrium effects of the Austrian wage subsidy scheme for the participating individuals. We construct two different matching scenarios in order to yield an upper and a lower bound estimate of the program impact net of dead-weight loss. In addition to comparing participants’ outcomes with those of all previously unemployed non-participants in a first scenario, we compare in a second scenario the labour market trajectories of subsidized individuals with only those workers who have in the same time period taken up non-subsidized employment. Our idea is that the first scenario applies to a case where dead-weight effects have been completely avoided, whereas the second scenario would be appropriate, if all subsidies were granted to employers for the hiring of workers they would have recruited anyway. We argue that, if participants and non-participants simultaneously taking up employment turn out to share similar work trajectories, the net program effect is within the range defined by the estimates of the two scenarios. Since this is actually the case, we are able to apply an estimate of the magnitude of dead-weight loss recovered on the same data base for the Austrian labour market in the research report underlying this paper (see Eppel et al. 2011) and thus to provide an even more exact assessment of net effect values.

We find that program-participants spend considerably more time in employment and less time in unemployment and out of the labour force than similar non-participants in the seven years from program start, even if dead-weight loss is taken into account. All subgroups considered

benefit from subsidized employment. However, the positive employment effect is particularly large for older workers and the long-term unemployed. Hence, wage subsidies are a particularly promising instrument to help disadvantaged unemployed individuals back into employment. Participation in the program has no significant long-run effect on the average wage level, but its positive employment effects translate into higher cumulated wages. Moreover, subsidized employment significantly increases the chances of achieving economic inclusion in the sense of being subsequently in stable employment and earning an income that is at least nearly as high as it was before entry into unemployment.

The structure of the remaining article is as follows: The next section documents some stylized facts of Austria's labour market performance and briefly describes the institutional set-up by which selection into the wage subsidy scheme occurs. Section 3 outlines the evaluation approach – our identification strategy, estimation method, data and sample choice – and presents some descriptive statistics. The empirical results are depicted in section 4. We close with a short summary of findings and some policy conclusions in section 5.

## 2 Austrian labour market policy

### 2.1 Labour market performance

Austria provides an appealing set-up for program evaluation, because the country combines a steady increase in the expenditure on active labour market programs with a relatively low rate of unemployment. It is a small, highly-developed industrial economy with just under 8.4 million inhabitants in 2010. Labour market institutions can be characterized by a highly centralized wage-bargaining structure and a traditionally high status of bipartite and tripartite social dialogue. OECD indicators point to a medium overall level of employment protection (Venn 2009), a high average tax burden on employment incomes (OECD 2011A), and a relatively generous (almost universal) unemployment benefit system (OECD 2011B). The welfare system is mainly based on social insurance of the Bismarckian type with a strong linkage between labour market participation and social protection. There is no statutory minimum wage provision in Austria. Instead, the minimum remuneration is set annually for each economic sector under collective agreements. In 2007, the social partners – employer, employee, and government representatives – entered into an agreement stating that sector-specific collective agreements are to set a minimum gross remuneration of 1,000€ a month, 14 times per year (Federal Ministry of Labour, Social Affairs and Consumer Protection 2011).

Compared with other developed countries, Austria's overall labour market performance is fairly strong (see Annex Table A2). Employment rate and labour force participation rate are among the highest in the OECD. The unemployment rate has, over the past ten years, exceeded the 5% mark only twice – in 2005 and in the wake of the economic crisis in 2009. In 2010, it fell to 4.4%, which was one of the lowest levels across the OECD. In spite of this good overall performance, joblessness remains to be a major concern. In Austria, the gap between a large, well-performing core of the labour force and a number of vulnerable groups is particularly pronounced (see OECD 2011C). A key challenge is to enhance the employment and earning opportunities of low-skilled individuals, older people and female workers with family responsibilities who are disproportionately affected by unemployment or economic inactivity. Given a high share of foreign-borns in the labour force and a comparably low average educational attainment of the immigrant population, the labour market integration of this group deserves particular attention as well. In view of a considerable disparity in the distribution of joblessness, evaluat-

ing the Austrian wage subsidy scheme is particularly appealing, because giving disadvantaged groups a competitive advantage in the labour market constitutes the core of this instrument.

## 2.2 Labour market policy

Austrian labour market policy has the objective to ensure a supply of workers for the economy as well as the employment of all the persons who are available to the Austrian labour market. Responsibility for its implementation has been assigned to the Public Employment Service (PES). This service agency under public law is charged with maintaining jobs, placing jobs and filling vacancies, while at the same time providing wage-compensation benefits to the unemployed. Hence, it implements both active and passive labour market policies in Austria.

### 2.2.1 Passive labour market policy

Passive labour market policy covers all measures and services that are designed to ensure people's subsistence during periods of unemployment. The majority of persons gainfully employed in Austria, including those on non-standard contracts (quasi freelancers) who are subject to compulsory health insurance, are insured in the unemployment insurance scheme on a compulsory basis. Only part-timers with an income below the marginal earnings threshold (366.3€ per month in 2010), civil servants and most self-employed persons are exempted from unemployment insurance. Since 2009, self-employed workers can opt for unemployment insurance scheme under certain conditions. The insurance amount, which represents the major source of funding for the LMP budget, is 6% of the respective wage or salary (up to a certain ceiling), whereby employer and employee each pay half.

The most important cash benefits paid by the unemployment insurance scheme are the unemployment benefit (*Arbeitslosengeld*) and the emergency unemployment assistance (*Notstandshilfe*). Both compensate partially for the loss of earnings due to unemployment and are intended to bridge the gap between old and new job during job search. While the former is paid for a limited period of time, the latter is provided after the end of this period without any limit in time but contingent on need. To qualify for these benefits, individuals must be registered as unemployed and be at the disposal of the PES, be capable and willing to work and have previously been in insurance-covered employment for a specified minimum duration. For first-time claimants the required period is 52 weeks of insurance periods within the last 24 months, for repeat claimants 28 weeks within the last 12 months. Young persons under the age of 25 must have been in employment for 26 weeks within the last year. All applicants who fulfill these eligibility criteria are legally entitled to benefits.

The basic rate of the unemployment benefit is usually equal to 55% of previous net earnings, but with additional family supplements granted for the claimant's dependants the level can raise up to 80% (with an upper limit). In accordance with the principle of equivalence, no minimum benefit is guaranteed. For claimants with very low benefits the net replacement rate is however raised. In 2009, the average monthly unemployment benefit was 818€ – 882€ for men and 718€ for women (Federal Ministry of Labour, Social Affairs and Consumer Protection 2011A). The period for which benefit is paid is staggered according to age and the duration of previous employment and may vary from 20 weeks up to 52 weeks. After completion of a vocational rehabilitation from the statutory social insurance the duration of payment amounts to 78 weeks.

Once the entitlement to unemployment benefit is exhausted, unemployed workers can apply for unemployment assistance, which is paid for an unlimited time, but is means-tested on the

income of a claimant's partner. The basic level of income support, which may be raised by family supplements, is 92% (in some cases 95%) of the basic amount of the unemployment benefit previously received in the first six months. After this period, certain limits may apply depending on the duration of previous unemployment benefit receipt. In 2009, the average monthly unemployment assistance level paid was 611 € (666 for men €, 529 € for women), which was about 25% lower than the average unemployment benefit (Federal Ministry of Labour, Social Affairs and Consumer Protection 2011A).

In 2010, a needs-based minimum benefit system (*Bedarfsorientierte Mindestsicherung*) was introduced in 7 of 9 federal provinces of Austria. This is a subsidiary safety net replacing the former system of social assistance, intended for persons in need, who are not entitled to cash benefits from the unemployment insurance scheme, or whose level of entitlement is too low. The minimum standards are based on the monthly net-equal supplement reference rate under the pension insurance scheme, which in 2010 amounted to 744 € for a single person (1,116 € for couples) and is paid unlimitedly until the end of the need 12 times per year (see Federal Ministry of Labour, Social Affairs and Consumer Protection 2011A, 2011B, 2011C; see also Hofer – Weber 2006).

### 2.2.2 Active labour market policy

While passive measures focus on income support during unemployment, active labour market policy attempts to improve the functioning of the labour market by means of targeted measures including counseling for jobseekers and enterprises, job placement as well as a broad range of active labour market programs designed to provide support in overcoming employment obstacles, promote retraining and upskilling in line with labour market needs, and to facilitate both (re-)entry into and the conservation of employment.

Three types of labour market promotion measures are distinguished in Austria, referred to as qualification, employment promotion, and support:

- Qualification measures range from (i) courses in establishments that are commissioned by the PES and cover active job search assistance, occupational orientation as well as education or training over (ii) financial support for costs related to courses on the private education market to (iii) subsidies to apprenticeships and company-based training for jobseekers, apprenticeship-seekers or employees at risk of losing their job.
- Employment promotion measures include wage subsidies for the hiring of individuals who are long-term unemployed or at risk of long-term exclusion and an in-work benefit scheme intended to encourage the take-up of low-paid jobs (combined salary model). Furthermore, they comprise socio-economic enterprises and employment projects in the non-profit sector that are designed to integrate hard-to-place unemployed persons into the labour market through the creation of near-market, fixed-term jobs, partly in combination with targeted skills training and socio-pedagogic support. A short-time working scheme (STW) had been hardly used before, but was modified and has been used widely in Austria starting from October 2008, in the wake of the financial and economic crisis. Within this scheme benefits are granted to workers in order to mitigate short-term fluctuations in employment and secure jobs through partial compensation of wages lost due to short-time working arrangements (for more details see Bock-Schappelwein – Mahringer – Rückert 2011).
- In addition to consultation, qualification and employment promotion, the Austrian PES

offers various kinds of specific support such as special employment-market-related counseling for people with particular difficulties, child care subsidies, financial assistance for business start-ups and subsidies for the first employee of a sole proprietorship.

With regard to both implemented measures and funding, Austrian active labour market policy has witnessed an enormous expansion since the 1990s. In 2010 – a year shaped by a continually difficult state of the employment market –, about 369,000 new clients or more than a third (36%) of all individuals affected by unemployment were supported in at least one way within the framework of Austrian active labour market promotion. The Austrian PES spent 1,079€ mio. for active labour market promotion in 2010, as can be seen from Table 1. Including "active" spending in the form of income support payments to participants in active measures funded from the unemployment insurance budget (757€ mio.), total spending added up to 1,836€ mio. At 687€ mio., qualification measures accounted for two thirds (64%) of the total expenditure and, thus, constitute the prime focus. 306€ mio. were spent on employment promotion. This corresponds to about 28% of the subsidies budget. The "integration subsidy", which is the most important employment promotion program and our object of interest, makes up only a rather small share of all investments in terms of the number of participants with 35,492 new clients in 2010. However, with 117€ mio. or roughly 11%, the instrument accounts for a considerable share of total expenditure (Arbeitsmarktservice Österreich 2011).

Table 1: Active labour market policy: participants and expenditure (in mio. EUR) by program type, 2010

	Number of participants	Expenditure	Share of total expenditure (in %)
Qualification	290,781	686.98	63.7
Employment	76,126	306.48	28.4
Support	80,611	85.5	7.9
Total	368,715	1,078.96	100

*Source: Arbeitsmarktservice Österreich 2011. Note: New clients correspond to individuals who are granted at least one subsidy in 2010. If a person participated in several program types, she is counted for each type, but for the total only once.*

### 2.2.3 The wage subsidy scheme

The "integration subsidy"<sup>2</sup> is a temporary wage-cost subsidy to employers in partial compensation for recruiting long-term unemployed or persons who normally receive unemployment insurance and are at risk of becoming long-term unemployed. According to the PES guideline regulating the program, its objective is twofold: First, it is designed to support the placement activities of the public employment service in promoting the (re-)integration of disadvantaged groups. Second, it aims to reduce the job deficit through encouraging the creation of new employment. In practice, the primary intuition is to counteract employers' reluctance of recruiting from hard-to-place workers by giving this group a competitive advantage.

<sup>2</sup>Information is drawn from the PES guideline, BGS/AMF/0722/9869/2009, which has been in force since 1 January 2009 and - together with § 34 of the Public Employment Service Act (AMSG) – serve as the legal foundation for the use of the integration subsidy. Further sources used are Federal Ministry of Labour, Social Affairs and Consumer Protection 2011C and Federal Ministry of Labour, Social Affairs and Consumer Protection 2012.

The subsidy is on the establishment of a fully insurance-covered employment relationship which comprises at least 50% of the statutory or collectively agreed weekly hours, is adequately paid (according to either directly applicable or comparable collective agreements) and corresponds to the stipulations of labour and social law. It requires a counselling meeting between the PES and the prospective employer regarding the individual to be subsidised and the level and duration of subsidy, as well as a preceding PES-based counselling and assistance process involving the individual to be subsidised.

The subsidy may reach a level up to 66.7% of the assessment basis (monthly gross pay not including special bonus payments) and a lump sum of 50% (of the assessment basis) for non-wage labour costs. During a probationary period of no more than 3 months (6 months for people with disabilities) the subsidy may cover 100%. An "integration subsidy" may be granted for the duration of the employment relationship, but for no more than two years. Subsidisation can be extended by yet another year for individuals who are recognised as being disabled pursuant to the Disability Employment Act (BeinstG), or pursuant to similar legislation (Landesbehindertengesetze) of the individual Austrian Lander. There is no follow-up period, during which employers are legally obliged to sustain the employment relationship. Financing comes from unemployment insurance funds (employers' and employees' contributions) and appropriations of the European Social Fund.

Both eligibility criteria and specific target groups are well defined in the program guideline. Generally all employers are eligible except for the PES, political parties, radical associations and the Federal Government. Individuals qualify for the subsidy, if they (1) are long-term unemployed (defined as those who have been registered as unemployed for more than one year, or for six months if aged under 25 years), (2) are unemployed and at least 45 years old or (3) are considered to be under acute threat of long-term unemployment (women with care duties, re-entrants, people with psychological, physical or mental disabilities, socially maladjusted persons - for instance individuals with alcohol or drug problems -, and job-seekers with poor or outdated labour market skills who have been registered with the PES for a longer period of time in order to qualify for the subsidy). In contrast to unemployment insurance benefits, there is no enforceable legal entitlement to the subsidy, just as with any other type of active labour market program.

Irrespective of repeated modification since implementation of the scheme in the 1990s, the PES guideline stipulates a targeted use of the wage subsidy scheme in favour of disadvantaged groups, namely older people (women aged 45 years and above, men aged 50 and above), the long-term unemployed and persons who return to the labour market after an at least half-a-year-lasting, family-related career break or enter the labour market for the first time and have care responsibilities for a child under the age of 15. In recent years regulations have emphasized the aim to help raise the employment rate of women.

## **3 Evaluation approach**

### **3.1 Identification strategy**

The interest of this paper is to evaluate the causal effect of participation in the Austrian wage subsidy scheme on subsequent employment and earnings. More specifically, the parameter of interest is the average treatment effect on the treated (ATT), i.e. those individuals for whom the program is intended. Following the "potential outcomes framework" of causality, which was shaped among others by Neyman (1923), Fisher (1935) and Rubin (1974, 1977, 1978, 1980) and is the current state-of-the-art in program evaluation (see, e.g., Heckman – LaLonde – Smith

1999, Imbens – Wooldridge 2009 or Heckman – Vytlacil 2007), the causal program effect corresponds to the difference between the actual labour market outcomes of the participants and the hypothetical outcomes they would have achieved, if they had not participated in the program. The "fundamental problem of causal inference" (Holland 1986) arises from the fact that for each of the treated individuals only the actual labour market outcomes under the condition of treatment can be observed. Their outcomes in the hypothetical case of non-participation are counterfactual and thus need to be imputed.

The evaluation problem can be formalized by denoting  $D_i$  a binary indicator variable that equals 1 in the case of treatment ( $D_i = 1$ ) and 0 otherwise ( $D_i = 0$ ). For each individual  $i$ , two potential outcomes are assumed: one in the case of participation ( $Y_{1i}$ ) and one in the case of non-participation ( $Y_{0i}$ ). Given that the variable  $Y$  captures subsequent labour market outcomes, the outcome for individual  $i$  can be written as

$$Y_i = Y_{1i} \cdot D_i + (1 - D_i) \cdot Y_{0i},$$

and the treatment effect is given by

$$\Delta_i = Y_{1i} - Y_{0i}.$$

Since for each individual only one of the two possible outcomes can be observed, it is not possible to simply calculate the difference. Instead, to estimate the treatment effect for the treated it is necessary to construct the missing counterfactual from the outcomes of non-participants. Moreover, it is not plausible that the treatment effect is identical for all individuals. Therefore, the focus needs to be on population averages of returns and not on individual gains from treatment. Consequently, the ATT can be written as

$$ATT = E(\Delta|D = 1) = E(Y_1 - Y_0|D = 1) = E(Y_1|D = 1) - E(Y_0|D = 1),$$

where individual subscripts are replaced by expectations operators that denote population averages. For the treated individuals, it is possible to estimate the population average  $E(Y_1|D = 1)$  from available data, while  $E(Y_0|D = 1)$  is the counterfactual outcome that needs to be replaced with a credible estimate identified from observable data via some identifying assumptions. As is a common strategy, we estimate the unobservable  $E(Y_0|D = 1)$  with the observable  $E(Y_0|D = 0)$ , using the non-participation outcomes of the non-participant population.

Apart from solving the evaluation problem characterized by a missing counterfactual, every micro-econometric evaluation study has to deal with the possible occurrence of selection bias: In the absence of an experimental setting, estimating the ATT by simply comparing the mean outcomes of participants and non-participants could lead to biased estimates, since assignment to treatment is potentially not random and thus treated and non-treated may systematically differ in characteristics that are relevant for labour market outcomes. In formal terms, it is likely that  $E(Y_0|D=1)$  is not equal to  $E(Y_0|D=0)$ .

We apply a semi-parametric two-stage propensity score matching approach (see, e.g., Heckman – Ichimura – Todd 1997, 1998, Imbens 2004) to reduce potential selection bias and to estimate the missing counterfactual and the average causal effect of participation in the Austrian wage subsidy scheme. Based on observational micro-data and identifying assumptions, we mimic ex post an experiment by comparing the labour market outcomes of treated and non-treated individuals who are as similar as possible in terms of all observable characteristics that influence both participation and outcomes. The observed average non-treatment outcomes of the

matched non-treated individuals are used for the estimation of the counterfactual non-treatment outcomes of the program participants, and the difference in outcomes between participants and non-participants after matching is interpreted as the causal effect of interest:

$$\begin{aligned} ATT &= E(\Delta|X, D = 1) = E(Y_1|X, D = 1) - E(Y_0|X, D = 1) = \\ &= E(Y_1|X, D = 1) - E(Y_0|X, D = 0). \end{aligned}$$

Our matching approach relies on the two identifying assumptions required for causal inference in non-randomized studies and subsumed under the heading of "strong ignorability" (Rosenbaum – Rubin 1983): (1) that, conditional on the propensity score, assignment to treatment and potential outcomes are independent (Conditional Independence Assumption, CIA) and (2) that there is sufficient overlap in the distribution of covariates between treatment and comparison group (common support condition). Furthermore, we stick to (3) the stable unit treatment value assumption (SUTVA), which requires that the potential outcomes of individuals are unaffected by the treatment exposure of other individuals (Rubin 1978, 1980).

Rosenbaum – Rubin (1983) have shown that, if the CIA holds for a vector of observed covariates, it also holds for a balancing score that is a function of these covariates. Thus, it is sufficient to adjust for differences between participants and non-participants in a propensity score - the conditional probability of assignment to a particular treatment given a vector of observed covariates - in order to obtain unbiased estimates of average treatment effects. Matching on this one-dimensional summary variable instead of a multidimensional vector of covariates reduces the dimensionality problem. In our empirical analysis we apply propensity score matching to estimate treatment effects separately for various population groups. Its implementation consists of two steps: First, we choose a set of conditioning variables that are expected to influence jointly treatment assignment and outcomes and to cause an imbalance between treated and comparison groups ("confounders"). Based on this choice of covariates, we estimate the propensity score by way of a binary logistic regression model. Second, we use the obtained balancing score to match each program participant with one or more distinct non-participants in order to adjust for pre-treatment observable differences between the two groups and estimate average treatment effects in a fully nonparametric way by comparing, over the common support region, the outcomes between treated and matched non-treated individuals.

### 3.2 Data, samples, and identifying assumptions

Our empirical analysis is based on two merged sources of administrative data. One is the Austrian social security database (ASSD) – a huge matched firm-worker dataset which is administered by the Main Association of Austrian Social Security Institutions and provides a full record of all labour market histories on a daily basis from 1972 onwards as well as information on earnings on a monthly basis, some demographic characteristics and attributes of employers. The second source is the Austrian unemployment register, from which we obtain extensive information on the socio-economic characteristics of all unemployed individuals registered at the Public Employment Service, their participation in labour market programs, transfer payments receipt as well as PES counseling history.

In view of the representative and exceptionally rich data available, it seems very likely that both the CIA and the common support assumption are fulfilled. First, since we observe the entire population of the unemployed in Austria rather than drawing from a random sample, there

is a large reservoir of potential comparison individuals. Even for all the subsamples we consider, we achieve a sufficient overlap in the covariate distributions of participants and non-participants to draw credible inferences. A large number of observations permits a precise estimation of treatment effects for the various strata of the population. Second, the combination of the two data sources allows us to draw from an extraordinarily large set of potential covariates (for a complete list see Annex Table 11). We capture (1) the timing of entry into unemployment (quarter and year of entry as well as elapsed unemployment duration since end of last job), (2) numerous socio-demographics such as gender, age, nationality, marital status, number and age of dependent children, education, disability status, profession and affiliation to particular groups identified by the PES (returning parents, advocate patients, dropouts, etc.), (3) detailed individual employment, unemployment and non-participation histories over 5 years prior to program entry, including specific information on times of sickness benefit receipt and of parental leave, and participation in skills-training for jobseekers), (4) last monthly earnings, (5) characteristics of the last employer (industry affiliation and firm size), (6) previous experiences with subsidized employment and other active labour market programs, and (7) details on the contact to the Public Employment Service (type of counseling of the PES, number of contacts and of job offers received). Furthermore, we integrate in our analysis (8) regional characteristics. Dummies for the region and the region type, classified into metropolitan area, city, suburban, medium-sized town, intensive industrial region, intensive touristic region, extensive industrial region, touristic periphery and industrial periphery, are complemented by two indicators of the regional labour market conditions: the regional unemployment rate and the regional share of long-term unemployed in the year of program entry. Following the example of Sianesi (2008), we add the local "program rate" that equals the number of participants in the wage subsidy scheme as a proportion of all subsidized and unsubsidized unemployed individuals in the region. This variable reflects the local program capacity and is intended to capture unobserved local aspects that are potentially relevant both for program participation and individuals' labour market performance.

Provided that the general eligibility criteria (as defined by the program guideline) are met, selection into program is ultimately determined by the discretion of the caseworker who decides on assignment in consultation with the potential participant and employer – under assessment of the local labour market conditions and the person's employment prospects, deficits and needs. Not only our choice of subsamples, but also our selection of covariates for the estimation of the propensity score is guided by both the definition of specific target groups in the program guidelines and the aspects that are likely to be most relevant for the caseworker's decision. In order to ensure that they are unaffected by participation, all of the control variables are either fixed over time or measured before participation: at the time of actual or hypothetical program entry. Unfortunately, Austrian administrative data provide no information on the caseworker's direct assessment of the unemployed's ability and motivation. However, as is standard in the evaluation literature, we rely on the fact that unobserved factors such as motivation are likely to be highly correlated with past labour market experience (see Heckman et al. 1998) and are therefore sufficiently captured in our model. Even if we cannot rule out unobserved heterogeneity as a remaining source of bias, given the rich set of control variables used, we are confident that all confounders are observed and, hence, we recover valid causal estimates from matching.

Our total sample comprises all adult individuals aged 15-54 years who have been registered as unemployed within the time period from January 2003 to December 2006 (including those searching for an apprenticeship). People who are older than 54 years are excluded from the analysis to avoid perturbation from possible (early) retirement. Moreover, identification of the overall program effect is restricted to adults aged over 24 years, the reason being that for

younger persons we cannot be sure to observe enough information on their skills, abilities and motivation. Neither do the available data provide details on their school achievements, nor is it possible to infer the required information from sufficiently long labour market histories. Only when exploiting the effect heterogeneity of different age groups, we separately recover treatment effects for individuals aged between 15 and 24 years, with a clear notice that these results should be interpreted with caution.

In order to isolate the effect of program participation, people who participated in some type of labour market program within the last six months preceding program start as well as individuals with a recruitment promise at the time of program entry are excluded from the analysis. In addition to the application of these sample selection criteria, we remove from the treatment sample observations with contradicting information or missing values for essential variables such as the date of program start or program end as well as those where we do not find individual employment information in administrative records that is fairly consistent with the evidence from the labour market database of the Austrian PES. A sequence of two or more subsidy cases is summarized into a single program episode, if the time distance between them was not longer than a month. In a last step, the treatment sample is restricted to episodes with a substantial duration of more than a month (31 days). Our final data set has 5,129,624 observations, of which 37,763 are treatment (0.7%) and 5,091,861 are comparison observations (99.3%). Table 2 presents some descriptive sample characteristics by treatment status, measured at program start (for detailed statistics see Annex Table A3). This gives a first insight into selection into treatment. It shows that females are overrepresented in the treatment group. Whereas their share of all non-treatment observations amounts to 41.7% only, they account for slightly more than half (50.8%) of all program episodes considered. Consequently, the share of treated is higher among women (0.9%) compared to the one of men (0.6%). The median age at (hypothetical) program entry (in our sample of 15-to-54-year-olds) is by four years higher for the treated (39 years) than for the non-treated (35 years). Accordingly, the share of treated is clearly highest among individuals aged 45 years and over (1.3%). Individuals with compulsory schooling or apprenticeship as their highest educational attainment account for more than three-fourths of all program cases, but this is not because of a disproportionately high program rate but due to their high share among the unemployed. Differences according to education are not very pronounced. In contrast, the disabled (1.4%) as well as individuals returning to the labour market after a family-related career break (1.5%) - primarily women - report a program rate which is clearly above the total average. Thus, the figures document a strong target group orientation as stipulated by the official program guidelines.

Summary statistics point to a "negative" selection of individuals with inferior labour market positions into the wage subsidy scheme. The median fraction of employment over the last two years preceding program entry amounts to one third (32.7%) in the treatment group, but is more than a half (58.3%) in the comparison group. The treated spent 40.1% of the time in unemployment, whereas for the non-treated the fraction was only 22.2%. As a further indication for negative selection, the median last monthly earnings were considerably lower for the treatment group (1,444 €) than for the comparison group (1,552 €).

As regards program design, the median duration was approximately 4 months (121 days) in the evaluation sample. It was a little bit longer for women (122 days) than for men (115). Women also exhibited a higher median percentage share of the wage costs covered (44% compared to 35%). At the same time, the absolute level of the subsidy was higher for men - with a total of 3.276 € or an amount of 26 € per day compared to a total of 2.645 € or an amount of 20 € per day for women. This gender difference in the program level reflects women's lower wages.

Table 2: Descriptive sample characteristics  
Number of observations, sample share (%) and share of treated (%)

	Treated		Comparisons		Share of treated (%)
	No.	Share (%)	No.	Share (%)	
Total	37,763	100.0	5,091,861	100.0	0.74
<i>Gender</i>					
Male	18,596	49.2	2,968,322	58.3	0.62
Female	19,167	50.8	2,123,539	41.7	0.89
<i>Age</i>					
15-24	6,673	17.7	1,004,918	19.7	0.66
25-44	16,894	44.7	2,999,438	58.9	0.56
45-54	14,196	37.6	1,087,505	21.4	1.29
<i>Education</i>					
No formal education	1,292	3.4	228,214	4.5	0.56
Compulsory school	14,119	37.4	2,036,510	40.0	0.69
Apprenticeship	14,938	39.6	1,923,228	37.8	0.77
Intermediate vocational school	2,810	7.4	282,448	5.5	0.99
Higher academ. or voc. school	3,215	8.5	407,367	8.0	0.78
Academic	1,293	3.4	178,499	3.5	0.72
Missing	96	0.3	35,595	0.7	0.27
<i>Foreign nationality</i>	3,834	10.2	939,365	18.4	0.41
<i>Disabled</i>	6,192	16.4	443,471	8.7	1.38
<i>Returning after family-related break</i>	3,014	8.0	203,004	4.0	1.46

*Sources: ASSD and PES data*

In our evaluation, we present the overall average effect of participation in the wage subsidy scheme first and then discuss effect heterogeneity on the personal level. We provide separate estimates for men and women, three different age groups (15-24, 25-44 and 45-54 years) and three levels of highest completed education (low: at most compulsory education; medium: apprenticeships or intermediate technical and vocational schools; high: upper cycle of academic secondary school, higher technical and vocational colleges, university, "Fachhochschule" or post-secondary college). The Austrian PES is not legally entitled to collect personal information that would allow the identification of a foreign background (Arbeitsmarktservice Österreich 2011). However, we are able to distinguish between Austrian nationals and non-nationals, a significant share of whom are citizens of former Yugoslavia or Turkey. Furthermore, we group unemployed workers according to the duration of their last unemployment spell before program entry ( $\leq 90$  days,  $> 90$  days,  $> 180$  days,  $> 366$  days) and recover the program effect for people with disabilities (according to the legal basis or the classification of the PES) and for women who return to the labour market after a family-related career break. This selection of subsamples is guided by the specification of predominant target groups in the program guidelines.

### 3.3 The counterfactuals of interest

We identify program effects for episodes starting in the time period between 2003 and 2006. Treatment and comparison group are defined on a quarterly basis: Unemployed individuals who take up subsidized employment during a specific analyzed quarter are considered to be the treated, those who do not represent the non-treated. The average treatment effect is measured from program entry until December 31<sup>st</sup> of 2010 – the end of the observation period. Analogously, we start measuring the previous labour market history at program entry. To each non-participant we assign a hypothetical starting date, which is located in the middle of a person's unemployment spell in a quarter. While the exact location of the observation period varies depending on the date

of (actual or hypothetical) program entry, treatment and comparison group are followed for the same length of time before and after this event. We choose this "moving classification window" to capture seasonal effects and to assure the similarity of the macro-economic conditions during program participation. Treatment is defined in terms of joining the program, not in completing it. Moreover, we do not focus on treatment offer, but on actual treatment receipt. Hence, our parameter of interest is the average treatment effect for those who have actually taken up subsidized employment.

The analysis is restricted to individuals without participation in any program in the six months prior to treatment start. At the same, however, no such restriction is imposed for the follow-up period. Sianesi (2004, 2008) has pointed out that, if programs are ongoing and any unemployed individual who has not participated yet may potentially participate later on, defining the non-participants as those individuals who are observed never to enter the program would amount to conditioning on their future outcomes. We encounter this idea by estimating the effect of joining the wage subsidy scheme during the observed quarter relative to not joining it within this short period of time or joining at a later date.

When evaluating the effect of wage subsidies, researchers are confronted with the challenge of possible dead-weight effects. The fact that wage subsidies are targeted to disadvantaged individuals may imply that windfall gains are not the dominant case, because it seems rather unlikely that firms tend to decide in favor of hard-to-place workers instead of other types of unemployed individuals. At the same time it seems reasonable to assume that some of the firms do receive a subsidy for the hiring of a person they would have also recruited in the absence of the subsidy. The total number of granted wage subsidies is likely to be a mixture of those which actually induced the hiring of a worker and those that were just a windfall gain to the employer, but the relative weight of these two alternatives is not observed.

Against this background, we estimate program effects under two different scenarios (for a similar approach see Jaenichen – Stephan 2011):

1. In a first scenario, we compare the labour market outcomes of participants in the wage subsidy scheme with those of all previously unemployed non-participants. The estimates we recover in this setting can be interpreted as the program's impact for the case that dead-weight effects have been completely avoided. If there are in fact dead-weight effects and those subsidized individuals who would have been recruited anyway achieve, on average, better labour market outcomes, the estimated returns are supposedly biased upwards.
2. In a second scenario, we compare the labour market trajectories of subsidized individuals with only those of workers who have not taken up subsidized employment in the same quarter but have taken up non-subsidized employment within 45 days from hypothetical program start. This setting would be adequate, if all of the cases were just windfall gains to employers. The estimates reveal, whether the subsidy did nevertheless have an impact on subsequent labour market outcomes. Since it is likely that in fact not all of the cases are windfall gains and that persons who would not have found a job without the subsidy or would have searched longer achieve, on average, worse labour market outcomes, the estimated returns are arguably biased downwards.

Under the plausible assumption that unemployed individuals who find a job display a more favorable subsequent career, it can be argued that the estimates of the two scenarios constitute the upper and lower boundary of the program impact net of dead-weight loss.

### 3.4 Outcome measures

In contrast to other studies that evaluate program effects at an arbitrary point of time, this paper measures outcomes in one-year intervals starting from program entry and chooses a follow-up period of 7 years in order to capture the dynamic of the labour market and the sustainability of effects. The trajectories of the treated and the non-treated individuals are followed from program entry in 2003-2006 onwards, since this is when they start to diverge. A tricky consequence is that treatment and outcomes intertwine: If we, on the one hand, consider the time spent in employment, the time in subsidized employment is viewed as integral part of the labour market success. If we, on the other hand, consider the time spent in unsubsidized employment only, we are able to disentangle treatment and outcome and to avoid assessing the program to be successful, just because of a long program duration. However, in this case "lock-in effects" (Van Ours 2004) come into play: As long as individuals are in subsidized employment, they lack the time and opportunity or at least have less incentive to search for and participate in unsubsidized employment. Hence, the program may be assessed to be unsuccessful, just because of a long program duration. Our solution of this dilemma is to consider both outcomes: the total number of cumulated days spent in regular, dependent employment and the number of cumulated days spent in regular, unsubsidized dependent employment. Given that "lock-in effects" depend on program duration and disappear over time, the problem is mitigated further by the choice of an extraordinarily long follow-up-period.

We consider a variety of labour market outcome variables tailored to the hypotheses formulated above and serving to provide a comprehensive picture of the program's effectiveness. By way of three employment indicators we assess, how far the program increases the labour market participation of the unemployed:

1. the number of cumulated days spent in regular dependent employment, whereby employment includes apprenticeships and is restricted to earnings above the marginal earnings threshold,
2. the number of cumulated days spent in regular unsubsidized dependent employment, whereby subsidized employment contains wage subsidies, subsidies for apprenticeships, non-profit employment projects and socio-economic enterprises, and
3. the number of days spent in registered unemployment, which is defined in a broad manner and includes participation in skills training for jobseekers.

The objective of Austrian labour market policy is not only to bring unemployed people back into employment as quickly as possible, but also to integrate them as sustainably as possible and to achieve an income and qualification level that is as high as possible. Accordingly, we try to capture the stability of employment by comparing times in employment and unemployment over the entire observation period of seven years. In addition, we assess the program's effectiveness by means of several income indicators which all rely on the observed assessment basis for social security contributions up to the maximum under social insurance law, including extra payments. We compare:

4. cumulated earnings from dependent employment (maximum set at 60,000 € per year);
5. average monthly earnings from dependent employment (maximum set at 5,000 € per month), thereby taking account all calendar months, even if no positive labour income is observed;

6. average monthly earnings from dependent employment (maximum at 5,000 € per month), but taking into account only those months, for which a positive labour income is observed;
7. wage mobility, i.e. the difference in absolute terms between the average monthly earnings from dependent employment in the first year after (hypothetical) program start and the average monthly earnings from dependent employment in the last year before entry into unemployment.

Our intention is to find out whether participation in the wage subsidy scheme results in an improvement in income and in doing so to disentangle earning effects that are due to differences in employment from those that result from changes in the average wage level during times of work. What needs to be taken into consideration is that both size and structure of our sample are substantively affected when assessing wage subsidies' effects on average monthly earnings in employment and wage mobility. In the case of the average wage level, we consider only individuals with some earnings income recorded in the data. For the program's effect on wage mobility, the focus is restricted to those for which we observe both earnings in the year after (hypothetical) program start and in the last year before entry into unemployment. As a consequence, the sample size is considerably reduced. Furthermore, the composition of the population group considered differs from the one of the total sample. In other words, certain types of groups are excluded from the analysis, namely groups of individuals with a high incidence of non-employment.

In a final step information on employment stability and income is combined into a comprehensive indicator that measures the chances of earning a stable income that is at least nearly as high as it was before entry into unemployment. We define

8. a dichotomous variable that is coded 1 if the respective individual is employed for at least two thirds of the respective observation period with average earnings during times of employment of at least 90% of those in the last year before entry into unemployment.

This indicator sheds some light on the question, whether the wage subsidy scheme is an effective tool to expand economic inclusion in the broader sense that it raises the probability for an individual to be in stable employment and to earn an income high enough to be self-sufficient. Following Phelps (2003), these are the twin conditions for what is sometimes referred to as economic inclusion.

### 3.5 Estimation method

As stated above, binary logistic regression models are used to estimate the propensity score of receiving treatment. Our model specification is guided by the available empirical evidence and the program-eligibility criteria as defined by the official program guidelines. At the same time, while aiming to capture all confounders, we strive to avoid including variables that have no influence on participation but cause a common support problem or increase the variance of the estimates. The optimal specification differs slightly by subgroup. Even if the aim is not to maximize the "hit-rate", but to balance the covariates between treatment and comparison group, a proportion of at least 65.5% and most often more than 80% correct predictions of treatment status in all subgroups (see Annex Tables A6 and A7) points to an accurate specification of the models<sup>3</sup>.

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<sup>3</sup>Observations are classified as "1", if the estimated propensity score is equal to or larger than the sample proportion of the treated in case of the treated and lower in case of the non-treated.

Once they are estimated, propensity scores are used to match the treated with comparison individuals who share similar likelihoods of being assigned to treatment. In order to achieve an optimal balance of covariates and to examine the sensitivity of results with respect to different estimation methods, we test a whole range of matching schemes – four types of matching algorithms with several matching specifications<sup>4</sup>. These include Single and K-Nearest-neighbour matching (with 4, 10 and 20 neighbours respectively, with and without replacement, with and without imposition of common support at the boundaries, with and without a caliper of different size, with and without trimming), Kernel matching of two types (Epanechnikov kernel and Normal Kernel) and with two different bandwidths (0.01 and 0.05) as well as Mahalanobis metric distance matching with and without using the propensity score as an additional matching covariate.

In contrast to Kernel-based and Mahalanobis metric distance matching, full balance of the covariates is achieved with all variants of Nearest-neighbour matching. The results are not sensitive to the particular choice of specification. However, allowing for the use of more than one neighbour (oversampling) results in the best matching quality, as can be observed from the covariate balancing indicators (for scenario 1) depicted in Annex Table A6. We decide for 10-to-1 nearest-neighbour matching within caliper. Thus, each treated is matched with up to ten members of the comparison group. Following a suggestion of Rosenbaum – Rubin (1985), we choose a caliper size that is a quarter of the standard deviation of the propensity scores. This tolerance level on the maximum propensity score distance is intended to avoid bad matches and to keep bias low. At the same time, it is not very restrictive in the sense that it leads to the loss of only a negligible share of observations. As can be seen from Table 3 and Annex Tables A7 and A8, the loss to common support (enforced by the imposition of a caliper) is in most cases well below 1% and never exceeds a share of 5.3% of all observations. Comparison individuals typically have lower propensity scores than the treated. However, there is a sufficient overlap in the covariate distributions between participants and non-participants after matching in all subsamples considered.

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<sup>4</sup>For this purpose we use the Stata package `psmatch2` (Leuven – Sianesi 2003).

Table 3: Covariate balancing indicators, before and after matching, for the total sample aged 25 to 54 years

<i>Year</i> <sup>1</sup>	<i>No. treated</i>	<i>No. non-treated</i>	<i>Share of treated (%)</i>	<i>% lost to common support</i> <sup>2</sup>	<i>Hit-Rate</i> <sup>3</sup>	<i>Logit Pseudo-R<sup>2</sup>, before</i> <sup>4</sup>	<i>Logit Pseudo-R<sup>2</sup>, after</i> <sup>5</sup>	<i>P &gt; <math>\chi^2</math>, after</i> <sup>6</sup>	<i>Median bias, before</i> <sup>7</sup>	<i>Median bias, after</i> <sup>8</sup>
<b>(A) Scenario 1</b>										
						<b>Women</b>				
2003	4,155	406,198	1.0	0.3	72.9	0.141	0.002	1.000	7.1	0.6
2004	3,216	416,852	0.8	0.8	74.3	0.164	0.002	1.000	7.8	0.6
2005	3,702	424,911	0.9	0.3	75.5	0.191	0.002	1.000	7.6	0.7
2006	4,698	413,018	1.1	0.2	74.2	0.171	0.001	1.000	7.2	0.5
						<b>Men</b>				
2003	3,512	590,078	0.6	0.3	76.5	0.171	0.002	1.000	8.1	0.8
2004	3,432	588,810	0.6	0.4	76.8	0.183	0.002	1.000	8.4	0.8
2005	3,507	589,646	0.6	0.2	77.1	0.189	0.002	1.000	7.6	0.8
2006	4,426	580,505	0.8	0.1	74.8	0.153	0.002	1.000	8.4	0.8
<b>(B) Scenario 2</b>										
						<b>Women</b>				
2003	4,077	112,250	3.5	0.0	79.7	0.286	0.004	1.000	11.6	1.1
2004	3,179	111,231	2.8	0.1	80.1	0.291	0.004	1.000	12.1	1.0
2005	3,623	113,599	3.1	0.3	81.2	0.314	0.004	1.000	12.7	1.2
2006	4,607	118,557	3.7	0.2	81.2	0.322	0.003	1.000	12.3	1.1
						<b>Men</b>				
2003	3,439	208,760	1.6	0.1	83.7	0.320	0.004	1.000	15.9	0.9
2004	3,372	200,904	1.7	0.2	84.0	0.336	0.004	1.000	14.8	1.0
2005	3,449	199,307	1.7	0.1	84.3	0.333	0.004	1.000	14.3	0.9
2006	4,350	218,630	2.0	0.1	83.2	0.300	0.005	0.990	13.3	1.1

Note: 1: Year of program start, 2: Share of the treated falling outside the common support. 3: Proportion of observations with correct prediction of the treatment status in the logit regression. Predictions are classified as correct if the estimated propensity score for an observation is equal to or larger than the sample proportion of the treated in case of the treated and lower in case of the non-treated. 4: Pseudo-R2 from logit estimation of the propensity score. 5: Pseudo R2 from the same logit estimation on the matched samples. 6: P-value of the likelihood-ratio test of the joint significance of all regressors after matching. 7: Median absolute standardized bias before matching. Following the formulae of Rosenbaum – Rubin (1985), for a given covariate, the standardized bias before matching is the difference of the sample means in the full treated and non-treated subsamples as a percentage of the square root of the average of the sample variances in the full treated and non-treated groups. The median absolute standardized bias corresponds to the median taken over all regressors. 8: Median absolute standardized bias after matching. The standardized bias after matching is the difference of the sample means in the matched treated and matched non-treated subsamples as a percentage of the square root of the average of the sample variances in the full treated and non-treated groups. The median absolute standardized bias corresponds to the median taken over all regressors.

Several types of after-matching balancing tests confirm that the chosen propensity score matching procedure balances the distribution of covariates very well. As a first indicator to assess the distance in marginal distributions of the covariates, we use the standardized bias suggested by Rosenbaum – Rubin (1985). This measure is defined as the difference of the sample means in the treated and matched comparison subsamples as a percentage of the square root of the average of sample variances in both groups. Depending on the scenario and the respective subgroup, the mean standardized bias lies between 5.5% and 19.5% before matching and decreases to a range of 0.4% to 2.6% after matching. T-tests for equality of means in the treated and non-treated groups generally reveal no significant differences in single covariates remaining after matching. In the case of very few variables for which the balancing property is not perfectly satisfied, the bias is substantially reduced. Sianesi (2004) recommends as an additional balancing test to re-estimate the propensity score on the matched samples and to compare the Pseudo-R<sup>2</sup> before and after matching. As the results from Annex Tables A7 and A8 show, this measure is always very low after matching, which points again to a successful balancing of the covariates. As a last balancing check we perform likelihood-ratio tests of the joint insignificance of all regressors in the logit model before and after matching. The results are very clear-cut as well, suggesting a joint influence before and no joint influence after matching. Hence, several tests indicate that no systematic differences in observed covariates remain after matching and hence average treatment effects can be calculated by a simple comparison of mean outcomes.

We present average treatment effects for the total sample aged 25 to 54 years first and examine effect heterogeneity thereafter. As regards the computation of standard errors of the treatment effect estimates, there is yet no standardized procedure. In practice, bootstrapping is the common solution to adjust for additional sources of variability introduced by the matching procedure. Imbens (2004) and Abadie – Imbens (2008) have raised doubt as to the general validity of this method for Nearest-neighbour matching. However, we stick to it, since it yields similar variances of the estimated treatment effects and our results should therefore be on the safe side.

## 4 Empirical results

### 4.1 Selection into the program

Table 4 presents the final logistic regression model for the overall sample aged 25 to 54 years, separately for each gender and year of program start. It contains program participation as dependent variable and socio-demographic characteristics, indicators of the individual labour market history and the current unemployment spell, information on the contact to the Public Employment Service as well as regional characteristics as explanatory variables.

Table 4: Results of the propensity score estimation for the total population aged 25 to 54 years, scenario 1

Selected variables

VARIABLES	Women				Men			
	2003	2004	2005	2006	2003	2004	2005	2006
Age at program entry	1.072*** (27.065)	1.056*** (18.687)	1.047*** (16.740)	1.043*** (16.894)	1.079*** (31.131)	1.071*** (27.760)	1.067*** (26.633)	1.050*** (23.229)
Foreign citizenship	0.646*** (-6.614)	0.599*** (-6.644)	0.791*** (-3.548)	0.739*** (-5.149)	0.580*** (-9.094)	0.679*** (-6.455)	0.755*** (-4.971)	0.841*** (-3.667)
Disabled according to law or PES	1.273*** (4.743)	1.096 (1.535)	1.172*** (2.827)	1.213*** (4.018)	1.264*** (4.909)	1.371*** (6.655)	1.204*** (3.895)	1.318*** (6.617)
Education: apprenticeship or missing					Ref.			
Low education	0.888*** (-2.943)	0.810*** (-4.559)	0.765*** (-6.139)	0.764*** (-6.990)	0.816*** (-4.967)	0.784*** (-5.890)	0.852*** (-3.917)	0.921** (-2.301)
Medium education	1.081 (1.361)	0.959 (-0.623)	0.934 (-1.089)	0.939 (-1.134)	1.135 (1.273)	0.989 (-0.108)	1.039 (0.368)	1.012 (0.123)
Higher education	1.069 (1.039)	0.945 (-0.788)	0.929 (-1.103)	0.898* (-1.838)	0.934 (-0.860)	0.829** (-2.333)	0.932 (-0.878)	0.839** (-2.329)
Academic education	1.037 (0.382)	0.966 (-0.344)	0.791** (-2.399)	0.846** (-2.050)	1.050 (0.438)	0.804* (-1.910)	0.966 (-0.319)	0.609*** (-4.184)
PES-group female returners	1.896*** (11.484)	1.452*** (6.133)	1.399*** (6.109)	1.216*** (4.436)	1.815* (1.700)	1.125 (0.312)	1.508 (1.268)	1.326 (1.025)
Number of PES contacts in last 2 months	1.199*** (12.241)	1.278*** (14.430)	1.253*** (14.100)	1.244*** (15.847)	1.239*** (14.013)	1.298*** (16.341)	1.318*** (17.478)	1.172*** (11.368)
Number of PES contacts in last 6 months	1.085*** (10.867)	1.068*** (7.467)	1.068*** (7.995)	1.064*** (8.717)	1.103*** (12.844)	1.088*** (10.411)	1.071*** (8.505)	1.108*** (14.643)
Number of PES job offers in last month	1.073*** (6.151)	1.075*** (5.176)	1.130*** (9.951)	1.062*** (5.914)	1.072*** (6.035)	1.075*** (5.361)	1.090*** (7.376)	1.078*** (8.626)
Number of PES job offers in last 6 months	1.025*** (5.599)	1.030*** (5.657)	1.021*** (4.380)	1.036*** (8.961)	1.022*** (4.620)	1.017*** (3.266)	1.018*** (3.956)	1.014*** (4.242)
Federal province: Carinthia					Ref.			
Vienna	0.825 (-1.460)	0.849 (-1.172)	0.912 (-0.831)	0.522*** (-6.586)	0.957 (-0.310)	1.049 (0.346)	0.668*** (-3.606)	1.321** (2.571)
Lower Austria	0.973 (-0.270)	1.085 (0.695)	0.748*** (-2.957)	0.734*** (-3.235)	0.813* (-1.858)	0.843 (-1.390)	0.595*** (-5.178)	1.138 (1.223)
Upper Austria	1.572*** (4.866)	1.339** (2.353)	1.187* (1.813)	0.964 (-0.346)	1.128 (1.121)	1.109 (0.784)	1.237** (2.126)	1.137 (1.064)
Burgenland	0.824* (-1.803)	0.643*** (-2.699)	0.879 (-1.160)	0.867 (-1.155)	1.091 (0.759)	1.173 (1.063)	0.893 (-0.973)	1.170 (1.160)
Styria	0.955 (-0.424)	0.728** (-2.277)	0.589*** (-4.717)	0.918 (-1.010)	0.728*** (-2.590)	0.637*** (-3.140)	0.583*** (-4.684)	0.908 (-0.989)
Salzburg	1.292** (2.206)	1.266* (1.705)	1.548*** (3.957)	0.992 (-0.082)	1.331** (2.198)	1.362** (2.189)	1.181 (1.372)	1.799*** (5.188)
Tyrol	1.141 (1.251)	1.131 (0.887)	0.903 (-0.828)	0.644*** (-3.679)	1.407*** (2.985)	1.460*** (2.784)	1.213 (1.552)	1.593*** (3.599)
Vorarlberg	0.738** (-2.012)	0.786 (-1.366)	0.395*** (-4.915)	0.613*** (-3.647)	0.907 (-0.620)	0.921 (-0.486)	0.535*** (-3.525)	1.410** (2.487)
Constant	0.000*** (-40.673)	0.000*** (-29.377)	0.000*** (-31.255)	0.001*** (-29.991)	0.000*** (-40.622)	0.000*** (-35.178)	0.000*** (-36.785)	0.000*** (-34.639)
Observations	410,367	420,093	428,623	417,725	593,599	592,256	593,161	584,937
Pseudo R-squared	0.141	0.164	0.191	0.171	0.171	0.183	0.189	0.153

Note: Logistic regression with estimates displayed as Odds Ratios. z-statistics in parentheses: \*\*\*  $p < 0.01$ , \*\*  $p < 0.05$ , \*  $p < 0.1$ . "Ref." denotes the reference category.

The estimates are displayed as odds ratios instead of the coefficients. Clearly, they reaffirm the strong target orientation on specific groups, namely unemployed individuals with specific reintegration obstacles, in program allocation as it was already indicated by the descriptive statistics and is stipulated by the legal program guidelines. In accordance with a focus on old people aged 45 years and above, increasing age is associated with an increasing risk of participating in the wage subsidy scheme. Documenting the concentration on the long-term unemployed, the odds of participation are more than 50% higher for individuals with an elapsed unemployment duration between 3 and six months compared to the short-term unemployed and are up to 2.8 times greater for those with an even longer unemployment spell. Furthermore, being disabled and - in the case of women - returning to the labour market after a family-related career break increases the odds of receiving treatment significantly. Hence, wage subsidies seem to be actually allocated to those unemployed individuals for whom they are intended according to the guidelines.

Apart from these special target groups, the estimation results reveal that Austrian nationals are clearly more likely to participate than foreigners whose share is presumably higher in other active labour market measures such as courses. A lower qualification is not necessarily associated with a higher risk of receiving treatment. However, significantly higher odds are reported for individuals with apprenticeships as their highest education attained than for those with compulsory school or less. The treatment probability increases with the contact intensity to the Public Employment Service as measured by the number of contacts and the number of placement propositions in the last six months before (hypothetical) program entry. Obviously, wage subsidies complement rather than substitute the counseling and placement activities of the PES and are granted to the benefit of job seekers for whom the standard support is assessed to be not sufficient. Moreover, there is a considerable regional variation in participation probabilities.

## 4.2 Treatment effects

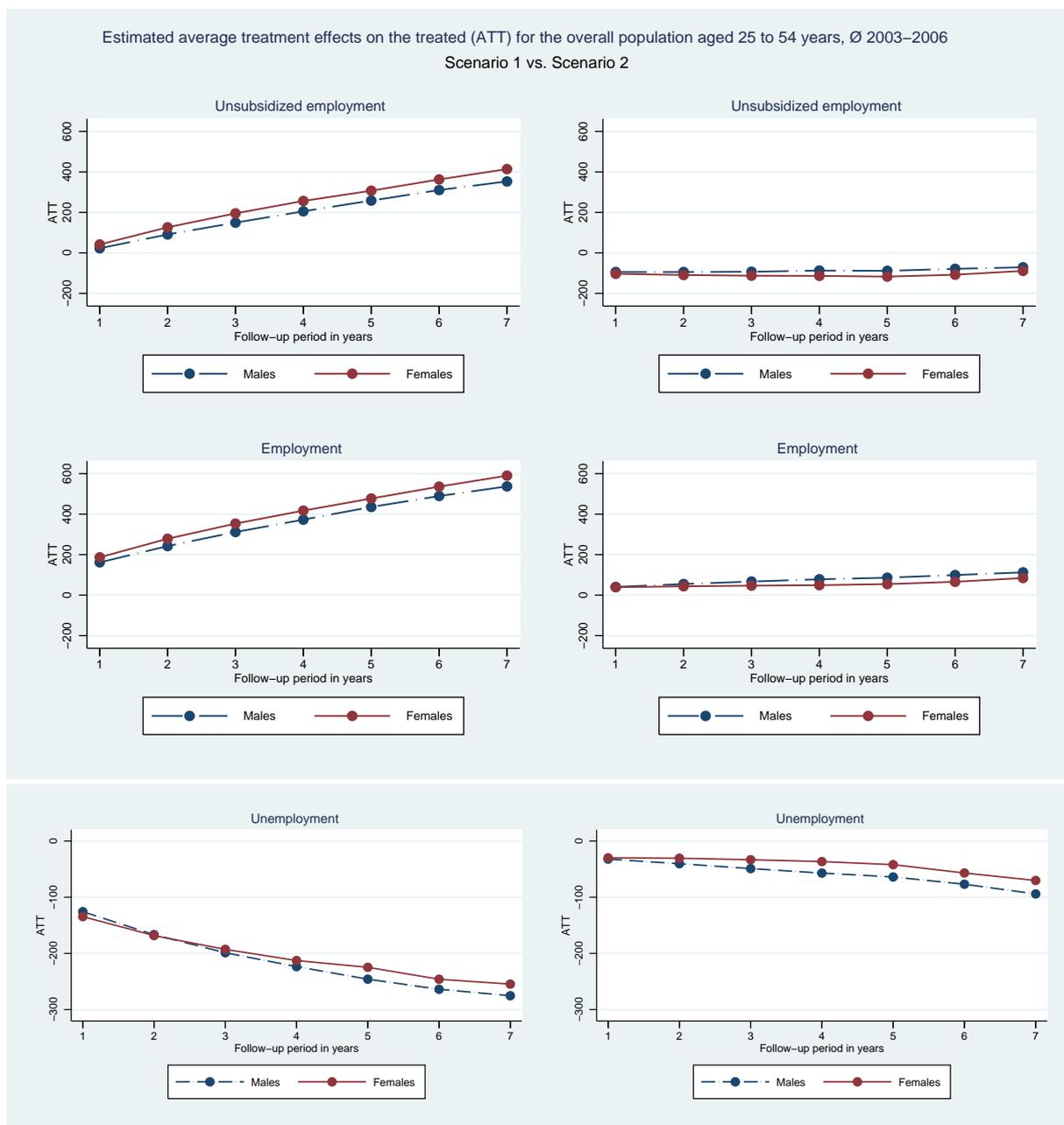
### 4.2.1 Overall effect

Figure 1 displays program effects for participants in the wage subsidy scheme compared to all (matched) previously unemployed individuals (scenario 1) and compared to unemployed individuals with a simultaneous unsubsidized employment take-up (scenario 2) (see Annex Tables 9 and 10 for all results in detail). They are computed yearly as differences in absolute terms for a follow-up period of up to seven years and correspond to the mean of the separate estimates for the years from 2003 to 2006, which turned out to be very similar and are all statistically significant at the 5% level. Each row of Figure 1 shows treatment effects for the two scenarios in terms of a particular employment outcome: (1) days in unsubsidized dependent employment, (2) days in overall dependent employment, and (3) days in unemployment.

The graphs show a clear and consistent picture: Participation in the wage subsidy scheme significantly increases the labour market integration of the unemployed according to scenario 1 that assumes zero dead weight effects. Compared to all previously unemployed non-participants, subsidized individuals spend considerably more time in employment and less time in unemployment.

Even when taking into account "lock-in"-effects, a significant positive employment effect becomes visible one year after program start already. At this point of time, subsidized men have cumulated 23 days more and women have cumulated 42 days more of unsubsidized employment compared to their respective counterparts. The difference between participants and

Figure 1: Average treatment effect on the treated for the total sample aged 25 to 54 years,  $\varnothing$  2003-2006, by scenario



Data sources: ASSD and PES data. Note: Scenario 1: Effects of program participation vs. non-participation. Scenario 2: Effects of program participation vs. non-participation conditional on taking up employment. Results based on 10x1 Nearest Neighbour Propensity Score Matching. Abscissa: years after program start; ordinate: difference in respective outcome.

non-participants steadily increases in absolute terms with the length of the observation period. 3 years after program start it adds up to 149 days for men and 195 days for women. In the long-term perspective of seven years, treated men gain almost a year of unsubsidized employment (353 days), women even more than a year (414 days) from participating in the wage subsidy scheme. Measured in relative terms, i.e. by the average treatment effect on the treated (ATT) in absolute terms as percentage of the outcome for the matched non-treated (see Table 5), treated men have spent 38.5% and treated women 41.6% more in unsubsidized employment compared to their matched non-treated counterparts in the seven years from program start.

Once we consider not only unsubsidized employment, but overall dependent employment, the positive average treatment effect on the treated becomes even larger. It then amounts to 537 days or 55.8% for men and 590 days or 57.0% for women after seven years. The time spent in unemployment decreases as a result of program participation by 275 days or 29.9% for men and 255 days or 33.5% for women. In other words, our estimates suggest that participants would have spent about a third more in unemployment had they not participated in the wage subsidy scheme. Given that the reduction of unemployment covers only 51.2% (men) or 43.2% (women) of the participants' employment gains, participation does not only decrease the time spent in unemployment, but evidently also stimulates labour supply to a major extent.

Table 5: Estimated average treatment effect on the treated (ATT) in terms of unsubsidized employment and unemployment for the total sample aged 25 to 54 years, scenario 1

Year	After 1 year				After 3 years				After 5 years				After 7 years				
	Treated	Non-treated	Difference		Treated	Non-treated	Difference		Treated	Non-treated	Difference		Treated	Non-treated	Difference		
			Abs.	Rel.			Abs.	Rel.			Abs.	Rel.			Abs.	Rel.	
<b>(A) Days in unsubsidized dependent employment</b>																	
<b>Men</b>																	
2003	Before	127	164	-37*** (2,23)	-22.7	526	538	-11* (6,49)	-2.1	920	926	-6 (10,8)	-0.7	1,268	1,290	-23* (15,11)	-1.7
	After	127	107	20*** (1,88)	18.8	527	378	149*** (6,35)	39.4	922	662	260*** (10,87)	39.3	1,270	917	353*** (15,4)	38.5
2004	Before	126	159	-34*** (2,26)	-21.6	522	533	-12* (6,58)	-2.3	913	917	-8 (10,94)	-0.9				
	After	125	101	25*** (1,9)	24.7	520	366	155*** (6,5)	42.4	910	645	265*** (11,1)	41.1				
2005	Before	122	161	-40*** (2,23)	-25.1	517	550	-36*** (6,54)	-6.6	883	924	-46*** (10,82)	-4.9				
	After	121	100	21*** (1,91)	21.0	517	374	143*** (6,57)	38.2	882	632	250*** (11,07)	39.6				
2006	Before	137	172	-35*** (2,02)	-20.4	549	566	-18*** (5,85)	-3.3								
	After	138	112	25*** (1,66)	22.4	550	399	151*** (5,53)	37.9								
<b>Women</b>																	
2003	Before	141	134	6** (2,06)	4.5	590	472	116*** (6,1)	24.7	1,019	823	192*** (10,05)	23.4	1,410	1,171	235*** (13,95)	20.0
	After	140	102	38*** (1,75)	37.1	590	391	199*** (5,83)	50.8	1,018	698	320*** (9,96)	45.9	1,409	995	414*** (14,07)	41.6
2004	Before	144	128	15*** (2,33)	11.4	589	463	123*** (6,89)	26.6	1,021	818	199*** (11,32)	24.3				
	After	143	103	41*** (2,02)	39.4	588	395	193*** (6,78)	48.9	1,020	709	310*** (11,38)	43.7				
2005	Before	141	127	12*** (2,18)	9.6	588	470	112*** (6,44)	23.8	1,012	824	179*** (10,58)	21.7				
	After	141	106	35*** (1,95)	33.2	588	406	182*** (6,4)	45.0	1,012	720	292*** (10,8)	40.5				
2006	Before	153	132	19*** (1,94)	14.2	610	482	121*** (5,72)	25.0								
	After	153	100	53*** (1,7)	53.6	610	404	207*** (5,6)	51.2								

Table 5: Estimated average treatment effect on the treated (ATT) in terms of unsubsidized employment and unemployment for the total sample aged 25 to 54 years, scenario 1 (continuing from last page)

Year	After 1 year				After 3 years				After 5 years				After 7 years				
	Treated	Non-treated	Difference		Treated	Non-treated	Difference		Treated	Non-treated	Difference		Treated	Non-treated	Difference		
			Abs.	Rel.													
<b>(B) Days in unemployment</b>																	
<b>Men</b>																	
<b>2003</b>	<b>Before</b>	73	155	-82*** (2,01)	-53.1	287	377	-90*** (5,23)	-23.9	466	553	-88*** (8,14)	-15.9	645	725	-80*** (10,9)	-11.1
	<b>After</b>	73	201	-128*** (1,72)	-63.7	287	485	-198*** (5,33)	-40.8	466	710	-244*** (8,57)	-34.4	646	921	-275*** (11,8)	-29.9
<b>2004</b>	<b>Before</b>	75	159	-83*** (2,04)	-52.1	297	379	-81*** (5,33)	-21.4	486	559	-71*** (8,29)	-12.8				
	<b>After</b>	76	208	-132*** (1,76)	-63.4	299	502	-203*** (5,53)	-40.5	489	741	-253*** (8,89)	-34.1				
<b>2005</b>	<b>Before</b>	83	156	-73*** (1,99)	-46.7	290	360	-69*** (5,17)	-19.2	506	551	-44*** (8,12)	-7.9				
	<b>After</b>	83	205	-122*** (1,83)	-59.5	291	492	-201*** (5,47)	-40.8	508	749	-241*** (9,04)	-32.2				
<b>2006</b>	<b>Before</b>	77	145	-68*** (1,77)	-46.7	288	347	-58*** (4,57)	-16.8								
	<b>After</b>	77	198	-121*** (1,56)	-61.1	289	482	-193*** (4,64)	-40.1								
<b>Women</b>																	
<b>2003</b>	<b>Before</b>	54	173	-119*** (1,94)	-68.9	225	381	-158*** (5,03)	-41.4	372	548	-179*** (7,66)	-32.6	504	693	-193*** (9,98)	-27.9
	<b>After</b>	54	191	-137*** (1,5)	-71.6	226	427	-201*** (4,69)	-47.2	373	609	-236*** (7,38)	-38.8	505	759	-255*** (9,83)	-33.5
<b>2004</b>	<b>Before</b>	52	178	-126*** (2,22)	-70.9	230	388	-159*** (5,71)	-41.1	375	554	-182*** (8,66)	-32.9				
	<b>After</b>	53	190	-138*** (1,74)	-72.3	232	425	-193*** (5,53)	-45.4	376	607	-230*** (8,64)	-38.0				
<b>2005</b>	<b>Before</b>	59	178	-119*** (2,06)	-67.0	230	376	-147*** (5,2)	-39.2	384	542	-159*** (7,94)	-29.4				
	<b>After</b>	59	186	-127*** (1,73)	-68.3	231	410	-179*** (5,14)	-43.7	386	594	-208*** (8,21)	-35.0				
<b>2006</b>	<b>Before</b>	58	171	-113*** (1,81)	-66.0	217	363	-148*** (4,53)	-40.8								
	<b>After</b>	58	195	-137*** (1,49)	-70.0	217	414	-198*** (4,38)	-47.7								

Note: Results based on 10x1 Nearest Neighbour Propensity Score Matching. Bootstrap-standard errors of the ATT in parentheses (500 replications), statistical significance for \*\*\* p<0.01, \*\* p<0.05, \* p<0.1. Scenario 1: Effects of program participation vs. non-participation. Effects measured as difference in respective outcome between treated and non-treated individuals 1, 3, 5 and 7 years after program start. Abs.: Difference in absolute terms. Rel.: Difference in relative terms, i.e. difference in absolute terms as percentage of the outcome for the non-treated.

Estimates of the treatment effect can only be compared with a limited extent, since characteristics differ for each group considered. However, our analysis suggests that there are effect premia for women. Unemployment is reduced to a larger extent for men only in absolute terms. In relative terms, the effect is always larger for women for all outcome variables. A finding that holds true for both sexes is that the difference in labour market outcomes between participants and matched non-participants increases over time in absolute terms, whereas in relative terms the effect fades with the time elapsed since program participation, once the influence of initial "lock-in effects" has receded.

Table 5 does not only provide estimates for treatment effects in absolute and relative terms, but also illustrates the "negative selection" of individuals into the wage subsidy scheme. It shows that the differences between treated and non-treated are considerably larger after matching than before. If the mean outcomes of the two groups are simply compared without controlling for their differences in personal characteristics, male program participants spend even less time in unsubsidized employment in the follow-up period than their non-participating counterparts. The fact that the effect turns positive or increases once the treated are matched to and compared with similar non-treated individuals means that persons with inferior labour market chances select into the program.

While the results from scenario 1 suggest considerable differences in the subsequent labour market integration between treated and similar non-treated individuals, the estimates for scenario 2 point to strong similarities in consequent work trajectories between program participants and non-participants with a simultaneous employment take-up. The results for this comparison are depicted on the right-hand side of figure 1 (for all results in detail see Annex Table 10).

Compared to non-treated individuals with a non-subsidized employment take-up, the treated spend about a 100 days (men 94 days, women 103 days) less in unsubsidized employment in the first year from program start. Given the fact that the median program duration is 121 days and that the large majority of program episodes lasts shorter than a year, this slight negative effect is very likely to be explained by the participants' reduced search intensity during subsidized employment ("lock-in" effect). After the first year of the follow-up period or the end of program participation, we observe hardly any difference any more in employment careers between the two groups.

Over the whole follow-up period of seven years, the participants spend slightly more time in overall dependent employment (men 112 days or 8.1%, women 84 days or 5.5%) and a little less time in unemployment (men 94 days or 12.7%, women 70 days or 12.3%). This marginal surplus in employment is likely to be the result of our definition of the comparison group. Since we allow the non-treated to take up non-subsidized employment within a period of 45 days from hypothetical program start, they will most often exit unemployment only after a short time lag.

Irrespective of marginal and explicable deviations, the estimates from scenario 2 reveal a consistent picture: Individuals taking up subsidized employment do not differ significantly in their subsequent work trajectories from individuals who in the same time period take up unsubsidized employment. In other words, the subsequent employment integration of individuals taking up an employment relationship does not depend on whether it is subsidized or not. This finding is in line with our expectations and supports our idea that the size of a positive employment impact of the Austrian wage subsidy scheme net of dead-weight loss is within a range defined by the two scenarios considered. Thus, if the size of dead-weight loss is known, it is possible to use the estimates for the (unadjusted) treatment effects recovered in scenario 1 and to discount for dead-weight effects in order to derive (adjusted) net treatment effects.

Eppel et al. (2011) provide, for the same time period (2003-2006) and on the same database,

an estimate for the magnitude of dead-weight loss in the Austrian labour market. According to their analysis, in which they exploit a strong exogeneous regional and age-group specific variation in program participation probabilities, about a half (52.2%) of all subsidized employment relationships would have been created anyway without the subsidy in the sense of either the identical or a similar combination of workers and employers. Since our focus is on the restricted sample of people aged between 25 and 54 years, the exact value for this group may slightly deviate. However, this is not likely to alter our general finding that even when taking into account the considerable size of dead-weight loss participation in the wage subsidy scheme has a significant beneficial impact on the employment integration of the treated. If every second subsidized employment relationship is concerned, the treated still spend nearly a fifth more in overall employment and roughly 15% more in unsubsidized employment and less in unemployment over the seven years from program start.

Turning to wage subsidies' effects on income, our estimations reveal that cumulated earnings rise significantly for the treated if compared to all (matched) non-treated individuals (scenario 1). Seven years from program start, the difference amounts to 37,420 € (50.4%) for men and 29,662 € (55.2%) for women (see Table 6)<sup>5</sup>. This corresponds to an average difference in monthly earnings of 439 € for men and 346 € for women. Our estimates from scenario 2 (see Annex Table 11) are perfectly in line with the results for the employment outcomes: The differences in cumulated earnings between individuals taking up subsidized employment and of matched individuals with a simultaneous non-subsidized employment take-up are statistically insignificant.

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<sup>5</sup>Note that only income associated with dependent employment is observed. For individuals who work in self-employment the income is underestimated.

Table 6: Estimated average treatment effect on the treated in terms of cumulated earnings for the total sample aged 25 to 54 years, scenario 1

Year		After 1 year				After 3 years				After 5 years				After 7 years			
		Treated	Non-treated	Difference Abs.	Rel.	Treated	Non-treated	Difference Abs.	Rel.	Treated	Non-treated	Difference Abs.	Rel.	Treated	Non-treated	Difference Abs.	Rel.
<b>Women</b>																	
2003	Before	13,098	7,213	5,834*** (129.28)	80.9	36,178	25,647	10,399*** (408.72)	40.5	60,005	46,060	13,719*** (711.17)	29.8	83,382	67,396	15,655*** (1,034.97)	23.2
	After	13,103	5,250	7,853*** (119.43)	149.6	36,199	19,945	16,254*** (391.34)	81.5	60,028	36,520	23,508*** (688.95)	64.4	83,423	53,761	29,662*** (1,008.24)	55.2
2004	Before	13,172	7,038	6,058*** (147.99)	86.1	36,331	25,689	10,433*** (470.42)	40.6	60,473	46,694	13,486*** (821.62)	28.9				
	After	13,162	5,313	7,849*** (134.24)	147.7	36,269	20,628	15,641*** (438.91)	75.8	60,381	38,281	22,100*** (784.75)	57.7				
2005	Before	12,972	7,138	5,725*** (140.61)	80.2	36,598	26,599	9,601*** (449.67)	36.1	60,453	47,792	12,007*** (782.58)	25.1				
	After	12,981	5,480	7,501*** (126.99)	136.9	36,560	21,204	15,356*** (419)	72.4	60,363	38,690	21,674*** (736.43)	56.0				
2006	Before	12,933	7,668	5,107*** (130.92)	66.6	36,422	28,090	7,856*** (416.27)	28.0								
	After	12,952	5,311	7,641*** (114.51)	143.9	36,498	21,374	15,124*** (374.99)	70.8								
<b>Men</b>																	
2003	Before	18,027	12,680	5,330*** (188.45)	42.0	49,152	42,624	6,529*** (579.19)	15.3	81,211	75,460	5,752*** (1,010.45)	7.6	111,295	108,140	3,180** (1,474.4)	2.9
	After	18,061	8,195	9,866*** (169.11)	120.4	49,295	29,251	20,044*** (551.4)	68.5	81,452	52,351	29,101*** (977.03)	55.6	111,666	74,245	37,420*** (1,431.39)	50.4
2004	Before	18,072	12,546	5,435*** (193.8)	43.3	49,595	43,029	6,314*** (600.02)	14.7	81,964	76,167	5,410*** (1,045.9)	7.1				
	After	18,029	7,888	10,140*** (170.72)	128.5	49,422	28,870	20,552*** (561.47)	71.2	81,710	51,773	29,937*** (1,000.87)	57.8				
2005	Before	17,631	12,908	4,625*** (194.5)	35.8	49,898	45,247	4,402*** (606.65)	9.7	80,453	78,131	1,907* (1,054.05)	2.4				
	After	17,627	8,008	9,619*** (172.91)	120.1	49,907	29,819	20,088*** (567.12)	67.4	80,459	51,389	29,070*** (1,004.35)	56.6				
2006	Before	18,661	14,080	4,491*** (180.85)	31.9	52,057	47,573	4,278*** (558.52)	9.0								
	After	18,678	9,048	9,629*** (155.33)	106.4	52,171	32,225	19,946*** (510.42)	61.9								

Note: Results based on 10x1 Nearest Neighbour Propensity Score Matching. Bootstrap-standard errors of the ATT in parentheses (500 replications), statistical significance for \*\*\* p<0.01, \*\* p<0.05, \* p<0.1. Scenario 1: Effects of program participation vs. non-participation. Effects measured as difference in cumulated earnings between treated and non-treated individuals 1, 3, 5 and 7 years after program start. Abs.: Difference in absolute terms. Rel.: Difference in relative terms, i.e. difference in absolute terms as percentage of the outcome for the non-treated.

In addition to comparing average monthly earnings from dependent employment for all calendar months of the follow-up period, we compare in another estimation average monthly earnings from dependent employment, thereby taking into account only times of employment (see Table 7). The aim is to get an impression to which type of jobs program participation leads, by assessing whether treated individuals earn higher or lower incomes than the non-treated when they are employed.

Our results indicate that in the first year from program start the participants earn on average about 30 € less per month when employed than comparable non-participants (men 34 €, women 29 €, on average of the years from 2003 to 2006). Moreover, when we restrict the attention to all individuals who have been employed and compare their average monthly income in the first year from (hypothetical) program start with their average monthly earnings in the last year before entry into unemployment, we find that the treated individuals fare significantly worse. Both groups experience negative income mobility, but for the treated the decline in average earnings is more pronounced (see Table 8). Thus, program participation does not seem to lead to the highest quality of jobs in the short-run as far as income is concerned. It may be that firms interpret program participation as a negative signal for the productivity of the subsidized workers and therefore offer lower wages. However, we cannot observe to what extent this is actually the case. Neither do we know in how far part of the wage subsidy is passed on to the employees and thus two contradictory tendencies are at work that at least partially outweigh each other. Moreover, it has to be kept in mind that individuals with a high incidence of non-employment in the pre- and post-treatment period are excluded from the analysis.

What we observe is that the small, but significant negative program impact on average monthly earnings from dependent employment is confined to the first year from program start. In the long-run, participants and non-participants do hardly differ in average labour market income when employed. Hence, summarizing, subsidized employment reduces welfare loss associated with unemployment and raises cumulated wages. These positive returns from program participation in terms of cumulated earnings do not follow from higher average wages but are solely the result of the participants' relative increase in employment.

As a summary indicator of economic inclusion, we finally compare the labour market outcomes between the treated and the non-treated in terms of a dichotomous variable that equals 1 if an individual is employed for at least two thirds of the respective observation period and achieves average earnings during times of employment of at least 90% of those earned in the last year before entry into unemployment. Even if it provides only a rough approximation, this indicator sheds at least some light on the way the wage subsidy scheme affects the subsequent chances of being in stable employment and earning an income that is self-sufficient.

With the exception of women who start subsidized employment in 2003, we find for all years and both sexes that participation in the wage subsidy scheme significantly increases the chances of achieving economic inclusion in the referred sense. In relative terms, the average treatment effect on the treated amounts to roughly 13% for both men and women on average of all years (see Table 9). This result underscores that targeted wage subsidies work in fostering the labour market integration of the unemployed.

Table 7: Estimated average treatment effect on the treated in terms of average monthly earnings in employment for the total sample aged 25 to 54 years, scenario 1

Year	After 1 year				After 3 years				After 5 years				After 7 years			
	Treated	Non-treated	Difference		Treated	Non-treated	Difference		Treated	Non-treated	Difference		Treated	Non-treated	Difference	
			Abs.	Rel.			Abs.	Rel.			Abs.	Rel.			Abs.	Rel.
<b>Men</b>																
2003	1,877	1,903	-26*	-1.4	1,928	1,919	10	0.5	1,986	1,982	4	0.2	2,040	2,064	-24*	-1.2
			(18.69)				(17.58)				(17.84)				(18.62)	
2004	1,896	1,920	-24*	-1.2	1,957	1,961	-4	-0.2	2,021	2,007	14	0.7				
			(19.14)				(18.3)				(18.51)					
2005	1,881	1,941	-61***	-3.1	1,965	1,980	-15	-0.8	2,025	2,006	19*	1.0				
			(18.74)				(18.03)				(18.4)					
2006	1,943	1,967	-24*	-1.2	2,026	1,993	33**	1.7								
			(16.52)				(15.82)									
<b>Women</b>																
2003	1,305	1,350	-45**	-3.3	1,350	1,373	-23*	-1.7	1,407	1,414	-7	-0.5	1,457	1,469	-12	-0.8
			(15.11)				(14.55)				(14.81)				(15.51)	
2004	1,312	1,342	-30*	-2.3	1,369	1,384	-15	-1.1	1,431	1,445	-15	-1.0				
			(16.86)				(16.13)				(16.67)					
2005	1,316	1,346	-30*	-2.2	1,375	1,409	-34**	-2.4	1,433	1,416	17*	1.2				
			(15.91)				(15.13)				(14.97)					
2006	1,311	1,353	-42**	-3.1	1,369	1,403	-34**	-2.4								
			(14.11)				(13.54)									

Note: Results based on 10x1 Nearest Neighbour Propensity Score Matching. Bootstrap-standard errors of the ATT in parentheses (500 replications), statistical significance for \*\*\*  $p < 0.01$ , \*\*  $p < 0.05$ , \*  $p < 0.1$ . Scenario 1: Effects of program participation vs. non-participation. Effects measured as difference in respective outcome between treated and non-treated individuals 1, 3, 5 and 7 years after program start. Abs.: Difference in absolute terms. Rel.: Difference in relative terms, i.e. difference in absolute terms as percentage of the outcome for the non-treated. Average monthly earnings only in times of employment.

Table 8: Estimated average treatment effect on the treated in terms of wage mobility for the total sample aged 25 to 54 years, scenario 1

Year	Men				Women			
	Treated	Non-treated	Difference Abs.	Rel.	Treated	Non-treated	Difference Abs.	Rel.
2003	-215.807	-92.754	-123.05***	132.7	-165.553	-81.08	-84.47***	104.2
			(25.08)				(20.73)	
2004	-188.216	-108.554	-79.66**	73.4	-152.038	-102.629	-49.41*	48.1
			(26.87)				(24.76)	
2005	-172.051	-76.551	-95.5***	124.8	-141.941	-60.526	-81.42***	134.5
			(26.83)				(25.04)	
2006	-131.122	-51.792	-79.33***	153.2	-121.595	-38.312	-83.28***	217.4
			(22.86)				(22.72)	

Note: Results based on 10x1 Nearest Neighbour Propensity Score Matching. Bootstrap-standard errors of the ATT in parentheses (500 replications), statistical significance for \*\*\*  $p < 0.01$ , \*\*  $p < 0.05$ , \*  $p < 0.1$ . Wage mobility; difference in absolute terms between the average monthly earnings from dependent employment in the first year after (hypothetical) program start and the average monthly earnings from dependent employment in the last year before entry into unemployment.

Table 9: Estimated average treatment effect on the treated in terms of economic inclusion for the total sample aged 25 to 54 years, scenario 1

Year	Men				Women			
	Treated	Non-treated	Difference Abs.	Rel.	Treated	Non-treated	Difference Abs.	Rel.
2003	0.286	0.261	0.03*	9.6	0.294	0.283	0.01	3.9
			(0.01)				(0.01)	
2004	0.293	0.259	0.04**	13.5	0.325	0.3	0.03*	8.3
			(0.01)				(0.02)	
2005	0.314	0.27	0.04***	16.3	0.353	0.289	0.06***	21.8
			(0.01)				(0.02)	
2006	0.332	0.295	0.04***	12.5	0.345	0.316	0.03**	9.2
			(0.01)				(0.01)	

Note: Results based on 10x1 Nearest Neighbour Propensity Score Matching. Bootstrap-standard errors of the ATT in parentheses (500 replications), statistical significance for \*\*\*  $p < 0.01$ , \*\*  $p < 0.05$ , \*  $p < 0.1$ . Economic inclusion: Dichotomous outcome variable that equals 1 if the respective individual is employed for at least two thirds of the respective observation period with average earnings during times of employment of at least 90% of those in the last year before intro into unemployment.

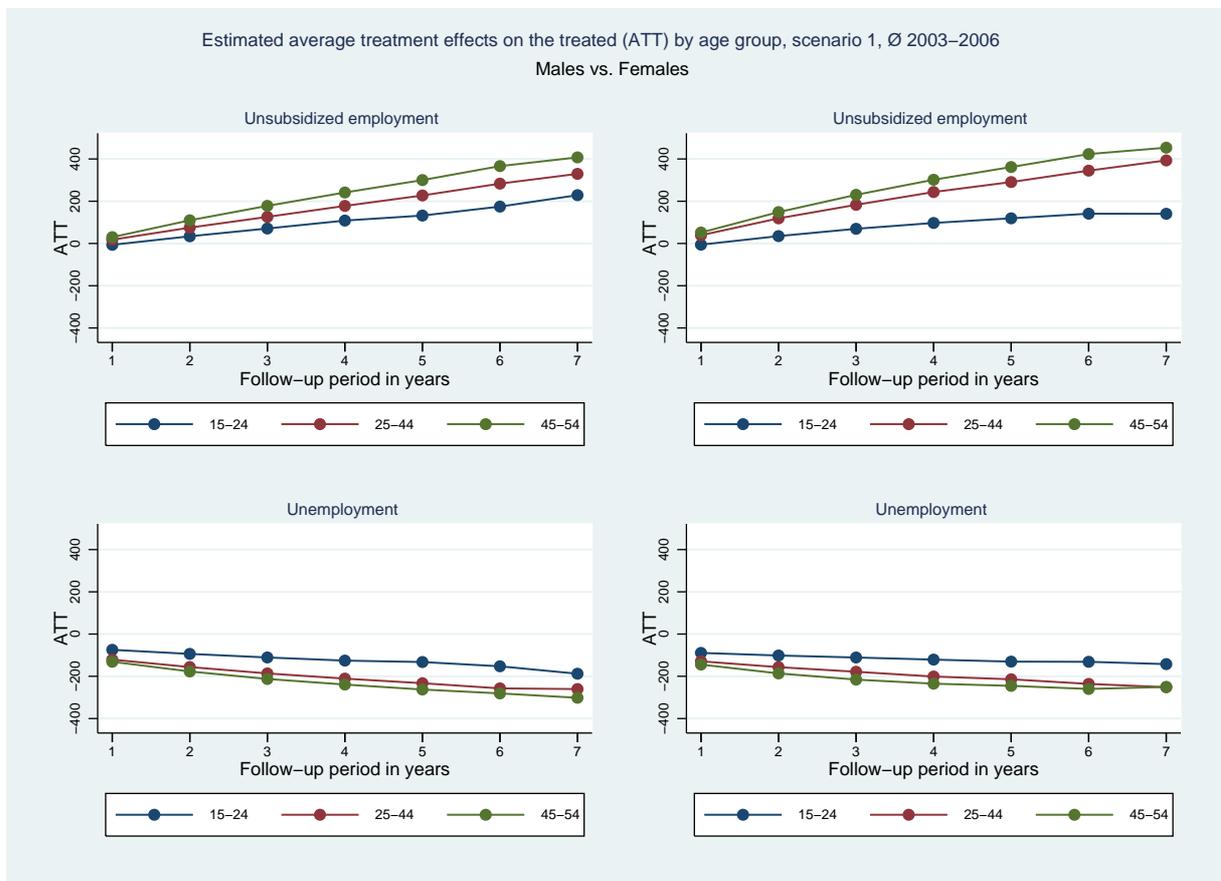
### 4.2.2 Effect heterogeneity

So far, the analysis has suggested participation in the wage subsidy scheme has a clear beneficial impact on average for the total sample aged between 25 and 54 years. Individual returns are however likely to vary by the stratum of the population. Our first result in this respect is that there seem to slight effect premia for women. As outlined in the outset of the paper, we estimate treatment effects across a variety of subgroups. We find favorable treatment effects for all subgroups considered. Thus, it seems to be an effective instrument for a broad range of people. However, the size of returns does vary by population group. While we obtain treatment effects for female returners that are of similar magnitude as those found for our total sample and we cannot establish a clear pattern throughout gender along the dimensions of education and disability status, our estimates indicate that the positive employment effect of wage subsidies is larger for nationals than it is for non-nationals. This holds true especially for men: While the average effect for the time period 2003-2006 amounts to 41.5% of the unsubsidized employment days and -30.9% of the unemployment days of the non-treated for male nationals (according to scenario 1), it is "only" 23.3% and -27.0% respectively for male non-nationals. In the case of women, unsubsidized employment increases by 43.5% and unemployment decreases by 33.7% for treated nationals. The corresponding effect size for female non-nationals is 37.3% and -31.1% respectively (see Annex Table 9).

The most striking result we obtain with respect to the effect heterogeneity on the personal level is that the wage subsidies' impact clearly increases with age both for men and women, in absolute and in relative terms. Once a follow-up period of more than a year is observed, participation in the wage subsidy scheme has a clear favorable effect for all age groups. However, the grant of a wage subsidy seems to have a particularly large effect on the employment opportunities of old workers aged 45 years and above, as can be seen from Figure 2.

While the long-run average treatment effect on unsubsidized employment (according to scenario 1) is 229 days or 16.6% for young men aged 15 to 24 years and 330 days or 33.3% for men in the middle age group (25 to 44 years), it is 408 days or 49.7% for men between 45 and 54 years of age. Likewise, older female participants achieve in comparison to their matched non-treated counterparts an increase in unsubsidized employment of 454 days or 52.3% in the seven years from program entry, which is considerably higher than it is for women in the middle age group (393 days or 35.4%) and those aged below 25 years (141 days or 10.8%). Just as the increase in subsidized employment, the extent to which unemployment is lowered as a consequence of program participation clearly rises with age. As mentioned above, the results for young people under 25 years of age need to be interpreted with caution, since we observe only limited information on the previous labour market career. To the extent that we can trust the results, they indicate that the young people are an exception in the sense that only in this age group treatment effects are larger for men than for women in gender comparison.

Figure 2: Average treatment effect on the treated by age group,  $\emptyset$  2003-2006, scenario 1



*Data sources: ASSD and PES data. Note: Effects of program participation vs. non-participation (scenario 1). Results based on 10x1 Nearest neighbour propensity score matching. Abscissa: Years after program start; ordinate: difference in respective outcome.*

Table 10: Estimated average treatment effect on the treated 7 years after program start, by previous unemployment duration, scenario 1, 2003

	Men		Women		Men		Women	
	Difference Abs.	Rel.	Difference Abs.	Rel.	Difference Abs.	Rel.	Difference Abs.	Rel.
<b>(A) Days in unsubsidized dependent employment</b>	<b>(B) Days in unemployment</b>							
≤ 90 days	193*** (26.63)	14.7	195*** (25.74)	14.8	-230*** (18.12)	-32.9	-202*** (16.9)	-32.1
> 90 days	347*** (15.78)	37.4	418*** (14.87)	43.1	-260*** (12.05)	-28.6	-246*** (10.37)	-32.9
> 180 days	413*** (19.18)	52.6	488*** (17.69)	55.3	-274*** (15.27)	-28.1	-266*** (12.52)	-34.2
> 366 days	438*** (25.51)	64.8	529*** (22.38)	63.5	-291*** (21.18)	-27.9	-295*** (16.01)	-36.4

In addition to age, the estimations reveal a clear pattern as to the unemployment duration elapsed before program entry. Table 10 contains estimates from scenario 1 for wage subsidies granted in 2003 and a follow-up period of seven years. It shows that for both sexes the size of the positive treatment effect on unsubsidized employment increases with the length of the time interval between the end of last employment and program start. It is smallest for treated individuals with a previous unemployment experience that was at most three months (90 days) long (men 14.7%, women 14.8%) and is largest for those who started subsidized employment after being more than a year in unemployment (men 64.8%, women 63.5%). Hence, the "integration subsidy" seems to work best for the specific target groups defined in the program guidelines, namely older people and the long-term unemployed. In contrast to employment, the program's impact on unemployment does not increase with the previous unemployment duration. This implies that the strong positive employment effects for the long-term unemployed are to a large extent achieved by maintaining labour force participation. Apparently, the program prevents these hard-to-place individuals from withdrawing from the labour market as discouraged workers.

## 5 Conclusion

Our empirical findings for the Austrian case of the "integration subsidy" suggest that targeted wage subsidies are an effective instrument to help unemployed individuals back into employment, in particular those who face particular reintegration problems. Although "lock-in"-effects are apparent during program duration, participation in the scheme has a significant positive impact on subsequent employment that becomes visible in the first two years of the follow-up period already. Compared to similar non-participants, program participants are to a considerable extent more in employment and less in unemployment, even if we take into account that every second subsidized employment relationship would have been created anyway without the subsidy in the sense of either the identical or a similar combination of worker and employer. Positive employment effects are achieved not only by a reduction of the time in unemployment but also via a positive effect on labour supply. In particular, wage subsidies seem to help prevent the long-term unemployed from withdrawing from the labour market.

Possibly due to negative signal effects, the participants' average earnings in employment are in the short-run slightly lower than those of their non-treated counterparts. In the long-run, the average wage level does not differ significantly between the two groups, but cumulated earnings rise significantly for the program participants as a result of the participants' relative increase in employment. Given its favorable impact on employment, labour force participation and cumulated income of the previously unemployed as well as the fact that participation significantly increases the probability of earning a stable income that is at least nearly as high as it was before entry into unemployment, the Austrian wage subsidy scheme can be regarded as an effective instrument to boost economic inclusion. This result is in line with micro-econometric evaluations for other countries that suggest subsidized employment to have a favorable impact on the employment prospects of the previously unemployed participants.

Participation in the wage subsidy scheme has a beneficial impact for a broad stratum of the population. However, the size of the effect varies across subgroups. Most strikingly, old workers aged 45 years and above as well as the long-term unemployed benefit most from subsidized employment. Dead-weight effects are not likely to be higher for these disadvantaged groups. On the contrary, employers could be reluctant to recruit from these kind of workers rather than showing a preference for them, because they expect them to be less productive. We can

therefore conclude that the "integration subsidy" is particularly a promising tool to support the reintegration of disadvantaged unemployed individuals. Apparently, negative stigmatization and signaling effects are at least not large. The wage subsidy scheme seems to work in stimulating the demand for hard-to-place workers and in raising their long-term employment chances by providing them with the opportunity to work and learn on-the-job directly in the regular labour market.

Our analysis provides new insight into the programs success with respect to the prime policy objective of helping disadvantaged unemployed individuals back into employment. We do in a way take into account the likely occurrence of dead-weight effects, by constructing two matching scenarios and applying a recent estimate of the magnitude of dead-weight loss for the Austrian labour market. Future research could seek to explore the possible substitution between workers as well as displacement between firms with the particular aim of quantifying to which extent targeted wage subsidies lead to the creation of new, additional employment relationships at the aggregate level.

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## 7 Appendix

### A.1: Recent evaluations of private sector wage subsidies

Country	Authors	Population	Observation period	Evaluation method	Outcomes	Effect
Belgium	Göbel (2006)	Long-term unemployed youths	1998-2000	Duration	Transition rate from employment to non-employment	Positive
Canada (BC, NB <sup>1</sup> )	Card and Hyslop (2009)	Single parents on social assistance	1994-2000	Structural model	Probability of welfare participation and (full-time) employment, wages, working hours	Positive
	Lacroix and Brouillette (2011)	Single parents on social assistance	2001-2005	Duration	Duration of spells in and off social assistance	Positive
Denmark	Graversen and Jensen (2010)	By likelihood of program participation	1994-1998	Structural model	Employment rate	Insignificant
	Gupta and Larsen (2010)	Disabled	1994-2001	Matching	Probability of employment, probability of exit into disability	Positive
	Rosholm and Svarer (2008)		1998-2002	Duration	Unemployment duration	Positive
Finland	Hämäläinen and Ollikainen (2004)	Youths	1995-2000	Matching	Probability of employment, unemployment and moving out of the labour force; annual earnings	Positive
Germany	Ammernüller et al. (2006)	Older employees; by gender and region (East vs. West)	2000-2002	Natural experiment	Employment rate	
	Bernhard, Gartner and Stephan (2008)	Needy job-seekers receiving unemployment benefits II; by gender, region (East/West), age, occupational qualification, migration background, time since last job	2005-2007	Matching	Employment rate, unemployment rate	Positive
	Jaenichen and Stephan (2011)	By gender, region (East vs. West) and program duration	2002-2005	Matching	Employment rate, unemployment rate	Positive
	Schünemann, Lechner and Wunsch (2011)		2000-2005	Regression discontinuity design	Employment rate	Insignificant
	Stephan (2010A)	By gender and region (East vs. West)	2003-2006	Matching	Wage when taking up a job, wage when employed, wage during entire observation period	Positive
	Stephan (2010B)	By industry	2003-2006	Matching	Cumulated days of employment over entire observation period, wage when taking up a job, cumulated wages over entire observation period, job tenure in first employment relationship	Positive
Germany (West)	Ruppe (2011)	By gender	2003-2006	Duration	Job tenure in first employment relationship	Positive
New Zealand	Perry and Maloney (2007)	By unemployment duration and qualification	1993-1996	Matching	Time registered as unemployed	Negative
Norway	Zhang (2003)	Prime-aged (25-50)	1990-2000	Duration	Transition rate to employment	Positive
Poland	Kluve, Lehmann and Schmidt (2007)	Pre-treatment labour force status	1992-1996	Matching	Employment rate	negative
Sweden	Sianesi (2008)		1994-1999	Matching	Probability of employment and unemployment-benefit dependency	Positive
	Fredriksson and Johansson (2008)	Long-term unemployed	1998-2002	Matching	Unemployment duration	Positive
	Forsslund, Johansson and Lindqvist (2004)		1998-2002	Matching	Unemployment duration	Positive
	Adda et al. (2007)	Unskilled males aged 26 to 30; by type of region and ability	1996-1998	Structural model	Time in employment, wages	Positive
Switzerland	Gerfin and Lechner (2002)	By gender, nationality and duration of last unemployment spell before program start	1998-1999	Matching	Employment rate	Positive
	Gerfin, Lechner and Steiger (2005)	By unemployment duration and skill level	1998-2000	Matching	Time in unemployment, employment probability, earnings in employment, probability of continuous employment for at least 3 months with earnings of at least 90% of those in previous job	Positive
	Lalive, van Ours and Zweimüller (2008)		1997-1999	Matching/Duration	Unemployment duration	Positive/insignificant
UK	Blundell et al. (2004)	Youths; by gender	1998-1999	Matching	Employment rate	Positive
US (Wisconsin)	Hammersma (2008)		1999-2001	Matching	Employment rate, wages, job tenure	Positive

Note: Observation period refers to the time of program participation and the observation period after program start. Evaluation method distinguishes between (i) experiments, (ii) matching methods (including differences-in-differences), (iii) duration models, (iv) regression discontinuity design, and (v) structural models (as residual category). Focus on direct effects on labour market outcomes of the participants. The table displays whether the evaluation found a significant positive (favorable) program impact (on individual employment probability), a significant negative program impact, or could not detect a significant impact. The focus is on the overall finding. 1: British Columbia, New Brunswick.

A.2: Key labour market indicators, 2010

	Total	15-64 Men	Women	15-24 Total	25-54 Total	55-64 Total	25-64 Less than upper secondary education	25-64 Upper secondary education	25-64 Tertiary education
<b>Employment rate</b>									
<b>Austria</b>	71.7	77.1	66.4	53.6	84.2	42.4	55.6	77.6	86.7
<b>OECD</b>	64.6	72.7	56.7	39.5	75.3	54.0	56.4	74.7	84.0
<b>Labour force participation rate</b>									
<b>Austria</b>	75.1	80.9	69.3	58.8	87.7	43.4	60.7	80.5	88.6
<b>OECD</b>	70.7	79.7	61.8	47.4	81.4	57.5	63.0	79.6	87.4
<b>Unemployment rate</b>									
<b>Austria</b>	4.5	4.6	4.3	8.8	4.0	2.2	8.4	3.6	2.2
<b>OECD</b>	8.5	8.8	8.2	16.7	7.5	6.1	11.6	6.9	4.4

Source: OECD Employment Outlook 2011. OECD: weighted average. Labour market data by education for the year of 2009.

A.3: Descriptive sample characteristics, sample share (in %) or mean

VARIABLES	Total	Men	Women
<b>Personal characteristics</b>			
<i>Age at program entry</i>			
15-24	19.7	19.8	19.6
25-44	58.8	58.4	59.3
45-54	21.5	21.8	21.1
<i>Family status</i>			
Single	41.9	46.0	36.2
Living in partnership	6.5	6.4	6.7
Married	37.5	36.0	39.5
Married, living separately	1.6	1.3	2.0
Divorced	11.0	9.1	13.7
Widowed	0.6	0.3	1.0
Missing	1.0	0.9	1.0
<i>Returners after family-related career-break</i>	4.0	0.2	9.4
<i>Average number of children</i>	:	:	0.9
<i>Youngest child aged ≤2 years</i>	:	:	0.7
<i>Youngest child aged 3-7 years</i>	:	:	18.0
<i>Youngest child aged 7-10 years</i>	:	:	6.8
<i>Nationality</i>			
Austrian nationality	81.6	79.7	84.3
Foreign from EU15	1.9	1.8	2.0
Foreign from EU27	2.1	2.1	2.1
Foreign from third country	14.3	16.3	11.5
Missing	0.2	0.2	0.1
<i>Disability status</i>			
Not disabled	91.2	90.4	92.3
Disabled according to PES	7.2	7.8	6.2
Disabled according to law	1.6	1.8	1.4
Missing	0.1	0.0	0.1
<i>Education</i>			
No formal education	4.5	4.2	4.8
Compulsory school	40.0	38.6	41.9
Apprenticeship	37.8	44.5	28.5
Intermediate vocational school	5.6	3.1	9.0
Higher academ. or voc. school	8.0	6.4	10.3
Academic	3.5	2.7	4.7
Missing	0.7	0.6	0.8
<i>Last sector</i>			
Agriculture, forestry	0.9	1.0	0.8
Mining, energy, water, waste	0.8	1.1	0.3
Manufacturing	12.1	13.6	10.1
Construction	16.3	26.3	2.3
Wholesale, trade	15.6	12.1	20.5
Transportation, storage	5.7	7.6	3.0
Acommodation, food service	15.6	10.2	23.0
Information, communication	1.6	1.6	1.6
Services	20.0	19.0	21.3
Public admin., defence, social sec.	3.1	2.2	4.5
Education, health, culture	0.3	0.2	0.5
Others	5.9	3.7	8.9
Missing	2.2	1.4	3.3
<i>Profession</i>			
Agriculture, forestry	2.0	2.1	1.8
Production, specialized services	40.7	59.3	14.8
Sales, trade	9.4	5.3	15.1
Transport	4.9	7.1	1.8
Accommodation, food service	14.3	9.4	21.1
Services	7.4	3.0	13.5
Technicians	3.2	4.6	1.2
Law	11.9	6.0	20.3
Education, health, culture	6.0	3.1	10.0

Missing	0.2	0.2	0.3
<i>Size of last employer (in persons)</i>			
1-10	28.7	26.4	31.7
10-25	14.9	16.5	12.7
25-100	20.0	22.7	16.3
100-250	10.6	11.3	9.6
>250	17.0	15.5	19.0
Missing	8.9	7.6	10.7
<i>Last monthly income</i>			
≤1,000	19.5	10.2	32.4
1,000-1,500	25.0	19.6	32.4
1,500-2,000	26.3	31.3	19.3
>2,000	26.6	36.9	12.3
Missing	2.6	1.9	3.6
<i>Mean of last unemployment insurance benefit level (in €)</i>	26	27	25
<b>PES contact</b>			
Number of PES contacts in last 2 months	1.8	1.7	1.8
Number of PES contacts in last 6 months	3.5	3.4	3.7
Number of PES job offers in last month	0.6	0.6	0.6
Number of PES job offers in last 3 months	1.1	1.1	1.1
Number of PES job offers in last 6 months	1.6	1.6	1.7
<b>Regional characteristics</b>			
<i>Federal provinces</i>			
Vienna	27.1	27.5	26.5
Lower Austria	15.8	15.8	15.8
Upper Austria	12.6	12.6	12.6
Burgenland	3.2	3.3	3.2
Carinthia	8.1	8.3	7.9
Styria	14.4	14.9	13.7
Salzburg	5.9	5.7	6.2
Tyrol	9.0	8.5	9.6
Vorarlberg	3.8	3.5	4.4
<i>Type of region</i>			
Metropolitan area	27.1	27.5	26.5
City	14.4	14.6	14.1
Suburban	7.2	7.0	7.5
Medium-sized town	10.3	10.1	10.8
Intensive industrial region	11.4	10.8	12.3
Intensive touristic region	8.2	7.7	8.9
Extensive industrial region	9.4	9.8	8.9
Industrial periphery	5.0	5.2	4.7
Missing	6.9	7.4	6.3
<i>Mean of regional unemployment rate in 2003</i>	7.1	7.1	7.1
<i>Mean of regional share of long-term unemployed in 2003</i>	22.6	22.6	22.5
<i>Mean of regional program rate in 2003</i>	2.3	2.3	2.3
<i>Mean of regional unemployment rate in 2004</i>	7.2	7.2	7.2
<i>Mean of regional share of long-term unemployed in 2004</i>	23.7	23.8	23.7
<i>Mean of regional program rate in 2004</i>	2.2	2.2	2.2
<i>Mean of regional unemployment rate in 2005</i>	7.4	7.4	7.4
<i>Mean of regional share of long-term unemployed in 2005</i>	23.8	23.9	23.6
<i>Mean of regional program rate in 2005</i>	2.4	2.4	2.4
<i>Mean of regional unemployment rate in 2006</i>	7.0	7.0	6.9
<i>Mean of regional share of long-term unemployed in 2006</i>	23.6	23.7	23.4
<i>Mean of regional program rate in 2006</i>	3.0	3.1	3.0
<b>Information on unemployment spell</b>			
(Hypothetical) program entry in 1st quarter	0.3	0.3	0.3
(Hypothetical) program entry in 2nd quarter	0.2	0.2	0.3
(Hypothetical) program entry in 3rd quarter	0.2	0.2	0.2
(Hypothetical) program entry in 4th quarter	0.3	0.3	0.3
(Hypothetical) program entry in year 2003	0.3	0.3	0.2
(Hypothetical) program entry in year 2004	0.3	0.3	0.3
(Hypothetical) program entry in year 2005	0.3	0.3	0.3
(Hypothetical) program entry in year 2006	0.3	0.3	0.3
Elapsed unemployment duration >90 days	45.6	42.1	50.5

**Labour market history before program entry**

Mean duration in employment over last 2 years	370	391	341
Mean duration in employment over last 5 years	964	1,031	870
Mean duration in subsidized employment in last year	1	0	1
Mean duration in subsidized employment over last 3 years	4	3	4
Mean duration in unemployment over last 2 years	221	224	216
Mean duration in unemployment over last 5 years	426	434	414
Mean duration in training over last 2 years	10	9	10
Mean duration in training over last 5 years	16	15	17
Mean duration out of the labour force over last 2 years	89	71	113
Mean duration out of the labour force over last 5 years	186	141	249
Mean duration in parental leave over last 2 years	24	2	54
Mean duration in parental leave over last 5 years	54	3	125
Mean duration of sickness benefit receipt over last 2 years	2	2	2
Mean duration of sickness benefit receipt over last 5 years	4	3	4
Mean number of employment spells over last 2 years	2.1	2.3	1.8

**Labour market history after program entry**

Mean duration in employment over 1 year after program start	159	169	143
Mean duration in employment over 3 years after program start	545	571	508
Mean duration in employment over 7 years after program start	1,312	1,363	1,238
Mean duration in unsubsidized employment over 1 year after program start	154	166	138
Mean duration in unsubsidized employment over 3 years after program start	533	560	494
Mean duration in unsubsidized employment over 7 years after program start	1,289	1,342	1,213
Mean duration in unemployment over 1 year after program start	153	145	164
Mean duration in unemployment over 3 years after program start	347	343	351
Mean duration in unemployment over 7 years after program start	668	681	648
Mean duration out of the labour force over 1 year after program start	9	8	12
Mean duration out of the labour force over 3 years after program start	39	19	68
Mean duration out of the labour force over 7 years after program start	100	41	186
Mean cumulated income over 1 year after program start	10,737	12,919	7,684
Mean cumulated income over 3 years after program start	37,658	44,672	27,697
Mean cumulated income over 7 years after program start	94,317	110,285	70,240
Mean average monthly income during employment over 1 year after program start	1,870	2,085	1,525
Mean average monthly income during employment over 3 years after program start	1,892	2,126	1,534
Mean average monthly income during employment over 7 years after program start	1,956	2,193	1,581
Mean average monthly income over 1 year after program start (all calendar months)	895	1,077	640
Mean average monthly income over 3 years after program start (all calendar months)	1,046	1,241	769
Mean average monthly income over 7 years after program start (all calendar months)	1,123	1,313	836
Mean difference between average monthly income in first year after and last year before program entry	23	15	36
Achieved economic inclusion (two thirds of observed follow-up period employed and earning in the first year after program start at least 90% of average monthly income of last year before program entry)	42.8	45.4	38.4

Sources: ASSD and PES data

A.4: Results of the propensity score estimation for the total population aged 25 to 54 years, scenario 1

VARIABLES	Women				Men			
	2003	2004	2005	2006	2003	2004	2005	2006
Age at program entry	1.072*** (27.065)	1.056*** (18.687)	1.047*** (16.740)	1.043*** (16.894)	1.079*** (31.131)	1.071*** (27.760)	1.067*** (26.633)	1.050*** (23.229)
Married	0.959 (-1.193)	0.950 (-1.258)	0.974 (-0.694)	0.969 (-0.945)	1.111*** (2.737)	1.084** (2.040)	1.118*** (2.853)	1.179*** (4.766)
Number of children	1.059*** (3.408)	1.030 (1.539)	1.031* (1.675)	1.022 (1.288)				
Youngest child aged ≤ 2 years	1.403 (1.326)	0.598 (-1.473)	1.596** (2.298)	1.401** (2.057)				
Youngest child aged 3-7 years	1.004 (0.046)	0.944 (-0.632)	1.195** (2.212)	1.371*** (4.695)				
Youngest child aged 7-10 years	1.032 (0.482)	1.001 (0.016)	1.220*** (3.036)	1.378*** (5.408)				
Foreign citizenship	0.646*** (-6.614)	0.599*** (-6.644)	0.791*** (-3.548)	0.739*** (-5.149)	0.580*** (-9.094)	0.679*** (-6.455)	0.755*** (-4.971)	0.841*** (-3.667)
Disabled according to law or PES	1.273*** (4.743)	1.096 (1.535)	1.172*** (2.827)	1.213*** (4.018)	1.264*** (4.909)	1.371*** (6.655)	1.204*** (3.895)	1.318*** (6.617)
Education: apprenticeship or missing					Ref.			
Low education	0.888*** (-2.943)	0.810*** (-4.559)	0.765*** (-6.139)	0.764*** (-6.990)	0.816*** (-4.967)	0.784*** (-5.890)	0.852*** (-3.917)	0.921** (-2.301)
Medium education	1.081 (1.361)	0.959 (-0.623)	0.934 (-1.089)	0.939 (-1.134)	1.135 (1.273)	0.989 (-0.108)	1.039 (0.368)	1.012 (0.123)
Higher education	1.069 (1.039)	0.945 (-0.788)	0.929 (-1.103)	0.898* (-1.838)	0.934 (-0.860)	0.829** (-2.333)	0.932 (-0.878)	0.839** (-2.329)
Academic education	1.037 (0.382)	0.966 (-0.344)	0.791** (-2.399)	0.846** (-2.050)	1.050 (0.438)	0.804* (-1.910)	0.966 (-0.319)	0.609*** (-4.184)
Last profession: Production, specialized services					Ref.			
Last profession: Agriculture, forestry	0.863 (-0.830)	0.824 (-0.941)	1.360* (1.939)	1.016 (0.099)	1.071 (0.507)	0.923 (-0.572)	1.000 (-0.003)	1.085 (0.726)
Last profession: Sales, trade	1.162** (2.528)	1.059 (0.833)	1.150** (2.161)	1.111* (1.796)	1.067 (0.918)	1.090 (1.186)	0.958 (-0.564)	0.898 (-1.577)
Last profession: Transport	0.972 (-0.208)	0.992 (-0.054)	0.916 (-0.586)	1.014 (0.104)	0.826** (-2.410)	0.873* (-1.750)	0.891 (-1.498)	0.757*** (-4.026)
Last profession: Accommodation, food service	0.857** (-2.202)	0.866* (-1.810)	0.976 (-0.333)	1.036 (0.553)	0.690*** (-3.352)	0.524*** (-5.813)	0.653*** (-4.280)	0.598*** (-5.609)
Last profession: Services	0.859** (-2.387)	0.825*** (-2.630)	0.832*** (-2.642)	0.927 (-1.247)	0.759** (-2.451)	0.711*** (-3.029)	0.809** (-2.100)	0.724*** (-3.735)
Last profession: Technician	1.167 (0.983)	1.427** (2.257)	1.290 (1.612)	1.295* (1.721)	1.272*** (3.009)	1.171* (1.905)	1.133 (1.482)	1.246*** (2.963)
Last profession: Law field	1.134** (2.146)	1.078 (1.141)	1.103 (1.548)	1.200*** (3.188)	0.936 (-0.904)	1.075 (1.015)	1.107 (1.418)	0.891* (-1.660)
Last profession: Education, health, culture	1.142* (1.757)	1.170* (1.884)	1.154* (1.811)	1.169** (2.198)	0.881 (-1.095)	0.964 (-0.330)	1.165 (1.485)	0.855 (-1.491)
Last sector: Manufacturing or Mining, energy, water, waste					Ref.			
Last sector: Agriculture, forestry	0.688 (-1.516)	0.800 (-0.874)	1.104 (0.503)	0.656* (-1.919)	0.944 (-0.312)	1.152 (0.787)	1.194 (1.001)	1.127 (0.722)
Last sector: Construction	1.049 (0.454)	1.015 (0.130)	1.076 (0.642)	0.949 (-0.467)	0.838*** (-2.989)	0.884** (-1.996)	0.836*** (-2.838)	1.044 (0.769)
Last sector: Wholesale, trade	1.130** (2.145)	0.979 (-0.332)	0.981 (-0.303)	1.100 (1.630)	1.189*** (2.915)	1.043 (0.667)	1.055 (0.843)	1.164*** (2.592)
Last sector: Transportation, storage	0.877 (-1.137)	0.860 (-1.195)	0.896 (-0.930)	1.092 (0.853)	0.927 (-0.888)	1.100 (1.153)	0.966 (-0.414)	1.043 (0.559)
Last sector: Accommodation, food service	0.900 (-1.495)	0.794*** (-2.888)	0.762*** (-3.539)	0.906 (-1.423)	0.638*** (-4.211)	0.866 (-1.459)	0.888 (-1.259)	0.784*** (-2.679)
Last sector: Information, communication	0.905	0.779	0.794	0.916	0.767*	0.961	0.804	0.924

Last sector: Services	(-0.715) 1.112* (1.832)	(-1.629) 0.910 (-1.418)	(-1.477) 0.963 (-0.591)	(-0.644) 1.106* (1.745)	(-1.802) 1.037 (0.639)	(-0.298) 1.063 (1.060)	(-1.473) 1.015 (0.253)	(-0.579) 1.125** (2.255)
Last sector: Public administration, defence, social security	1.083 (0.871)	1.036 (0.364)	0.899 (-1.065)	1.004 (0.050)	1.215* (1.701)	1.298** (2.445)	0.969 (-0.278)	1.109 (1.049)
Last sector: Others	0.933 (-0.417)	0.803 (-1.042)	1.236 (1.173)	0.882 (-0.645)	1.285 (0.898)	0.484 (-1.587)	0.535 (-1.370)	0.951 (-0.138)
Last sector: Education, health, culture	1.141* (1.814)	0.852* (-1.926)	1.010 (0.131)	1.020 (0.283)	1.181* (1.794)	1.090 (0.912)	1.150 (1.569)	0.931 (-0.806)
Last sector: Missing	0.736 (-0.303)	1.641 (0.488)						
Size of last employer: 25-100 persons					Ref.			
Size of last employer: 1-10	1.126** (2.393)	1.025 (0.441)	1.075 (1.369)	1.132** (2.559)	1.052 (0.999)	1.044 (0.837)	1.057 (1.077)	1.027 (0.575)
Size of last employer: 10-25	1.047 (0.765)	1.091 (1.302)	1.072 (1.080)	1.140** (2.258)	1.035 (0.614)	1.094 (1.559)	1.032 (0.542)	1.010 (0.185)
Size of last employer: 100-250	0.977 (-0.370)	1.001 (0.020)	0.843** (-2.412)	1.199*** (3.078)	0.842*** (-2.713)	0.827*** (-2.902)	0.918 (-1.351)	1.141** (2.491)
Size of last employer: > 250	0.858*** (-2.701)	0.772*** (-3.969)	0.823*** (-3.252)	0.942 (-1.116)	0.814*** (-3.422)	0.811*** (-3.346)	0.840*** (-2.859)	0.807*** (-4.003)
Size of last employer missing	1.088 (1.294)	0.975 (-0.344)	0.955 (-0.692)	1.013 (0.216)	1.001 (0.010)	1.032 (0.442)	0.899 (-1.533)	0.934 (-1.064)
Last program: Active job search	1.307*** (3.829)	1.267*** (3.361)	1.220*** (2.912)	1.124* (1.750)	1.155** (2.002)	1.380*** (5.171)	1.558*** (7.219)	1.476*** (6.784)
Last program: Labour foundation	1.237 (0.899)	1.306 (1.043)	1.629*** (2.820)	0.940 (-0.341)	0.924 (-0.302)	1.534** (2.418)	1.439** (2.202)	1.546*** (2.826)
Last program: Occupational orientation	1.434*** (3.468)	1.341** (2.573)	1.198* (1.712)	0.978 (-0.263)	1.084 (0.585)	1.445*** (3.126)	1.346** (2.489)	1.432*** (3.797)
Last program: Occupational qualification	0.942 (-0.233)	0.837 (-0.549)	0.808 (-0.651)	0.878 (-0.440)	1.517* (1.728)	1.294 (0.901)	0.709 (-0.829)	0.348* (-1.819)
Last Program: Wage subsidy	1.967*** (9.651)	2.122*** (10.339)	1.877*** (9.030)	1.628*** (7.734)	2.057*** (10.251)	2.485*** (13.329)	2.210*** (11.046)	2.046*** (11.103)
Last Program: Employment project in non-profit sector	1.460* (1.917)	1.630** (2.206)	1.008 (0.035)	1.359* (1.935)	1.790*** (3.646)	1.200 (1.022)	1.682*** (3.271)	1.462*** (2.737)
Last program: Wage subsidy in non-profit sector	2.380*** (3.298)	0.846 (-0.323)	2.080** (1.988)	1.285 (0.611)	3.026*** (3.629)	3.031*** (2.996)	2.148 (1.457)	0.574 (-0.551)
Last program: Subsidy to private courses	1.419*** (4.353)	1.665*** (6.209)	1.602*** (6.155)	1.338*** (4.376)	1.350*** (3.409)	1.398*** (3.865)	1.513*** (5.171)	1.694*** (8.258)
Last program: Subsidy to apprenticeships	0.690 (-0.368)	0.808 (-0.289)	0.902 (-0.204)	1.423 (1.441)	2.614* (1.875)	1.063 (0.085)	2.995*** (2.975)	2.271*** (3.197)
Last program: Qualification	1.514*** (6.328)	1.451*** (5.446)	1.482*** (6.581)	1.293*** (5.013)	1.399*** (4.175)	1.503*** (5.636)	1.784*** (9.227)	1.486*** (7.355)
Last program: Training	1.389 (1.448)	0.968 (-0.110)	1.923*** (3.574)	1.472** (2.042)	1.636*** (2.896)	1.731*** (3.101)	2.328*** (5.860)	1.062 (0.310)
PES-group female returners	1.896*** (11.484)	1.452*** (6.133)	1.399*** (6.109)	1.216*** (4.436)	1.815* (1.700)	1.125 (0.312)	1.508 (1.268)	1.326 (1.025)
Federal province: Carinthia					Ref.			
Vienna	0.825 (-1.460)	0.849 (-1.172)	0.912 (-0.831)	0.522*** (-6.586)	0.957 (-0.310)	1.049 (0.346)	0.668*** (-3.606)	1.321** (2.571)
Lower Austria	0.973 (-0.270)	1.085 (0.695)	0.748*** (-2.957)	0.734*** (-3.235)	0.813* (-1.858)	0.843 (-1.390)	0.595*** (-5.178)	1.138 (1.223)
Upper Austria	1.572*** (4.866)	1.339** (2.353)	1.187* (1.813)	0.964 (-0.346)	1.128 (1.121)	1.109 (0.784)	1.237** (2.126)	1.137 (1.064)
Burgenland	0.824* (-1.803)	0.643*** (-2.699)	0.879 (-1.160)	0.867 (-1.155)	1.091 (0.759)	1.173 (1.063)	0.893 (-0.973)	1.170 (1.160)
Styria	0.955 (-0.424)	0.728** (-2.277)	0.589*** (-4.717)	0.918 (-1.010)	0.728*** (-2.590)	0.637*** (-3.140)	0.583*** (-4.684)	0.908 (-0.989)
Salzburg	1.292**	1.266*	1.548***	0.992	1.331**	1.362**	1.181	1.799***

	(2.206)	(1.705)	(3.957)	(-0.082)	(2.198)	(2.189)	(1.372)	(5.188)
Tyrol	1.141	1.131	0.903	0.644***	1.407***	1.460***	1.213	1.593***
	(1.251)	(0.887)	(-0.828)	(-3.679)	(2.985)	(2.784)	(1.552)	(3.599)
Vorarlberg	0.738**	0.786	0.395***	0.613***	0.907	0.921	0.535***	1.410**
	(-2.012)	(-1.366)	(-4.915)	(-3.647)	(-0.620)	(-0.486)	(-3.525)	(2.487)
Region type: Rural region					Ref.			
Human-capital-intensive region	0.901*	0.874**	0.774***	0.945	1.154**	1.032	0.903*	0.842***
	(-1.782)	(-2.127)	(-4.986)	(-1.217)	(2.130)	(0.483)	(-1.823)	(-3.296)
Real-capital-intensive region	0.908*	0.917	0.966	1.113**	1.232***	1.032	1.014	1.046
	(-1.717)	(-1.246)	(-0.576)	(2.019)	(3.146)	(0.436)	(0.206)	(0.720)
Regional unemployment rate	1.029	0.993	1.001	1.019	1.013	1.010	1.065***	1.007
	(1.605)	(-0.352)	(0.075)	(1.093)	(0.648)	(0.489)	(3.255)	(0.355)
Regional share of long-term unemployed ≤ 10					Ref.			
Regional share of long-term unemployed: > 10 & ≤ 20	0.920	0.739***	0.901	0.704***	0.765***	0.857	0.718***	0.717***
	(-0.951)	(-3.545)	(-1.398)	(-5.085)	(-2.778)	(-1.618)	(-4.259)	(-4.359)
Regional share of long-term unemployed: > 20 & ≤ 30	0.896	0.642***	0.928	0.587***	0.820	1.009	0.855**	0.775***
	(-0.940)	(-4.128)	(-1.002)	(-6.832)	(-1.540)	(0.073)	(-2.035)	(-3.039)
Regional program rate	1.368***	1.361***	1.358***	1.278***	1.305***	1.313***	1.235***	1.264***
	(12.671)	(10.879)	(11.992)	(14.828)	(9.435)	(9.099)	(7.314)	(11.944)
Number of PES contacts in last 2 months	1.199***	1.278***	1.253***	1.244***	1.239***	1.298***	1.318***	1.172***
	(12.241)	(14.430)	(14.100)	(15.847)	(14.013)	(16.341)	(17.478)	(11.368)
Number of PES contacts in last 6 months	1.085***	1.068***	1.068***	1.064***	1.103***	1.088***	1.071***	1.108***
	(10.867)	(7.467)	(7.995)	(8.717)	(12.844)	(10.411)	(8.505)	(14.643)
Number of PES job offers in last month	1.073***	1.075***	1.130***	1.062***	1.072***	1.075***	1.090***	1.078***
	(6.151)	(5.176)	(9.951)	(5.914)	(6.035)	(5.361)	(7.376)	(8.626)
Number of PES job offers in last 6 months	1.025***	1.030***	1.021***	1.036***	1.022***	1.017***	1.018***	1.014***
	(5.599)	(5.657)	(4.380)	(8.961)	(4.620)	(3.266)	(3.956)	(4.242)
	23.255**	29.198**	23.137**		10.631**	18.880**	16.322**	
PES counseling zone	*	*	*	7.849***	*	*	*	4.366***
	(22.669)	(44.972)	(57.568)	(50.306)	(13.759)	(33.714)	(42.169)	(30.359)
Last monthly income: < 1,000 €					Ref.			
Last monthly income > 1,000 & ≤ 1,500 €	1.201***	1.069	1.152***	1.057	1.274***	1.151**	1.291***	1.371***
	(4.525)	(1.428)	(3.240)	(1.453)	(3.311)	(1.999)	(3.608)	(4.878)
Last monthly income > 1,500 & ≤ 2,000 €	1.231***	1.139**	1.068	1.039	1.310***	1.099	1.285***	1.459***
	(4.003)	(2.237)	(1.191)	(0.791)	(3.634)	(1.320)	(3.486)	(5.839)
Last monthly income ≥ 2,000 €	1.074	1.005	1.097	0.929	1.191**	1.152*	1.199**	1.271***
	(1.102)	(0.071)	(1.388)	(-1.250)	(2.257)	(1.907)	(2.432)	(3.535)
(Hypothetical) program entry in 1 <sup>st</sup> quarter					Ref.			
(Hypothetical) program entry in 2 <sup>nd</sup> quarter	1.256***	1.235***	1.275***	1.256***	1.587***	1.957***	1.772***	1.702***
	(5.113)	(4.088)	(5.167)	(5.341)	(10.001)	(13.608)	(11.906)	(12.200)
(Hypothetical) program entry in 3 <sup>rd</sup> quarter	1.062	1.143**	0.902**	1.137***	1.265***	1.565***	1.352***	1.901***
	(1.270)	(2.544)	(-2.025)	(2.922)	(4.597)	(8.403)	(5.761)	(14.257)
(Hypothetical) program entry in 4 <sup>th</sup> quarter	1.236***	0.937	0.960	0.714***	0.855***	1.036	0.867**	0.726***
	(4.651)	(-1.198)	(-0.815)	(-7.124)	(-2.886)	(0.626)	(-2.561)	(-5.981)
Elapsed time in unemployment until program entry ≤ 90 days					Ref.			
Elapsed time in unemployment until program entry 91-180 days	1.843***	1.792***	1.653***	1.530***	1.921***	1.617***	1.648***	1.512***
	(11.975)	(9.410)	(8.283)	(8.212)	(12.116)	(8.500)	(8.958)	(8.727)
Elapsed time in unemployment 181-366 days	2.413***	2.293***	2.295***	1.693***	2.777***	2.002***	2.078***	1.833***
	(15.652)	(12.651)	(13.397)	(9.646)	(17.330)	(11.448)	(12.327)	(11.953)
Elapsed time in	2.029***	2.067***	1.957***	1.210***	2.395***	2.005***	1.637***	1.376***

unemployment > 366 days	(11.104)	(9.938)	(9.809)	(3.404)	(12.414)	(10.030)	(7.169)	(5.396)
Last daily unemployment insurance benefit level < 10 €					Ref.			
Last daily unemployment insurance benefit level ≥ 10 & < 20 €	0.932 (-1.346)	0.939 (-1.071)	0.900* (-1.881)	0.903** (-2.036)	0.961 (-0.459)	1.044 (0.484)	1.175* (1.835)	1.012 (0.159)
Last daily unemployment insurance benefit level ≥ 20 & < 30 €	0.824*** (-3.397)	0.837*** (-2.768)	0.759*** (-4.531)	0.825*** (-3.629)	0.829** (-2.258)	0.920 (-0.983)	0.998 (-0.024)	0.849** (-2.225)
Last daily unemployment insurance benefit level ≥ 30 & < 40 €	0.852* (-1.734)	0.740*** (-2.778)	0.638*** (-4.358)	0.749*** (-3.251)	0.725*** (-3.522)	0.751*** (-3.035)	0.813** (-2.196)	0.758*** (-3.345)
Last daily unemployment insurance benefit level ≥ 40 €	1.342*** (3.454)	1.492*** (3.963)	1.680*** (5.390)	1.365*** (3.800)	1.223 (1.320)	1.154 (0.880)	1.084 (0.531)	0.701*** (-2.674)
Subsidized employment days in last year	1.003*** (3.745)	1.000 (-0.177)	1.000 (-0.251)	1.000 (-0.309)	1.005*** (5.637)	1.005*** (5.695)	1.005*** (4.673)	1.004*** (4.818)
Subsidized employment days over last 3 years	1.001*** (4.820)	1.003*** (8.511)	1.004*** (11.554)	1.003*** (10.531)	1.002*** (6.847)	1.002*** (7.489)	1.003*** (8.342)	1.003*** (10.064)
Training days in last year	1.002*** (2.811)	1.003*** (3.339)	1.006*** (7.644)	1.004*** (5.366)	1.001 (1.055)	1.001 (1.208)	1.004*** (5.390)	1.001 (1.094)
Training days over last 3 years	1.001*** (4.616)	1.001*** (3.308)	1.001*** (4.261)	1.002*** (6.310)	1.001*** (4.112)	1.002*** (6.846)	1.001*** (5.252)	1.001*** (6.148)
Unemployment days over last 2 years	1.001*** (4.786)	1.001*** (4.819)	1.002*** (7.101)	1.001*** (3.866)	1.002*** (9.231)	1.002*** (8.738)	1.002*** (10.108)	1.002*** (10.815)
Unemployment days over last 5 years	0.999*** (-11.705)	0.999*** (-8.302)	0.999*** (-9.048)	0.999*** (-10.713)	0.999*** (-11.146)	0.999*** (-10.505)	0.999*** (-10.208)	0.999*** (-13.264)
Employment days over last 2 years	1.000*** (-2.607)	0.999*** (-4.679)	0.999*** (-4.970)	0.998*** (-12.387)	1.000* (1.734)	1.000 (-0.845)	1.000 (-1.227)	1.000 (-0.940)
Employment days over last 5 years	1.000*** (4.310)	1.000*** (5.325)	1.000*** (5.090)	1.000*** (5.623)	1.000*** (3.993)	1.000*** (4.812)	1.000*** (3.307)	1.000** (2.050)
Economic inactivity days over last 2 years	0.999*** (-3.290)	1.000* (-1.892)	1.000 (-0.729)	1.000 (-0.237)	0.999** (-2.317)	0.999*** (-4.763)	0.999** (-2.573)	1.000* (-1.783)
Economic inactivity days over last 5 years	1.000** (1.991)	1.000 (0.802)	1.000 (-0.640)	1.000 (-1.095)	1.000*** (3.008)	1.001*** (4.346)	1.000* (1.891)	1.000 (0.761)
Sickness benefit receipt days over last 2 years	1.001 (0.764)	0.999 (-0.461)	1.002 (1.614)	1.001 (0.696)	1.000 (0.072)	1.003** (2.463)	1.003** (2.001)	1.001 (1.110)
Sickness benefit receipt days over last 5 years	0.999 (-1.499)	1.000 (-0.500)	0.999 (-1.446)	0.999 (-0.841)	1.000 (0.017)	0.998** (-2.427)	0.999 (-1.276)	1.000 (0.476)
Parental leave days over last 2 years	1.000 (-0.468)	0.999* (-1.922)	1.000 (-0.089)	1.000 (0.583)	1.001 (0.324)	1.001 (0.874)	1.001 (0.706)	1.000 (0.522)
Parental leave days over last 5 years	1.000 (0.519)	1.001*** (2.617)	1.000 (0.993)	1.000*** (3.467)	1.000 (-0.421)	1.000 (-0.358)	1.000 (-0.323)	1.001* (1.910)
Constant	0.000*** (-40.673)	0.000*** (-29.377)	0.000*** (-31.255)	0.001*** (-29.991)	0.000*** (-40.622)	0.000*** (-35.178)	0.000*** (-36.785)	0.000*** (-34.639)
Observations	410,367	420,093	428,623	417,725	593,599	592,256	593,161	584,937
Pseudo R-squared	0.141	0.164	0.191	0.171	0.171	0.183	0.189	0.153

Note: Logistic regression with estimates displayed as Odds Ratios. z-statistics in parentheses: \*\*\*  $p < 0.01$ , \*\*  $p < 0.05$ , \*  $p < 0.1$ . "Ref." denotes the reference category. Scenario 1: Effects of program participation vs. non-participation.

A.5: Results of the propensity score estimation for the total population aged 25 to 54 years, scenario 2

VARIABLES	Women				Men			
	2003	2004	2005	2006	2003	2004	2005	2006
Age at program entry	1.113*** (36.694)	1.094*** (27.662)	1.079*** (24.351)	1.072*** (24.676)	1.111*** (39.355)	1.106*** (36.394)	1.100*** (34.891)	1.076*** (31.882)
Married	0.859*** (-3.903)	0.871*** (-3.112)	0.912** (-2.206)	0.893*** (-3.007)	0.965 (-0.847)	0.905** (-2.310)	0.971 (-0.690)	1.000 (0.005)
Number of children	1.016 (0.808)	0.981 (-0.881)	0.985 (-0.736)	0.985 (-0.773)				
Youngest child aged ≤ 2 years	2.325*** (2.876)	0.841 (-0.474)	2.736*** (4.500)	1.858*** (3.282)				
Youngest child aged 3-7 years	1.174* (1.713)	1.142 (1.330)	1.355*** (3.432)	1.483*** (5.074)				
Youngest child aged 7-10 years	1.177** (2.285)	1.051 (0.631)	1.304*** (3.630)	1.487*** (5.945)				
Foreign citizenship	0.570*** (-7.947)	0.556*** (-7.179)	0.728*** (-4.477)	0.743*** (-4.668)	0.481*** (-)	0.571*** (-8.799)	0.658*** (-6.938)	0.727*** (-6.349)
Disabled according to law or PES	1.711*** (9.263)	1.468*** (5.729)	1.585*** (7.238)	1.719*** (9.694)	1.635*** (9.203)	1.840*** (11.424)	1.492*** (7.463)	1.673*** (10.942)
Education: apprenticeship or missing					Ref.			
Low education	0.860*** (-3.395)	0.838*** (-3.540)	0.837*** (-3.724)	0.828*** (-4.358)	0.833*** (-4.098)	0.838*** (-3.891)	0.924* (-1.760)	0.989 (-0.291)
Medium education	1.068 (1.025)	0.974 (-0.348)	1.018 (0.248)	0.983 (-0.268)	1.276** (2.146)	1.286** (2.141)	1.117 (0.943)	1.139 (1.225)
Higher education	1.109 (1.429)	1.023 (0.281)	1.021 (0.273)	0.964 (-0.535)	0.991 (-0.099)	0.979 (-0.226)	1.031 (0.343)	0.914 (-1.056)
Academic education	1.143 (1.274)	1.006 (0.050)	0.876 (-1.232)	0.835* (-1.933)	1.127 (0.972)	0.895 (-0.861)	0.979 (-0.178)	0.608*** (-3.791)
Last profession: Production, specialized services					Ref.			
Last profession: Agriculture, forestry	0.698* (-1.887)	0.631** (-2.092)	1.080 (0.448)	0.763 (-1.550)	0.841 (-1.152)	0.820 (-1.281)	0.901 (-0.687)	1.042 (0.337)
Last profession: Sales, trade	1.058 (0.859)	1.039 (0.515)	1.053 (0.722)	1.054 (0.795)	1.262*** (2.924)	1.338*** (3.543)	1.092 (1.023)	1.004 (0.050)
Last profession: Transport	0.874 (-0.864)	0.898 (-0.642)	0.896 (-0.665)	0.873 (-0.928)	0.741*** (-3.531)	0.766*** (-3.169)	0.808** (-2.547)	0.676*** (-5.251)
Last profession: Accomodation, food service	0.650*** (-5.680)	0.729*** (-3.725)	0.788*** (-2.973)	0.865** (-2.023)	0.635*** (-3.901)	0.457*** (-6.516)	0.618*** (-4.480)	0.563*** (-5.848)
Last profession: Services	0.803*** (-3.139)	0.785*** (-3.046)	0.790*** (-3.096)	0.904 (-1.483)	0.814 (-1.637)	0.751** (-2.289)	0.846 (-1.512)	0.752*** (-2.987)
Last profession: Technician	1.224 (1.141)	1.787*** (3.292)	1.389* (1.822)	1.257 (1.335)	1.679*** (5.785)	1.414*** (3.665)	1.323*** (2.929)	1.365*** (3.606)
Last profession: Law field	1.252*** (3.470)	1.215*** (2.688)	1.106 (1.440)	1.247*** (3.402)	1.311*** (3.266)	1.375*** (3.872)	1.466*** (4.652)	1.148* (1.757)
Last profession: Education, health, culture	1.047 (0.547)	1.106 (1.094)	1.076 (0.824)	1.090 (1.068)	0.915 (-0.698)	0.982 (-0.144)	1.197 (1.572)	0.857 (-1.317)
Last sector: Manufacturing or Mining, energy, water, waste					Ref.			
Last sector: Agriculture, forestry	0.518** (-2.485)	0.600* (-1.890)	0.760 (-1.287)	0.508*** (-2.683)	0.686* (-1.833)	0.819 (-0.995)	0.851 (-0.816)	0.990 (-0.055)
Last sector: Construction	0.840 (-1.456)	0.907 (-0.762)	1.019 (0.148)	0.822 (-1.533)	0.559*** (-9.162)	0.582*** (-8.085)	0.566*** (-8.311)	0.740*** (-4.993)
Last sector: Wholesale, trade	1.126* (1.873)	0.950 (-0.717)	0.904 (-1.437)	1.013 (0.194)	1.161** (2.262)	0.915 (-1.253)	0.924 (-1.108)	1.044 (0.665)
Last sector: Transportation, storage	0.654*** (-3.326)	0.747** (-2.138)	0.715*** (-2.608)	0.921 (-0.717)	0.733*** (-3.401)	0.848* (-1.831)	0.756*** (-3.107)	0.841** (-2.125)
Last sector: Accomodation, food service	0.697*** (-4.648)	0.604*** (-5.871)	0.576*** (-6.555)	0.714*** (-4.376)	0.448*** (-6.987)	0.635*** (-4.189)	0.610*** (-4.759)	0.599*** (-5.155)
Last sector: Information, communication	0.855 (-1.003)	0.628*** (-2.718)	0.683** (-2.222)	0.814 (-1.302)	0.776 (-1.598)	0.748* (-1.923)	0.636*** (-2.703)	0.681** (-2.444)
Last sector: Services	1.108	0.881*	0.869**	1.028	0.807***	0.803***	0.798***	0.852***

	(1.587)	(-1.758)	(-2.009)	(0.418)	(-3.461)	(-3.457)	(-3.593)	(-2.780)
Last sector: Public administration, defence, social security	0.950 (-0.514)	0.852 (-1.472)	0.794** (-2.096)	0.863 (-1.480)	1.048 (0.362)	1.089 (0.689)	0.819 (-1.553)	0.946 (-0.498)
Last sector: Others	1.059 (0.290)	0.776 (-1.039)	1.382 (1.540)	0.878 (-0.558)	1.057 (0.161)	0.500 (-1.392)	0.497 (-1.340)	0.972 (-0.065)
Last sector: Education, health, culture	1.142 (1.636)	0.865 (-1.598)	1.026 (0.294)	0.993 (-0.088)	1.116 (1.026)	1.007 (0.066)	1.136 (1.261)	0.979 (-0.210)
Last sector: Missing	0.646 (-0.415)	2.150 (0.699)						
Size of last employer: 25-100 persons					Ref.			
Size of last employer: 1-10	1.032 (0.578)	0.978 (-0.357)	0.987 (-0.219)	1.058 (1.036)	0.992 (-0.143)	1.000 (-0.001)	1.011 (0.198)	0.986 (-0.288)
Size of last employer: 10-25	1.026 (0.387)	1.088 (1.168)	1.004 (0.056)	1.140** (2.017)	1.031 (0.503)	1.089 (1.353)	0.987 (-0.205)	0.962 (-0.683)
Size of last employer: 100-250	0.964 (-0.540)	1.036 (0.457)	0.807*** (-2.770)	1.208*** (2.834)	0.876* (-1.926)	0.846** (-2.355)	0.897 (-1.565)	1.107* (1.758)
Size of last employer: >250	0.876** (-2.129)	0.789*** (-3.359)	0.811*** (-3.187)	0.960 (-0.692)	0.921 (-1.272)	0.873** (-2.014)	0.858** (-2.312)	0.841*** (-2.981)
Size of last employer missing	1.198** (2.385)	1.098 (1.141)	1.113 (1.398)	1.176** (2.284)	1.110 (1.265)	1.183** (2.052)	1.093 (1.121)	1.090 (1.177)
Last program: Active job search	1.437*** (4.603)	1.189** (2.187)	1.196** (2.319)	1.259*** (3.014)	1.113 (1.339)	1.190** (2.512)	1.419*** (5.127)	1.465*** (6.012)
Last program: Labour foundation	1.168 (0.580)	1.023 (0.083)	1.293 (1.314)	0.742 (-1.408)	0.638 (-1.531)	1.182 (0.826)	1.267 (1.273)	1.365* (1.819)
Last program: Occupational orientation	1.649*** (4.088)	1.473*** (3.039)	1.351** (2.462)	1.092 (0.905)	1.105 (0.618)	1.639*** (3.567)	1.522*** (3.014)	1.528*** (3.918)
Last program: Occupational qualification	0.983 (-0.062)	0.823 (-0.568)	0.748 (-0.749)	0.967 (-0.099)	1.901** (2.451)	1.425 (1.081)	0.860 (-0.341)	0.373* (-1.647)
Last Program: Wage subsidy	1.912*** (7.779)	2.199*** (9.338)	1.955*** (8.247)	1.690*** (6.915)	1.903*** (7.447)	2.175*** (9.502)	1.953*** (7.944)	2.026*** (9.606)
Last Program: Employment project in non-profit sector	1.768** (2.471)	2.168*** (3.176)	1.611* (1.947)	2.130*** (4.091)	2.204*** (4.267)	1.325 (1.377)	2.196*** (4.348)	1.747*** (3.608)
Last program: Wage subsidy in non-profit sector	2.593*** (3.168)	1.032 (0.057)	2.195* (1.893)	1.992 (1.538)	2.807*** (2.697)	1.851 (1.449)	3.055* (1.931)	0.821 (-0.193)
Last program: Subsidy to private courses	1.224** (2.235)	1.348*** (3.284)	1.409*** (4.003)	1.183** (2.166)	1.177* (1.672)	1.149 (1.468)	1.224** (2.310)	1.410*** (4.872)
Last program: Subsidy to apprenticeships	1.014 (0.014)	0.636 (-0.445)	0.968 (-0.061)	1.544 (1.637)	4.047** (2.522)	1.277 (0.321)	4.164*** (3.765)	2.380*** (3.102)
Last program: Qualification	1.334*** (3.837)	1.333*** (3.732)	1.418*** (5.112)	1.280*** (4.142)	1.269*** (2.619)	1.215** (2.405)	1.540*** (6.156)	1.344*** (4.938)
Last program: Training	1.297 (0.965)	0.994 (-0.017)	2.040*** (3.375)	1.987*** (3.198)	2.208*** (4.020)	1.828*** (3.037)	2.645*** (5.742)	1.068 (0.306)
PES-group female returners	2.034*** (11.191)	1.456*** (5.559)	1.413*** (5.582)	1.217*** (3.815)	1.650 (1.188)	1.267 (0.546)	1.515 (1.176)	1.039 (0.123)
Federal province: Carinthia					Ref.			
Vienna	1.917*** (4.509)	1.534*** (2.807)	1.506*** (3.350)	0.909 (-0.864)	1.590*** (2.988)	1.592*** (3.074)	0.870 (-1.126)	1.683*** (4.401)
Lower Austria	1.261** (2.060)	1.547*** (3.347)	1.157 (1.340)	1.038 (0.344)	0.916 (-0.714)	1.033 (0.237)	0.792** (-2.083)	1.323** (2.401)
Upper Austria	2.055*** (6.933)	1.786*** (4.253)	1.634*** (4.673)	1.243* (1.818)	1.260** (1.972)	1.302* (1.827)	1.554*** (4.016)	1.195 (1.346)
Burgenland	1.004 (0.036)	0.846 (-0.939)	1.211 (1.557)	1.096 (0.664)	1.183 (1.348)	1.489** (2.428)	1.173 (1.239)	1.313* (1.863)
Styria	1.250* (1.838)	0.997 (-0.021)	0.905 (-0.802)	1.288*** (2.635)	0.799* (-1.673)	0.792 (-1.484)	0.784* (-1.911)	1.042 (0.383)
Salzburg	1.653*** (3.938)	1.557*** (2.946)	1.969*** (5.575)	1.331** (2.444)	1.359** (2.162)	1.646*** (3.226)	1.466*** (2.874)	1.976*** (5.482)
Tyrol	1.334** (2.479)	1.311* (1.805)	1.206 (1.379)	0.889 (-0.885)	1.450*** (3.011)	1.564*** (3.012)	1.402** (2.478)	1.683*** (3.695)
Vorarlberg	1.044	1.010	0.705*	1.016	0.975	1.066	0.690*	1.590***

	(0.261)	(0.050)	(-1.723)	(0.106)	(-0.145)	(0.339)	(-1.915)	(3.025)
Region type: Rural region	Ref.							
Human-capital-intensive region	0.812***	0.826***	0.778***	0.812***	1.251***	1.102	0.983	0.856***
	(-3.235)	(-2.734)	(-4.371)	(-3.915)	(3.049)	(1.366)	(-0.286)	(-2.715)
Real-capital-intensive region	0.824***	0.822***	0.855**	0.965	1.180**	0.979	0.976	0.956
	(-3.123)	(-2.610)	(-2.381)	(-0.587)	(2.289)	(-0.268)	(-0.337)	(-0.675)
Regional unemployment rate	1.046**	1.015	1.027	1.057***	1.028	1.028	1.086***	1.023
	(2.309)	(0.692)	(1.333)	(2.893)	(1.304)	(1.268)	(3.948)	(1.125)
Regional share of long-term unemployed ≤ 10	Ref.							
Regional share of long-term unemployed: >10 & ≤ 20	1.053	0.775***	0.977	0.779***	0.909	0.919	0.736***	0.717***
	(0.541)	(-2.735)	(-0.298)	(-3.296)	(-0.908)	(-0.824)	(-3.673)	(-4.065)
Regional share of long-term unemployed: >20 & ≤ 30	1.184	0.712***	0.999	0.717***	1.016	1.084	0.898	0.832**
	(1.324)	(-2.823)	(-0.015)	(-3.795)	(0.114)	(0.632)	(-1.255)	(-2.017)
Regional program rate	1.437***	1.430***	1.482***	1.376***	1.316***	1.334***	1.283***	1.296***
	(13.099)	(11.406)	(13.515)	(16.453)	(8.966)	(8.791)	(7.818)	(12.183)
Number of PES contacts in last 2 months	1.225***	1.321***	1.255***	1.262***	1.242***	1.318***	1.313***	1.163***
	(12.138)	(14.624)	(12.548)	(14.568)	(12.717)	(15.303)	(15.419)	(9.683)
Number of PES contacts in last 6 months	1.075***	1.045***	1.046***	1.047***	1.090***	1.072***	1.052***	1.091***
	(8.396)	(4.418)	(4.780)	(5.506)	(9.749)	(7.519)	(5.605)	(10.762)
Number of PES job offers in last month	1.057***	1.029*	1.100***	1.036***	1.058***	1.059***	1.057***	1.062***
	(4.175)	(1.782)	(6.695)	(2.935)	(4.189)	(3.840)	(4.112)	(6.072)
Number of PES job offers in last 6 months	1.005	1.013**	1.005	1.020***	1.005	0.996	1.006	1.005
	(0.916)	(2.042)	(0.843)	(4.164)	(0.863)	(-0.633)	(1.185)	(1.122)
	11.523**	11.732**	10.073**	11.329**		15.460**	12.905**	10.044**
	*	*	*	*	7.601***	*	*	*
PES counseling zone	(13.607)	(26.913)	(34.855)	(47.584)	(9.309)	(24.096)	(30.975)	(38.440)
Last monthly income: < 1,000 €	Ref.							
Last monthly income > 1,000 & ≤ 1,500 €	1.104**	1.015	1.075	0.979	1.126	0.981	1.138	1.317***
	(2.186)	(0.285)	(1.488)	(-0.495)	(1.456)	(-0.241)	(1.642)	(3.795)
Last monthly income > 1,500 & ≤ 2,000 €	1.074	1.025	0.954	0.915	0.998	0.828**	0.972	1.213***
	(1.249)	(0.385)	(-0.766)	(-1.644)	(-0.019)	(-2.379)	(-0.357)	(2.675)
Last monthly income ≥ 2,000 €	1.036	0.988	1.090	0.837***	0.950	0.906	0.916	1.045
	(0.490)	(-0.156)	(1.165)	(-2.665)	(-0.597)	(-1.198)	(-1.068)	(0.581)
(Hypothetical) program entry in 1 <sup>st</sup> quarter	Ref.							
(Hypothetical) program entry in 2 <sup>nd</sup> quarter	1.104**	1.150**	1.204***	1.072	1.316***	1.495***	1.393***	1.205***
	(1.993)	(2.471)	(3.544)	(1.434)	(5.379)	(7.410)	(6.246)	(3.911)
(Hypothetical) program entry in 3 <sup>rd</sup> quarter	1.053	1.189***	0.853***	1.084	1.303***	1.521***	1.210***	1.751***
	(0.977)	(3.019)	(-2.817)	(1.630)	(4.694)	(7.149)	(3.287)	(11.330)
(Hypothetical) program entry in 4 <sup>th</sup> quarter	1.410***	1.042	0.989	0.966	1.228***	1.410***	1.068	1.039
	(6.761)	(0.689)	(-0.208)	(-0.683)	(3.413)	(5.486)	(1.065)	(0.673)
Elapsed time in unemployment until program entry ≤ 90 days	Ref.							
Elapsed time in unemployment until program entry 91-180 days	2.175***	2.198***	2.044***	1.845***	2.239***	1.789***	1.917***	1.707***
	(14.523)	(12.276)	(11.367)	(11.088)	(14.384)	(9.804)	(11.160)	(10.716)
Elapsed time in unemployment 181-366 days	3.815***	3.627***	3.459***	2.414***	4.348***	2.900***	3.010***	2.539***
	(22.369)	(18.716)	(18.913)	(14.868)	(23.801)	(16.580)	(17.591)	(17.242)
Elapsed time in unemployment > 366 days	5.605***	5.327***	4.673***	2.969***	6.403***	5.245***	4.446***	3.596***
	(25.565)	(22.198)	(21.474)	(17.934)	(25.623)	(23.245)	(20.864)	(20.694)
Last daily unemployment insurance benefit level < 10 €	Ref.							
Last daily unemployment insurance benefit level ≥ 10 & < 20 €	0.942	0.977	0.965	0.937	0.887	0.894	1.068	0.868*

	(-1.021)	(-0.365)	(-0.567)	(-1.125)	(-1.244)	(-1.150)	(0.692)	(-1.671)
Last daily unemployment insurance benefit level ≥ 20 & < 30 €	0.840*** (-2.764)	0.867** (-2.033)	0.801*** (-3.293)	0.851*** (-2.661)	0.751*** (-3.146)	0.756*** (-3.005)	0.823** (-2.132)	0.668*** (-4.965)
Last daily unemployment insurance benefit level ≥ 30 & < 40 €	0.950 (-0.497)	0.829 (-1.586)	0.683*** (-3.366)	0.851 (-1.590)	0.712*** (-3.375)	0.656*** (-4.049)	0.729*** (-3.044)	0.599*** (-5.571)
Last daily unemployment insurance benefit level ≥ 40 €	1.289*** (2.666)	1.678*** (4.708)	1.962*** (6.267)	1.509*** (4.314)	1.278 (1.463)	1.115 (0.613)	1.232 (1.277)	0.739** (-2.122)
Subsidized employment in last year	1.004*** (3.987)	0.999 (-0.701)	1.000 (-0.299)	1.002* (1.744)	1.007*** (5.888)	1.007*** (6.179)	1.005*** (3.867)	1.004*** (3.634)
Subsidized employment over last 3 years	1.002*** (6.071)	1.003*** (6.910)	1.004*** (9.040)	1.004*** (8.872)	1.002*** (7.287)	1.003*** (8.355)	1.003*** (8.153)	1.003*** (8.486)
Training days in last year	1.000 (-0.467)	1.001 (0.922)	1.005*** (4.947)	1.003*** (3.277)	1.000 (-0.380)	0.999 (-0.498)	1.003*** (3.601)	0.999 (-0.800)
Training days over last 3 years	1.001*** (4.141)	1.001** (2.297)	1.001 (1.559)	1.001*** (3.611)	1.001*** (2.728)	1.001*** (4.421)	1.000 (1.464)	1.001*** (2.833)
Unemployment days over last 2 years	1.002*** (7.294)	1.002*** (6.983)	1.002*** (8.900)	1.001*** (5.083)	1.003*** (11.508)	1.003*** (10.652)	1.003*** (12.021)	1.003*** (13.880)
Unemployment days over last 5 years	0.999*** (-8.658)	0.999*** (-5.185)	0.999*** (-5.407)	0.999*** (-5.584)	0.999*** (-7.751)	0.999*** (-5.902)	0.999*** (-5.912)	0.999*** (-9.011)
Employment days over last 2 years	1.000 (-0.650)	0.999*** (-2.874)	0.999*** (-2.832)	0.998*** (-10.352)	1.001** (2.351)	1.000 (-0.100)	1.000 (0.479)	1.000 (0.605)
Employment days over last 5 years	1.000 (0.790)	1.000 (0.831)	1.000 (-0.148)	1.000 (1.559)	1.000 (0.011)	1.000 (1.219)	1.000 (-1.396)	1.000** (-2.551)
Economic inactivity days over last 2 years	0.999*** (-2.790)	0.999** (-2.283)	1.000 (-0.226)	1.000 (-0.864)	1.000 (-0.720)	0.999*** (-2.884)	1.000 (-0.344)	1.000 (0.245)
Economic inactivity days over last 5 years	1.000** (2.556)	1.000 (1.598)	1.000 (-0.867)	1.000 (0.067)	1.000* (1.682)	1.000*** (3.158)	1.000 (0.292)	1.000 (-0.577)
Sickness benefit receipt days over last 2 years	1.002 (1.115)	1.000 (0.154)	1.002 (1.549)	1.002 (1.131)	1.001 (1.019)	1.005*** (3.133)	1.002 (1.638)	1.003** (2.137)
Sickness benefit receipt days over last 5 years	0.999 (-1.373)	0.999 (-0.595)	1.000 (-0.267)	0.999 (-0.692)	1.001 (0.609)	0.998** (-2.256)	1.000 (0.140)	1.000 (-0.102)
Parental leave days over last 2 years	1.000 (0.074)	1.000 (0.057)	1.000 (1.417)	1.001*** (2.756)	1.000 (-0.048)	1.000 (0.347)	1.001 (0.692)	1.000 (0.054)
Parental leave days over last 5 years	1.000 (0.915)	1.000* (1.955)	1.000 (0.975)	1.000*** (2.818)	1.000 (-0.272)	1.000 (0.165)	1.000 (-0.220)	1.001** (2.051)
Constant	0.000*** (-39.582)	0.000*** (-29.138)	0.000*** (-30.005)	0.000*** (-29.140)	0.000*** (37.568)	0.000*** (-32.450)	0.000*** (-33.954)	0.000*** (-31.227)
Observations	116,329	114,412	117,233	123,175	212,203	204,282	202,758	222,983
Pseudo R-squared	0.286	0.291	0.314	0.322	0.320	0.336	0.333	0.300

Note: Logistic regression with estimates displayed as Odds Ratios. z-statistics in parentheses: \*\*\* p<0.01, \*\* p<0.05, \* p<0.1. "Ref." denotes the reference category. Scenario 2: Effects of program participation vs. non-participation conditional on an employment take-up.

A.6: Covariate balancing indicators, before and after matching, by matching scheme, scenario 1, 2003

Matching scheme	No. treated	Non-treated	Share of treated (%)	% lost to common support <sup>1</sup>	Logit Pseudo-R <sup>2</sup> , before <sup>2</sup>	Logit Pseudo-R <sup>2</sup> , after <sup>3</sup>	Median bias, before <sup>4</sup>	Median bias, after <sup>5</sup>	P > $\chi^2$ , after <sup>6</sup>	ATT on employment after 1 year <sup>7</sup>
<b>Women</b>										
Nearest 1-to-1 with replacement without caliper	4,169	406,198	1.0	0.0	0.141	0.005	7.1	1.3	0.997	188
Nearest 1-to-1 with replacement without caliper, with trimming	4,086	406,198	1.0	2.0	0.141	0.006	7.1	1.3	0.993	188
Nearest 1-to-1 with replacement within caliper (0.25% of standard deviation of propensity scores)	4,155	406,198	1.0	0.3	0.141	0.005	7.1	1.4	0.996	188
Nearest 4-to-1 with replacement without caliper	4,169	406,198	1.0	0.0	0.141	0.003	7.1	0.8	1.000	188
Nearest 4-to-1 with replacement within caliper (0.25% of standard deviation of propensity scores)	4,169	406,198	1.0	0.0	0.141	0.003	7.1	0.8	1.000	188
Nearest 10-to-1 with replacement without caliper	4,169	406,198	1.0	0.0	0.141	0.002	7.1	0.6	1.000	189
Nearest 10-to-1 with replacement within caliper (0.25% of standard deviation of propensity scores)	4,169	406,198	1.0	0.0	0.141	0.002	7.1	0.6	1.000	189
Nearest 20-to-1 with replacement without caliper	4,169	406,198	1.0	0.0	0.141	0.002	7.1	0.5	1.000	189
Nearest 20-to-1 with replacement within caliper (0.25% of standard deviation of propensity scores)	4,169	406,198	1.0	0.0	0.141	0.002	7.1	0.5	1.000	189
Kernel of epan type with bandwidth 0.01	4,161	406,198	1.0	0.2	0.141	0.004	7.1	0.7	1.000	184
Kernel of epan type with bandwidth 0.05	4,169	406,198	1.0	0.0	0.141	0.079	7.1	4.2	0.000	170
Kernel of normal type with bandwidth 0.01	4,169	406,198	1.0	0.0	0.141	0.026	7.1	2.3	0.000	178
Kernel of normal type with bandwidth 0.05	4,169	406,198	1.0	0.0	0.141	0.168	7.1	6.2	0.000	165
Mahalanobis-metric matching without propensity score	4,169	406,198	1.0	0.0	0.141	0.119	7.1	1.8	0.000	124
Mahalanobis-metric matching with propensity score	4,169	406,198	1.0	0.0	0.141	0.102	7.1	1.9	0.000	127
<b>Men</b>										
Nearest 1-to-1 with replacement without caliper	3,521	590,078	0.6	0.0	0.171	0.006	8.1	1.3	0.996	164
Nearest 1-to-1 with replacement without caliper, with trimming	3,451	590,078	0.6	2.0	0.171	0.007	8.1	1.5	0.989	164
Nearest 1-to-1 with replacement within caliper (0.25% of standard deviation of propensity scores)	3,512	590,078	0.6	0.3	0.171	0.006	8.1	1.3	0.998	164
Nearest 4-to-1 with replacement without caliper	3,521	590,078	0.6	0.0	0.171	0.003	8.1	1.0	1.000	165
Nearest 4-to-1 with replacement within caliper (0.25% of standard deviation of propensity scores)	3,521	590,078	0.6	0.0	0.171	0.003	8.1	1.0	1.000	165
Nearest 10-to-1 with replacement without caliper	3,521	590,078	0.6	0.0	0.171	0.002	8.1	0.7	1.000	165
Nearest 10-to-1 with replacement within caliper (0.25% of standard deviation of propensity scores)	3,521	590,078	0.6	0.0	0.171	0.002	8.1	0.7	1.000	165
Nearest 20-to-1 with replacement without caliper	3,521	590,078	0.6	0.0	0.171	0.002	8.1	0.5	1.000	166
Nearest 20-to-1 with replacement within caliper (0.25% of standard deviation of propensity scores)	3,521	590,078	0.6	0.0	0.171	0.002	8.1	0.5	1.000	166
Kernel of epan type with bandwidth 0.01	3,518	590,078	0.6	0.1	0.171	0.012	8.1	1.4	0.021	153
Kernel of epan type with bandwidth 0.05	3,521	590,078	0.6	0.0	0.171	0.117	8.1	5.4	0.000	128
Kernel of normal type with bandwidth 0.01	3,521	590,078	0.6	0.0	0.171	0.053	8.1	3.5	0.000	139
Kernel of normal type with bandwidth 0.05	3,521	590,078	0.6	0.0	0.171	0.226	8.1	7.4	0.000	118
Mahalanobis-metric matching without propensity score	3,521	590,078	0.6	0.0	0.171	0.119	8.1	1.7	0.000	105
Mahalanobis-metric matching with propensity score	3,521	590,078	0.6	0.0	0.171	0.086	8.1	1.9	0.000	109

Note: 1: Share of the treated falling outside the common support. 2: Pseudo-R<sup>2</sup> from logit estimation of the propensity score. 3: Pseudo R<sup>2</sup> from the same logit estimation on the matched samples. 4: Median absolute standardized bias before matching. Following the formulae of Rosenbaum – Rubin (1985), for a given covariate, the standardized bias before matching is the difference of the sample means in the full treated and non-treated subsamples as a percentage of the square root of the average of the sample variances in the full treated and non-treated groups. The median absolute standardized bias corresponds to the median taken over all regressors. 5: Median absolute standardized bias after matching. The standardized bias after matching is the difference of the sample means in the matched treated and matched non-treated subsamples as a percentage of the square root of the average of the sample variances in the full treated and non-treated groups. The median absolute standardized bias corresponds to the median taken over all regressors. 6: P-value of the likelihood-ratio test of the joint significance of all regressors after matching. 7: Estimated average treatment effect on the treated in terms of overall dependent employment in the 1st year after program start.

## A.7: Covariate balancing indicators, before and after matching, by subgroup, scenario 1

Subgroup	Year <sup>1</sup>	No. treated	No. non-treated	Share of treated (%)	% lost to common support <sup>2</sup>	Hil-Rate <sup>3</sup>	Logit Pseudo-R <sup>2</sup> , before <sup>4</sup>	Logit Pseudo-R <sup>2</sup> , after <sup>5</sup>	Median bias, before <sup>6</sup>	Median bias, after <sup>7</sup>	P > $\chi^2$ , after <sup>8</sup>	
<b>Total (25-54)</b>	<b>Women</b>											
	2003	4,155	406,198	1.0	0.3	72.9	0.141	0.002	7.1	0.6	1.000	
	2004	3,216	416,852	0.8	0.8	74.3	0.164	0.002	7.8	0.6	1.000	
	2005	3,702	424,911	0.9	0.3	75.5	0.191	0.002	7.6	0.7	1.000	
	2006	4,698	413,018	1.1	0.2	74.2	0.171	0.001	7.2	0.5	1.000	
	<b>Men</b>											
	2003	3,512	590,078	0.6	0.3	76.5	0.171	0.002	8.1	0.8	1.000	
	2004	3,432	588,810	0.6	0.4	76.8	0.183	0.002	8.4	0.8	1.000	
	2005	3,507	589,646	0.6	0.2	77.1	0.189	0.002	7.6	0.8	1.000	
	2006	4,426	580,505	0.8	0.1	74.8	0.153	0.002	8.4	0.8	1.000	
<b>Young (15-24)</b>	<b>Women</b>											
	2003	638	99,171	0.6	1.2	73.4	0.157	0.004	6.9	1.3	1.000	
	2004	732	95,341	0.8	1.3	73.6	0.191	0.003	9.1	0.8	1.000	
	2005	586	98,645	0.6	0.8	71.5	0.170	0.006	7.4	1.1	1.000	
	2006	903	92,575	1.0	0.4	70.0	0.153	0.004	8.1	1.2	1.000	
	<b>Men</b>											
	2003	788	148,125	0.5	1.1	77.1	0.183	0.004	8.8	1.0	1.000	
	2004	788	138,191	0.6	1.3	76.4	0.186	0.004	10.2	1.0	1.000	
	2005	727	141,039	0.5	1.6	73.2	0.160	0.006	7.0	0.9	1.000	
	2006	962	134,611	0.7	0.4	74.3	0.179	0.003	7.7	0.8	1.000	
<b>Medium age (25-44)</b>	<b>Women</b>											
	2003	1,990	298,257	0.7	0.5	74.4	0.158	0.003	9.2	0.8	1.000	
	2004	1,833	309,683	0.6	1.3	75.0	0.185	0.002	10.1	0.8	1.000	
	2005	2,287	314,182	0.7	0.4	75.6	0.204	0.002	9.3	0.8	1.000	
	2006	3,129	302,201	1.0	0.4	74.5	0.196	0.001	7.9	0.5	1.000	
	<b>Men</b>											
	2003	1,596	432,195	0.4	0.2	77.4	0.180	0.004	10.9	0.8	1.000	
	2004	1,631	431,320	0.4	0.6	78.2	0.202	0.003	10.9	0.9	1.000	
	2005	1,721	429,670	0.4	0.7	78.5	0.209	0.003	9.4	0.8	1.000	
	2006	2,384	419,077	0.6	0.2	75.9	0.164	0.003	11.4	1.0	1.000	
<b>Old age (45-54)</b>	<b>Women</b>											
	2003	2,161	107,941	2.0	0.4	70.7	0.121	0.003	6.1	0.9	1.000	
	2004	1,369	107,169	1.3	1.0	74.1	0.159	0.003	6.5	0.9	1.000	
	2005	1,406	110,729	1.3	0.7	76.0	0.189	0.003	6.3	0.9	1.000	
	2006	1,555	110,817	1.4	0.6	74.8	0.169	0.002	5.5	0.7	1.000	
	<b>Men</b>											
	2003	1,915	157,883	1.2	0.4	75.0	0.160	0.002	5.6	0.7	1.000	
	2004	1,795	157,490	1.1	0.6	76.1	0.178	0.003	5.9	0.8	1.000	
	2005	1,769	159,976	1.1	0.7	76.2	0.181	0.002	7.0	0.7	1.000	
	2006	2,034	161,428	1.2	0.4	75.4	0.163	0.002	5.6	0.8	1.000	
<b>Low education (25-54)</b>	<b>Women</b>											
	2003	1,733	197,556	0.9	0.6	72.3	0.135	0.002	7.4	0.7	1.000	
	2004	1,299	203,222	0.6	1.2	73.5	0.155	0.002	9.0	0.7	1.000	
	2005	1,460	204,087	0.7	0.9	73.5	0.170	0.003	8.2	0.9	1.000	
	2006	1,817	196,683	0.9	0.4	71.3	0.146	0.002	7.9	0.7	1.000	
	<b>Men</b>											
	2003	1,277	250,303	0.5	0.9	76.2	0.167	0.003	9.7	0.9	1.000	
	2004	1,280	253,291	0.5	0.9	75.4	0.166	0.003	8.5	1.0	1.000	
	2005	1,413	255,632	0.5	0.4	75.5	0.174	0.003	9.3	0.9	1.000	
	2006	1,970	251,065	0.8	0.3	72.6	0.136	0.004	8.0	1.0	1.000	
<b>Medium education (25-54)</b>	<b>Women</b>											
	2003	1,869	151,693	1.2	0.4	73.5	0.150	0.003	7.7	0.9	1.000	
	2004	1,448	150,953	1.0	1.7	75.5	0.173	0.003	7.4	0.7	1.000	
	2005	1,712	155,421	1.1	0.5	77.3	0.205	0.002	7.1	0.7	1.000	
	2006	2,174	151,300	1.4	0.4	76.9	0.187	0.002	7.8	0.7	1.000	
	<b>Men</b>											
	2003	1,870	285,596	0.7	0.4	77.7	0.185	0.003	8.0	1.0	1.000	
	2004	1,802	278,322	0.6	0.7	78.2	0.203	0.003	11.2	0.9	1.000	
	2005	1,719	276,843	0.6	0.7	78.7	0.207	0.004	9.4	1.1	1.000	
	2006	2,090	274,628	0.8	0.4	77.4	0.179	0.003	11.4	1.0	1.000	
<b>High education (25-54)</b>	<b>Women</b>											
	2003	520	53,966	1.0	1.3	75.3	0.169	0.007	10.3	1.4	1.000	
	2004	439	59,118	0.7	2.2	76.3	0.189	0.008	9.1	1.3	1.000	
	2005	500	62,065	0.8	2.5	78.6	0.234	0.005	10.2	1.2	1.000	
	2006	684	62,016	1.1	0.7	76.5	0.209	0.004	10.8	1.0	1.000	
	<b>Men</b>											
	2003	347	51,709	0.7	0.6	75.3	0.166	0.007	9.2	1.5	1.000	
	2004	330	54,068	0.6	1.5	78.0	0.201	0.008	10.8	1.5	1.000	
	2005	352	53,883	0.6	2.2	79.8	0.234	0.010	9.9	1.8	1.000	
	2006	336	51,595	0.6	1.8	78.2	0.197	0.008	11.5	1.7	1.000	
<b>Nationals (25-54)</b>	<b>Women</b>											

2003	3,870	346,013	1.1	0.3	73.2	0.167	0.002	7.0	0.5	1.000
2004	3,006	353,626	0.8	0.8	75.1	0.192	0.002	7.2	0.5	1.000
2005	3,401	359,932	0.9	0.4	77.0	0.207	0.002	6.7	0.7	1.000
2006	4,323	349,524	1.2	0.2	76.0	0.157	0.001	7.1	0.4	1.000
<b>Men</b>										
2003	3,116	463,452	0.7	0.2	76.4	0.185	0.002	6.8	0.8	1.000
2004	3,040	463,817	0.7	0.4	77.0	0.188	0.002	7.0	0.7	1.000
2005	3,045	463,054	0.7	0.5	77.8	0.194	0.002	7.2	0.8	1.000
2006	3,742	457,511	0.8	0.1	75.4	0.167	0.002	8.9	0.8	1.000
<b>Non-nationals (25-54)</b>	<b>Women</b>									
2003	284	59,924	0.5	0.7	71.6	0.136	0.008	9.9	1.4	1.000
2004	196	62,956	0.3	5.3	73.0	0.159	0.014	9.2	2.1	1.000
2005	287	64,680	0.4	4.0	69.9	0.189	0.012	10.0	1.7	1.000
2006	368	63,262	0.6	1.3	65.6	0.171	0.007	9.4	1.4	1.000
<b>Men</b>										
2003	385	125,357	0.3	1.8	77.4	0.167	0.006	8.0	1.4	1.000
2004	383	123,861	0.3	1.8	76.5	0.181	0.006	9.6	1.3	1.000
2005	433	125,358	0.3	2.9	75.7	0.187	0.007	9.2	1.6	1.000
2006	674	121,861	0.6	0.7	74.5	0.155	0.003	9.0	1.0	1.000
<b>Disabled (25-54)</b>	<b>Women</b>									
2003	545	38,204	1.4	0.4	71.0	0.046	0.008	6.7	1.2	1.000
2004	390	37,184	1.0	1.5	76.3	0.148	0.005	5.5	0.9	1.000
2005	459	35,705	1.3	2.1	76.8	0.176	0.006	7.8	1.2	1.000
2006	640	36,433	1.7	1.1	73.7	0.138	0.005	7.1	1.0	1.000
<b>Men</b>										
2003	745	68,864	1.1	0.4	74.5	0.128	0.003	7.2	1.0	1.000
2004	777	65,952	1.2	0.5	75.1	0.146	0.006	7.0	1.0	1.000
2005	738	63,756	1.1	0.8	75.2	0.147	0.006	6.1	1.1	1.000
2006	981	63,116	1.5	0.3	72.3	0.115	0.003	5.9	0.8	1.000
<b>Non-disabled (25-54)</b>	<b>Women</b>									
2003	3,610	367,994	1.0	0.3	73.4	0.152	0.002	7.3	0.7	1.000
2004	2,818	379,668	0.7	0.9	74.4	0.171	0.002	7.9	0.6	1.000
2005	3,229	389,206	0.8	0.4	75.5	0.199	0.002	8.1	0.7	1.000
2006	4,046	376,585	1.1	0.3	74.4	0.180	0.001	7.9	0.4	1.000
<b>Men</b>										
2003	2,763	521,214	0.5	0.4	77.5	0.185	0.002	7.4	0.7	1.000
2004	2,650	522,858	0.5	0.6	77.6	0.198	0.002	8.0	0.7	1.000
2005	2,761	525,890	0.5	0.4	77.8	0.201	0.003	8.5	0.8	1.000
2006	3,441	517,389	0.7	0.2	75.5	0.162	0.001	11.1	0.9	1.000
<b>Female returners (25-54)</b>	<b>Women</b>									
2003	611	38,089	1.6	1.9	71.9	0.130	0.004	8.8	1.0	1.000
2004	516	47,086	1.1	3.6	73.9	0.159	0.006	7.8	1.4	1.000
2005	647	48,422	1.3	1.5	76.5	0.205	0.006	7.7	1.1	1.000
2006	933	46,481	2.0	1.5	75.9	0.184	0.002	6.3	0.8	1.000

Note: 1: Year of program start, 2: Share of the treated falling outside the common support. 3: Proportion of observations with correct prediction of the treatment status in the logit regression. Predictions are classified as correct if the estimated propensity score for an observation is equal to or larger than the sample proportion of the treated in case of the treated and lower in case of the non-treated. 4: Pseudo-R<sup>2</sup> from logit estimation of the propensity score. 5: Pseudo R<sup>2</sup> from the same logit estimation on the matched samples. 6: Median absolute standardized bias before matching. Following the formulae of Rosenbaum – Rubin (1985), for a given covariate, the standardized bias before matching is the difference of the sample means in the full treated and non-treated subsamples as a percentage of the square root of the average of the sample variances in the full treated and non-treated groups. The median absolute standardized bias corresponds to the median taken over all regressors. 6: Median absolute standardized bias after matching. The standardized bias after matching is the difference of the sample means in the matched treated and matched non-treated subsamples as a percentage of the square root of the average of the sample variances in the full treated and non-treated groups. The median absolute standardized bias corresponds to the median taken over all regressors. 8: P-value of the likelihood-ratio test of the joint significance of all regressors after matching.

A.8: Covariate balancing indicators, before and after matching, by subgroup, scenario 2

Subgroup	Year <sup>1</sup>	No. treated	No. non-treated	Share of treated (%)	% lost to common support <sup>2</sup>	Hit-Rate <sup>3</sup>	Logit Pseudo-R <sup>2</sup> , before <sup>4</sup>	Logit Pseudo-R <sup>2</sup> , after <sup>5</sup>	Median bias, before <sup>6</sup>	Median bias, after <sup>7</sup>	P > $\chi^2$ , after <sup>8</sup>	
<b>Total (25-54)</b>	<b>Women</b>											
	2003	4,077	112,250	3.5	0.0	79.7	0.286	0.004	11.6	1.1	1.000	
	2004	3,179	111,231	2.8	0.1	80.1	0.291	0.004	12.1	1.0	1.000	
	2005	3,623	113,599	3.1	0.3	81.2	0.314	0.004	12.7	1.2	1.000	
	2006	4,607	118,557	3.7	0.2	81.2	0.322	0.003	12.3	1.1	1.000	
	<b>Men</b>											
	2003	3,439	208,760	1.6	0.1	83.7	0.320	0.004	15.9	0.9	1.000	
	2004	3,372	200,904	1.7	0.2	84.0	0.336	0.004	14.8	1.0	1.000	
	2005	3,449	199,307	1.7	0.1	84.3	0.333	0.004	14.3	0.9	1.000	
	2006	4,350	218,630	2.0	0.1	83.2	0.300	0.005	13.3	1.1	0.990	
<b>Young (15-24)</b>	<b>Women</b>											
	2003	624	39,449	1.6	1.1	77.7	0.223	0.006	11.3	1.2	1.000	
	2004	716	37,832	1.9	1.2	77.9	0.254	0.005	11.9	1.5	1.000	
	2005	565	38,843	1.4	2.2	78.0	0.235	0.008	13.2	1.6	1.000	
	2006	863	38,351	2.2	2.6	77.3	0.235	0.006	12.1	1.4	1.000	
	<b>Men</b>											
	2003	772	60,992	1.2	0.9	79.8	0.241	0.004	11.7	0.9	1.000	
	2004	771	56,858	1.3	1.5	79.9	0.248	0.004	12.7	1.1	1.000	
	2005	718	56,712	1.3	0.7	78.4	0.224	0.004	10.4	1.0	1.000	
	2006	947	58,444	1.6	0.4	79.6	0.252	0.004	12.2	1.3	1.000	
<b>Medium age (25-44)</b>	<b>Women</b>											
	2003	1,956	87,172	2.2	0.1	81.1	0.300	0.004	13.4	1.0	1.000	
	2004	1,799	86,244	2.0	1.3	81.3	0.307	0.005	13.6	1.0	1.000	
	2005	2,250	87,096	2.5	0.2	81.7	0.324	0.004	13.2	0.9	1.000	
	2006	3,061	89,753	3.3	0.5	81.8	0.352	0.003	12.2	1.0	1.000	
	<b>Men</b>											
	2003	1,550	162,988	0.9	0.7	84.4	0.321	0.006	17.7	1.2	1.000	
	2004	1,600	156,948	1.0	0.6	85.7	0.349	0.005	17.9	1.2	1.000	
	2005	1,698	154,803	1.1	0.2	85.7	0.346	0.004	16.4	0.9	1.000	
	2006	2,337	166,960	1.4	0.5	84.6	0.310	0.005	13.8	1.2	1.000	
<b>Old age (45-54)</b>	<b>Women</b>											
	2003	2,119	25,078	7.8	0.1	76.2	0.254	0.008	13.4	1.3	1.000	
	2004	1,349	24,987	5.1	0.7	79.8	0.304	0.009	14.8	1.6	1.000	
	2005	1,356	26,503	4.9	1.7	81.4	0.332	0.010	13.1	1.8	1.000	
	2006	1,536	28,804	5.1	0.4	80.7	0.319	0.009	13.7	1.9	1.000	
	<b>Men</b>											
	2003	1,872	45,772	3.9	0.5	81.5	0.307	0.005	16.5	1.1	1.000	
	2004	1,768	43,956	3.9	0.0	81.7	0.323	0.007	15.2	1.0	1.000	
	2005	1,750	44,504	3.8	0.0	82.3	0.320	0.007	18.9	1.3	1.000	
	2006	2,003	51,670	3.7	0.1	82.0	0.305	0.009	18.0	1.6	0.999	
<b>Low education (25-54)</b>	<b>Women</b>											
	2003	1,697	53,358	3.1	0.3	78.7	0.266	0.003	12.8	1.0	1.000	
	2004	1,289	51,953	2.4	0.5	79.6	0.279	0.005	13.3	1.3	1.000	
	2005	1,432	51,221	2.7	0.8	80.3	0.296	0.007	13.5	1.6	1.000	
	2006	1,791	52,722	3.3	0.3	79.3	0.291	0.004	16.5	1.1	1.000	
	<b>Men</b>											
	2003	1,254	84,316	1.5	0.8	83.0	0.305	0.006	15.6	1.1	1.000	
	2004	1,247	80,670	1.5	1.7	82.4	0.305	0.006	14.3	1.3	1.000	
	2005	1,389	79,059	1.7	0.1	82.7	0.312	0.004	13.5	0.8	1.000	
	2006	1,944	87,225	2.2	0.2	80.8	0.264	0.005	14.4	1.3	1.000	
<b>Medium education (25-54)</b>	<b>Women</b>											
	2003	1,841	44,786	3.9	0.1	80.9	0.310	0.004	12.5	1.3	1.000	
	2004	1,434	44,151	3.1	0.5	80.9	0.311	0.006	12.6	1.3	1.000	
	2005	1,663	46,214	3.5	0.8	82.0	0.331	0.005	15.3	1.4	1.000	
	2006	2,134	48,190	4.2	0.0	82.7	0.346	0.006	12.5	1.5	1.000	
	<b>Men</b>											
	2003	1,821	111,931	1.6	0.4	84.6	0.337	0.004	16.7	0.9	1.000	
	2004	1,769	106,943	1.6	0.3	85.2	0.361	0.007	18.3	1.5	1.000	
	2005	1,685	106,094	1.6	0.9	85.4	0.351	0.006	17.1	1.3	1.000	
	2006	2,053	116,505	1.7	0.1	85.3	0.339	0.006	17.8	1.6	1.000	
<b>High education (25-54)</b>	<b>Women</b>											
	2003	516	13,335	3.7	0.0	81.6	0.327	0.012	12.4	2.2	1.000	
	2004	439	14,201	3.0	0.5	81.2	0.318	0.010	12.9	1.5	1.000	
	2005	505	15,275	3.2	0.6	83.8	0.371	0.009	13.0	1.7	1.000	
	2006	671	16,760	3.8	0.9	83.4	0.374	0.015	13.1	2.6	1.000	
	<b>Men</b>											
	2003	337	11,547	2.8	2.0	83.1	0.347	0.011	9.4	1.8	1.000	
	2004	323	12,121	2.6	2.4	85.1	0.397	0.018	10.6	2.2	1.000	
	2005	344	12,891	2.6	3.1	85.9	0.401	0.014	11.4	2.2	1.000	
	2006	326	13,479	2.4	3.3	85.6	0.385	0.014	9.6	2.1	1.000	
<b>Nationals (25-54)</b>	<b>Women</b>											
	2003	3,797	92,018	4.0	0.1	79.7	0.288	0.003	9.7	0.9	1.000	

	2004	2,973	91,567	3.1	0.0	79.9	0.327	0.003	10.4	0.9	1.000
	2005	3,331	93,909	3.4	0.3	81.5	0.319	0.004	12.6	1.0	1.000
	2006	4,236	98,460	4.1	0.2	81.6	0.286	0.003	10.5	1.0	1.000
	<b>Men</b>										
	2003	3,046	156,705	1.9	0.1	83.7	0.268	0.004	16.0	1.1	1.000
	2004	2,985	152,730	1.9	0.2	84.2	0.286	0.006	14.5	1.3	1.000
	2005	3,003	152,188	1.9	0.0	84.7	0.290	0.005	14.2	1.0	1.000
	2006	3,675	167,571	2.1	0.0	83.9	0.251	0.005	14.5	1.2	0.998
<b>Non-nationals (25-54)</b>	<b>Women</b>										
	2003	272	20,176	1.3	2.9	79.4	0.280	0.011	16.3	1.9	1.000
	2004	193	19,635	1.0	4.9	82.0	0.283	0.019	18.4	2.3	1.000
	2005	280	19,647	1.4	4.1	80.1	0.311	0.014	18.1	2.1	1.000
	2006	358	20,057	1.8	3.2	78.5	0.323	0.010	19.5	1.6	1.000
	<b>Men</b>										
	2003	379	51,724	0.7	2.1	81.7	0.323	0.005	13.9	1.3	1.000
	2004	372	47,925	0.8	2.9	81.7	0.340	0.010	15.0	1.6	1.000
	2005	416	46,852	0.9	4.8	81.7	0.338	0.008	14.3	1.7	1.000
	2006	659	50,804	1.3	1.6	80.3	0.314	0.008	13.0	1.4	1.000
<b>Disabled (25-54)</b>	<b>Women</b>										
	2003	536	5,622	8.7	0.0	74.1	0.209	0.008	7.5	1.6	1.000
	2004	378	5,410	6.5	1.6	75.6	0.237	0.017	9.0	2.1	1.000
	2005	459	5,250	8.0	0.6	77.6	0.278	0.009	9.1	1.2	1.000
	2006	624	5,822	9.7	1.4	77.1	0.260	0.014	7.8	2.4	1.000
	<b>Men</b>										
	2003	723	13,454	5.1	0.7	77.3	0.241	0.005	11.1	1.5	1.000
	2004	760	12,784	5.6	1.3	78.0	0.269	0.011	10.4	2.1	1.000
	2005	726	12,473	5.5	0.3	78.7	0.277	0.013	10.4	1.9	1.000
	2006	962	13,811	6.5	0.1	78.0	0.246	0.007	8.3	1.5	1.000
<b>Non-disabled (25-54)</b>	<b>Women</b>										
	2003	3,540	106,628	3.2	0.1	80.3	0.297	0.003	11.9	0.8	1.000
	2004	2,787	105,821	2.6	0.4	80.4	0.298	0.004	13.1	1.0	1.000
	2005	3,166	108,349	2.8	0.2	81.4	0.317	0.003	13.7	1.0	1.000
	2006	3,978	112,735	3.4	0.2	81.5	0.326	0.003	11.3	0.8	1.000
	<b>Men</b>										
	2003	2,707	195,306	1.4	0.3	84.2	0.329	0.003	16.5	0.9	1.000
	2004	2,599	188,120	1.4	0.3	84.2	0.341	0.004	15.2	1.1	1.000
	2005	2,717	186,834	1.4	0.2	84.4	0.335	0.005	15.6	1.0	1.000
	2006	3,372	204,819	1.6	0.5	83.2	0.297	0.004	14.8	1.1	1.000
<b>Female returners (25-54)</b>	<b>Women</b>										
	2003	599	4,954	10.8	1.5	71.6	0.207	0.006	8.7	1.3	1.000
	2004	520	6,200	7.7	1.3	73.2	0.224	0.010	8.3	1.9	1.000
	2005	644	6,752	8.7	0.0	76.0	0.281	0.009	6.6	1.7	1.000
	2006	915	7,416	11.0	1.6	76.6	0.274	0.008	7.3	1.5	1.000

Note: 1: Year of program start, 2: Share of the treated falling outside the common support. 3: Proportion of observations with correct prediction of the treatment status in the logit regression. Predictions are classified as correct if the estimated propensity score for an observation is equal to or larger than the sample proportion of the treated in case of the treated and lower in case of the non-treated. 4: Pseudo-R<sup>2</sup> from logit estimation of the propensity score. 5: Pseudo R<sup>2</sup> from the same logit estimation on the matched samples. 6: Median absolute standardized bias before matching. Following the formulae of Rosenbaum – Rubin (1985), for a given covariate, the standardized bias before matching is the difference of the sample means in the full treated and non-treated subsamples as a percentage of the square root of the average of the sample variances in the full treated and non-treated groups. The median absolute standardized bias corresponds to the median taken over all regressors. 6: Median absolute standardized bias after matching. The standardized bias after matching is the difference of the sample means in the matched treated and matched non-treated subsamples as a percentage of the square root of the average of the sample variances in the full treated and non-treated groups. The median absolute standardized bias corresponds to the median taken over all regressors. 8: P-value of the likelihood-ratio test of the joint significance of all regressors after matching.

A.9: Estimated average treatment effect on the treated (ATT) in terms of employment indicators, by outcome, subgroup, sex and year, scenario 1

Sub-group	Year		After 1 year				After 3 years				After 5 years				After 7 years				
			Treated	Non-treated	Difference		Treated	Non-treated	Difference		Treated	Non-treated	Difference		Treated	Non-treated	Difference		
					Abs.	Rel.			Abs.	Rel.			Abs.	Rel.			Abs.	Rel.	
<b>(A) Days in dependent employment</b>																			
<b>Total sample (25-54)</b>																			
Men	2003	Before	281	166	114*** (2.22)	68.5	719	547	171*** (6.42)	31.2	1,136	941	193*** (10.7)	20.5	1,497	1,310	186*** (14.99)	14.2	
		After	281	115	165*** (1.86)	143.5	720	403	316*** (6.17)	78.5	1,137	699	438*** (10.65)	62.7	1,499	962	537*** (15.15)	55.8	
	2004	Before	278	162	115*** (2.25)	70.9	714	543	169*** (6.51)	31.1	1,125	933	188*** (10.84)	20.2					
		After	278	109	168*** (1.88)	153.8	713	393	320*** (6.32)	81.4	1,122	683	439*** (10.9)	64.3					
	2005	Before	269	164	103*** (2.21)	63.1	711	561	147*** (6.47)	26.3	1,097	939	152*** (10.73)	16.2					
		After	268	109	159*** (1.96)	146.3	710	398	312*** (6.35)	78.5	1,095	666	429*** (10.91)	64.5					
	2006	Before	274	174	99*** (2)	56.6	716	574	140*** (5.8)	24.4									
		After	274	120	154*** (1.69)	128.6	717	420	298*** (5.46)	71.0									
	Women	2003	Before	301	138	163*** (2.06)	118.2	779	484	293*** (6.07)	60.6	1,225	841	380*** (10.01)	45.2	1,626	1,194	427*** (13.9)	35.7
			After	301	112	189*** (1.61)	169.1	779	415	363*** (5.62)	87.5	1,224	731	493*** (9.71)	67.4	1,625	1,035	590*** (13.84)	57.0
		2004	Before	304	132	171*** (2.32)	129.1	780	477	301*** (6.85)	63.1	1,225	838	383*** (11.28)	45.7				
			After	304	112	192*** (1.85)	171.6	779	419	360*** (6.5)	85.7	1,224	744	480*** (11.14)	64.6				
2005		Before	296	132	163*** (2.17)	123.8	773	484	283*** (6.4)	58.4	1,213	845	359*** (10.53)	42.6					
		After	296	115	181*** (1.82)	157.6	773	430	343*** (6.15)	79.8	1,213	755	458*** (10.56)	60.7					
2006		Before	294	137	155*** (1.94)	113.7	775	495	273*** (5.69)	55.1									
		After	294	110	185*** (1.61)	168.6	776	429	347*** (5.42)	80.8									
<b>Young people (15-24)</b>																			
Men		2003	Before	283	177	103*** (4.49)	58.5	779	616	158*** (12.24)	25.6	1,305	1,095	208*** (19.8)	19.0	1,798	1,563	242*** (27.44)	15.5
			After	282	154	129*** (3.82)	83.6	780	548	232*** (11.86)	42.3	1,314	989	325*** (19.3)	32.8	1,819	1,410	408*** (27.05)	29.0
		2004	Before	279	174	101*** (4.51)	57.9	776	618	148*** (12.24)	23.9	1,283	1,093	178*** (19.85)	16.3				
	After		277	153	123*** (3.92)	80.4	770	558	212*** (11.95)	38.0	1,278	996	282*** (19.43)	28.3					
	2005	Before	275	173	98*** (4.69)	56.3	768	630	126*** (12.73)	20.0	1,233	1,085	134*** (20.79)	12.3					
		After	274	148	126*** (4.14)	84.9	763	551	212*** (12.29)	38.5	1,229	951	278*** (20.65)	29.3					
	2006	Before	283	184	94*** (4.09)	51.0	788	638	137*** (11.2)	21.5									
		After	282	155	127*** (3.55)	81.7	787	557	229*** (10.81)	41.2									
	Women	2003	Before	306	175	126*** (5.17)	71.8	796	583	202*** (14.64)	34.6	1,267	992	260*** (23.37)	26.2	1,697	1,389	284*** (31.6)	20.5
			After	302	165	137*** (4.05)	82.9	787	563	224*** (13.94)	39.7	1,254	962	292*** (23.41)	30.4	1,676	1,345	332*** (32.59)	24.7
		2004	Before	303	171	128*** (4.86)	75.0	816	581	230*** (13.72)	39.5	1,305	992	306*** (21.87)	30.8				
			After	303	170	133*** (3.83)	78.0	817	589	228*** (12.55)	38.8	1,306	1,009	298*** (21.2)	29.5				
2005		Before	308	170	129*** (5.46)	75.8	814	590	202*** (15.38)	34.2	1,274	998	243*** (24.56)	24.3					
		After	305	165	140*** (4.44)	85.0	803	574	229*** (14.39)	39.9	1,255	970	284*** (24.08)	29.3					
2006		Before	297	175	116*** (4.41)	66.1	800	597	188*** (12.41)	31.5									
		After	297	159	138*** (3.7)	86.5	799	559	239*** (11.82)	42.8									
<b>Medium age (25-44)</b>																			
Men		2003	Before	274	176	98*** (3.25)	55.6	702	582	119*** (9.28)	20.5	1,138	1,007	130*** (15.38)	12.9	1,546	1,415	130*** (21.53)	9.2
			After	274	111	162*** (2.8)	146.0	702	406	296*** (9.16)	72.9	1,139	726	412*** (15.58)	56.8	1,547	1,029	518*** (22.04)	50.3
		2004	Before	270	171	98*** (3.22)	57.5	696	575	118*** (9.23)	20.5	1,116	995	117*** (15.27)	11.8				
	After		270	107	163*** (2.79)	152.5	695	394	301*** (9.12)	76.5	1,116	702	414*** (15.58)	59.0					
	2005	Before	263	172	89*** (3.12)	51.7	695	592	100*** (8.99)	16.8	1,088	999	84*** (14.86)	8.4					
		After	262	110	152*** (2.83)	137.8	693	408	285*** (8.94)	69.8	1,086	692	394*** (15.24)	56.9					
	2006	Before	267	182	84*** (2.69)	45.9	697	604	91*** (7.7)	15.1									
		After	267	118	149*** (2.35)	127.1	698	420	277*** (7.43)	65.9									
	Women	2003	Before	302	145	156*** (2.98)	107.4	783	514	265*** (8.65)	51.6	1,261	904	352*** (14.11)	39.0	1,730	1,300	424*** (19.47)	32.6
			After	302	114	188*** (2.33)	165.7	782	433	349*** (7.95)	80.4	1,260	787	474*** (13.42)	60.2	1,729	1,157	573*** (18.92)	49.5
		2004	Before	304	138	165*** (3.09)	119.8	780	501	275*** (8.97)	55.0	1,252	890	357*** (14.6)	40.1				
			After	304	113	191*** (2.46)	168.9	778	433	346*** (8.54)	79.9	1,250	786	465*** (14.45)	59.2				

	2005	Before	298	137	159*** (2.78)	116.8	783	507	269*** (8.07)	53.1	1,252	893	350*** (13.14)	39.2				
		After	298	117	181*** (2.33)	155.4	783	449	334*** (7.73)	74.4	1,254	803	450*** (13.04)	56.0				
	2006	Before	292	141	147*** (2.38)	104.2	775	517	250*** (6.91)	48.4								
		After	292	109	182*** (2.02)	166.9	775	436	339*** (6.67)	77.6								
<b>Old people (45-54)</b>																		
<b>Men</b>	2003	Before	287	141	145*** (3.03)	103.3	734	454	279*** (8.91)	61.5	1,133	760	372*** (14.91)	49.0	1,457	1,022	433*** (20.6)	42.4
		After	286	115	172*** (2.5)	149.4	733	390	343*** (8.42)	88.0	1,133	655	478*** (14.72)	72.9	1,456	873	583*** (20.93)	66.8
	2004	Before	286	139	146*** (3.12)	105.5	731	456	274*** (9.2)	60.2	1,133	763	367*** (15.36)	48.1				
		After	285	109	176*** (2.59)	160.5	730	383	347*** (8.9)	90.7	1,130	644	486*** (15.49)	75.4				
	2005	Before	274	141	132*** (3.13)	93.5	727	476	248*** (9.37)	52.2	1,105	777	323*** (15.47)	41.6				
		After	274	111	162*** (2.75)	145.5	725	400	325*** (9.14)	81.1	1,101	654	448*** (15.81)	68.5				
	2006	Before	283	154	128*** (3)	82.8	740	498	239*** (8.84)	48.1								
		After	283	123	160*** (2.46)	130.0	739	416	323*** (8.14)	77.7								
<b>Women</b>	2003	Before	301	118	183*** (2.78)	155.7	776	400	375*** (8.44)	93.9	1,192	668	522*** (14.08)	78.2	1,531	899	628*** (19.43)	69.9
		After	301	110	190*** (2.28)	172.7	776	398	378*** (8.05)	94.8	1,191	674	516*** (14.1)	76.6	1,528	910	619*** (20.05)	68.0
	2004	Before	304	116	187*** (3.46)	161.7	781	405	374*** (10.49)	92.4	1,190	686	500*** (17.56)	72.8				
		After	303	104	199*** (2.88)	191.7	778	376	402*** (10.26)	107.0	1,189	636	553*** (17.8)	87.0				
	2005	Before	294	117	175*** (3.43)	149.4	758	419	334*** (10.42)	79.7	1,149	707	435*** (17.4)	61.5				
		After	293	103	190*** (3.02)	183.4	756	379	376*** (10.39)	99.2	1,146	639	507*** (18.09)	79.4				
	2006	Before	300	123	175*** (3.29)	142.3	777	437	335*** (9.94)	76.7								
		After	299	103	196*** (2.75)	189.7	776	389	386*** (9.58)	99.2								
<b>Low educated (25-54)</b>																		
<b>Men</b>	2003	Before	261	156	104*** (3.59)	67.0	655	505	147*** (10.31)	29.2	1,033	866	165*** (17.21)	19.0	1,358	1,196	159*** (24.03)	13.3
		After	261	109	152*** (3.11)	140.1	652	370	282*** (9.95)	76.2	1,030	640	390*** (17.03)	60.9	1,356	877	479*** (24.03)	54.6
	2004	Before	259	150	108*** (3.58)	72.3	652	498	152*** (10.34)	30.5	1,017	854	159*** (17.21)	18.6				
		After	259	103	155*** (3.15)	150.3	652	363	289*** (10.2)	79.5	1,015	624	392*** (17.31)	62.8				
	2005	Before	247	150	96*** (3.4)	63.8	644	515	125*** (9.94)	24.2	984	857	120*** (16.42)	14.0				
		After	247	103	144*** (3.05)	140.2	643	374	269*** (9.84)	72.0	982	620	362*** (16.66)	58.3				
	2006	Before	260	161	97*** (2.95)	60.3	665	527	136*** (8.51)	25.8								
		After	260	118	142*** (2.56)	120.1	667	406	260*** (8.07)	64.1								
<b>Women</b>	2003	Before	291	129	161*** (3.12)	124.3	735	443	288*** (9.16)	65.0	1,147	767	375*** (15.16)	48.9	1,510	1,084	420*** (21.08)	38.7
		After	291	112	178*** (2.56)	158.8	733	395	339*** (8.8)	85.9	1,145	682	463*** (15.23)	68.0	1,508	952	556*** (21.59)	58.5
	2004	Before	293	122	170*** (3.56)	139.5	746	432	308*** (10.48)	71.2	1,165	760	397*** (17.33)	52.3				
		After	292	107	185*** (2.99)	174.0	741	390	351*** (10.36)	90.1	1,158	685	473*** (17.73)	69.0				
	2005	Before	283	118	162*** (3.35)	136.5	723	436	281*** (9.9)	64.4	1,126	759	359*** (16.36)	47.3				
		After	283	105	178*** (2.96)	168.9	724	390	334*** (9.78)	85.5	1,129	678	452*** (16.73)	66.6				
	2006	Before	278	122	152*** (3.02)	123.9	711	444	257*** (8.9)	57.9								
		After	278	101	177*** (2.67)	175.3	711	387	323*** (8.74)	83.5								
<b>Medium educated (25-54)</b>																		
<b>Men</b>	2003	Before	289	183	106*** (3.01)	57.9	749	597	152*** (8.7)	25.5	1,184	1,022	162*** (14.52)	15.8	1,563	1,424	139*** (20.41)	9.8
		After	289	124	165*** (2.52)	133.6	749	432	317*** (8.5)	73.3	1,184	748	436*** (14.74)	58.3	1,564	1,032	532*** (21.05)	51.5
	2004	Before	287	181	106*** (3.07)	58.5	751	597	152*** (8.87)	25.5	1,187	1,020	165*** (14.8)	16.1				
		After	287	118	169*** (2.57)	143.3	748	421	327*** (8.74)	77.8	1,183	729	454*** (15.19)	62.2				
	2005	Before	280	183	96*** (3.13)	52.5	757	614	141*** (9.1)	23.0	1,178	1,027	149*** (15.14)	14.5				
		After	279	122	157*** (2.8)	129.2	755	440	315*** (9.04)	71.5	1,176	733	443*** (15.61)	60.4				
	2006	Before	283	194	89*** (2.86)	45.9	753	630	123*** (8.28)	19.5								
		After	283	127	156*** (2.42)	123.0	753	442	311*** (7.92)	70.4								
<b>Women</b>	2003	Before	307	148	159*** (3.07)	107.3	804	523	281*** (9.03)	53.6	1,266	912	353*** (14.87)	38.7	1,682	1,298	383*** (20.66)	29.5
		After	306	114	192*** (2.38)	167.9	804	433	371*** (8.29)	85.8	1,265	766	500*** (14.29)	65.2	1,682	1,088	594*** (20.47)	54.6
	2004	Before	308	145	163*** (3.47)	112.0	792	523	270*** (10.12)	51.6	1,245	917	328*** (16.63)	35.8				
		After	307	116	192*** (2.75)	165.9	789	443	346*** (9.63)	78.2	1,241	785	456*** (16.51)	58.1				
	2005	Before	303	147	155*** (3.22)	105.6	800	535	263*** (9.37)	49.2	1,259	931	325*** (15.37)	34.9				
		After	302	126	177***	140.5	798	470	329***	69.9	1,256	825	431***	52.3				



		After	285	117	169*** (5.7)	144.6	723	443	280*** (19.35)	63.2								
<b>Disabled (25-54)</b>																		
<b>Men</b>	<b>2003</b>	<b>Before</b>	262	95	166*** (4.47)	174.2	642	323	316*** (13.44)	98.0	996	558	436*** (22.64)	78.1	1,307	769	536*** (31.47)	69.8
		<b>After</b>	261	97	164*** (4.15)	168.9	639	341	298*** (13.52)	87.4	993	587	406*** (23.16)	69.1	1,304	804	500*** (32.74)	62.3
	<b>2004</b>	<b>Before</b>	267	94	173*** (4.39)	183.5	651	325	326*** (13.2)	100.	1,005	559	445*** (22.13)	79.7				
		<b>After</b>	267	90	177*** (4.04)	197.4	649	323	326*** (13.47)	100.	1,001	558	443*** (23.08)	79.4				
	<b>2005</b>	<b>Before</b>	257	98	159*** (4.52)	163.0	643	346	297*** (13.8)	85.7	976	575	399*** (22.84)	69.4				
		<b>After</b>	257	92	165*** (4.34)	178.0	644	335	309*** (13.93)	92.4	975	555	420*** (23.68)	75.7				
	<b>2006</b>	<b>Before</b>	263	104	158*** (4.06)	151.5	674	352	321*** (12.14)	91.3								
		<b>After</b>	263	102	161*** (3.68)	158.5	674	352	322*** (11.94)	91.5								
<b>Women</b>	<b>2003</b>	<b>Before</b>	283	78	205*** (5.01)	264.1	701	278	424*** (15.36)	152.	1,070	479	593*** (25.5)	123.	1,394	667	727*** (35.37)	109.
		<b>After</b>	283	89	194*** (4.82)	218.2	703	321	381*** (16.03)	118.	1,073	545	528*** (27.03)	96.8	1,396	756	641*** (38.37)	84.8
	<b>2004</b>	<b>Before</b>	300	77	222*** (5.85)	288.8	715	284	428*** (17.92)	150.	1,071	497	571*** (29.99)	115.				
		<b>After</b>	299	93	206*** (5.5)	222.2	710	328	382*** (18.75)	116.	1,063	562	500*** (32.04)	88.9				
	<b>2005</b>	<b>Before</b>	276	78	198*** (5.4)	253.9	686	295	391*** (16.63)	132.	1,045	510	537*** (27.79)	105.				
		<b>After</b>	274	92	183*** (5.43)	199.1	680	343	337*** (17.77)	98.1	1,039	583	456*** (30.22)	78.1				
	<b>2006</b>	<b>Before</b>	278	83	195*** (4.68)	236.0	712	308	402*** (14.45)	130.								
		<b>After</b>	278	88	190*** (4.46)	215.4	712	340	372*** (14.79)	109.								
<b>Non-disabled (25-54)</b>																		
<b>Men</b>	<b>2003</b>	<b>Before</b>	286	176	110*** (2.47)	62.5	740	577	163*** (7.07)	28.2	1,174	992	181*** (11.77)	18.2	1,549	1,381	166*** (16.49)	12.1
		<b>After</b>	286	120	166*** (2.07)	137.7	740	422	319*** (6.91)	75.7	1,174	732	442*** (11.94)	60.3	1,550	1,013	537*** (17.02)	53.1
	<b>2004</b>	<b>Before</b>	281	171	110*** (2.53)	64.1	733	571	160*** (7.26)	28.0	1,159	980	176*** (12.06)	17.9				
		<b>After</b>	281	116	164*** (2.15)	141.3	731	413	318*** (7.2)	76.9	1,156	717	439*** (12.41)	61.3				
	<b>2005</b>	<b>Before</b>	272	172	98*** (2.47)	57.2	729	586	139*** (7.14)	23.8	1,129	983	140*** (11.84)	14.3				
		<b>After</b>	271	116	155*** (2.19)	133.5	727	427	301*** (7.11)	70.5	1,126	712	414*** (12.24)	58.2				
	<b>2006</b>	<b>Before</b>	277	183	93*** (2.24)	51.0	728	601	125*** (6.43)	20.8								
		<b>After</b>	278	128	149*** (1.9)	116.0	730	446	284*** (6.13)	63.7								
<b>Women</b>	<b>2003</b>	<b>Before</b>	304	144	159*** (2.2)	110.7	791	505	283*** (6.46)	56.1	1,249	879	365*** (10.63)	41.6	1,661	1,248	407*** (14.73)	32.6
		<b>After</b>	304	116	188*** (1.71)	162.2	790	429	361*** (5.98)	84.1	1,247	757	491*** (10.36)	64.9	1,660	1,072	588*** (14.77)	54.9
	<b>2004</b>	<b>Before</b>	305	138	164*** (2.48)	120.6	790	495	291*** (7.27)	58.8	1,247	871	371*** (11.93)	42.6				
		<b>After</b>	304	115	189*** (1.98)	164.7	787	434	353*** (6.95)	81.3	1,245	775	470*** (11.9)	60.7				
	<b>2005</b>	<b>Before</b>	299	136	161*** (2.33)	117.9	786	501	278*** (6.81)	55.4	1,237	875	352*** (11.17)	40.2				
		<b>After</b>	299	119	180*** (1.94)	152.0	785	447	338*** (6.56)	75.6	1,236	788	449*** (11.26)	57.0				
	<b>2006</b>	<b>Before</b>	297	142	152*** (2.09)	107.7	786	513	265*** (6.08)	51.6								
		<b>After</b>	297	112	185*** (1.73)	165.8	786	442	344*** (5.82)	77.8								
<b>Female returners (25-54)</b>																		
<b>Women</b>	<b>2003</b>	<b>Before</b>	303	82	221*** (4.75)	268.4	784	345	436*** (15)	126.	1,273	654	614*** (25.11)	93.9	1,742	994	742*** (35.26)	74.6
		<b>After</b>	302	91	211*** (4.19)	232.1	780	386	393*** (14.61)	101.	1,268	738	530*** (24.85)	71.7	1,737	1,123	613*** (35.54)	54.6
<b>Women</b>	<b>2004</b>	<b>Before</b>	300	81	219*** (5.1)	271.0	775	346	429*** (16.03)	123.	1,255	660	597*** (26.87)	90.4				
		<b>After</b>	298	94	204*** (4.89)	218.2	767	392	375*** (16.65)	95.7	1,243	739	504*** (27.56)	68.2				
<b>Women</b>	<b>2005</b>	<b>Before</b>	297	84	213*** (4.61)	253.1	784	363	423*** (14.49)	116.	1,258	681	582*** (24.22)	85.5				
		<b>After</b>	297	99	199*** (4.36)	201.7	785	403	382*** (14.98)	94.7	1,262	740	522*** (25.09)	70.5				
<b>Women</b>	<b>2006</b>	<b>Before</b>	286	91	194*** (3.93)	213.3	762	375	385*** (12.22)	102.								
		<b>After</b>	284	96	188*** (3.85)	195.2	759	407	352*** (12.64)	86.7								

**(B) Days in unsubsidized dependent employment**

Sub-group	Year	Before/After	Treated	After 1 year		After 3 years				After 5 years				After 7 years				
				Non-treated	Difference	Treated	Non-treated	Difference	Treated	Non-treated	Difference	Treated	Non-treated	Difference				
															Abs.	Rel.	Abs.	Rel.
<b>Total sample (25-54)</b>																		
<b>Men</b>	<b>2003</b>	<b>Before</b>	127	164	-37*** (2.23)	-22.7	526	538	-11* (6.49)	-2.1	920	926	-6 (10.8)	-0.7	1,268	1,290	-23* (15.11)	-1.7
		<b>After</b>	127	107	20*** (1.88)	18.8	527	378	149*** (6.35)	39.4	922	662	260*** (10.87)	39.3	1,270	917	353*** (15.4)	38.5
	<b>2004</b>	<b>Before</b>	126	159	-34*** (2.26)	-21.6	522	533	-12* (6.58)	-2.3	913	917	-8 (10.94)	-0.9				

		After	125	101	25*** (1.9)	24.7	520	366	155*** (6.5)	42.4	910	645	265*** (11.1)	41.1				
	2005	Before	122	161	-40*** (2.23)	-25.1	517	550	-36*** (6.54)	-6.6	883	924	-46*** (10.82)	-4.9				
		After	121	100	21*** (1.91)	21.0	517	374	143*** (6.57)	38.2	882	632	250*** (11.07)	39.6				
	2006	Before	137	172	-35*** (2.02)	-20.4	549	566	-18*** (5.85)	-3.3								
		After	138	112	25*** (1.66)	22.4	550	399	151*** (5.53)	37.9								
Women	2003	Before	141	134	6** (2.06)	4.5	590	472	116*** (6.1)	24.7	1.01	823	192*** (10.05)	23.4	1,410	1,171	235*** (13.95)	20.0
		After	140	102	38*** (1.75)	37.1	590	391	199*** (5.83)	50.8	1.01	698	320*** (9.96)	45.9	1,409	995	414*** (14.07)	41.6
	2004	Before	144	128	15*** (2.33)	11.4	589	463	123*** (6.89)	26.6	1.02	818	199*** (11.32)	24.3				
		After	143	103	41*** (2.02)	39.4	588	395	193*** (6.78)	48.9	1.02	709	310*** (11.38)	43.7				
	2005	Before	141	127	12*** (2.18)	9.6	588	470	112*** (6.44)	23.8	1.01	824	179*** (10.58)	21.7				
		After	141	106	35*** (1.95)	33.2	588	406	182*** (6.4)	45.0	1.01	720	292*** (10.8)	40.5				
	2006	Before	153	132	19*** (1.94)	14.2	610	482	121*** (5.72)	25.0	2							
		After	153	100	53*** (1.7)	53.6	610	404	207*** (5.6)	51.2								
<b>Young people (15-24)</b>																		
Men	2003	Before	125	174	-48*** (4.52)	-27.4	581	607	-22* (12.38)	-3.6	1.09	1,083	16 (20.02)	1.5	1,574	1,547	44* (27.7)	2.8
		After	129	146	-18*** (3.95)	-12.0	592	529	64*** (12.56)	12.0	1.11	962	148*** (20.16)	15.4	1,605	1,376	229*** (27.93)	16.6
	2004	Before	134	171	-38*** (4.54)	-22.4	593	609	-16* (12.39)	-2.5	1.08	1,081	8 (20.05)	0.8				
		After	135	146	-11** (3.96)	-7.4	599	538	61*** (12.42)	11.3	1.09	968	128*** (19.89)	13.2				
	2005	Before	137	171	-35*** (4.72)	-20.7	592	622	-34** (12.86)	-5.4	1.04	1,073	-39* (21)	-3.6				
		After	138	142	-4 (4.17)	-2.7	596	533	63*** (12.96)	11.8	1.04	925	121*** (21.17)	13.0				
	2006	Before	154	181	-29*** (4.12)	-15.9	631	631	-3 (11.31)	-0.5								
		After	157	150	7* (3.73)	4.6	640	543	96*** (11.33)	17.8								
Women	2003	Before	131	171	-42*** (5.21)	-24.6	580	572	6 (14.72)	1.0	1.03	976	56** (23.49)	5.7	1,459	1,368	75** (31.76)	5.5
		After	132	154	-23*** (4.44)	-14.7	581	539	42** (14.33)	7.8	1.03	930	104*** (23.67)	11.2	1,447	1,307	141*** (32.72)	10.8
	2004	Before	146	167	-21*** (4.89)	-12.7	619	570	56*** (13.81)	9.9	1.09	977	126*** (21.99)	12.9				
		After	150	160	-10* (4.24)	-6.0	633	566	67*** (13.19)	11.9	1.11	980	132*** (21.75)	13.5				
	2005	Before	155	167	-14** (5.5)	-8.4	618	580	32** (15.5)	5.5	1.06	983	67** (24.7)	6.8				
		After	158	157	1 (4.9)	0.8	623	555	68*** (14.99)	12.3	1.06	943	121*** (24.32)	12.9				
	2006	Before	158	171	-17*** (4.45)	-9.7	637	588	40*** (12.49)	6.8	5							
		After	162	153	9* (3.95)	5.6	644	544	100*** (12.07)	18.4								
<b>Medium age (25-44)</b>																		
Men	2003	Before	120	174	-54*** (3.27)	-31.0	508	574	-65*** (9.39)	-11.3	923	996	-71*** (15.54)	-7.2	1,315	1,399	-82*** (21.72)	-5.9
		After	120	104	16*** (2.78)	15.4	510	385	126*** (9.47)	32.7	926	694	232*** (16.01)	33.4	1,319	989	330*** (22.6)	33.3
	2004	Before	118	169	-52*** (3.24)	-30.8	501	567	-69*** (9.34)	-12.1	903	982	-83*** (15.43)	-8.5				
		After	117	98	19*** (2.79)	19.5	499	367	133*** (9.37)	36.3	902	664	238*** (15.85)	35.9				
	2005	Before	117	170	-54*** (3.15)	-32.0	498	584	-89*** (9.09)	-15.2	873	987	-120*** (15.01)	-12.1				
		After	116	102	15*** (2.71)	14.6	497	385	112*** (9.29)	29.0	871	660	212*** (15.48)	32.1				
	2006	Before	131	180	-50*** (2.71)	-27.8	531	597	-67*** (7.78)	-11.2								
		After	131	110	21*** (2.22)	18.9	534	401	133*** (7.48)	33.2								
Women	2003	Before	136	142	-7** (2.99)	-5.1	586	504	79*** (8.72)	15.7	1.04	887	153*** (14.21)	17.3	1,503	1,279	219*** (19.59)	17.2
		After	136	105	31*** (2.59)	29.9	586	409	177*** (8.41)	43.3	1.04	750	295*** (13.96)	39.3	1,504	1,111	393*** (19.48)	35.4
	2004	Before	141	135	5* (3.1)	3.8	588	489	96*** (9.04)	19.7	1.04	872	172*** (14.7)	19.7				
		After	140	104	36*** (2.73)	34.5	587	409	178*** (8.93)	43.5	1.04	753	294*** (14.82)	39.1				
	2005	Before	141	133	7** (2.79)	5.1	597	494	96*** (8.13)	19.5	1.05	874	168*** (13.22)	19.3				
		After	141	107	34*** (2.52)	31.7	597	425	173*** (8.04)	40.6	1.05	769	283*** (13.38)	36.9				
	2006	Before	153	137	13*** (2.39)	9.3	614	505	101*** (6.95)	20.1	2							
		After	153	98	55*** (2.12)	55.6	615	410	205*** (6.86)	50.0								
<b>Old people (45-54)</b>																		
Men	2003	Before	133	136	-4* (3.04)	-2.8	541	437	103*** (8.95)	23.6	917	735	181*** (14.94)	24.7	1,228	990	236*** (20.59)	23.9
		After	133	103	29*** (2.57)	28.3	541	358	183*** (8.63)	51.1	917	610	307*** (14.92)	50.3	1,227	820	408*** (21.09)	49.7
	2004	Before	133	134	-1 (3.13)	-0.9	541	439	101*** (9.25)	23.1	921	738	180*** (15.39)	24.4				
		After	133	99	34*** (2.64)	34.1	540	351	189*** (9.13)	53.8	919	601	318*** (15.75)	52.9				
	2005	Before	126	136	-11***	-8.0	536	460	73***	15.9	893	754	135***	17.9				

		After	126	101	25*** (3.15) (2.72)	24.3	534	372	162*** (9.42) (9.38)	43.7	890	615	276*** (15.51) (15.98)	44.8				
	2006	Before	145	150	-5* (3.02)	-3.6	570	485	83*** (8.89)	17.0								
		After	145	113	32*** (2.51)	27.9	570	392	178*** (8.3)	45.5								
Women	2003	Before	145	111	34*** (2.76)	30.3	595	383	211*** (8.38)	55.0	995	644	349*** (13.98)	54.1	1,323	871	450*** (19.29)	51.7
		After	145	99	46*** (2.41)	46.5	594	372	222*** (8.21)	59.7	993	639	355*** (14.3)	55.5	1,321	868	454*** (20.2)	52.3
	2004	Before	148	111	37*** (3.45)	33.4	590	388	200*** (10.47)	51.7	985	662	319*** (17.49)	48.2				
		After	148	94	54*** (3.06)	57.6	588	347	240*** (10.64)	69.2	984	597	387*** (18.05)	64.7				
	2005	Before	141	112	28*** (3.42)	25.0	574	401	168*** (10.4)	41.8	948	682	259*** (17.34)	38.0				
		After	141	94	47*** (3.15)	49.5	572	352	220*** (10.75)	62.5	945	601	345*** (18.38)	57.4				
	2006	Before	154	117	35*** (3.28)	29.7	601	420	176*** (9.92)	42.0								
		After	154	93	61*** (2.94)	65.8	601	362	239*** (9.92)	66.1								
<b>Low educated (25-54)</b>																		
Men	2003	Before	108	153	-45*** (3.61)	-29.5	454	495	-41*** (10.42)	-8.3	805	849	-44** (17.38)	-5.2	1,110	1,174	-65** (24.22)	-5.5
		After	108	101	7** (2.98)	7.3	454	345	109*** (10.18)	31.7	805	602	203*** (17.33)	33.7	1,111	830	281*** (24.4)	33.9
	2004	Before	107	147	-41*** (3.6)	-27.9	452	487	-37*** (10.45)	-7.6	793	837	-48** (17.36)	-5.7				
		After	107	95	12*** (2.95)	12.3	453	337	117*** (10.23)	34.6	793	585	208*** (17.37)	35.6				
	2005	Before	103	147	-45*** (3.42)	-30.4	447	504	-60*** (10.05)	-11.8	763	841	-83*** (16.57)	-9.9				
		After	104	94	10*** (2.81)	10.3	449	349	99*** (10)	28.4	763	584	179*** (16.78)	30.7				
	2006	Before	126	158	-33*** (2.97)	-21.1	499	518	-20** (8.59)	-3.8								
		After	127	112	15*** (2.42)	13.5	503	387	117*** (8.11)	30.1								
Women	2003	Before	136	126	9** (3.12)	7.2	550	432	115*** (9.2)	26.7	944	748	190*** (15.21)	25.4	1,294	1,059	229*** (21.13)	21.6
		After	135	104	31*** (2.69)	29.6	548	372	175*** (9.06)	47.1	941	648	293*** (15.56)	45.2	1,292	910	382*** (21.91)	41.9
	2004	Before	133	118	14*** (3.56)	11.5	550	419	126*** (10.53)	30.1	956	740	209*** (17.39)	28.3				
		After	133	99	34*** (3.12)	34.2	547	365	181*** (10.73)	49.6	951	651	301*** (18.04)	46.2				
	2005	Before	129	115	12*** (3.35)	10.5	531	422	103*** (9.95)	24.3	915	738	168*** (16.42)	22.8				
		After	129	97	32*** (3.04)	32.5	531	367	164*** (10.14)	44.8	917	644	273*** (17.03)	42.4				
	2006	Before	137	118	15*** (3.02)	12.8	541	431	101*** (8.94)	23.5								
		After	137	92	45*** (2.68)	49.1	542	362	180*** (8.91)	49.8								
<b>Medium educated (25-54)</b>																		
Men	2003	Before	137	180	-44*** (3.03)	-24.2	563	587	-24** (8.8)	-4.1	978	1,008	-30** (14.67)	-2.9	1,346	1,405	-59** (20.58)	-4.2
		After	137	114	22*** (2.63)	19.6	563	406	157*** (8.75)	38.7	978	709	269*** (15.03)	37.9	1,347	985	362*** (21.33)	36.7
	2004	Before	138	178	-41*** (3.1)	-22.9	564	587	-24** (8.99)	-4.1	982	1,005	-25* (14.96)	-2.5				
		After	137	109	28*** (2.71)	25.6	561	394	167*** (9.09)	42.5	978	692	286*** (15.56)	41.3				
	2005	Before	133	180	-48*** (3.16)	-26.6	562	604	-44*** (9.21)	-7.3	968	1,013	-48*** (15.29)	-4.7				
		After	132	113	19*** (2.84)	16.6	560	414	146*** (9.49)	35.2	965	698	266*** (15.87)	38.2				
	2006	Before	145	191	-46*** (2.89)	-24.2	583	622	-39*** (8.37)	-6.3								
		After	145	119	27*** (2.45)	22.4	583	420	163*** (8.1)	38.7								
Women	2003	Before	147	143	3* (3.08)	2.4	619	510	108*** (9.08)	21.2	1,06	893	171*** (14.94)	19.1	1,474	1,275	198*** (20.73)	15.5
		After	147	105	42*** (2.65)	40.1	618	409	209*** (8.64)	51.3	1,06	733	331*** (14.7)	45.1	1,473	1,050	423*** (20.82)	40.3
	2004	Before	154	141	13*** (3.49)	9.0	609	508	101*** (10.2)	19.8	1,04	897	152*** (16.71)	17.0				
		After	153	107	47*** (3.05)	43.7	606	417	189*** (10.07)	45.3	1,04	751	293*** (16.87)	39.0				
	2005	Before	151	142	9** (3.24)	6.1	623	520	101*** (9.44)	19.5	1,06	910	156*** (15.45)	17.1				
		After	151	116	35*** (2.97)	29.7	621	446	175*** (9.5)	39.3	1,06	792	274*** (16.08)	34.6				
	2006	Before	163	147	16*** (2.88)	10.6	649	533	115*** (8.36)	21.5								
		After	163	105	58*** (2.53)	55.5	649	432	216*** (8.14)	50.1								
<b>High educated (25-54)</b>																		
Men	2003	Before	141	123	19** (7.35)	15.2	594	469	127*** (22.37)	27.2	1,02	842	189*** (37.14)	22.4	1,425	1,210	220*** (51.83)	18.2
		After	142	85	57*** (5.86)	67.3	599	348	251*** (20.06)	72.1	1,03	644	393*** (35.01)	61.0	1,438	934	504*** (50.19)	53.9
	2004	Before	133	121	11* (7.47)	9.5	563	464	96*** (22.79)	20.6	995	837	154*** (37.81)	18.4				
		After	132	85	47*** (6.24)	55.7	556	336	221*** (21.77)	65.7	987	623	364*** (37.2)	58.3				
	2005	Before	139	128	10* (7.28)	7.7	573	491	78*** (22.07)	15.9	949	860	81** (36.52)	9.4				
		After	136	87	49*** (6.21)	56.7	563	349	214*** (21.55)	61.3	934	616	318*** (37.58)	51.6				





		After	59	186	(2.06) -127*** (1.73)	-68.3	231	410	(5.2) -179*** (8.32)	-43.7	386	594	(7.94) -208*** (8.21)	-35.0				
	2006	Before	58	171	-113*** (1.81)	-66.0	217	363	-148*** (4.53)	-40.8								
		After	58	195	-137*** (1.49)	-70.0	217	414	-198*** (4.38)	-47.7								
<b>Young people (15-24)</b>																		
Men	2003	Before	59	112	-53*** (3.39)	-47.1	215	265	-53*** (8.32)	-19.8	327	384	-67*** (12.63)	-17.5	455	513	-76*** (17.05)	-14.8
		After	59	131	-72*** (3.02)	-54.9	212	317	-105*** (8.79)	-33.2	316	462	-146*** (13.16)	-31.6	435	623	-188*** (17.78)	-30.1
	2004	Before	60	113	-50*** (3.43)	-44.3	208	261	-50*** (8.27)	-19.3	340	383	-41*** (12.54)	-10.6				
		After	63	135	-72*** (3.16)	-53.4	212	319	-107*** (8.87)	-33.4	346	471	-126*** (13.86)	-26.7				
	2005	Before	63	113	-48*** (3.56)	-42.0	212	247	-30*** (8.33)	-12.4	372	383	-6 (12.99)	-1.6				
		After	65	139	-74*** (3.37)	-53.0	217	320	-103*** (9.11)	-32.3	378	503	-125*** (14.68)	-24.9				
	2006	Before	54	104	-48*** (3.02)	-46.2	192	240	-48*** (7.21)	-20.0								
		After	55	135	-80*** (2.79)	-59.2	191	319	-128*** (7.5)	-40.0								
Women	2003	Before	42	126	-82*** (4.2)	-65.2	167	257	-90*** (9.33)	-34.8	260	367	-106*** (13.51)	-29.0	361	478	-115*** (17.72)	-24.1
		After	44	134	-90*** (3.27)	-67.0	171	275	-104*** (9.47)	-38.0	265	393	-128*** (13.98)	-32.5	369	511	-142*** (18.7)	-27.8
	2004	Before	49	127	-77*** (3.96)	-60.5	170	258	-92*** (8.79)	-35.8	265	367	-112*** (12.71)	-30.4				
		After	50	132	-82*** (3.29)	-62.1	168	266	-98*** (8.84)	-36.8	259	376	-117*** (12.99)	-31.1				
	2005	Before	44	128	-79*** (4.45)	-62.2	158	250	-84*** (9.66)	-33.5	257	365	-95*** (14.27)	-26.0				
		After	48	139	-92*** (3.85)	-65.9	167	285	-118*** (10.29)	-41.5	272	419	-146*** (15.41)	-35.0				
	2006	Before	49	122	-71*** (3.54)	-58.0	162	242	-77*** (7.66)	-31.9								
		After	51	144	-93*** (3.12)	-64.8	165	289	-124*** (7.94)	-42.8								
<b>Medium age (25-44)</b>																		
Men	2003	Before	77	144	-66*** (2.85)	-45.9	300	346	-45*** (7.26)	-13.1	478	505	-27** (11.21)	-5.4	666	665	0 (15.06)	0.0
		After	78	201	-123*** (2.59)	-61.1	301	484	-183*** (7.96)	-37.9	478	710	-232*** (12.62)	-32.7	666	927	-260*** (17.27)	-28.1
	2004	Before	80	149	-67*** (2.86)	-45.4	308	350	-40*** (7.29)	-11.6	500	514	-12* (11.26)	-2.4				
		After	81	207	-126*** (2.6)	-60.9	310	503	-193*** (7.91)	-38.4	502	747	-245*** (12.69)	-32.8				
	2005	Before	86	147	-60*** (2.74)	-41.0	305	332	-25*** (6.93)	-7.6	530	508	24** (10.88)	4.8				
		After	87	203	-116*** (2.63)	-57.2	308	489	-182*** (7.8)	-37.1	535	756	-221*** (12.81)	-29.2				
	2006	Before	82	136	-54*** (2.32)	-39.4	302	320	-17** (5.85)	-5.3								
		After	82	201	-119*** (2.17)	-59.0	303	490	-187*** (6.33)	-38.1								
Women	2003	Before	54	163	-109*** (2.73)	-67.2	216	348	-132*** (6.81)	-38.1	347	496	-151*** (10.23)	-30.4	469	633	-167*** (13.41)	-26.4
		After	54	184	-130*** (2.17)	-70.6	218	400	-182*** (6.59)	-45.6	349	571	-222*** (10.09)	-38.9	469	721	-251*** (13.36)	-34.9
	2004	Before	51	170	-119*** (2.89)	-70.0	224	361	-138*** (7.18)	-38.2	355	510	-157*** (10.71)	-30.8				
		After	52	184	-132*** (2.32)	-71.7	226	403	-177*** (7.18)	-43.8	357	577	-219*** (10.99)	-38.0				
	2005	Before	57	171	-114*** (2.59)	-66.8	217	350	-133*** (6.29)	-38.0	355	500	-146*** (9.45)	-29.1				
		After	57	180	-123*** (2.2)	-68.3	219	386	-167*** (6.36)	-43.3	357	558	-201*** (9.88)	-36.0				
	2006	Before	60	164	-104*** (2.19)	-63.6	209	337	-130*** (5.27)	-38.6								
		After	60	191	-131*** (1.86)	-68.6	209	396	-188*** (5.29)	-47.4								
<b>Old people (45-54)</b>																		
Men	2003	Before	68	185	-117*** (2.91)	-63.0	276	463	-187*** (7.88)	-40.5	455	685	-230*** (12.44)	-33.6	628	890	-261*** (16.65)	-29.4
		After	69	204	-136*** (2.34)	-66.5	276	495	-219*** (7.29)	-44.2	456	725	-268*** (11.84)	-37.0	630	932	-302*** (16.38)	-32.4
	2004	Before	71	186	-115*** (2.98)	-61.8	287	459	-171*** (8.09)	-37.3	473	682	-208*** (12.76)	-30.4				
		After	71	208	-137*** (2.47)	-65.8	288	502	-214*** (7.88)	-42.6	476	740	-264*** (12.72)	-35.7				
	2005	Before	79	182	-102*** (2.96)	-56.0	275	436	-160*** (8.04)	-36.7	482	666	-183*** (12.66)	-27.5				
		After	80	207	-127*** (2.6)	-61.3	276	490	-213*** (7.78)	-43.5	484	739	-255*** (12.92)	-34.5				
	2006	Before	71	168	-97*** (2.77)	-57.7	271	416	-144*** (7.45)	-34.7								
		After	71	196	-125*** (2.29)	-63.7	272	476	-205*** (6.93)	-43.0								
Women	2003	Before	54	199	-145*** (2.79)	-73.0	233	475	-244*** (7.73)	-51.3	394	690	-300*** (12.03)	-43.4	537	862	-330*** (15.63)	-38.3
		After	54	197	-142*** (2.12)	-72.3	234	446	-213*** (6.78)	-47.7	395	636	-242*** (10.87)	-38.0	537	788	-250*** (14.52)	-31.8
	2004	Before	53	199	-147*** (3.46)	-73.6	239	470	-232*** (9.52)	-49.4	401	685	-286*** (14.9)	-41.8				
		After	54	202	-148*** (2.73)	-73.3	242	463	-221*** (8.91)	-47.7	404	663	-259*** (14.21)	-39.0				
	2005	Before	62	197	-135*** (3.39)	-68.7	250	451	-203*** (9.17)	-44.9	432	663	-233*** (14.46)	-35.2				
		After	62	200	-137*** (2.89)	-68.8	251	458	-208*** (8.88)	-45.3	434	669	-235*** (14.65)	-35.1				



				(3.67)				(10.57)											
<b>Nationals (25-54)</b>																			
<b>Men</b>	<b>2003</b>	<b>Before</b>	72	160	-87*** (2.18)	-54.5	286	383	-97*** (5.72)	-25.4	465	560	-96*** (8.9)	-17.1	642	730	-88*** (11.88)	-12.1	
		<b>After</b>	73	205	-133*** (1.85)	-64.6	286	494	-208*** (5.74)	-42.1	464	720	-256*** (9.2)	-35.5	642	929	-287*** (12.63)	-30.9	
	<b>2004</b>	<b>Before</b>	75	162	-87*** (2.22)	-53.6	297	386	-88*** (5.83)	-22.8	486	568	-80*** (9.06)	-14.2					
		<b>After</b>	75	209	-134*** (1.87)	-63.9	299	505	-207*** (5.92)	-40.9	488	745	-257*** (9.51)	-34.5					
	<b>2005</b>	<b>Before</b>	82	160	-77*** (2.18)	-48.3	290	368	-77*** (5.7)	-21.0	504	559	-54*** (8.95)	-9.7					
		<b>After</b>	82	207	-125*** (1.99)	-60.2	291	495	-204*** (5.95)	-41.3	505	752	-247*** (9.8)	-32.8					
	<b>2006</b>	<b>Before</b>	79	149	-70*** (1.96)	-47.1	293	354	-61*** (5.11)	-17.1									
		<b>After</b>	79	203	-124*** (1.72)	-61.2	293	492	-198*** (5.14)	-40.3									
	<b>Women</b>	<b>2003</b>	<b>Before</b>	54	176	-122*** (2.02)	-69.3	224	386	-162*** (5.27)	-42.1	370	552	-183*** (8.01)	-33.2	499	694	-197*** (10.42)	-28.3
			<b>After</b>	54	192	-138*** (1.56)	-71.7	225	428	-203*** (4.88)	-47.4	370	607	-237*** (7.66)	-39.0	500	754	-254*** (10.17)	-33.7
		<b>2004</b>	<b>Before</b>	52	180	-129*** (2.3)	-71.4	230	393	-163*** (5.97)	-41.5	374	559	-186*** (9.05)	-33.2				
			<b>After</b>	52	189	-137*** (1.81)	-72.4	232	418	-186*** (5.77)	-44.4	376	597	-220*** (8.99)	-36.9				
<b>2005</b>		<b>Before</b>	58	179	-121*** (2.16)	-67.7	227	380	-153*** (5.47)	-40.2	380	546	-165*** (8.36)	-30.3					
		<b>After</b>	58	187	-128*** (1.81)	-68.8	228	411	-183*** (5.4)	-44.6	381	594	-213*** (8.62)	-35.8					
<b>2006</b>		<b>Before</b>	58	173	-115*** (1.9)	-66.7	213	366	-154*** (4.76)	-42.0									
		<b>After</b>	58	195	-137*** (1.56)	-70.4	213	412	-200*** (4.57)	-48.4									
<b>Non-nationals (25-54)</b>																			
<b>Men</b>		<b>2003</b>	<b>Before</b>	72	138	-66*** (5.38)	-47.4	285	351	-64*** (13.76)	-18.1	461	526	-60** (21.45)	-11.4	653	705	-46* (29.11)	-6.5
			<b>After</b>	73	178	-106*** (4.91)	-59.2	288	448	-160*** (14.57)	-35.8	466	674	-208*** (23.74)	-30.8	661	906	-245*** (33.33)	-27.0
		<b>2004</b>	<b>Before</b>	78	144	-64*** (5.48)	-44.6	293	351	-54*** (13.88)	-15.4	485	525	-36* (21.59)	-6.9				
	<b>After</b>		81	186	-106*** (5.15)	-56.8	301	459	-158*** (15.17)	-34.4	494	693	-199*** (24.63)	-28.7					
	<b>2005</b>	<b>Before</b>	83	143	-58*** (5.09)	-40.4	284	331	-44*** (12.72)	-13.3	506	518	-7 (20.18)	-1.4					
		<b>After</b>	86	186	-100*** (4.75)	-53.9	292	442	-150*** (13.88)	-34.0	522	700	-178*** (23.57)	-25.5					
	<b>2006</b>	<b>Before</b>	68	131	-61*** (4.06)	-46.6	260	319	-57*** (10.25)	-17.9									
		<b>After</b>	69	168	-99*** (3.71)	-58.9	261	416	-155*** (10.63)	-37.2									
	<b>Women</b>	<b>2003</b>	<b>Before</b>	54	155	-102*** (7.08)	-65.7	234	354	-126*** (17.83)	-35.5	402	525	-136*** (27.45)	-25.8	566	687	-138*** (36.32)	-20.1
			<b>After</b>	55	183	-128*** (5.62)	-69.9	236	431	-195*** (17.42)	-45.2	402	641	-239*** (27.96)	-37.3	563	817	-254*** (38.42)	-31.1
		<b>2004</b>	<b>Before</b>	58	163	-106*** (8.46)	-65.0	236	362	-137*** (21.17)	-37.9	386	528	-160*** (32.2)	-30.3				
			<b>After</b>	61	196	-135*** (7.17)	-68.9	238	455	-217*** (21.76)	-47.7	385	667	-282*** (34.77)	-42.3				
<b>2005</b>		<b>Before</b>	67	167	-100*** (7.05)	-60.0	258	357	-98*** (17.26)	-27.5	428	524	-94*** (26.4)	-17.9					
		<b>After</b>	69	184	-115*** (6.28)	-62.7	272	420	-148*** (17.84)	-35.3	455	631	-176*** (28.63)	-27.9					
<b>2006</b>		<b>Before</b>	65	162	-96*** (6.27)	-59.1	252	346	-97*** (15.3)	-28.1									
		<b>After</b>	67	191	-124*** (5.23)	-65.0	256	416	-160*** (15.75)	-38.4									
<b>Disabled (25-54)</b>																			
<b>Men</b>		<b>2003</b>	<b>Before</b>	89	223	-133*** (4.7)	-59.6	349	559	-209*** (13.23)	-37.4	569	819	-250*** (21.06)	-30.5	775	1,050	-275*** (28.21)	-26.2
			<b>After</b>	90	220	-130*** (3.98)	-59.2	350	541	-191*** (12.24)	-35.2	570	793	-222*** (19.94)	-28.1	777	1,022	-245*** (27.17)	-23.9
		<b>2004</b>	<b>Before</b>	84	224	-140*** (4.58)	-62.4	346	555	-208*** (12.88)	-37.6	569	819	-251*** (20.55)	-30.6				
	<b>After</b>		85	226	-141*** (3.83)	-62.6	348	549	-201*** (12.17)	-36.6	571	809	-238*** (19.93)	-29.4					
	<b>2005</b>	<b>Before</b>	93	219	-125*** (4.66)	-57.3	345	531	-185*** (13.13)	-34.8	597	800	-202*** (20.86)	-25.2					
		<b>After</b>	94	224	-130*** (4.15)	-58.1	346	549	-203*** (12.48)	-37.0	599	834	-235*** (20.35)	-28.1					
	<b>2006</b>	<b>Before</b>	88	210	-121*** (4.1)	-57.8	329	521	-192*** (11.45)	-36.9									
		<b>After</b>	89	218	-129*** (3.48)	-59.3	329	537	-208*** (10.43)	-38.7									
	<b>Women</b>	<b>2003</b>	<b>Before</b>	71	236	-166*** (5.57)	-70.0	291	570	-280*** (16.14)	-49.1	489	824	-337*** (25.24)	-40.9	647	1,024	-379*** (33.1)	-37.0
			<b>After</b>	71	219	-148*** (4.62)	-67.7	290	513	-223*** (14.48)	-43.5	486	746	-261*** (22.85)	-34.9	643	926	-283*** (30.18)	-30.6
		<b>2004</b>	<b>Before</b>	57	237	-179*** (6.49)	-75.5	290	564	-272*** (18.67)	-48.2	490	812	-321*** (29.31)	-39.5				
			<b>After</b>	59	217	-158*** (5.27)	-72.9	297	524	-227*** (17.3)	-43.4	498	761	-262*** (27.91)	-34.5				
<b>2005</b>		<b>Before</b>	78	235	-157*** (5.91)	-66.8	305	547	-241*** (16.89)	-44.2	509	794	-285*** (26.64)	-36.0					
		<b>After</b>	79	220	-140*** (5.31)	-63.9	311	510	-199*** (15.79)	-39.0	515	746	-230*** (25.16)	-30.9					
<b>2006</b>		<b>Before</b>	72	228	-156*** (5.05)	-68.2	278	528	-250*** (14.3)	-47.3									
		<b>After</b>	73	224	-151*** (4.22)	-67.5	278	507	-229*** (12.7)	-45.2									
<b>Non-disabled (25-54)</b>																			

Men	2003	Before	68	146	-78*** (2.18)	-53.4	270	353	-83*** (5.6)	-23.5	437	518	-81*** (8.7)	-15.5	610	682	-72*** (11.69)	-10.6	
		After	68	197	-128*** (1.91)	-65.2	271	472	-202*** (5.92)	-42.7	439	693	-254*** (9.46)	-36.7	612	900	-288*** (13.08)	-32.0	
	2004	Before	73	150	-77*** (2.25)	-51.1	282	357	-73*** (5.79)	-20.5	462	526	-62*** (8.99)	-11.8					
		After	74	200	-126*** (2.02)	-63.1	285	483	-198*** (6.25)	-41.0	466	717	-251*** (10)	-35.0					
	2005	Before	80	149	-68*** (2.18)	-45.9	275	339	-63*** (5.57)	-18.6	481	521	-38*** (8.75)	-7.3					
		After	80	199	-119*** (2.04)	-59.6	277	468	-192*** (6.05)	-41.0	484	721	-237*** (10.05)	-32.9					
	2006	Before	74	137	-63*** (1.94)	-46.0	276	326	-49*** (4.93)	-14.9									
		After	74	190	-116*** (1.75)	-61.2	277	463	-186*** (5.18)	-40.1									
	Women	2003	Before	52	166	-115*** (2.04)	-69.2	215	362	-148*** (5.19)	-41.0	354	519	-168*** (7.88)	-32.3	482	660	-181*** (10.29)	-27.4
			After	52	188	-136*** (1.58)	-72.4	216	418	-202*** (4.93)	-48.3	355	594	-239*** (7.75)	-40.2	483	743	-259*** (10.34)	-34.9
		2004	Before	52	172	-121*** (2.33)	-70.4	222	372	-151*** (5.91)	-40.6	358	529	-174*** (8.92)	-32.8				
			After	52	186	-134*** (1.86)	-72.0	224	412	-188*** (5.85)	-45.6	361	589	-228*** (9.08)	-38.8				
2005		Before	56	172	-117*** (2.18)	-67.6	219	361	-143*** (5.39)	-39.5	366	520	-154*** (8.21)	-29.7					
		After	56	181	-125*** (1.83)	-69.0	220	394	-174*** (5.42)	-44.2	369	572	-203*** (8.66)	-35.5					
2006		Before	56	166	-110*** (1.92)	-66.2	207	348	-142*** (4.72)	-40.9									
		After	56	191	-135*** (1.59)	-70.5	207	401	-194*** (4.65)	-48.3									
Female returners (25-54)																			
Women		2003	Before	50	211	-161*** (5.3)	-76.6	206	464	-259*** (14.45)	-55.9	324	665	-344*** (22)	-51.7	440	839	-403*** (28.98)	-48.0
			After	51	188	-137*** (3.91)	-73.0	210	392	-182*** (11.88)	-46.5	328	544	-216*** (18.08)	-39.7	445	679	-234*** (24.42)	-34.4
		2004	Before	54	218	-164*** (5.65)	-75.6	227	477	-253*** (15.32)	-53.0	359	678	-323*** (23.41)	-47.7				
	After		56	193	-137*** (4.75)	-71.0	234	413	-179*** (14.22)	-43.3	369	592	-223*** (21.27)	-37.7					
	2005	Before	55	214	-160*** (4.99)	-75.0	212	454	-245*** (13.36)	-54.0	346	650	-309*** (20.5)	-47.5					
		After	55	185	-130*** (4.12)	-70.3	214	392	-178*** (12.47)	-45.4	347	568	-221*** (19.54)	-38.9					
	2006	Before	64	206	-143*** (4.14)	-69.3	209	446	-239*** (11.05)	-53.7									
		After	65	198	-134*** (3.6)	-67.3	210	412	-202*** (10.06)	-48.9									

Note: Results based on 10x1 Nearest Neighbour Propensity Score Matching. Bootstrap-standard errors of the ATT in parentheses (500 replications), statistical significance for \*\*\* p<0.01, \*\* p<0.05, \* p<0.1. Scenario 1: Effects of program participation vs. non-participation. Effects measured as difference in respective outcome between treated and non-treated individuals 1, 3, 5 and 7 years after program start. Abs.: Difference in absolute terms. Rel.: Difference in relative terms, i.e. difference in absolute terms as percentage of the outcome for the non-treated. Low education: at most compulsory education. Medium education: apprenticeship or intermediate technical and vocational school. High education: upper cycle of academic secondary school, higher technical or vocational college or academic degree (university, "Fachhochschule" or post-secondary college).

A.10: Estimated average treatment effect on the treated (ATT) in terms of employment indicators, by outcome, subgroup, sex and year, scenario 2

Sub-group	Year		After 1 year				After 3 years				After 5 years				After 7 years				
			Treated	Non-treated	Difference		Treated	Non-treated	Difference		Treated	Non-treated	Difference		Treated	Non-treated	Difference		
					Abs.	Rel.			Abs.	Rel.			Abs.	Rel.			Abs.	Rel.	
<b>(A) Days in dependent employment</b>																			
<b>Total sample (25-54)</b>																			
<b>Men</b>	2003	Before	281	271	281*** (1.44)	3.3	719	790	-71*** (4.61)	-9.0	1,135	1,306	-170*** (8.04)	-13.0	1,497	1,788	-290*** (11.74)	-16.2	
		After	280	235	280*** (2)	19.3	719	643	77*** (6.65)	11.9	1,136	1,039	97*** (11.51)	9.3	1,498	1,385	112*** (16.42)	8.1	
	2004	Before	278	270	278*** (1.49)	2.6	713	794	-82*** (4.7)	-10.3	1,123	1,311	-189*** (8.18)	-14.4					
		After	277	234	277*** (2.1)	18.4	712	645	67*** (7)	10.5	1,122	1,036	86*** (12.08)	8.3					
	2005	Before	268	271	268*** (1.46)	-1.1	711	811	-101*** (4.59)	-12.5	1,097	1,316	-220*** (8.09)	-16.8					
		After	268	231	268*** (2.14)	15.8	710	654	56*** (6.93)	8.6	1,096	1,020	76*** (11.94)	7.4					
	2006	Before	274	279	274*** (1.26)	-1.6	717	819	-102*** (4.08)	-12.5									
		After	274	237	274*** (1.84)	15.8	717	649	68*** (5.96)	10.6									
	<b>Women</b>	2003	Before	301	269	301*** (1.38)	12.2	779	770	8* (4.54)	1.1	1,225	1,251	-26*** (7.86)	-2.1	1,628	1,712	-85*** (11.28)	-5.0
			After	301	254	301*** (1.76)	18.5	779	709	70*** (6.1)	9.8	1,225	1,142	83*** (10.57)	7.3	1,627	1,542	84*** (15.12)	5.5
		2004	Before	304	268	304*** (1.57)	13.2	779	773	6* (5.12)	0.7	1,224	1,259	-35*** (8.84)	-2.8				
			After	304	260	304*** (2.05)	16.7	779	728	51*** (7.15)	7.1	1,224	1,171	53*** (12.28)	4.5				
2005		Before	296	269	296*** (1.48)	10.0	773	784	-12*** (4.75)	-1.5	1,214	1,271	-58*** (8.22)	-4.6					
		After	296	260	296*** (2.04)	13.9	773	740	32*** (6.82)	4.4	1,213	1,186	27*** (11.74)	2.3					
2006		Before	294	269	294*** (1.32)	9.2	775	785	-9** (4.25)	-1.2									
		After	294	264	294*** (1.91)	11.3	776	743	34*** (6.35)	4.5									
<b>Young people (15-24)</b>																			
<b>Men</b>		2003	Before	283	260	283*** (3.5)	8.5	780	779	0 (10.3)	0.0	1,309	1,323	-9 (16.91)	-0.6	1,802	1,848	-31* (23.78)	-1.7
			After	283	234	283*** (3.96)	20.6	784	698	86*** (12.38)	12.3	1,319	1,189	130*** (20.1)	10.9	1,824	1,663	160*** (28.21)	9.6
		2004	Before	279	259	279*** (3.54)	6.8	775	787	-16* (10.19)	-2.1	1,281	1,328	-52*** (16.83)	-3.9				
	After		277	234	277*** (4.12)	18.4	771	704	68*** (12.6)	9.6	1,278	1,197	81*** (20.55)	6.8					
	2005	Before	275	261	275*** (3.63)	5.1	768	806	-41*** (10.35)	-5.1	1,233	1,332	-100*** (17.5)	-7.5					
		After	275	226	275*** (4.23)	21.4	766	691	75*** (12.61)	10.9	1,234	1,139	95*** (21.23)	8.4					
	2006	Before	282	269	282*** (3.06)	4.3	786	812	-28*** (9.07)	-3.4									
		After	281	242	281*** (3.76)	16.0	786	714	72*** (11.47)	10.1									
	<b>Women</b>	2003	Before	306	272	306*** (3.67)	11.7	798	773	19* (11.99)	2.5	1,271	1,242	20 (20.27)	1.6	1,703	1,688	0 (28.15)	0.0
			After	304	258	304*** (4.03)	17.6	792	732	60*** (14.16)	8.2	1,263	1,181	82*** (23.89)	6.9	1,690	1,607	83** (33.34)	5.2
		2004	Before	303	272	303*** (3.44)	11.4	816	781	37*** (11.15)	4.7	1,304	1,258	49** (18.87)	3.9				
			After	303	265	303*** (3.88)	14.3	819	754	65*** (13)	8.6	1,309	1,214	94*** (22.2)	7.8				
2005		Before	308	274	308*** (3.83)	11.1	814	799	5 (12.24)	0.6	1,274	1,280	-22* (20.79)	-1.7					
		After	304	263	304*** (4.34)	15.7	800	747	53*** (14.42)	7.1	1,252	1,192	59** (24.42)	5.0					
2006		Before	297	277	297*** (3.05)	6.9	801	799	-1 (9.95)	-0.2									
		After	297	267	297*** (3.7)	11.3	802	755	47*** (12.11)	6.2									
<b>Medium age (25-44)</b>																			
<b>Men</b>		2003	Before	274	272	274*** (2.14)	0.4	702	797	-95*** (6.79)	-12.0	1,139	1,326	-187*** (11.69)	-14.1	1,545	1,830	-283*** (16.95)	-15.5
			After	274	229	274*** (2.98)	19.7	704	634	70*** (9.76)	11.0	1,142	1,044	98*** (16.62)	9.3	1,550	1,422	128*** (23.53)	9.0
		2004	Before	270	271	270*** (2.16)	-0.7	695	801	-107*** (6.75)	-13.4	1,115	1,330	-216*** (11.64)	-16.3				
	After		269	224	269*** (3.04)	20.0	695	626	69*** (9.83)	11.0	1,116	1,022	94*** (16.75)	9.2					
	2005	Before	262	272	262*** (2.09)	-3.7	695	818	-124*** (6.48)	-15.1	1,087	1,334	-248*** (11.33)	-18.6					
		After	262	225	262*** (3.09)	16.5	694	635	59*** (9.71)	9.2	1,086	1,008	79*** (16.56)	7.8					
	2006	Before	267	279	267*** (1.73)	-4.4	697	824	-127*** (5.54)	-15.4									
		After	267	230	267*** (2.53)	15.8	697	639	58*** (8.01)	9.1									
	<b>Women</b>	2003	Before	302	271	302*** (1.99)	11.2	783	779	3 (6.52)	0.4	1,261	1,270	-10 (11.17)	-0.8	1,732	1,754	-24* (15.82)	-1.4
			After	302	258	302*** (2.5)	16.8	782	719	63*** (8.55)	8.8	1,260	1,177	83*** (14.42)	7.1	1,731	1,635	96*** (20.32)	5.8
		2004	Before	304	271	304*** (2.09)	12.2	779	780	-1 (6.78)	-0.2	1,251	1,275	-24** (11.6)	-1.9				
			After	304	262	304*** (2.67)	15.9	778	734	44*** (9.22)	6.0	1,250	1,190	60*** (15.65)	5.0				
2005		Before	298	272	298*** (1.88)	9.5	783	792	-9* (6.04)	-1.2	1,253	1,287	-34*** (10.33)	-2.6					



		After	304	274	304*** (2.86)	10.7	812	784	28** (9.53)	3.6									
<b>High educated (25-54)</b>																			
<b>Men</b>	2003	Before	310	285	310*** (5.16)	8.6	791	834	-39** (17.01)	-4.7	1,243	1,370	-120*** (29.32)	-8.8	1,649	1,882	-224*** (42.06)	-11.9	
		After	310	259	310*** (6.51)	19.8	794	728	66** (22.68)	9.1	1,252	1,177	75* (39.8)	6.4	1,661	1,594	67* (57.29)	4.2	
	2004	Before	302	284	302*** (5.27)	6.1	756	834	-79*** (17.43)	-9.5	1,204	1,369	-166*** (29.98)	-12.1					
		After	301	267	301*** (7.53)	12.6	752	717	35* (24.22)	4.9	1,200	1,138	62* (45.23)	5.4					
	2005	Before	296	286	296*** (5)	3.4	752	847	51* (16.3)	-11.5	1,141	1,375	36 (28.36)	-17.4					
		After	296	256	296*** (6.91)	15.6	747	696	51* (23.7)	7.3	1,136	1,100	36 (41.5)	3.3					
2006	Before	303	291	303*** (5)	4.1	788	852	66** (16.61)	-8.0										
	After	301	266	301*** (6.78)	13.3	781	715	66** (23.66)	9.3										
<b>Women</b>	2003	Before	317	291	317*** (3.83)	8.8	831	837	-8 (13.23)	-0.9	1,328	1,346	-20 (22.9)	-1.5	1,800	1,834	-39* (32.39)	-2.1	
		After	317	280	317*** (4.78)	13.0	830	784	46** (17.19)	5.9	1,327	1,267	60* (29.72)	4.8	1,798	1,740	57* (42.14)	3.3	
	2004	Before	323	291	323*** (4.17)	11.0	841	837	5 (14.19)	0.6	1,332	1,348	-12 (24.61)	-0.9					
		After	322	277	322*** (4.99)	16.4	841	780	61** (18.66)	7.8	1,335	1,258	78** (32.29)	6.2					
	2005	Before	313	292	313*** (3.85)	7.3	824	848	-26* (12.93)	-3.0	1,306	1,363	-62** (22.34)	-4.6					
		After	313	282	313*** (5.13)	10.9	822	811	11 (18.49)	1.4	1,301	1,305	-4 (31.59)	-0.3					
2006	Before	309	292	309*** (3.39)	5.7	835	848	-15* (11.3)	-1.8										
	After	309	286	309*** (5.23)	7.8	834	806	29* (17.82)	3.6										
<b>Nationals (25-54)</b>																			
<b>Men</b>	2003	Before	281	274	281*** (1.54)	2.6	719	800	-81*** (4.95)	-10.2	1,133	1,325	-191*** (8.62)	-14.4	1,496	1,817	-321*** (12.57)	-17.6	
		After	281	234	281*** (2.16)	20.2	719	640	79*** (7.2)	12.3	1,134	1,034	100*** (12.45)	9.6	1,497	1,381	116*** (17.76)	8.4	
	2004	Before	278	273	278*** (1.59)	1.9	712	804	-92*** (5.03)	-11.4	1,123	1,330	-208*** (8.75)	-15.7					
		After	278	234	278*** (2.26)	18.6	712	642	70*** (7.59)	10.8	1,122	1,031	91*** (13.09)	8.8					
	2005	Before	269	274	269*** (1.57)	-1.7	712	820	-109*** (4.96)	-13.3	1,098	1,334	-237*** (8.73)	-17.8					
		After	269	231	269*** (2.34)	16.3	711	651	60*** (7.59)	9.3	1,097	1,013	84*** (13.06)	8.3					
2006	Before	273	281	273*** (1.38)	-2.6	711	829	-117*** (4.47)	-14.1										
	After	273	237	273*** (2.06)	15.2	712	648	63*** (6.68)	9.7										
<b>Women</b>	2003	Before	301	269	301*** (1.44)	12.0	779	776	3 (4.73)	0.4	1,226	1,264	-38*** (8.18)	-3.0	1,629	1,731	-102*** (11.73)	-5.9	
		After	301	256	301*** (1.83)	17.5	779	715	64*** (6.37)	8.9	1,226	1,151	77*** (11.03)	6.5	1,629	1,552	77*** (15.77)	5.0	
	2004	Before	305	270	305*** (1.63)	13.0	780	780	0 (5.32)	0.0	1,225	1,272	-47*** (9.17)	-3.7					
		After	305	261	305*** (2.12)	16.6	780	732	48*** (7.44)	6.5	1,225	1,174	51*** (12.77)	4.3					
	2005	Before	297	271	297*** (1.55)	9.9	777	791	-14** (4.98)	-1.8	1,218	1,285	-66*** (8.6)	-5.1					
		After	297	262	297*** (2.12)	13.2	776	751	26*** (7.14)	3.4	1,218	1,201	17* (12.31)	1.4					
2006	Before	295	270	295*** (1.39)	9.1	781	791	-11** (4.45)	-1.3										
	After	295	263	295*** (2.02)	12.4	781	738	43*** (6.67)	5.8										
<b>Non-nationals (25-54)</b>																			
<b>Men</b>	2003	Before	280	265	280*** (4.14)	5.6	728	760	-32** (13.16)	-4.2	1,163	1,251	-90*** (23)	-7.2	1,519	1,700	-185*** (33.67)	-10.9	
		After	281	234	281*** (5.41)	19.9	730	651	78*** (17.63)	12.0	1,164	1,056	108*** (30.83)	10.2	1,518	1,391	127** (44.09)	9.1	
	2004	Before	274	262	274*** (4.31)	4.0	718	763	-48*** (13.43)	-6.3	1,128	1,251	-128*** (23.54)	-10.2					
		After	271	229	271*** (5.71)	18.5	710	643	67*** (18.1)	10.4	1,115	1,029	86** (31.45)	8.3					
	2005	Before	264	263	264 (4.02)	0.2	713	783	-72*** (12.43)	-9.2	1,105	1,260	-160*** (21.97)	-12.7					
		After	263	228	263*** (5.34)	15.1	707	660	47** (16.85)	7.0	1,090	1,023	68** (29.18)	6.6					
2006	Before	280	272	280** (3.13)	2.7	744	790	-42*** (10.1)	-5.3										
	After	278	242	278*** (4.17)	15.2	746	673	73*** (13.28)	10.8										
<b>Women</b>	2003	Before	300	266	300*** (4.99)	12.3	773	744	28* (16.67)	3.7	1,216	1,196	17 (29.11)	1.4	1,604	1,627	-30 (41.92)	-1.9	
		After	298	257	298*** (6.44)	16.0	770	696	74** (22.15)	10.7	1,214	1,106	108** (38.65)	9.8	1,601	1,475	126* (55.32)	8.5	
	2004	Before	295	263	295*** (6)	11.8	767	743	26* (19.61)	3.5	1,204	1,199	10 (34.22)	0.8					
		After	293	249	293*** (8.42)	17.7	765	693	73** (28.06)	10.5	1,201	1,102	99* (48.86)	9.0					
	2005	Before	284	263	284*** (5.05)	8.1	735	753	-23* (16.27)	-3.0	1,164	1,208	-54* (28.24)	-4.5					
		After	283	251	283*** (6.94)	12.9	726	697	29* (22)	4.2	1,147	1,114	34 (37.67)	3.0					
2006	Before	286	265	286*** (4.49)	8.0	722	756	-30** (14.52)	-4.0										
	After	285	262	285*** (6.19)	8.6	723	724	-1 (20.86)	-0.1										
<b>Disabled (25-54)</b>																			

<b>Men</b>	2003	Before	262	244	262*** (3.82)	6.8	642	684	-44*** (12.06)	-6.5	997	1,115	-121*** (20.88)	-10.8	1,308	1,500	-194*** (29.96)	-12.9
		After	261	214	261*** (4.67)	21.8	640	558	82*** (15.04)	14.7	994	885	109*** (25.94)	12.3	1,305	1,171	134*** (36.86)	11.5
	2004	Before	267	246	267*** (3.76)	8.6	650	699	-50*** (11.75)	-7.2	1,001	1,136	-136*** (20.28)	-12.0				
		After	267	221	267*** (5.11)	20.6	649	591	58*** (16.53)	9.8	1,000	941	58*** (28.21)	6.2				
	2005	Before	257	249	257* (3.8)	3.0	643	725	-82*** (11.92)	-11.3	975	1,150	-176*** (20.7)	-15.3				
		After	256	221	256*** (5.18)	16.0	642	598	43*** (16.35)	7.2	972	922	50* (27.87)	5.4				
2006	Before	263	254	263** (3.32)	3.4	673	719	-47*** (10.62)	-6.5									
	After	262	222	262*** (4.36)	18.2	672	580	92*** (13.99)	15.9									
<b>Women</b>	2003	Before	283	248	283*** (4.67)	14.3	703	680	25* (14.82)	3.7	1,075	1,074	3 (25.3)	0.2	1,402	1,431	-28 (36)	-2.0
		After	283	232	283*** (5.69)	21.8	704	621	83*** (18.55)	13.4	1,077	978	98*** (31.4)	10.1	1,403	1,292	110** (44.63)	8.5
	2004	Before	301	249	301*** (5.44)	20.7	716	680	34* (17.21)	5.0	1,068	1,079	-14 (29.35)	-1.3				
		After	300	242	300*** (6.58)	23.8	712	613	99*** (22)	16.2	1,064	949	115*** (37.66)	12.1				
	2005	Before	276	250	276*** (4.99)	10.1	687	693	-5 (15.71)	-0.7	1,049	1,093	-41* (26.95)	-3.8				
		After	275	244	275*** (6.47)	13.0	686	653	18* (20.68)	5.1	1,049	1,009	40* (35.27)	4.0				
2006	Before	277	249	277*** (4.37)	11.3	710	690	53** (13.82)	2.6									
	After	277	248	277*** (6.05)	11.7	710	658	18* (19.48)	8.0									
<b>Non-disabled (25-54)</b>																		
<b>Men</b>	2003	Before	286	273	286*** (1.58)	4.6	740	797	-57*** (5.08)	-7.1	1,173	1,319	-146*** (8.86)	-11.0	1,548	1,807	-259*** (12.95)	-14.3
		After	286	240	286*** (2.23)	19.2	741	663	78*** (7.42)	11.7	1,174	1,077	98*** (12.85)	9.1	1,550	1,437	113*** (18.4)	7.8
	2004	Before	281	272	281*** (1.66)	3.1	732	800	-70*** (5.24)	-8.7	1,159	1,323	-165*** (9.14)	-12.5				
		After	280	239	280*** (2.34)	17.4	730	665	65*** (7.81)	9.7	1,156	1,072	85*** (13.49)	7.9				
	2005	Before	271	272	271*** (1.62)	-0.6	729	817	-89*** (5.07)	-10.9	1,130	1,327	-199*** (8.95)	-15.0				
		After	271	234	271*** (2.38)	15.6	728	673	55*** (7.69)	8.2	1,128	1,053	75*** (13.29)	7.1				
2006	Before	278	280	278* (1.4)	-1.0	729	826	-96*** (4.52)	-11.7									
	After	277	242	277*** (2.02)	14.3	729	673	56*** (6.56)	8.3									
<b>Women</b>	2003	Before	304	270	304*** (1.46)	12.7	791	775	15*** (4.8)	1.9	1,248	1,260	-13* (8.32)	-1.0	1,662	1,726	-66*** (11.94)	-3.8
		After	304	259	304*** (1.86)	17.4	790	726	64*** (6.5)	8.8	1,247	1,173	74*** (11.29)	6.3	1,661	1,587	74*** (16.14)	4.7
	2004	Before	304	269	304*** (1.65)	13.0	788	778	10* (5.39)	1.3	1,245	1,268	-23** (9.31)	-1.8				
		After	304	262	304*** (2.15)	15.9	788	743	45*** (7.53)	6.1	1,246	1,201	45*** (12.91)	3.7				
	2005	Before	299	270	299*** (1.56)	10.8	786	789	-4 (5.03)	-0.5	1,238	1,279	-43*** (8.68)	-3.4				
		After	299	262	299*** (2.16)	14.4	785	752	33*** (7.26)	4.5	1,238	1,215	23* (12.49)	1.9				
2006	Before	297	270	297*** (1.4)	9.8	786	790	-3 (4.5)	-0.4									
	After	297	267	297*** (2.03)	11.3	787	757	30*** (6.75)	4.0									
<b>Female returners (25-54)</b>																		
<b>Women</b>	2003	Before	303	254	303*** (4.64)	19.3	783	710	71*** (14.67)	10.0	1,273	1,166	105*** (24.26)	9.0	1,744	1,635	106*** (33.79)	6.5
		After	303	252	303*** (5.14)	20.0	782	713	69*** (17.36)	9.7	1,273	1,186	87*** (29.13)	7.3	1,744	1,669	75* (41.21)	4.5
	2004	Before	300	257	300*** (4.77)	16.7	773	728	46*** (15.06)	6.3	1,252	1,197	57** (25.16)	4.8				
		After	299	266	299*** (5.95)	12.7	772	748	24* (19.84)	3.2	1,252	1,236	16 (32.8)	1.3				
	2005	Before	297	255	297*** (4.35)	16.9	784	734	54*** (13.54)	7.4	1,258	1,196	71*** (22.7)	5.9				
		After	298	255	298*** (5.43)	17.1	788	732	56*** (17.96)	7.6	1,266	1,190	76** (29.9)	6.3				
2006	Before	285	250	285*** (3.75)	13.9	760	715	44*** (11.67)	6.2									
	After	284	260	284*** (5.09)	9.2	758	730	29* (16.28)	4.0									
<b>(B) Days in unsubsidized dependent employment</b>																		
<b>Total sample (25-54)</b>																		
<b>Men</b>	2003	Before	127	270	127*** (1.46)	-52.9	526	785	-258*** (4.7)	-32.9	920	1,298	-377*** (8.17)	-29.0	1,267	1,776	-508*** (11.9)	-28.6
		After	127	223	127*** (2.05)	-43.0	528	617	-90*** (6.88)	-14.5	922	1,003	-81*** (11.79)	-8.1	1,269	1,340	-71*** (16.74)	-5.3
	2004	Before	126	268	126*** (1.52)	-53.3	521	789	-126*** (4.8)	-34.0	912	1,302	-392*** (8.32)	-30.1				
		After	126	221	126*** (2.16)	-43.1	521	616	-95*** (7.25)	-15.5	911	996	-86*** (12.36)	-8.6				
	2005	Before	122	269	122*** (1.5)	-54.9	517	806	-290*** (4.69)	-35.9	884	1,308	-425*** (8.22)	-32.5				
		After	121	218	121*** (2.14)	-44.3	517	626	-110*** (7.22)	-17.5	883	981	-99*** (12.18)	-10.1				
2006	Before	138	277	138*** (1.29)	-50.3	549	815	-265*** (4.16)	-32.5									
	After	138	226	138*** (1.84)	-39.2	550	628	-77*** (6.07)	-12.3									
<b>Women</b>	2003	Before	141	266	141***	-47.1	590	764	-174***	-22.8	1,019	1,240	-221***	-17.9	1,412	1,697	-286***	-16.9

				(1.43)				(4.63)			(7.98)				(11.41)			
				141***				-94***			-88***				-89***			
	After	141	242	(1.93)	-41.8	590	684	(6.36)	-13.7	1,019	1,107	(10.88)	-7.9	1,412	1,501	(15.41)	-5.9	
				144***				-179***			-229***							
2004	Before	144	266	(1.62)	-46.0	587	766	(5.24)	-23.3	1,019	1,248	(8.98)	-18.3					
				144***				-118***			-121***							
	After	144	249	(2.26)	-42.4	588	706	(7.49)	-16.8	1,020	1,141	(12.6)	-10.6					
				141***				-189***			-247***							
2005	Before	141	266	(1.53)	-47.0	588	777	(4.87)	-24.4	1,013	1,259	(8.35)	-19.7					
				141***				-130***			-142***							
	After	141	249	(2.21)	-43.3	587	718	(7.14)	-18.2	1,012	1,155	(12.07)	-12.3					
				153***				-167***										
2006	Before	153	266	(1.38)	-42.5	610	777	(4.34)	-21.5									
				153***				-108***										
	After	153	252	(2.05)	-39.3	611	719	(6.59)	-15.1									
<b>Young people (15-24)</b>																		
				126***				-181***			-204***				-233***			
<b>Men</b>	2003	Before	126	258	(3.57)	-50.2	583	774	(10.47)	-23.4	1,095	1,314	(17.13)	-15.5	1,579	1,837	(24.05)	-12.7
				130***				-82***			-48**							
	After	130	228	(4.11)	-43.0	597	679	(13.07)	-12.0	1,117	1,164	(20.99)	-4.1	1,612	1,633	(29.15)	-1.3	
				134***				-183***			-226***							
2004	Before	134	257	(3.6)	-47.4	593	781	(10.37)	-23.4	1,087	1,320	(17.04)	-17.1					
				136***				-88***			-80***							
	After	136	226	(4.18)	-40.0	599	687	(13.11)	-12.8	1,096	1,176	(21.07)	-6.8					
				138***				-203***			-275***							
2005	Before	138	259	(3.7)	-46.3	593	801	(10.54)	-25.3	1,042	1,324	(17.72)	-20.8					
				140***				-75***			-65**							
	After	140	220	(4.28)	-36.2	601	676	(13.31)	-11.1	1,054	1,119	(21.8)	-5.8					
				154***				-169***										
2006	Before	154	268	(3.11)	-41.4	632	808	(9.21)	-20.9									
				158***				-61***										
	After	158	238	(3.94)	-33.8	641	702	(11.98)	-8.7									
				131***				-180***			-189***							
<b>Women</b>	2003	Before	131	268	(3.81)	-50.9	581	765	(12.15)	-23.5	1,040	1,230	(20.44)	-15.3	1,463	1,673	(28.34)	-12.9
				133***				-128***			-115***							
	After	133	249	(4.47)	-46.6	587	715	(14.59)	-17.9	1,044	1,158	(24.18)	-9.9	1,461	1,577	(33.51)	-7.4	
				145***				-140***			-136***							
2004	Before	145	269	(3.57)	-44.5	619	773	(11.35)	-18.2	1,093	1,247	(19.06)	-10.9					
				150***				-101***			-77***							
	After	150	256	(4.35)	-41.4	635	736	(13.69)	-13.7	1,114	1,191	(22.79)	-6.5					
				154***				-169***			-203***							
2005	Before	154	271	(3.95)	-41.9	617	791	(12.47)	-21.4	1,066	1,269	(20.99)	-16.0					
				158***				-106***			-104***							
	After	158	254	(4.84)	-37.8	623	729	(15.03)	-14.5	1,065	1,169	(24.67)	-8.9					
				158***				-152***										
2006	Before	158	274	(3.16)	-41.5	637	793	(10.11)	-19.2									
				163***				-93***										
	After	163	261	(4)	-37.6	650	743	(12.4)	-12.5									
<b>Medium age (25-44)</b>																		
				120***				-284***			-394***				-504***			
<b>Men</b>	2003	Before	120	271	(2.17)	-55.5	508	794	(6.9)	-35.7	924	1,321	(11.86)	-29.8	1,314	1,822	(17.15)	-27.6
				121***				-103***			-87***							
	After	121	219	(3.01)	-44.8	512	615	(10.14)	-16.7	930	1,017	(17.11)	-8.6	1,323	1,387	(24.16)	-4.7	
				117***				-298***			-423***							
2004	Before	117	270	(2.2)	-56.6	501	797	(6.88)	-37.4	903	1,324	(11.81)	-32.0					
				118***				-98***			-82***							
	After	118	212	(3.08)	-44.5	501	599	(10.15)	-16.4	904	986	(17.09)	-8.3					
				117***				-317***			-458***							
2005	Before	117	271	(2.13)	-57.0	498	814	(6.6)	-39.0	872	1,328	(11.49)	-34.5					
				116***				-113***			-102***							
	After	116	212	(3.02)	-45.1	497	610	(10.13)	-18.5	871	973	(16.89)	-10.5					
				131***				-289***										
2006	Before	131	278	(1.76)	-53.0	531	821	(5.62)	-35.1									
				131***				-87***										
	After	131	221	(2.44)	-40.7	533	620	(8.12)	-14.0									
				136***				-189***			-217***							
<b>Women</b>	2003	Before	136	269	(2.04)	-49.5	586	774	(6.64)	-24.4	1,046	1,262	(11.33)	-17.2	1,506	1,742	(16.01)	-13.6
				136***				-111***			-99***							
	After	136	247	(2.79)	-44.9	585	696	(9.05)	-15.9	1,046	1,145	(15.03)	-8.7	1,506	1,596	(20.95)	-5.6	
				140***				-187***			-218***							
2004	Before	140	269	(2.15)	-47.7	586	774	(6.93)	-24.2	1,046	1,265	(11.77)	-17.2					
				140***				-127***			-114***							
	After	140	251	(2.98)	-44.2	587	713	(9.68)	-17.8	1,047	1,162	(16.1)	-9.8					
				141***				-188***			-225***							
2005	Before	141	270	(1.95)	-47.6	597	785	(6.17)	-24.0	1,053	1,277	(10.49)	-17.6					
				141***				-127***			-122***							
	After	141	251	(2.76)	-43.7	597	724	(8.76)	-17.5	1,053	1,175	(14.61)	-10.4					
				152***				-170***										
2006	Before	152	269	(1.7)	-43.4	614	784	(5.36)	-21.7									
				152***				-95***										
	After	152	249	(2.62)	-38.9	616	710	(8.26)	-13.3									
<b>Old people (45-54)</b>																		
				132***				-213***			-301***				-387***			
<b>Men</b>	2003	Before	132	265	(2)	-50.1	541	754	(6.57)	-28.2	917	1,217	(11.71)	-24.7	1,228	1,615	(17.15)	-24.0
				132***				-79***			-70***							
	After	132	227	(2.85)	-41.7	541	620	(9.54)	-12.8	916	986	(16.59)	-7.1	1,227	1,279	(23.57)	-4.1	
				133***				-219***			-308***							
2004	Before	133	264	(2.11)	-49.6	540	759	(6.84)	-28.9	920	1,227	(12.15)	-25.1					
				133***				-80***			-62***							
	After	133	225	(3.11)	-40.8	540	621	(10.55)	-13.0	919	981	(18.24)	-6.3					
				126***				-244***			-342***							
2005	Before	126																

		2004	Before	148	256	148*** (2.44)	-42.2	588	739	-151*** (7.95)	-20.5	982	1,187	-206*** (13.97)	-17.3				
			After	148	242	148*** (3.63)	-39.0	586	683	-98*** (12.31)	-14.3	980	1,072	-92*** (20.99)	-8.6				
		2005	Before	141	256	141*** (2.47)	-44.9	573	749	-177*** (7.91)	-23.6	948	1,201	-255*** (13.9)	-21.2				
			After	140	237	140*** (3.83)	-40.7	571	669	-98*** (12.72)	-14.6	947	1,056	-108*** (21.82)	-10.3				
		2006	Before	154	257	154*** (2.31)	-40.1	601	755	-154*** (7.34)	-20.4								
			After	154	244	154*** (3.62)	-37.0	601	693	-92*** (11.85)	-13.3								
<b>Low educated (25-54)</b>																			
<b>Men</b>		2003	Before	109	258	109*** (2.53)	-57.9	454	740	-286*** (7.94)	-38.6	805	1,221	-415*** (13.71)	-34.0	1,108	1,660	-551*** (19.83)	-33.2
			After	109	201	109*** (3.29)	-45.4	457	541	-84*** (11.08)	-15.6	808	877	-69*** (18.85)	-7.8	1,112	1,163	-51* (26.54)	-4.4
		2004	Before	106	255	106*** (2.61)	-58.3	451	742	-292*** (8.04)	-39.4	789	1,222	-435*** (13.85)	-35.6				
			After	107	200	107*** (3.34)	-46.6	450	550	-100*** (11.23)	-18.1	787	887	-100*** (19.08)	-11.3				
		2005	Before	103	256	103*** (2.46)	-59.7	449	765	-316*** (7.56)	-41.3	766	1,232	-467*** (13.13)	-37.9				
			After	103	197	103*** (3.23)	-47.6	449	569	-120*** (11.09)	-21.1	766	886	-120*** (18.62)	-13.6				
		2006	Before	126	265	126*** (2.03)	-52.5	499	772	-272*** (6.44)	-35.2								
			After	126	210	126*** (2.64)	-40.0	501	579	-78*** (8.74)	-13.5								
<b>Women</b>		2003	Before	135	256	135*** (2.23)	-47.3	549	730	-182*** (7.15)	-24.9	944	1,183	-241*** (12.33)	-20.4	1,296	1,615	-322*** (15.66)	-19.9
			After	135	230	135*** (2.92)	-41.4	547	639	-92*** (9.74)	-14.4	942	1,028	-86*** (16.73)	-8.3	1,295	1,379	-84*** (23.6)	-6.1
		2004	Before	133	255	133*** (2.59)	-47.8	550	731	-182*** (8.2)	-25.0	956	1,192	-237*** (14.04)	-19.9				
			After	133	233	133*** (3.41)	-43.0	548	653	-104*** (11.54)	-16.0	954	1,052	-98*** (19.4)	-9.3				
		2005	Before	130	255	130*** (2.48)	-49.0	534	740	-206*** (7.74)	-27.9	918	1,199	-280*** (13.25)	-23.4				
			After	129	234	129*** (3.55)	-44.7	533	665	-132*** (11.57)	-19.9	918	1,056	-138*** (19.42)	-13.1				
		2006	Before	136	254	136*** (2.25)	-46.1	541	738	-197*** (6.99)	-26.7								
			After	137	227	137*** (3.16)	-39.6	543	634	-91*** (10.2)	-14.4								
<b>Medium educated (25-54)</b>																			
<b>Men</b>		2003	Before	137	277	137*** (1.88)	-50.6	564	814	-250*** (6.1)	-30.7	979	1,349	-369*** (10.68)	-27.4	1,348	1,854	-505*** (15.66)	-27.2
			After	137	234	137*** (2.81)	-41.2	565	658	-93*** (9.32)	-14.1	982	1,068	-86*** (16.07)	-8.1	1,351	1,424	-73*** (22.9)	-5.1
		2004	Before	137	277	137*** (1.95)	-50.4	564	819	-256*** (6.24)	-31.3	983	1,356	-375*** (10.9)	-27.6				
			After	138	228	138*** (3)	-39.7	563	649	-86*** (10.01)	-13.3	982	1,054	-72*** (17.13)	-6.8				
		2005	Before	133	277	133*** (2)	-52.1	562	833	-271*** (6.34)	-32.6	967	1,357	-391*** (11.21)	-28.8				
			After	133	228	133*** (3.12)	-41.8	560	659	-99*** (10.33)	-15.1	963	1,036	-72*** (17.4)	-7.0				
		2006	Before	146	285	146*** (1.75)	-48.8	585	843	-258*** (5.69)	-30.6								
			After	146	236	146*** (2.72)	-38.3	586	664	-78*** (8.93)	-11.7								
<b>Women</b>		2003	Before	148	270	148*** (2.06)	-45.4	620	784	-164*** (6.71)	-20.9	1,066	1,277	-211*** (11.58)	-16.5	1,476	1,755	-278*** (16.58)	-15.9
			After	147	250	147*** (2.93)	-41.1	619	722	-102*** (9.49)	-14.2	1,066	1,174	-108*** (16.17)	-9.2	1,476	1,592	-116*** (23.01)	-7.3
		2004	Before	153	271	153*** (2.32)	-43.4	607	786	-178*** (7.57)	-22.7	1,047	1,283	-235*** (13)	-18.3				
			After	153	259	153*** (3.4)	-40.8	607	741	-134*** (11.19)	-18.0	1,047	1,194	-147*** (18.79)	-12.3				
		2005	Before	151	272	151*** (2.18)	-44.6	621	796	-228*** (6.98)	-22.1	1,067	1,294	-228*** (12.04)	-17.6				
			After	150	253	150*** (3.29)	-40.8	618	746	-99*** (10.49)	-17.1	1,064	1,213	-150*** (17.78)	-12.3				
		2006	Before	164	271	164*** (1.94)	-39.8	650	797	-258*** (6.18)	-18.4								
			After	163	262	163*** (3.16)	-37.7	651	763	-147*** (9.93)	-14.7								
<b>High educated (25-54)</b>																			
<b>Men</b>		2003	Before	140	284	140*** (5.28)	-50.2	590	829	-235*** (17.28)	-28.3	1,023	1,363	-333*** (29.67)	-24.4	1,420	1,872	-442*** (42.49)	-23.6
			After	142	248	142*** (6.98)	-42.6	595	701	-106*** (23.68)	-15.2	1,033	1,141	-108*** (40.94)	-9.5	1,435	1,549	-114* (58.41)	-7.4
		2004	Before	134	282	134*** (5.4)	-52.8	562	829	-267*** (17.7)	-32.3	996	1,362	-367*** (30.3)	-27.0				
			After	134	255	134*** (8.14)	-47.5	560	690	-130*** (27.39)	-18.9	993	1,106	-113*** (46.48)	-10.2				
		2005	Before	139	284	139*** (5.13)	-51.6	570	842	-275*** (16.57)	-32.7	944	1,368	-430*** (28.73)	-31.4				
			After	137	242	137*** (7.17)	-43.4	564	672	-108*** (24.35)	-16.1	938	1,069	-131*** (42.27)	-12.2				
		2006	Before	156	289	156*** (5.1)	-46.1	628	848	-223*** (16.84)	-26.3								
			After	156	254	156*** (7.17)	-38.7	624	695	-71*** (24.07)	-10.2								
<b>Women</b>		2003	Before	133	288	133*** (4.01)	-53.9	614	831	-216*** (13.49)	-26.0	1,091	1,337	-245*** (23.21)	-18.3	1,553	1,822	-268*** (32.75)	-14.7
			After	133	269	133*** (5.53)	-50.5	616	761	-145*** (18.34)	-19.1	1,094	1,236	-142*** (30.93)	-11.5	1,556	1,699	-143*** (43.28)	-8.4
		2004	Before	142	288	142*** (4.36)	-50.6	633	831	-195*** (14.49)	-23.5	1,113	1,338	-219*** (24.93)	-16.4				
			After	143	268	143*** (5.98)	-46.8	635	764	-128*** (19.85)	-16.8	1,119	1,233	-113*** (33.51)	-9.2				

		2005	Before	143	289	143*** (4.03)	-50.7	633	842	-210*** (13.19)	-24.9	1,102	1,354	-256*** (22.64)	-18.9				
			After	143	271	143*** (5.86)	-47.3	632	792	-160*** (19.15)	-20.2	1,099	1,279	-181*** (32.44)	-14.1				
		2006	Before	163	289	163*** (3.55)	-43.9	665	842	-179*** (11.54)	-21.2								
			After	163	269	163*** (5.83)	-39.6	665	777	-112*** (18.74)	-14.4								
<b>Nationals (25-54)</b>																			
<b>Men</b>	2003	Before	127	272	127*** (1.57)	-53.2	525	795	-269*** (5.06)	-33.9	916	1,316	-399*** (8.78)	-30.3	1,264	1,806	-540*** (12.77)	-29.9	
																			After
	2004	Before	126	271	126*** (1.63)	-53.7	518	798	-281*** (5.16)	-35.2	908	1,321	-415*** (8.92)	-31.4					
	2005	Before	122	272	122*** (1.62)	-55.1	516	815	-300*** (5.08)	-36.8	882	1,325	-444*** (8.89)	-33.5					
2006	Before	136	279	136*** (1.42)	-51.3	541	824	-282*** (4.56)	-34.2										
																			After
<b>Women</b>	2003	Before	141	266	141*** (1.5)	-47.2	590	769	-179*** (4.84)	-23.3	1,019	1,252	-233*** (8.32)	-18.6	1,412	1,715	-302*** (11.88)	-17.6	
																			After
	2004	Before	144	267	144*** (1.7)	-46.2	586	773	-186*** (5.46)	-24.1	1,018	1,260	-242*** (9.32)	-19.2					
	2005	Before	142	268	142*** (1.62)	-47.0	590	783	-193*** (5.11)	-24.6	1,016	1,272	-255*** (8.75)	-20.1					
2006	Before	154	267	154*** (1.45)	-42.3	614	783	-169*** (4.56)	-21.5										
																			After
<b>Non-nationals (25-54)</b>																			
<b>Men</b>	2003	Before	127	264	127*** (4.18)	-51.9	544	757	-212*** (13.31)	-28.0	960	1,245	-284*** (23.23)	-22.8	1,307	1,691	-385*** (33.94)	-22.8	
																			After
	2004	Before	126	261	126*** (4.36)	-51.5	548	759	-212*** (13.6)	-28.0	944	1,245	-303*** (23.76)	-24.3					
	2005	Before	119	262	119*** (4.07)	-54.6	535	780	-246*** (12.59)	-31.5	910	1,254	-348*** (22.18)	-27.8					
2006	Before	149	271	149*** (3.17)	-45.3	592	787	-191*** (10.2)	-24.2										
																			After
<b>Women</b>	2003	Before	143	265	143*** (5.08)	-46.5	593	740	-150*** (16.86)	-20.2	1,021	1,189	-172*** (29.39)	-14.4	1,402	1,617	-223*** (42.27)	-13.8	
																			After
	2004	Before	144	262	144*** (6.09)	-44.8	600	739	-134*** (19.85)	-18.1	1,022	1,192	-158*** (34.53)	-13.3					
	2005	Before	136	262	136*** (5.15)	-48.1	565	748	-190*** (16.5)	-25.3	978	1,201	-235*** (28.52)	-19.6					
2006	Before	143	263	143*** (4.59)	-45.9	562	752	-186*** (14.7)	-24.7										
																			After
<b>Disabled (25-54)</b>																			
<b>Men</b>	2003	Before	93	239	93*** (3.97)	-61.1	388	669	-280*** (12.48)	-41.9	705	1,091	-385*** (21.44)	-35.3	991	1,468	-475*** (30.57)	-32.4	
																			After
	2004	Before	93	239	93*** (3.95)	-61.3	391	682	-292*** (12.26)	-42.9	708	1,109	-403*** (20.89)	-36.3					
	2005	Before	81	242	81*** (4.01)	-66.4	363	707	-342*** (12.42)	-48.3	657	1,123	-465*** (21.26)	-41.4					
2006	Before	111	247	111*** (3.5)	-55.3	451	704	-252*** (11)	-35.8										
																			After
<b>Women</b>	2003	Before	107	240	107*** (4.9)	-55.1	450	661	-209*** (15.37)	-31.6	794	1,045	-248*** (25.94)	-23.8	1,100	1,393	-289*** (36.6)	-20.8	
																			After
	2004	Before	103	241	103*** (5.77)	-56.8	426	660	-230*** (17.91)	-34.9	747	1,049	-298*** (30.04)	-28.4					
	2005	Before	88	243	88*** (5.28)	-64.0	402	672	-271*** (16.33)	-40.3	728	1,061	-333*** (27.58)	-31.4					

	2006	Before	117	239	117*** (4.66)	-51.3	473	670	-199*** (14.36)	-29.7								
		After	117	230	117*** (6.47)	-49.4	473	624	-151*** (20.51)	-24.2								
<b>Non-disabled (25-54)</b>																		
<b>Men</b>	2003	Before	136	272	136*** (1.61)	-49.9	564	793	-229*** (5.17)	-28.9	978	1,312	-334*** (8.98)	-25.4	1,342	1,798	-455*** (13.11)	-25.3
		After	137	229	137*** (2.27)	-40.5	565	640	-75*** (7.58)	-11.7	981	1,043	-62*** (13.09)	-6.0	1,345	1,394	-50*** (18.68)	-3.6
2004	Before	135	270	135*** (1.69)	-50.0	560	796	-237*** (5.34)	-29.8	971	1,315	-346*** (9.27)	-26.3					
	After	135	229	135*** (2.38)	-40.9	558	642	-84*** (7.97)	-13.1	969	1,039	-70*** (13.74)	-6.8					
2005	Before	133	271	132*** (1.65)	-51.3	558	813	-93*** (5.16)	-31.4	944	1,320	-79*** (9.07)	-28.6					
	After	132	224	145*** (2.35)	-40.9	557	650	-244*** (7.92)	-14.3	942	1,021	-79*** (13.52)	-7.7					
2006	Before	145	279	145*** (1.42)	-47.9	577	822	-80*** (4.59)	-29.7									
	After	145	235	146*** (2)	-38.1	578	657	-159*** (6.61)	-12.1									
<b>Women</b>	2003	Before	146	267	145*** (1.5)	-45.6	611	769	-93*** (4.89)	-20.6	1,053	1,250	-198*** (8.44)	-15.8	1,459	1,713	-256*** (12.07)	-14.9
		After	145	247	149*** (2.04)	-41.1	610	703	-163*** (6.72)	-13.2	1,053	1,142	-89*** (11.56)	-7.8	1,458	1,548	-90*** (16.39)	-5.8
2004	Before	149	267	149*** (1.7)	-44.2	610	772	-114*** (5.5)	-21.1	1,056	1,258	-202*** (9.44)	-16.1					
	After	149	254	149*** (2.35)	-41.2	609	723	-167*** (7.82)	-15.8	1,057	1,173	-117*** (13.18)	-10.0					
2005	Before	149	268	149*** (1.62)	-44.3	615	782	-118*** (5.13)	-21.4	1,054	1,269	-132*** (8.81)	-17.0					
	After	149	252	159*** (2.34)	-40.9	615	732	-151*** (7.5)	-16.1	1,054	1,187	-132*** (12.78)	-11.2					
2006	Before	159	268	159*** (1.45)	-40.7	632	783	-103*** (4.6)	-19.3									
	After	159	255	159*** (2.18)	-37.7	633	735	-103*** (6.94)	-14.0									
<b>Female returners (25-54)</b>																		
<b>Women</b>	2003	Before	135	247	135*** (4.86)	-45.5	594	696	-102*** (15.07)	-14.7	1,072	1,145	-73** (24.78)	-6.4	1,536	1,607	-72** (34.39)	-4.5
		After	134	237	140*** (5.57)	-43.4	594	685	-91*** (17.91)	-13.2	1,073	1,148	-122*** (29.8)	-6.6	1,538	1,623	-85* (41.86)	-5.3
2004	Before	140	251	139*** (4.99)	-44.4	586	714	-128*** (15.46)	-17.9	1,052	1,176	-151*** (25.65)	-10.3					
	After	139	253	133*** (6.32)	-45.3	584	723	-119*** (20.48)	-19.2	1,052	1,203	-111*** (33.52)	-12.6					
2005	Before	133	249	134*** (4.57)	-46.1	597	720	-108*** (13.91)	-16.5	1,058	1,176	-98** (23.15)	-9.5					
	After	134	241	148*** (5.88)	-44.5	601	710	-92*** (18.39)	-15.3	1,065	1,162	-98** (30.56)	-8.4					
2006	Before	148	241	147*** (3.94)	-38.8	608	700	-97*** (12)	-13.1									
	After	147	243	147*** (5.34)	-39.6	607	703	-97*** (16.7)	-13.7									
<b>(C) Days in unemployment</b>																		
<b>Total sample (25-54)</b>																		
<b>Men</b>	2003	Before	73	78	73*** (1.19)	-5.9	288	229	58*** (3.46)	25.4	467	355	112*** (5.54)	31.7	647	486	161*** (7.7)	33.0
		After	73	110	76* (1.81)	-33.0	288	345	-57*** (5.65)	-16.6	467	542	9.1	-13.8	647	741	-94*** (12.56)	-12.7
2004	Before	76	79	76*** (1.24)	-2.9	298	224	75*** (3.53)	33.6	488	348	141*** (5.66)	40.5					
	After	76	111	76*** (1.9)	-31.2	299	345	-46*** (5.98)	-13.4	489	550	-61*** (9.64)	-11.1					
2005	Before	83	78	83*** (1.22)	7.2	290	206	85*** (3.37)	41.0	507	343	165*** (5.62)	48.2					
	After	83	113	83*** (1.95)	-26.1	291	335	-44*** (5.84)	-13.1	508	565	-56*** (9.71)	-10.0					
2006	Before	77	70	77*** (1.03)	9.8	288	200	88*** (2.98)	44.1									
	After	77	106	77*** (1.66)	-26.9	289	338	-49*** (4.98)	-14.4									
<b>Women</b>	2003	Before	54	81	54*** (1.18)	-33.9	224	228	-4* (3.41)	-1.8	371	354	16** (5.38)	4.4	502	474	27*** (7.26)	5.6
		After	54	90	52*** (1.56)	-39.9	225	278	-53*** (4.97)	-19.1	371	432	-62*** (7.88)	-14.3	502	572	-70*** (10.57)	-12.3
2004	Before	52	82	53*** (1.36)	-36.1	232	226	5* (3.89)	2.1	376	350	25*** (6.06)	7.2					
	After	53	87	53*** (1.85)	-39.7	232	267	-35*** (5.94)	-13.0	377	421	-44*** (9.32)	-10.5					
2005	Before	59	81	59*** (1.28)	-27.2	230	217	13*** (3.55)	6.1	384	342	42*** (5.61)	12.3					
	After	59	85	59*** (1.83)	-30.6	231	250	-18*** (5.53)	-7.4	386	406	-20** (8.89)	-5.0					
2006	Before	58	80	58*** (1.14)	-27.2	217	215	1 (3.16)	0.3									
	After	58	81	58*** (1.69)	-28.1	217	243	-27*** (5.03)	-10.9									
<b>Young people (15-24)</b>																		
<b>Men</b>	2003	Before	59	68	59*** (2.39)	-13.6	215	186	25*** (6.58)	13.6	325	279	37*** (10.18)	13.4	453	382	54*** (14.01)	14.2
		After	59	86	60*** (3.04)	-31.9	210	244	-56*** (9.03)	-13.9	314	370	-75*** (13.58)	-15.2	435	510	-70*** (18.4)	-14.8
2004	Before	60	68	62*** (2.42)	-8.3	208	180	31*** (6.44)	17.2	342	275	68*** (10.02)	24.9					
	After	62	86	64 (3.2)	-28.2	210	244	-34*** (9.17)	-13.9	343	377	-34** (14.45)	-9.1					
2005	Before	64	66	65*** (2.49)	-3.1	212	164	50*** (6.37)	30.3	372	273	102*** (10.46)	37.6					
	After	65	90	65*** (3.33)	-28.2	215	245	-30*** (9.17)	-12.3	375	411	-36** (14.94)	-8.7					



<b>Women</b>	2003	Before	64	90	64*** (1.88)	-29.0	266	264	2	(5.5)	0.7	445	417	27*** (8.74)	6.4	608	564	42*** (11.89)	7.4
		After	64	101	64*** (2.48)	-36.3	267	320	-53*** (7.91)	-16.6	445	506	506	-60*** (12.69)	-11.9	608	681	-73*** (17.19)	-10.7
	2004	Before	62	91	62*** (2.21)	-31.5	269	263	7* (6.32)	2.7	446	413	413	33*** (9.96)	8.0				
		After	63	100	63*** (2.92)	-37.1	272	316	-44*** (9.42)	-13.8	449	506	506	-58*** (15.14)	-11.4				
	2005	Before	71	91	71*** (2.1)	-21.8	273	253	20*** (5.85)	7.8	461	407	407	55*** (9.34)	13.4				
		After	72	100	72*** (3.09)	-28.4	275	301	-26*** (9.26)	-8.7	464	498	498	-33** (14.97)	-6.6				
2006	Before	75	91	75*** (1.91)	-17.6	279	255	24*** (5.33)	9.2										
	After	75	100	75*** (2.82)	-24.9	280	310	-30*** (8.27)	-9.8										
<b>Medium educated (25-54)</b>																			
<b>Men</b>	2003	Before	66	73	66*** (1.51)	-10.0	259	209	49*** (4.35)	23.6	419	318	318	100*** (6.89)	31.4	575	432	143*** (9.51)	33.1
		After	66	102	66*** (2.38)	-35.5	258	312	-54*** (7.49)	-17.2	418	483	483	-65*** (12.06)	-13.5	575	657	-82*** (16.53)	-12.4
	2004	Before	69	73	69*** (1.57)	-5.3	270	203	69*** (4.45)	33.8	443	312	312	133*** (7.07)	42.8				
		After	69	105	69*** (2.56)	-34.0	272	319	-47*** (8.09)	-14.8	445	503	503	-58*** (13.07)	-11.5				
	2005	Before	73	72	73*** (1.61)	1.6	251	188	63*** (4.4)	33.6	431	308	308	123*** (7.28)	40.0				
		After	74	106	74*** (2.72)	-30.1	252	304	-52*** (8)	-16.9	433	509	509	-76*** (13.12)	-15.0				
2006	Before	70	66	70*** (1.39)	7.0	256	182	75*** (3.96)	41.4										
	After	70	100	70*** (2.39)	-29.9	257	313	-57*** (7.18)	-18.1										
<b>Women</b>	2003	Before	49	79	49*** (1.7)	-37.7	202	212	-10** (4.76)	-4.6	330	322	322	7 (7.39)	2.1	443	425	16* (9.87)	3.9
		After	49	83	49*** (2.29)	-40.6	202	247	-45*** (7.19)	-18.2	330	381	381	-52*** (11.24)	-13.5	442	500	-57*** (14.83)	-11.5
	2004	Before	49	79	49*** (1.95)	-38.3	216	211	5 (5.45)	2.2	345	321	321	24** (8.34)	7.3				
		After	49	80	49*** (2.75)	-39.1	216	239	-23*** (8.7)	-9.5	345	372	372	-26* (13.36)	-7.1				
	2005	Before	54	78	54*** (1.82)	-31.0	210	203	6* (4.96)	3.1	345	316	316	30*** (7.74)	9.4				
		After	54	81	54*** (2.67)	-33.1	211	230	-18** (7.94)	-8.0	347	365	365	-17* (12.57)	-4.7				
2006	Before	50	77	50*** (1.6)	-35.6	183	201	-19*** (4.36)	-9.2										
	After	50	74	50*** (2.49)	-32.7	183	213	-30*** (7.3)	-14.2										
<b>High educated (25-54)</b>																			
<b>Men</b>	2003	Before	45	60	45*** (4.02)	-23.5	215	156	58*** (11.39)	36.9	350	233	233	115*** (17.7)	49.2	493	311	178*** (23.88)	57.4
		After	46	87	46*** (5.76)	-47.4	213	246	-33* (18.42)	-13.4	343	390	390	-47* (28.8)	-12.2	480	535	-55* (39.49)	-10.2
	2004	Before	52	60	52* (4.09)	-12.2	245	155	91*** (11.74)	58.4	380	232	232	150*** (18.13)	64.6				
		After	53	82	53*** (6.62)	-35.3	248	261	-13 (20.88)	-5.1	384	414	414	-30 (32.44)	-7.2				
	2005	Before	53	58	53*** (3.88)	-7.9	232	147	87*** (10.97)	59.3	416	233	233	186*** (17.65)	80.0				
		After	53	92	53*** (6.06)	-42.0	234	296	-62*** (19.16)	-20.8	419	489	489	-69* (32.23)	-14.2				
2006	Before	50	54	50* (3.83)	-7.3	223	143	81*** (11.01)	56.9										
	After	52	77	52*** (5.96)	-32.6	228	265	-38* (19.06)	-14.2										
<b>Women</b>	2003	Before	39	58	39*** (3.04)	-33.3	172	144	27*** (8.56)	18.9	284	217	217	64*** (13.19)	29.6	377	284	92*** (17.38)	32.4
		After	39	68	39*** (4.13)	-43.1	172	203	-31** (12.99)	-15.4	283	315	315	-32* (20.29)	-10.2	377	406	-29 (27.23)	-7.2
	2004	Before	34	58	34*** (3.37)	-41.1	172	147	21** (9.46)	14.6	273	220	220	50*** (14.34)	22.6				
		After	35	71	35*** (4.3)	-51.3	170	209	-39*** (14.34)	-18.6	272	324	324	-53** (21.89)	-16.3				
	2005	Before	40	57	40*** (3.1)	-28.3	174	138	38*** (8.39)	27.4	292	209	209	85*** (12.86)	40.6				
		After	41	69	41*** (4.48)	-40.9	177	195	-18* (14.02)	-9.3	295	307	307	-13 (22.31)	-4.1				
2006	Before	42	56	42*** (2.66)	-24.4	158	134	24*** (7.12)	17.8										
	After	42	62	42*** (4.29)	-31.0	159	179	-20* (12.73)	-11.1										
<b>Nationals (25-54)</b>																			
<b>Men</b>	2003	Before	73	77	73** (1.27)	-4.6	287	222	65*** (3.7)	29.2	466	341	341	124*** (5.9)	36.3	643	466	177*** (8.17)	38.0
		After	73	111	73*** (1.95)	-34.0	287	346	-60*** (6.11)	-17.2	465	543	543	-78*** (9.82)	-14.3	643	740	-97*** (13.52)	-13.1
	2004	Before	75	77	75 (1.32)	-1.7	298	218	81*** (3.78)	37.3	487	337	337	151*** (6.05)	44.9				
		After	76	111	76*** (2.04)	-31.6	299	347	-48*** (6.47)	-13.9	488	553	553	-65*** (10.44)	-11.8				
	2005	Before	82	76	82*** (1.31)	8.2	289	202	88*** (3.66)	43.6	504	334	334	171*** (6.09)	51.3				
		After	83	113	83*** (2.13)	-27.2	290	337	-47*** (6.39)	-13.9	505	566	566	-61*** (10.6)	-10.8				
2006	Before	79	69	79*** (1.13)	13.5	294	196	98*** (3.29)	49.8										
	After	79	106	79*** (1.86)	-25.8	294	339	-45*** (5.6)	-13.3										
<b>Women</b>	2003	Before	54	82	54*** (1.24)	-34.2	224	226	-3 (3.57)	-1.4	368	349	349	19*** (5.6)	5.4	497	463	33*** (7.53)	7.1
		After	54	89	54*** (1.63)	-39.2	224	273	-49*** (5.18)	-18.1	368	425	425	-57*** (8.21)	-13.4	497	562	-65*** (10.99)	-11.6

		2004	Before	52	82	52*** (1.42)	-36.5	231	225	7* (4.06)	2.9	375	346	30*** (6.3)	8.6					
			After	52	87	52*** (1.91)	-40.1	232	264	-32*** (6.18)	-12.1	376	418	-42*** (9.69)	-10.1					
		2005	Before	58	81	58*** (1.35)	-28.0	227	215	12*** (3.74)	5.7	380	338	42*** (5.91)	12.4					
			After	58	84	58*** (1.91)	-30.2	228	244	-16*** (5.78)	-6.4	381	399	-18* (9.29)	-4.5					
		2006	Before	58	80	58*** (1.2)	-28.1	213	214	-2 (3.33)	-0.7									
			After	58	83	58*** (1.79)	-30.6	213	248	-35*** (5.3)	-14.1									
<b>Non-nationals (25-54)</b>																				
<b>Men</b>	2003	Before	72	82	72** (3.47)	-10.2	287	251	39*** (10.04)	15.6	463	393	76*** (16.17)	19.4	656	546	118*** (22.7)	21.6		
		After	73	109	73*** (4.92)	-32.9	289	341	-53*** (14.85)	-15.4	468	538	-70** (24.24)	-13.1	663	760	-97** (34.14)	-12.7		
	2004	Before	79	84	79 (3.62)	-3.6	295	243	56*** (10.11)	23.1	489	383	111*** (16.3)	28.8						
		After	82	115	82*** (5.21)	-29.1	303	350	-48** (15.45)	-13.7	498	566	-68** (25.08)	-12.0						
	2005	Before	85	82	85* (3.34)	5.2	288	220	70*** (9.01)	31.9	511	370	145*** (15.12)	39.2						
		After	87	114	87*** (4.74)	-23.9	294	328	-34** (13.97)	-10.3	522	569	-47* (23.87)	-8.2						
2006	Before	68	73	68* (2.54)	-5.8	259	213	46*** (7.24)	21.8											
	After	70	98	70*** (3.68)	-28.4	262	307	-45*** (10.75)	-14.7											
<b>Women</b>	2003	Before	54	80	54*** (4.23)	-31.4	236	235	-1 (12.4)	-0.6	404	376	22* (19.82)	5.9	568	518	41* (27.38)	7.8		
		After	56	88	56*** (5.67)	-37.0	236	287	-50** (18.04)	-17.6	403	469	-66* (29.15)	-14.1	566	649	-83* (40.28)	-12.8		
	2004	Before	59	82	59*** (5.16)	-28.5	239	235	-2 (14.71)	-1.0	389	371	8 (23.13)	2.1						
		After	60	98	60*** (7.46)	-38.7	236	308	-72*** (22.93)	-23.4	385	489	-104** (37.17)	-21.2						
	2005	Before	67	81	67*** (4.31)	-17.0	255	224	37*** (11.81)	16.4	425	361	76*** (18.78)	21.1						
		After	69	94	69*** (6.34)	-26.2	267	285	-18 (18.29)	-6.3	450	461	-11 (29.66)	-2.4						
2006	Before	64	78	64*** (3.78)	-17.2	252	220	33*** (10.56)	15.1											
	After	67	83	67** (5.49)	-18.4	259	255	4 (16.83)	1.7											
<b>Disabled (25-54)</b>																				
<b>Men</b>	2003	Before	90	102	90*** (3.33)	-11.0	350	314	37*** (9.82)	11.9	570	488	82*** (15.78)	16.7	774	668	106*** (21.63)	15.9		
		After	90	129	90*** (4.31)	-29.7	350	408	-58*** (13.22)	-14.3	569	637	-69** (21.65)	-10.8	773	863	-90** (29.63)	-10.4		
	2004	Before	85	101	85*** (3.3)	-15.8	348	303	46*** (9.62)	15.2	572	478	95*** (15.48)	19.8						
		After	85	122	85*** (4.66)	-30.4	349	385	-37*** (14.49)	-9.5	572	607	-35* (23.59)	-5.8						
	2005	Before	93	98	93* (3.35)	-4.5	346	277	70*** (9.59)	25.4	600	466	136*** (15.87)	29.3						
		After	94	125	94*** (4.77)	-24.8	348	383	-35** (14.2)	-9.2	604	643	-39* (23.35)	-6.1						
2006	Before	89	93	89* (2.91)	-4.4	330	283	48*** (8.58)	17.0											
	After	89	122	89*** (4)	-26.9	331	398	-68*** (11.98)	-17.0											
<b>Women</b>	2003	Before	71	99	71*** (4.12)	-28.7	288	301	-14* (12.14)	-4.6	482	477	3 (19.31)	0.6	636	639	-6 (25.97)	-1.0		
		After	71	111	71*** (5.17)	-36.5	288	353	-65*** (16.09)	-18.5	480	556	-76** (25.48)	-13.6	634	740	-105** (33.84)	-14.3		
	2004	Before	56	100	56*** (4.89)	-42.0	292	304	-9 (14.31)	-3.0	498	476	25* (22.56)	5.3						
		After	58	103	58*** (6.03)	-43.2	299	347	-48** (19.56)	-13.8	507	547	-40* (31.57)	-7.3						
	2005	Before	78	98	78*** (4.47)	-20.7	305	294	11 (12.91)	3.8	509	477	32* (20.78)	6.7						
		After	78	103	78*** (5.99)	-23.9	307	335	-28* (17.84)	-8.3	510	556	-46* (28.79)	-8.3						
2006	Before	73	98	73*** (3.91)	-25.8	279	293	-13* (11.25)	-4.6											
	After	74	97	74*** (5.47)	-24.2	279	316	-37*** (16.35)	-11.6											
<b>Non-disabled (25-54)</b>																				
<b>Men</b>	2003	Before	69	76	69*** (1.3)	-9.9	271	224	47*** (3.78)	21.2	439	345	94*** (6.04)	27.2	613	474	139*** (8.42)	29.4		
		After	69	105	69*** (2)	-34.8	271	333	-62*** (6.23)	-18.6	439	524	-85*** (10)	-16.2	613	719	-107*** (13.89)	-14.8		
	2004	Before	73	77	73** (1.37)	-4.3	283	219	66*** (3.9)	30.2	463	340	126*** (6.25)	37.0						
		After	74	106	74*** (2.12)	-30.4	285	328	-42*** (6.63)	-12.9	467	523	-57*** (10.65)	-10.9						
	2005	Before	80	76	80*** (1.34)	5.5	276	202	74*** (3.69)	36.9	482	335	148*** (6.15)	44.3						
		After	81	109	81*** (2.15)	-26.3	276	319	-43*** (6.41)	-13.4	484	539	-55*** (10.7)	-10.2						
2006	Before	74	69	74*** (1.13)	7.4	276	195	82*** (3.26)	42.2											
	After	74	100	74*** (1.81)	-26.0	278	317	-39*** (5.44)	-12.3											
<b>Women</b>	2003	Before	51	81	51*** (1.24)	-36.3	215	224	-10** (3.59)	-4.4	354	348	5 (5.64)	1.5	482	465	15** (7.62)	3.3		
		After	52	86	52*** (1.64)	-40.1	215	265	-50*** (5.23)	-18.9	354	414	-67*** (8.29)	-14.4	482	549	-67*** (11.16)	-12.3		
	2004	Before	52	81	52*** (1.43)	-36.2	223	223	0 (4.07)	0.0	359	344	15** (6.32)	4.2						
		After	52	86	52*** (1.93)	-39.5	224	258	-34*** (6.18)	-13.2	360	407	-48*** (9.64)	-11.7						

	2005	Before	56	80	56*** (1.35)	-29.9	219	213	6* (3.72)	2.8	366	336	31*** (5.87)	9.1				
		After	56	83	56*** (1.94)	-32.4	220	240	-20*** (5.83)	-8.3	367	384	-17* (9.34)	-4.4				
	2006	Before	56	79	56*** (1.2)	-29.3	207	211	-5* (3.33)	-2.5								
		After	56	79	56*** (1.79)	-28.7	207	232	-26*** (5.29)	-11.0								
<b>Female returners (25-54)</b>																		
<b>Women</b>	2003	Before	51	87	51*** (3.91)	-41.8	205	255	-50*** (11.49)	-19.7	322	393	-72*** (17.53)	-18.3	438	520	-83*** (23.4)	-15.9
		After	51	83	51*** (4.43)	-38.3	206	247	-42*** (13.7)	-16.8	322	372	-50** (20.84)	-13.5	438	491	-53* (28.13)	-10.7
	2004	Before	54	87	54*** (4.17)	-38.5	229	251	-23* (11.95)	-9.1	363	383	-21* (18.28)	-5.6				
		After	55	81	55*** (5.35)	-32.5	232	242	-10 (16.32)	-4.3	365	373	-8 (24.56)	-2.2				
	2005	Before	55	89	55*** (3.76)	-39.2	214	244	-32*** (10.55)	-13.2	347	378	-33** (16.3)	-8.9				
		After	55	84	55*** (4.72)	-34.9	213	237	-24* (14.32)	-10.2	346	372	-26* (22.42)	-7.0				
	2006	Before	65	94	65*** (3.26)	-31.0	210	261	-51*** (9.15)	-19.7								
		After	66	82	66*** (4.46)	-20.3	211	236	-24** (12.73)	-10.3								

Note: Results based on 10x1 Nearest Neighbour Propensity Score Matching. Bootstrap-standard errors of the ATT in parentheses (500 replications), statistical significance for \*\*\*  $p < 0.01$ , \*\*  $p < 0.05$ , \*  $p < 0.1$ . Scenario 2: Effects of program participation vs. non-participation, conditional on an employment take-up. Effects measured as difference in respective outcome between treated and non-treated individuals 1, 3, 5 and 7 years after program start. Abs.: Difference in absolute terms. Rel.: Difference in relative terms, i.e. difference in absolute terms as percentage of the outcome for the non-treated. Low education: at most compulsory education. Medium education: apprenticeship or intermediate technical and vocational school. High education: upper cycle of academic secondary school, higher technical or vocational college or academic degree (university, "Fachhochschule" or post-secondary college).

Table A.11: Estimated average treatment effect on the treated in terms of cumulated earnings for the total sample aged 25 to 54 years, scenario 2

Year		After 1 year				After 3 years				After 5 years				After 7 years			
		Treated	Non-treated	Difference Abs.	Rel.	Treated	Non-treated	Difference Abs.	Rel.	Treated	Non-treated	Difference Abs.	Rel.	Treated	Non-treated	Difference Abs.	Rel.
<b>Women</b>																	
2003	Before	13,096	14,695	-1,622*** (127.99)	-11.0	36,141	43,833	-7,730*** (408.22)	-17.6	59,970	73,752	-13,841*** (711.22)	-18.8	83,416	104,038	-20,737*** (1,035.37)	-19.9
	After	13,103	11,845	1,258*** (137.54)	10.6	36,175	34,972	1,204** (448.09)	3.4	60,024	59,247	777 (788.32)	1.3	83,459	83,475	-16 (1,154.77)	0.0
2004	Before	13,178	14,915	-1,775*** (148.22)	-11.9	36,276	44,897	-8,700*** (474.44)	-19.4	60,409	75,883	-15,545*** (826.38)	-20.5				
	After	13,176	12,078	1,098*** (158.37)	9.1	36,295	36,084	211 (515.05)	0.6	60,488	61,102	-614 (917.93)	-1.0				
2005	Before	12,993	15,244	-2,278*** (140.62)	-14.9	36,672	46,466	-9,924*** (452.41)	-21.4	60,623	78,070	-17,638*** (786.75)	-22.6				
	After	13,001	12,078	923*** (152.08)	7.6	36,623	36,638	-14 (498.59)	0.0	60,582	61,914	-1,332* (876.79)	-2.2				
2006	Before	12,946	15,739	-2,829*** (130.08)	-18.0	36,451	47,884	-11,513*** (417.13)	-24.0								
	After	12,972	12,189	784*** (144.06)	6.4	36,560	36,877	-317 (470.5)	-0.9								
<b>Men</b>																	
2003	Before	17,973	21,288	-3,310*** (155.83)	-15.6	49,002	63,787	-14,714*** (499.4)	-23.1	80,990	108,458	-27,344*** (883.55)	-25.2	110,997	152,865	-41,675*** (1,312.70)	-27.3
	After	18,006	16,405	1,601*** (186.4)	9.8	49,138	47,498	1,640** (610.57)	3.5	81,221	79,918	1,304* (1,080.8)	1.6	111,338	110,214	1,124 (1,590.00)	1.0
2004	Before	18,036	21,460	-3,491*** (163.21)	-16.3	49,480	65,231	-15,926*** (521.63)	-24.4	81,838	111,053	-29,482*** (922.95)	-26.5				
	After	18,016	16,330	1,686*** (196.01)	10.3	49,397	47,898	1,499** (644.66)	3.1	81,711	80,153	1,558* (1,148.06)	1.9				
2005	Before	17,643	21,979	-4,377*** (164.23)	-19.9	49,958	67,899	-18,011*** (523.48)	-26.5	80,584	113,726	-33,266*** (930.63)	-29.3				
	After	17,637	16,458	1,179*** (195.04)	7.2	49,986	49,451	535 (642.66)	1.1	80,612	79,976	636 (1,139.29)	0.8				
2006	Before	18,674	23,028	-4,380*** (147.15)	-19.0	52,139	70,093	-17,969*** (475.93)	-25.6								
	After	18,681	17,192	1,489*** (173.27)	8.7	52,214	49,771	2,442*** (569.14)	4.9								

Note: Results based on 10x1 Nearest Neighbour Propensity Score Matching. Bootstrap-standard errors of the ATT in parentheses (500 replications), statistical significance for \*\*\* p<0.01, \*\* p<0.05, \* p<0.1. Scenario 2: Effects of program participation vs. non-participation conditional on an employment take-up. Effects measured as difference in cumulated earnings between treated and non-treated individuals 1, 3, 5 and 7 years after program start. Abs.: Difference in absolute terms. Rel.: Difference in relative terms, i.e. difference in absolute terms as percentage of the outcome for the non-treated.

Table A.12: Complete list of variables in the dataset

**Personal characteristics**

Gender, age, family status (single; living in partnership; married; married, living separately; divorced; widowed), number of children (women only), presence of youngest child aged  $\leq 2$  years (women only), presence of youngest child aged 3-7 years (women only), presence of youngest child aged 7-10 years (women only), nationality (Austrian nationality, foreign from EU15, foreign from EU27, foreign from third country, missing), disability status (not disabled; disabled according to PES; disabled according to law; missing), highest education attained (no formal education; compulsory school; apprenticeship; intermediate vocational school; higher academic or vocational school; academic); PES-specific group of eligible youth, PES-specific group of patient advocacy, PES-specific group of dropouts, PES-specific group of eligible long-term unemployed, PES-specific group of female returners

**PES contact**

Number of PES contacts in last 2 months; number of PES contacts in last 6 months; number of PES job offers in last month; number of PES job offers in last 3 months; number of PES job offers in last 6 months; state of the counseling process (PES service zone; PES counseling zone; PES info zone; PES other zone)

**Regional characteristics**

Federal province (Vienna; Lower Austria; Upper Austria; Burgenland; Carinthia; Styria; Salzburg; Tyrol; Vorarlberg), type of region 1 (metropolitan area; city; suburban; medium-sized town; intensive industrial region; intensive touristic region; extensive industrial region; industrial periphery), type of region 2 (human-capital-intensive region; real-capital-intensive region; rural area), regional annual unemployment rate, regional annual program rate, regional annual share of long-term unemployed

**Information on current unemployment spell**

Quarter of (hypothetical) program entry, year of (hypothetical) program entry, elapsed unemployment duration until program entry

**Program participation**

Start and end date of entry into the wage subsidy scheme, type of last active labour market program

**Labour market history before program entry**

Last sector (agriculture, forestry; mining, energy, water, waste; manufacturing; construction; wholesale, trade; transportation, storage; accommodation, food service; information, communication; services; public administration, defence, social security; education, health, culture; others); last profession (agriculture, forestry; production, specialized services; sales, trade; transport; accommodation, food service; services; technicians; law field; education, health, culture); size of last employer, last monthly income, last unemployment insurance benefit level; duration in employment over last 2 years, duration in employment over last 5 years, duration in subsidized employment in last year, duration in subsidized employment over last 3 years, duration in unemployment over last 2 years, duration in unemployment over last 5 years, duration in training over last 2 years, duration in training over last 5 years, duration out of the labour force over last 2 years, duration out of the labour force over last 5 years, duration in parental leave over last 2 years, duration in parental leave over last 5 years, duration of sickness benefit receipt over last 2 years, duration of sickness benefit receipt over last 5 years, number of employment spells over last 2 years

**Labour market history after program entry**

Duration in employment over 1<sup>st</sup> year after program start, duration in employment over 3 years after program start, duration in employment over 7 years after program start, duration in unsubsidized employment over 1<sup>st</sup> year after program start, duration in unsubsidized employment over 3 years after program start, duration in unsubsidized employment over 7 years after program start, duration in unemployment over 1<sup>st</sup> year after program start, duration in unemployment over 3 years after program start, duration in unemployment over 7 years after program start, duration out of the labour force over 1<sup>st</sup> year after program start, duration out of the labour force over 3 years after program start, duration out of the labour force over 7 years after program start, cumulated income in 1<sup>st</sup> year after program start, cumulated income over 3 years after program start, cumulated income over 7 years after program start, average monthly income during employment in 1<sup>st</sup> year after program start, average monthly income during employment over 3 years after program start, average monthly income during employment over 7 years after program start, average monthly income in 1<sup>st</sup> year after program start (all calendar months), average monthly income over 3 years after program start (all calendar months), average monthly income over 7 years after program start (all calendar months), income mobility (difference between average monthly income in first year after program start and last year before entry into unemployment), achieved economic inclusion (two thirds of observed follow-up period employed and earning in the first year after program start at least 90% of average monthly income of last year before program entry).