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# The net effects of graduate work experience and the promotion of self-employment

# Technical report



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In the evaluation report are presented conclusions, recommendations and opinions which do not necessarily represent the views of the Ministry of Labour and Social Affairs of the Slovak Republic; further, the evaluation report is a collection of the interviewed opinions of the participants of the programs.

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#### Introduction

Increasing the rate of employment and decreasing unemployment have been some of the general objectives applied in the Operational Programme Employment and Social Inclusion for the programming period 2007 – 2013 in the Slovak Republic. This objective was set up due to the situation in the country regarding the critically high rate of the unemployed economically active population (13.4% in the year 2006). In this respect, specific measures of ALMP (hereinafter "ALMP") were proposed to be carried out with the aim of assisting in the improvement of the population's employability.

Graduate work experience and self-employment are frequently used within active labour market policy measures. Graduate work experience is an intervention focused on young unemployed jobseekers which occurred as a phenomenon of the financial crisis; the so called "lost generation" according to their weak ability to be placed on the labour market due to their lack of skills. This factor is significant and it is desired to be eliminated in the Slovak Republic.

On the other hand, it was identified as being necessary to evaluate self-employment according to the previously carried out Pilot assessment of the impact of selected measures of active labour market policy which stated a potential positive net effect of the intervention. The promoting of self-employment is also an actual topic currently taken into account as a trustworthy tool for dealing with the high unemployment rate and lack of free jobs on the open labour market. There are some individuals among jobseekers that need just an initial impulse to start with self-employment. Additionally, this active labour market policy measure is a supplement that contributes to the "Small Business Act" for Europe.

The existence of relevant and credible data was another crucial determining point of the undertaken evaluation. Primarily, we used data of selected interventions provided by the implementation body which is the Central Office of Labour and Social Affairs (here in after "COLSaF"), and the second important data source was evidence from the Social Insurance Agency (here in after "SIA"), which enables the measurement of performance of the individual jobseekers. This administrative evidence will ensure the highest level of validity of conclusions arising from the impact evaluation.

The evaluation used as large a sample as was possible according to available individual data from COLSaF and SIA. The evaluation of the graduate work experience was applied to 130 thousand participants and non-participants of the intervention, while self-employment was evaluated in the assistance of more than 30 thousand participants and non-participants with comprehensive records.

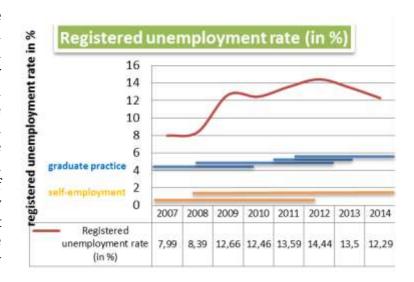
This monitoring report describes the results of the provided four quasi-experimental approaches to the counter-factual impact evaluation methods, of which the main message was to estimate the net effect of the interventions. In other words, this report should find an answer to the fundamental counter-factual question: what would have happened if the intervention were not be provided or promoted? Quite simply, it is possible to say that the methods subtract the individual performance of participants and non-participants in the impact period 2 years after the activities of intervention have finished, or the sustainability period has been complied with. The performed methods established very similar results to the net effects based on the employability of the jobseekers due to the intervention.

Another dimension which has been presented in the evaluation is the net and gross

financial effect of the intervention on the national budget in the impact period, estimated in respect to paid/saved unemployment allowance, taxes, increase of consumption, etc. Last but not least, the evaluation report provides aggregated opinions of the interviewed respondents that were intervened. The survey has brought valuable information about the undertaken activities which has confirmed the designed theory of change of graduate work experience and self-employment.

# 1 Slovak labour market at a glance during the period under focus

It is an undeniable fact that the Slovak labour market is still suffering from the world economic crisis, as are many European economies. As can be seen in the graph of the total Slovak registered unemployment rate. the lowest rate was measured during the first two years of the period which is covered by this counter-factual impact evaluation. After that. unemployment rate rapidly increased by almost half and



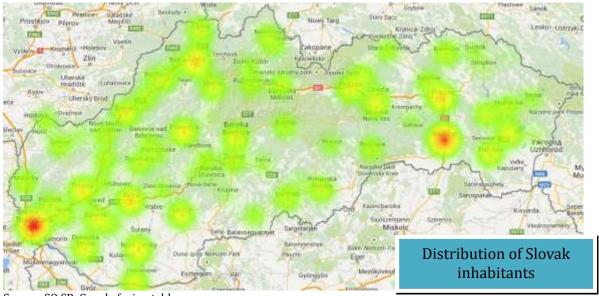
then merely increased till 2011. In 2012 another local extreme appeared where the unemployment rate again started its increasing tendency, which at the end of the year started falling to the level of when the economic crisis started in 2009, which is a signal of the economy and labour market's recovery process. At the bottom part of the chart, miniatures of the Gant charts are presented which describe different reference periods which were designed to ensure homogeneity of the evaluated interventions according to the novelization of the Act on Employment Services under the relevant paragraphs. As can be seen in the first Gant chart, the self-employment promotion has two reference periods. The lines represent the treatment period of the active labour measure (intervention) as well a two years long sustaining period of self-employment and another two years long impact period together. The second blue Gant chart describes four reference periods of the graduate work experience. The blue line represents the treatment period as well a two years long impact period.

The evaluation period of the self-employment promotion ended in the spring of 2010, when the unemployment rate was at a level higher than 12 %. That is the period when the last financial grants for founding a self-employment licence were distributed, and this was taken into account for the evaluation. The first two years of the self-employment reference periods were years of conjuncture of the Slovak economy. The other reference period of self-employment covered the treatment period of the first wave of the economic crisis.

The first treatment period of the graduate work experience was also implemented in the period of economic boom, when the lowest level of the unemployment rate was registered. However, the impact was estimated partially in the initiative stage of the world economic crisis. The other three reference periods were implemented mostly during the recession of the Slovak economy and labour market, that is why first evaluated period achieved on average better results than the rest of the reference periods.

The picture below the text describes the distribution of population density in Slovakia. The red points on the map represent places with the highest number of population (the capital Bratislava and the metropolis of East Slovakia – Košice). The strongest population

districts are situated mostly in the south-west and western part of the country; other more populated regions are concentrated in eastern Slovakia.



Source: SO SR, Google fusion tables

The table below the text describes the regional development of three basic labour market indicators: registered unemployment rate, average gross nominal monthly earnings, and employed with workplace outside the SR, which was measured by the Labour Force Survey<sup>1</sup>.

As can be seen, Bratislava region has the lowest unemployment rate in Slovakia and, on the contrary, the highest gross nominal month earnings and, of course, the lowest level of employed outside of the SR. The highest unemployment rate is in the south-central and eastern parts of Slovakia, where are also the highest number of persons employed abroad. The extreme average gross income is in Bratislava region and in other parts there are averages distributed almost equally in the regions of the SR.

Extremes of people that find a job abroad are visible in the Presov, Zilina and Nitra regions, where are also the highest share of jobseekers with occupations in construction, unskilled occupation or auxiliary occupations. These are very frequent and traditional kinds of occupation characteristic mainly in Kysuce region, Orava and Presov regions.

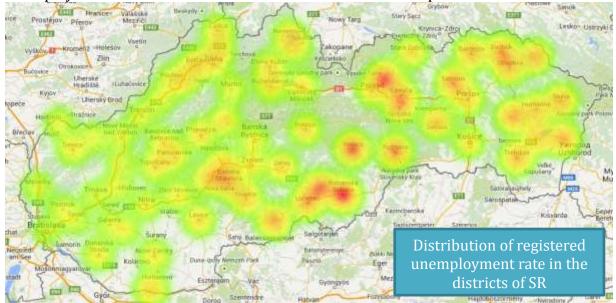
<sup>1</sup> 

LFS is the continuous monitoring of labour based on direct surveys in selected households. The basis for the Labour Force Survey consists of stratified selection of apartments, which evenly covers the whole territory of the Slovak Republic. To sample the quarter included 10,250 dwellings, which represents 0.6% of the total number of permanently occupied dwellings in the Slovak Republic.

Region					Average gross nominal monthly earnings (EUR)			Employed with workplace outside the SR (LFS)												
	2007	2008	2009		2011	2012				2011	2012		2007	2008	2009		2011	2012		2014
Region of Bratislava	1,98	2,27	4,36	4,63	5,41	5,72	6,17	6,13	1116	1157	1184	1205	5,1	4,6	4,1	3,1	4,1	4,7	7,6	5,9
Region of Trnava	4,3	4,29	8,37	<mark>8</mark> ,17	8,88	9,43	9,16	8,03	789	819	848	860	10,7	8	5,4	5,2	4,1	5,5	6,6	4,8
Region of Trenčín	4,5	4,95	10,13	9,51	9,95	10,89	10,74	9,56	<b>73</b> 9	766	798	821	13,7	14,2	10,6	11,1	11,1	10,9	11,4	8,6
Region of Nitra	7,1	7,41	<b>11,</b> 72	<b>11,</b> 76	13,27	14,08	<b>12,</b> 52	11,21	<b>73</b> 8	742	776	789	33,1	31,2	27,1	<b>2</b> 8,2	23,1	18,8	21,9	23,1
Region of Žilina	5,55	6,2	10,89	10,86	<b>11,</b> 91	12,79	<b>12,</b> 51	10,91	<b>75</b> 6	783	816	839	27,1	24,2	19,6	20,8	<b>1</b> 6,3	18,8	20,3	23,6
Region of Banská Bystrica	14,1	14,25	19,19	18,86	19,83	20,81	18,26	17,22	719	<b>74</b> 0	772	798	17,3	17	11,9	10,4	11,7	11,2	14,8	<b>1</b> 6,5
Region of Prešov	<b>12,</b> 05	12,86	18,29	17,75	18,95	20,66	19,35	17,45	672	680	718	736	52,1	47,7	<b>33</b> ,7	32	<b>32</b> ,9	<b>35,</b> 4	38,7	36,1
Region of Košice	13,02	13,5	17,3	16,78	18,76	19,58	17,23	<b>15,9</b> 2	<b>79</b> 9	814	853	883	<b>1</b> 8,3	<b>2</b> 0,9	<b>1</b> 6,7	<b>1</b> 6,1	11,8	15,3	15,1	<b>1</b> 5,5

Source: Statistical Office of the Slovak Republic

The final map additionally presents the distribution of the registered unemployment rates across the Slovak districts. To compare with the previous heat map, it is obvious that the highest unemployment rates occur mostly in less populated parts of Slovakia. On the maps it can be seen that districts exposed to the highest levels of the unemployment rate are located in the central south of Slovakia and the east of the country. The unemployment rate is reduced in the districts closest to the capital Bratislava.



Source: SO SR, Google fusion tables

#### 2 Data source

The intention of the evaluators was to use all relevant and available data sources about all treated and eligible controls. That is the reason why the evaluators applied for the data census of all eligible treated and non-treated jobseekers for § 49 and 51 registered in the database during the time period covered by the evaluation.

A number of data sources were identified. Firstly, the most important database was the database of treated and non-treated jobseekers maintained by COLSaF and supported by regional Public Employment Services offices. This database has the main purpose of providing us with identification of treated and non-treated individuals, information about verifying the eligibility of jobseekers, time period of treatment, amount of grant, etc.

The other most important data source was the database of the Slovak Insurance Agency, which provided mostly dependent variables helping to verify the employability of the treated and controls, the amount of wages earned during individual impact periods, types of employer, or data which could partially uncover the reasons why jobseekers could not find a placement on the open labour market through type of registrations. The other effect of the data is verification and addition of some incorrect or missing variables, such as gender, date of birth, or permanent residence.

COLSaF provided a database of personal identification numbers of all jobseekers who were registered during the focused period of evaluation to the Social Insurance Agency. The Social Insurance Agency extracted all records of jobseekers and prepared all necessary data for evaluators in accordance with Act No. 122/2013 Coll. on Protection of Personal Data and on Changing and Amending of other acts, resulting from amendments and additions executed by Act. No. 84/2014 Coll. Any selected jobseekers in the treated and control groups were not treated by any other intervention, except intervention by § 46 - Education and training for the labour market of jobseekers which was complementary realized to the intervention by § 49 - Self-employment in the preparatory process for business.

COLSaF is a government entity, ensuring the execution of state administration in the field of social affairs and employment services. The institution was established in January 2004, with Act NoN.453 / 2003 on state administration bodies in the field of social affairs and employment services, as amended. The headquartersh ensures management, control, coordination and methodological guidance performance through 46 offices of labour, social affairs and family.

### 2.1 Data preparation

This chapter describes the process of modification, categorization and coding of variables from individuals in treated and non-treated groups which we obtained from COLSaF and the Social Insurance Agency, Statistical Office of the Slovak Republic, Slovak Information and Marketing Company and the University of Zilina.

We decided to group data into four fundamental categories according to the type of information they provide in the context of log frame intervention.

The first type of data is **inputs** – there belongs data as sources which were used for the treatment effect. The basic data source for this kind of data was the database of COLSaF.

The second sort of data is outputs which monitor identification of treated and non-

treated groups, time periods of treatment, and places where active labour market measures were carried out. The main data source for this information is the database of COLSaF about jobseekers and, partially, the database of the Social Insurance Agency. The third kind of data is **outcomes** which monitor the employability of jobseekers and the success of placement on the open labour market through wages. The data source for this kind of information is the database of registrations of the Social Insurance Agency. The fourth sort of data informs us about conditions (**context data**) on the local labour market in the regions where the unemployed seek their jobs. There is some other information about population in the regions, number of municipalities and cities, etc.

#### 2.1.1 Input and output data

In general, the data extracted from COLSaF refers to inputs and outputs of both interventions. There is data about identification of individuals that were treated and jobseekers that are potentially incorporated into our controls. There is also some information about the direct outputs of interventions from the end of registration or SK NACE of an employer where graduates carry out their work experience, amount of grants, etc.

In total, we obtained 2,886,510 records from COLSaF. In the dataset, one jobseeker has multiple records about different registration periods. The data contains just jobseekers

that were not exposed to multiple interventions, i.e. jobseekers which were supported by other than the evaluated intervention were

		Cas	e Processing S	ummary				
	Cases							
	Va	ılid	Mis	sing	Total			
	N	Percent	N	Percent	N	Percent		
Age	2886266	100,0%	244	0,0%	2886510	100,0%		

excluded. The tables below present frequency statistics about the dataset from COLSaF.

# 1) Independent variable: Gender

The total of values is 2,886,510 cases. Less than 0.1~% of population filled in the incorrect value "1" in the dataset and 0.1~% of presented cases referred no value. More than 53~% of the treated and non-treated records are men and less than 47~% are women.

Gender

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Incorect value	1146	,0	,0	,0
	Men	1538344	53,3	53,3	53,3
	not identified	3173	,1	,1	53,4
	Women	1343847	46,6	46,6	100,0
	Total	2886510	100,0	100,0	

#### 2) Independent variable: Age

Individual records present years of age at the first registration in the database of jobseekers. It was the recorded age at first registration in the case of multiple registrations in the database of jobseekers. Therefore, the values of the variable are shifted by the difference between the two dates of the beginning of the records into the database of jobseekers. (i.e.

the difference between the beginning of the 2<sup>nd</sup> time and the beginning of the 1<sup>st</sup> time were added to the first age and thus gradually further for all records of the jobseeker). The values of age are rounded up to two decimal places to eliminate the rounding up errors. We excluded jobseekers whose records did not meet the eligibility criteria at the reference time for graduate

	D	escriptives		
			Statistic	Std. Error
Age	Mean		39,3130	,00755
	95% Confidence Interval for Mean	Lower Bound	39,2982	
		Upper Bound	39,3278	
	5% Trimmed Mean		39,0148	
	Median		37,0000	
	Variance		164,596	
	Std. Deviation		12,82951	
	Minimum		,00	·
	Maximum		85,60	
	Range		85,60	
	Interquartile Range		21,67	·
	Skewness		,342	,001
	Kurtosis		-1,017	,003

work experience (less than 25/26 years of age).

The dataset from COLSaF contains just 244 cases without referring to years of age, but as is presented in the table above, the minimum value is zero years, which indicates some incorrect records. These records must be merged with data from the Social Insurance Agency otherwise these records (jobseekers) must be excluded from our sample.

#### 3) Independence variable: Marital status

Marital status is information based on the time of the registration of the jobseeker before the intervention was granted.

Almost every second registration of jobseekers is single and about 40 % of jobseekers' registrations are married. More than 9 % of jobseekers registrations are divorced and more than 1.5 % of registrations of jobseekers are widowers. The minority of the registrations

Valid not identified 7115 registered partners divorced 267095 single 1425824 widow/er 45434	Marital status							
registered partners divorced 267095 single 1425824 4 widow/er 45434			Frequency	Percent				
partners divorced 267095 single 1425824 widow/er 45434	Valid	not identified	7115	,25				
single 1425824 4 widow/er 45434		U	1158	,04				
widow/er 45434		divorced	267095	9,25				
45434		single	1425824	49,40				
married 1139884 3		widow/er	45434	1,57				
		married	1139884	39,49				
Total 2886510 10		Total	2886510	100,00				

subscribes to registered partners, only about  $0.04 \, \overline{\%}$ . More than 7 thousand jobseekers' registrations do not specify their marital status and they will probably be excluded from our dataset.

#### 4) Independent variable: Permanent residence

Nomenclature of Units for Territorial Statistics (here in after "NUTS") - the code was reduced from 5 digits to just 3 digits (regional permanent address) and to 4 digits representing the district of permanent residence of the jobseeker. Those digits are sufficient for the matching and statistical description of individuals in treated and non-

treated groups. The permanent residence is missing in 0.5 % of records. That information must be obtained from the dataset of the Social Insurance Agency otherwise the jobseekers must be excluded from the sample.

	Permanent residence_region					
		Cumulative Percent				
Valid	Missing	13913	,5	,5	,5	
	Bratislavský kraj	206659	7,2	7,2	7,6	
	Trnavský kraj	273546	9,5	9,5	17,1	
	Trenčiansky kraj	292784	10,1	10,1	27,3	
	Nitriansky kraj	380836	13,2	13,2	40,5	
	Žilinský kraj	343911	11,9	11,9	52,4	
	Banskobystrický kraj	410572	14,2	14,2	66,6	
	Prešovský kraj	505232	17,5	17,5	84,1	
	Košický kraj	459057	15,9	15,9	100,0	
	Total	2886510	100,0	100,0		

# 5) Independent variable: Temporary residence

This variable has been excluded from the data set. Only a limited number of cases indicated information about temporary residence. The information was not significant from a statistical point of view and experience from previous examination of its significance in the process of modelling dependence.

# 6) Independent variable: Level of education

This variable represents the highest achieved level of education of the jobseeker according to the International Standard Classification of Education (hereinafter "ISCED"). In our dataset there exists almost 18 % of records without this information. This variable will not be excluded at the moment. We will decide on it during the next evaluation process.

<del>-</del>	L	evel of education			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Not finished education	15991	,6	,7	,7
	Primary education	229596	8,0	9,7	10,4
	Lower secondary professional education	32742	1,1	1,4	11,7
	Secondary vocational education	804982	27,9	33,9	45,7
	Full secondary vocational education	839439	29,1	35,4	81,0
	Full secondary comprehensive education	117690	4,1	5,0	86,0
	Upper vocational education	5093	,2	,2	86,2
	Bachelor	29984	1,0	1,3	87,5
	Master	293629	10,2	12,4	99,8
	Doctoral	3601	,1	,2	100,0
	Total	2372747	82,2	100,0	
Missing	System	513763	17,8		
Total		2886510	100,0		

#### 7) Independent variable: School specialisation field

This variable was recorded into the system in two ways. The first was based on the individual description of jobseekers about the field of specialisation at their highest level of education. The second way of recording the field of specialisation was carried out via the 7 digits of school specialisation field code. Those different approaches of reporting the field of specialisation caused an enormous number of different specialisation categories. The variable was used as a starting point for the creation of the next variables representing the education of the jobseekers.

The independent variable is connected to the previous variable – level of education, which is the reason the dataset contains almost 18 % of missing values.

# 8) Independent variable: Type of school

This variable represents the last attended school of the jobseeker. The codes of types of schools were categorized into several categories of schools. The types of schools varied mainly at the level of secondary and tertiary education. For example, universities were sorted into categories such as technical, social, economic, police, health, art, etc. Secondary schools were sorted into comprehensive school, girls secondary school, business academy, conservatory, etc.

This independent variable is connected to the previous variable – level of education, which is the reason the dataset contains almost 18 % of missing values. One third of jobseekers have, as their highest level of education, secondary vocational school, or vocational school.

#### 9) Independent variable: Code of degree program

Another variable which was deduced from the School specialisation field is "Code of degree program", which originally contained a 7 digit code which was reduced to a 4 digit code. That is why the code represents just a degree program. Seven digits were used in a small number of records, which is another reason why we decided to reduce the number of digits in the code. Additionally, we assumed that through this reduction we would ensure easier matching of treated and controls if the variable was significant in our model.

The independent variable is connected to the previous variable – level of education, which is the reason the dataset contains almost 18 % of missing values.

# 10)Independent variable: Driving lincense

This variable represents the type of driving licence of registered jobseekers, composed of treated and non-treated individuals. We deduced from this variable another 16 dummy variables of driving licence categories because we assumed that there would be a significant difference between a jobseeker that has a driving licence for lorries and a jobseeker that has a driving licence just for cars. It could be a significant ability which excludes the jobseeker with a driving licence just for cars from free working positions in the transport industry. About 30 % of jobseekers had a driving licence for cars and about 6 % of jobseekers had a permit to drive lorries.

	To a of delication Process	Frequ	uency	Per		
No.	Type of driving license	no	yes	no	yes	Total
1	Drivin license: group DE	2 883 212	3 298	99,9	,1	2 886 510
2	Drivin license: group D	2 865 513	20 997	99,3	,7	2 886 510
3	Drivin license: group D1E	2 883 029	3 481	99,9	,1	2 886 510
4	Drivin license: group D1	2 865 513	20 997	99,3	,7	2 886 510
5	Drivin license: group CE	2 821 364	65 146	97,7	2,3	2 886 510
6	Drivin license: group C	2 715 572	170 938	94,1	5,9	2 886 510
7	Drivin license: group C1E	2 821 364	65 146	97,7	2,3	2 886 510
8	Drivin license: group C1	2 715 572	170 938	94,1	5,9	2 886 510
9	Drivin license: group BE	2 821 364	65 146	97,7	2,3	2 886 510
10	Drivin license: group B	2 021 902	864 608	70,0	30,0	2 886 510
11	Drivin license: group B1	2 021 902	864 608	70,0	30,0	2 886 510
12	Drivin license: group A	2 633 956	252 554	91,3	8,7	2 886 510
13	Drivin license: group A2	2 886 453	57	100,0	,0	2 886 510
14	Drivin license: group A1	2 633 956	252 554	91,3	8,7	2 886 510
15	Drivin license: group AM	2 009 864	876 646	69,6	30,4	2 886 510
16	Drivin license: group T	2 695 510	191 000	93,4	6,6	2 886 510

# 11)Independent variable: disadvantages

This variable represents categories of disadvantages stated in Act No. 5/2004 Coll. on Employment Services, § 8 Disadvantaged jobseekers. These are categories such as jobseekers with more than 50 years of age, graduates, long-term unemployed, disabled etc.

As presented in the table, most of the records have no attribute of a disadvantage. Just about 10 % of the records is had a symptom of disadvantage. There are long-term unemployed, graduates and jobseekers more than 50 years of age in most of the cases.

# 12)Independent variable: occupation

This variable represents the

Frequency Percent Percent Valid no disadvantage 2599151 90,0 90,0 graduate 65400 2,3 92,3 unemployed ,0 92,3 17 foreigner ,0 92.3 long-term unemployed 180783 6,3 98,6 not-finished 307 ,0 98,6 low education ,0 494 98.6 organizational 3508 ,1 98,7 drop of capability 29 ,0 98.7 termination 297 ,0 98,7 finished 13 ,0 98.7 migration ,0 98,7 care 2464 ,1 98,8 hardship 419 ,0 98,8 age above 50 31054 1,1 99,9 health 110 ,0 99,9 disability 2462 ,1 100,0

2886510

100,0

Disadvantages

Cumulative

International Standard Classification of Occupations (hereinafter "ISCO") of the jobseeker. The code was reduced from 7 digits (which was available just for a limited number of cases) to a 2 digit code.

Total

In the table below are presented categories of occupations. We eliminated the difference in monitoring of this variable. We reduced the code to 2 digits because there were less than a thousand records which had records just with 1 digit. Finally, we grouped the jobseekers into 45 categories which should be appropriate for the matching. Most of the records tell us that jobseekers are support staff in mining, construction, manufacturing

and transport, or sales assistants or administrative staff.

There are slightly more than 30 % of records without values for occupation.

Name of occupation	Frequency	Percent	Cumulative Percent
Office workers	12	,0	,0
Workers in services and trade	5	,0	
Skilled workers and artisans	2		,0,
Operators, and assemblers of machinery and equipment	3	,0	,0
Elementary occupations		,0	,0
Legislators, senior government officials and senior representatives of enterprises and	232	,0	,0
organizations	3273	,1	,2
Managers (managers) administrative, support and business activities	9480	,3	,6
Managers (managers) Production and specialized services	8077	,3	1,0
Managers (managers) in accommodation, dining, business and other services	23046	,8	2,2
Specialists in the field of science and technology	19212	,7	3,1
Health professionals	5298	,2	3,4
Teachers and professionals in education	34033	1,2	5,1
Specialists administrative, support and business activities	16643	,6	5,9
Specialists in the field of information and communication technologies	5063	,2	6,2
Legal professionals, social and cultural	11645	,4	6,8
Technicians and associate professionals in the field of science and technology	47016	1,6	9,1
Health professionals	14689	,5	9,8
Professors administrative, support and business activities	134681	4,7	16,5
Professionals in the legal, social and cultural and related workers	8598	,3	16,9
Technicians in the field of information and communication technologies	8812	,3	17,4
General office clerks and registrars	53938	1,9	20,0
Clerks Customer services	19817	,7	21,0
Clerks to record the number and store data	49524	1,7	23,5
Other office staff	12674	,4	24,1
Personal service workers	114137	4,0	29,8
vendors	168013	5,8	38,1
Workers in custody	27088	,9	39,5
Employees of public safety and security services	30279	1,0	41,0
Skilled workers in agriculture (market-oriented)	13951	,5	41,7
Skilled forestry, fishing and hunting (market-oriented)	13913	,5	42,4
The farmers, fish farmers, hunters and gatherers	573	,0	42,4
Skilled craftsmen and construction workers, excluding electricians	121407	4,2	48,4
Skilled workers in metallurgy, engineering, and related workers	112819	3,9	54,0
Art and handmade artisans and printers	13427	,5	54,7
Electronics engineers and electricians	26509	,9	56,0
Processors and producers of food products, wood products and clothing	95798	3,3	60,8
Operators of stationary machinery and equipment	73017	2,5	64,4
assemblers	87835	3,0	68,7
Drivers and mobile plant operators	94906	3,3	73,5
Cleaners and helpers	52159	1,8	76,0
Laborers in agriculture, forestry and fisheries	33124	1,1	77,7
Labourers in mining, construction, manufacturing and transport	366123	12,7	95,9
Labourers in food preparation	2620	,1	96,0
Street vendors and auxiliaries similar services	1314	,0	96,1
Workers in waste disposal and other unskilled workers	79178	2,7	100,0
Total	2013963	69,8	
Missing	872547	30,2	
Total	2886510	100,0	

#### 13)Independent variable: Period of registration

This variable tells us how long a jobseeker was unemployed before the starting date of the reference period of this impact evaluation, i.e. 1.1.2007. All the values have been recoded into four simple variables because the variable

into four simple variables because the variable measured the days of registration in the register of jobseekers. The values categorize jobseekers into these categories:

•	non-registered	jobseekers	before
	1.1.2007 (non-u	nemployed),	

•	jobseek	ers r	registered	less than	1	year
	before	the	reference	period	of	the
	evaluat	ion,				

• jobseekers registered more than 1 year and less than 3 years in the PES register and jobseekers registered more than 3 years before the reference period.

non-

unemployed

< 1 year

1-3 years

> 3 years

System

Total

				_				
14	)Inde	pende	ent va	riab	le:	SK	NAC	E

This variable represents the structure of the Slovak classification of economic activities of the last employers of registered jobseekers. The code was reduced from 5 digits to 2 digits because of the infrequency of the full 5 digit code. Through reduction the cases are equal.

More than 96 % of records do not contain a value for SK NACE. This is because the records represent controls that have not been supported by any measure of ALMP.

#### 15) Independent variable: NUTS of measure performance

This variable represents Nomenclature of Units for Territorial Statistics of the region, or districts where jobseeker performance was measured by ALMP. The code was reduced and equalized to a 3 digit code representing regions of Slovakia and a 4 digit core representing districts of Slovakia. The table next to the text shows that in our dataset there are more than 96 % of the records without values for regions where the ALMP measure was performed.

	Fr	equency	Percent	Cumulative Percent
missing		2786494	96,5	96,5
Bratislava region		3804	,1	96,7
Trnava region		9634	,3	97,0
Trencin region		10304	,4	97,4
Nitra region		12415	,4	97,8
Zilina region		14575	,5	98,3
Banska Bystrica region		15186	,5	98,8
Prešov region Prešov region		20880	,7	99,5
Kosice region		13218	,5	100,0
Total		2886510	100,0	

registration before

Percent

36,2

18.1

19,2

26,6

63,8

36,2

100,0

Frequency

1044571

521185

554376

766378

1842810

1043700

2886510

Cumulative

Percent

36,2

54.2

73,4

100,0

#### 16) Dependent variable: Date of entry

This variable represents date of entrance into the database of jobseekers at local Public Employment Services offices between 1st January 2007 and 31st July 2014.

#### 17) Dependent variable: Date of departure

This dependent variable represents the date of departure from the database of jobseekers. In the cases without a value we added the date 30.6.2014 as the last day of the reference period of the impact evaluation. The cases without values are still registered in the database of jobseekers.

#### 18) Dependent variable: Time period of registration according to dates

This is an additional, deduced variable, which represents the time period of registration in the database of jobseekers as the difference between the disposal date and the registration date of jobseeker in months. The variable was used as the control value for checking the eligibility criteria of the self-employment intervention, i.e. a minimum three months registration of jobseekers in the database.

#### 19) Dependent variable: Decommissioning due to departure abroad

This dummy variable reports the reason of decommissioning from the jobseekers register due to the departure of jobseekers abroad. If a jobseeker departed abroad, he is likely placed on the open labour market abroad otherwise the jobseeker would return after some period of

Decommissioning the register due to departure abroad					
		Frequency	Cumulative Percent		
Valid	yes	414	,01		
	no	2886096	100,0		
	Total	2886510			

time again returned register in the database of jobseekers.

There are slightly more than 400 registrations that indicate the departure of jobseekers abroad. This variable was voluntarily reported. Exclusion will be considered.

#### 2.1.2 Outcome data

Data from the Social Insurance Agency is mostly output data in the context of an intervention log. In the database was found also output data. This data set contains inputs such as gender, permanent residence and date of birth.

Data from this institution was rather comprehensive because there were almost 210 mil. registrations for more than 3 mil. individuals. The process of data preparation was accompanied by a number of problems in scripting and removing errors which occurred during the extraction process from the data storage of the Social Insurance Agency.

Finally, we selected more than 28 mil. registrations of individuals that were identified in the COLSaF database.

This data contained also some independent variables which were used in the COLSaF database, which is why we could test the accuracy of data and add missing data in variables: date of birth, gender and permanent residence. Through that process we eliminated deleting some cases which would be excluded from the dataset of the treated and non-treated.

However, mostly the data monitored dependent variables based on employability. Through categorisation of registrations in the Social Insurance Agency, we could estimate and eliminate cases when individuals have an objective barrier to employment on the open labour market. We distinguish these categories of registration of insured persons in the Social Insurance Agency thus:

- **Placed on the labour market** these are registrations as employee, or voluntarily insured person. We assume that if somebody can pay insurance payments, he/she would have the financial resources to do so. There are also mothers and fathers on maternity/paternity leave because they have temporarily interrupted their employment.
- **Partially paced on the labour market** theses are persons employed part-time.
- **Self-employed** persons,
- Persons who are outside of labour market due to occurred individual barriers such as caring for a child, receiving disability pension, personal

assistant, etc. These types of registration indicate to us that the jobseeker was forced by a life event to stay out of the labour market and the social aspect is a barrier for his entrance to the open labour market.

• **Assessment base/wage** which is the monthly income of the individual in Euros or average income in month of the self-employed.

The table below describes in detail the registrations in the proposed categories of registrations in the Social Insurance Agency which will create the fundamental variables for verification of a jobseeker's employability.

Type of registration	Category of registration
ZEC - employee	placed on the labor market
ZECN - employee with irregular income	placed on the labor market
ZECDN10S - staff who were long-term unemployed	placed on the labor market
ZECD1PR - part-time agreement of service	partially located on the labor market
ZECD1N - part-time irregular income - agreement of service	partially located on the labor market
ZECD2PR - dopart-time agreement on work activities	partially located on the labor market
ZECD2N - part-time irregular income - agreement on work activities	partially located on the labor market
ZECD3 - part-time student work	partially located on the labor market
ZECD3N - part-time irregular income - student work	partially located on the labor market
SZC - self-employed	self-employed
DPODP - voluntarily insured person on supplementary insured	placed on the labor market
OVS - person performing SS, NS, ZDS	placed on the labor market
OCS - person performing community service	placed on the labor market
DIE6R - looking after a child under 6 years	due to subjective reasons outside the labor market
DIE7R - looking after a child under 7 years	due to subjective reasons outside the labor market
DIE18R - looking after a child under 18 years	due to subjective reasons outside the labor market
OID - receiving disability pension	due to subjective reasons outside the labor market
DPPS - additional premium payer for supplementary insured (student)	due to subjective reasons outside the labor market
DPPN - additional premium payer for supplementary insured (unemployed)	unemployed
DPPP - additional premium payer for supplementary insured (interruption insurance)	placed on the labor market
PUR - recipient of accident benefit	due to subjective reasons outside the labor market
POP - recipient of care allowance	due to subjective reasons outside the labor market
OSA - Personal Assistant	due to subjective reasons outside the labor market
FOMAT - ZEC, SZC at the time the maternity / parental leave	placed on the labor market

Source: Social Insurance Agency

#### 2.1.3 Context data

Context data comes from the Slovak Statistical Office of the Slovak Republic and it will be used mostly for description and interpretation of conclusions based on different analysis of the evaluation. There is data about the unemployment rate at the different NUTS. Other data came from the University of Zilina, in particular a matrix of real distances between Slovak towns and villages in kilometres. The data was used to measure individual distance from the municipality of permanent residence to the regional PES office. That database was fundamental for the creation of one instrumental variable that

was used for the estimation model of propensity score matching method.

#### 2.2 Selection bias

As already mentioned, the intervention promoting graduate work experience is obligatorily distributed to any eligible jobseekers that apply. This is the reason why the intervention indeed suffers from selection bias, namely that the impact is potentially affected by a self-selection bias effect. Therefore, it is necessary to struggle with unobserved characteristics (variables) which could potentially influence the estimated average treatment effects. One of the most significant unobserved variables could be the motivation to participate in the intervention based on the circumstances of the individuals. We can assume that young jobseekers are primarily motivated to find a job according to the general situation on the labour market in the place where they live. There are also some other important influences on employability such as having good luck, ability to convince people, availability of relevant information, and also random factors, etc. All the named sources are very hard or impossible to quantify and match with individuals in our treated and control samples.

We tried to identify some proxy indicators which would identify the differences between treated and non-treated groups to find the best possible logistic regression model that would help us credibly estimate the individual probability of participants and controls to be covered by the intervention. We focused on the data which could be possibly matched to the individuals according to the available data in the datasets from COLSaF and SIA. We proposed using these four instrumental variables:

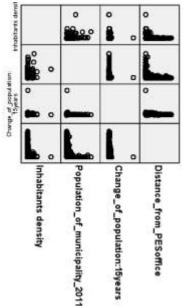
- population of the municipality from the last Slovak census in 2011,
- change of the population in the last 15 years in the municipality and
- real distance from permanent residence to the local Public Employment Services

office where the individual belong and

• inhabitants density in the municipality.

The assume that potential instrumental variables describe the local

environment of the individual jobseeker from the potential of the locality to create new jobs, and variety of occupations. In the municipality there could be barriers for individual jobseekers to match with professions which are based on the limited number of employees in the municipality or region. Trends in the population of the municipality over the last 15 years



could also provide information about the general motivation of the inhabitants to find a job possibly in another part of the region or Slovakia for many reasons. Some parts of Slovakia have become, in recent years, mainly resources or tourism locations. That indicator should collect information about the socio-economic climate of individuals' municipality. The next important instrumental variable could be the number of kilometres between permanent residence and PES office. Local public employment offices are usually in the cities which are also social, culture and economic centres in the locality. We assume that distance could be a problem for some graduates to travel

regularly in order to visit the open labour market and to be in touch with it.

In the scatterplot matrix outliers are marked which were identified\_

- in Bratislava V (part of the capital) where the highest number of permanent inhabitants is situated;
- in Bratislava I (old town) where inhabitant density is extreme and
- Selce (a municipality with a more than 1500 % increase of inhabitants in the last 15 years; it is a municipality near to Banska Bystrica).

These outliers were eliminated and we constructed a new scatterplot matrix which describes the shape of the function of the proposed instrumental variables.

Before calculating the correlation coefficients it is useful to show the relationships between variables graphically. For the input variables can be used scatter plot matrix, which consists of scatterplots for all pairs of given variables.

From the graph, we can check whether the data contains outliers or other kinds of problems that could further distort the results. At the same time, we can create an idea about the relationships between variables.

The correlation matrix contains, for each pair of input variables, Pearson's linear correlation coefficient (Pearson Correlation) values and a significance test of the zero

rate (Sig. (2-tailed)). Correlation coefficients significantly different from zero are indicated with an asterisk in the table (One star corresponds to the non-zero at 95% confidence level, two stars 99% confidence level).

As is obvious in the matrix, all the Pearson coefficients are estimated to be significantly different from zero at 99 % confidence level. Despite the fact that all the correlation coefficients are calculated based on confidence levels of 99%, depending on the

Correlations							
		Inhabitants density	Population_o f_municipality _2011	Change_of_pop ulation:15years	Distance_from_ PESoffice		
	Pearson Correlation	,196					
Population_of_m unicipality_2011	Sig. (2-tailed)	0,000					
	N	116292					
Change_of_popu	Pearson Correlation	-,130**	-,172**				
lation:15years	Sig. (2-tailed)	0,000	0,000				
	N	116197	116197				
	Pearson Correlation	-,113	-,338	,019			
Distance_from_P ESoffice	Sig. (2-tailed)	0,000	0,000	,000,			
	N	116292	116292	116197			
The registered unemployment	Pearson Correlation	-,287**	-,228**	,061**	,156		
rate in the district	Sig. (2-tailed)	0,000	0,000	,000,	0,000		
of perm. residence	N	116292	116292	116197	116292		
**. Correlation is s	ignificant at the	0.01 level (2-ta	ailed).				

individual instrumental variables they are fading, or very weak. The correlation coefficients were much weaker after elimination of the outliers mentioned in the text above (max. 0.265).

In the next step it should be verified whether there are identified differences between treated and non-treated groups across the designed reference periods for both interventions. Because, if there are significant differences between both groups, there is reason to expect that some of the proposed instrumental variables could be a satisfactory proxy indicator which could quantify unobserved factors which could determine whether the individuals enrol in the intervention.

The table below describes the results of the independent samples from the Kolmogorov-Smirnov tests during the reference periods. At the significance level of 0.05, we can write

the statistical statement that all instrumental variables do not have the same distributions between treated and non-treated groups of jobseekers. In the other words, in the samples of graduate work experience of participants and their controls, there are significant differences in inhabitants' density, change of the population in the municipality over the last 15 years, population of the municipality or individual real distance to the PES office.

Null Hypothesis	Test	Sig. In reff. Period 1	Sig. In reff. Period 2	Sig. In reff. Period 3	Sig. In reff. Period 4	Decision
The distribution of <b>innanitants density</b> is the	Independent-Samples Kolmogorov-Smirnov Test	0,000	0,000	0,000	0,000	Reject the null hypothesis.
	Independent-Samples Kolmogorov-Smirnov Test	0,000	0,000	0,000	0,000	Reject the null hypothesis.
The distribution of Change_of_population:15years is the same across categories of Treated/non-treated.	Independent-Samples Kolmogorov-Smirnov Test	0,000	0,000	0,000	0,000	Reject the null hypothesis.
The distribution of <i>Distance_from_PESoffice</i> is the same across categories of Treated/non-treated.	Independent-Samples Kolmogorov-Smirnov Test	0,000	0,000	0,001	0,000	Reject the null hypothesis.

In the other table below are presented the results of the same test which are the same as were in the graduate work experience. Just one test retains the null hypothesis in the first reference period of the instrumental variable "change of the population in the municipality in the last 15 years." Although the result states that differences between the treated and control groups are not significant, we will use that instrumental variable for the model of logistic regression.

Null Hypothesis	Test	SigReff. Period 1	DecisionReff. Period 1	SigReff. Period 2	DecisionReff. Period 2
The distribution of <i>Inhabitants</i> density is the same across categories of Treated/non-treated.	Independent-Samples Kolmogorov-Smirnov Test	0,008	Reject the null hypothesis.	0,000	Reject the null hypothesis.
The distribution of <b>Population_of_municipality_201</b> 1 is the same across categories of Treated/non-treated.	Independent-Samples Kolmogorov-Smirnov Test	0	Reject the null hypothesis.	0,000	Reject the null hypothesis.
The distribution of Change_of_population:15years is the same across categories of Treated/non-treated.	Independent-Samples Kolmogorov-Smirnov Test	0,277	Retain the null hypothesis.	0,000	Reject the null hypothesis.
The distribution of Distance_from_PESoffice is the same across categories of Treated/non-treated.	Independent-Samples Kolmogorov-Smirnov Test	0,001	Reject the null hypothesis.	0,000	Reject the null hypothesis.

Asymptotic significances are displayed. The significance level is ,05.

Additionally, we decided to eliminate the influence of self-selection bias through a narrower selection of controls for self-employment. We assumed that the motivation to join in the intervention could be partially ensured through the selection of eligible controls which were:

- registered in the register of jobseekers in the reference period<sup>2</sup>,
- not supported through intervention or another intervention and
- self-employed during the reference period plus 2 years, which represents the compulsory sustainable period of self-employment according to the record in the

<sup>2</sup> Reference period represents a specific time of intervention homogeneity which was taken into account for evaluation reasons. For example: from 1.1.2007 till 30.4.2008.

#### SIA database.

The limitation of the presented process of selecting jobseekers into controls is that our counter-factual evaluation should answer just one question: what would have happened if the intervention had not been provided to any jobseeker who intends to become self-employed. Because through that selection we will compare just the controls – jobseekers who really wanted to become self-employed as the treated wanted.

# 3 Methodology

This chapter describes the theoretical approaches which were applied across the provided evaluation of both evaluated active labour market measures (§ 49 and § 51). It is necessary to emphasise that this impact evaluation report should also have a learning purpose which is reflected in the selection methods. Through the use of different types of methods, we would like to use the differences in estimated net-effects. Basically, this report should cover the triangulation of the counter-factual methods from the less robust to the more robust and technically challenging ones.

## 3.1 Hierarchical cluster analysis

Analysis allows the generation of groups of cases (rows of the data matrix) or variables (columns of the data matrix) such that the elements within the groups were as homogeneous as possible and elements between the groups were as different as possible. Input variables can be numeric, dichotomous or express frequency. Hierarchical clustering is based on the gradual merging of the closest pair of cases or clusters that have formed into one - each step merges one pair and the distance matrix is recalculated for the newly formed group. The algorithm is continued until all of the cases are in clusters.

## 3.2 Parametric and non-parametric tests

In statistics, the Kolmogorov – Smirnov test is a non-parametric test for testing the equality of continuous probability distributions that can be used to compare two samples. The Kolmogorov–Smirnov statistic quantifies a distance between the empirical distribution functions of two samples. The empirical distribution function is a step function, which counts a cumulative share of elements in the sample with ordered values. Two empirical distribution functions of two samples are then compared in each value and the supremum of the differences is compared with a table of critical values of this Kolmogorov – Smirnov test. The null distribution of this statistic is calculated under the null hypothesis that the samples are drawn from the same distribution. This two-sample test is one of the most useful and general non-parametric methods for comparing two samples.

#### 3.3 Correlation

Correlation characterizes the relationship of two numeric or ordinal variables. This relationship is expressed by the correlation coefficient.

Pearson's linear correlation coefficient measures the degree of linear dependence of two numeric variables. Before calculation it is necessary to determine whether the data contains outliers that might skew the conclusions reached. This type of rate is not appropriate where, for the variable, there exists another type of addition than linear.

Pearson's linear correlation coefficient takes values in intervals from -1 up to 1. If the absolute value equals one, the data is exactly on an a straight line. AA correlation coefficient equal to one is characterized by a direct proportion (the line is growing); a

correlation coefficient equal to minus one corresponds to the inverse (the line is declining). In examining the actual data, however, these cut-off values of the correlation coefficient are almost never encountered (the data does not lie exactly on a straight line), but we are interested in the degree to which a line is closest. The closer one is to the absolute value of the coefficient, the more data the line catches and the stronger the linear relationship between the variables exists. If there is no linear relation between the studied variables, the correlation coefficient is equal to zero.

# 3.4 Post-only non-equivalent comparison design

The post-only non-equivalent comparison design is a weaker quasi-experimental design than the other one. The method is based on the comparison of post-intervention data. A major problem is that the treatment or intervention group and the controls may not have started at the same place. So while we know where the two groups ended, we do not know where they began. Differences between the treated and non-treated may reflect differences in where they began rather than the effect of the interventions. To make groups more equivalent, it is necessary to try to match treated and control groups as closely as can be. Still, generally this may be the best design the ex-post situation allows.

# 3.5 Exact matching with the application of post-only non-equivalent comparison design

This is method is very similar to the previous one. However, it is distinguished by the application of exact matching, which is the process of pairing individuals from treated and non-treated samples according to quantified, categorized characteristics which must be the same for both units.

#### 3.6 Propensity score matching

Propensity score matching (PSM) constructs a statistical comparison group that is based on a model of the probability of participating in the treatment, using observed characteristics. Participants are then matched on the basis of their propensity score to non-participants. The average treatment effect of the program is then calculated as the mean difference in outcomes across these two groups.

Different approaches are used to match participants and non-participants on the basis of the propensity score. We used two methods: nearest-neighbour (NN) matching and exact matching based on propensity score.

#### 3.6.1 Propensity score exact matching

Exact matching based on propensity score was made using a propensity score rounded up to 4 digits. This choice of digits proved to be the most optimal because by its use we have kept the largest number of units, both treated and non-treated. The participants and non-participants with the same propensity score were matched together. Then, the non-participants assume the impact period from matched participants.

#### 3.6.2 Propensity score nearest neighbour matching

Nearest-neighbour matching is one of the most frequently used matching techniques.

Here, each treated unit is matched to the comparison with a non-treated unit (or more units) with the closest propensity score. We did matching with the 5 nearest neighbours. Matching can be done with or without replacement; we used matching without replacement. That means, the same non-participant can be used as a match to participants only once.

## 3.7 Cost-benefit analysis

Cost effectiveness analysis involves comparing the costs of the intervention to its effects that can be achieved from counter impact evaluation approaches. The purpose of cost-benefit analysis is to determine whether the monetised benefits of a programme exceed its net costs.

The other expression of the cost-benefit analysis says that it is a kind of financial statement summing items with a positive and negative influence on public finance.

In the performed cost-benefit analysis, real benefits and costs, as well as costs for lost opportunities and benefits from savings, were taken into account. Cost-benefit analysis work was carried out with the following items:

- 1) **Unemployment allowance** defined by Act No. 461/2003 Coll. on social security is, on the one hand, the cost of the state passive labour market policy which is paid to the registered jobseeker if the jobseeker is eligible<sup>3</sup>. If the jobseeker is employed and unemployment allowance is not charged, the value of the last paid allowance is a positive effect, because we can generally assume that, due to intervention, the public budget saved the sum of the unpaid unemployment allowance during the period the jobseekers were employed.
- 2) Paid and saved **benefit in material need** is defined by Act No. 599/2003 Coll. on assistance in material need. That item represents the very same philosophy as was in the previous unemployment allowance. The positive effect is a saved non-paid benefit while the jobseeker is employed and he is not eligible to apply for benefits in material need. Paid benefits of material need are a negative effect on the public budget.
- 3) A **Grant** paid to the treated jobseekers according to the actual rules of the intervention by Act No. 5/2004 Coll. on Employment Services. That item appears in the cost-benefit analysis just as the negative effect on public finance.
- 4) Received and saved payments of **health insurance** according to the updating of Act No. 580/2004 Coll. on health insurance in the two years impact period. In the case a jobseeker is unemployed, health insurance is paid by public finance and it is a cost, i.e. negative effect. A positive effect is if individuals are employed and pay insurance to the public health service.
- 5) **Social insurance** paid according to actual versions of Act No. 461/2003 Coll. on social security. That item measures how much money flows into the social

three years.

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<sup>§ 104</sup> of Act No. 461/2003 Coll. on social security states: The insured person is entitled to unemployment benefit if, in the four years before registering as unemployed jobseekers (hereinafter referred to as "registered unemployed") they were covered by unemployment insurance for at least

- service. In the analysis were considered values paid according to average tax assessment based on Social Insurance Agency evidence. We took into account the sum paid by the jobseeker as well as the sum paid by the employer for the employee.
- 6) Value added taxes defined by Act No. 222/2004 Coll. on value added tax and amendments and supplements of various acts. We assume that if somebody has a limited and below average income it is possible that almost all is spent as the consumption of the family. That money comes back to the national budget in the way of paid value added tax. The positive effect is the total of paid value added tax; the negative effect is tax that would be paid if jobseekers were employed (the difference between average tax assessment base and total of unemployment allowance and benefit in material need).
- 7) Paid/lost **taxes from income** according to Act No. 595/2003 Coll. on income tax. That item describes the amount of money which flows into the public budget if the jobseeker is employed and the negative effect is the lost amount of money which would be paid if the jobseeker were employed.

#### 3.8 Maintenance

All the statistical methods and computation were carried out by:

- IBM SPSS Statistics 22
- IBM SPSS Modeller
- Fusion tables by Google.com
- MS Excel
- MS Access

# 4 Graduate work experience

Allowance for graduate work experience is the intervention stated in § 51 of Act No. 5/2004 Coll. This Active labour market policy measure is distributed through regional public employment offices. The intervention was introduced for the first time on 14th April 2004.

# 4.1 Treatment effects of graduate work experience

The Explanatory Report on Act No. 5/2004 Coll. states that the primary purpose of graduate work experience is to create the conditions for obtaining the relevant professional skills and practical experience which will be valuable and attractive for an employer or any potential employer on the open labour market to ensure a higher rate of employability for unemployed graduates. The intervention was designed according to the assumption that lower practical experience is a significant barrier for the smooth entrance of graduates to the open labour market.

As the scheme shows, the intervention has a number of potential effects. This research will estimate the effects which occurred in the treated target groups due to the intervention in separate reference periods. The report will be focused on their employability and wages earned in the impact period, two years after the end of intervention. Every jobseeker included in the treated or non-treated samples has 24 months of impact period starting from the individual date of the end of intervention<sup>4</sup>. Controls will admit an individual impact period according to treated pairs.

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<sup>4</sup> This rule is used in CIE methods of exact matching and propensity score matching.

The schemes below the text present the intervention log of graduate work experience. Outputs decreasing gainig working of the experience unemployme nt rate gaining job at the epmploee who pracitce of theoretical sustaining on the provided graduate knowledge job reduction in practice for government gaining references for jobseeker expenditure working experience on passive labor market jobseeker to 25 years of policy age, regardless of whether they completed continuous vocational training, and increasing gaining working regardless of whether they adaptation on working habits GDP pre gaining job on the habits received regular paid capita open labor market employment due to graduate stand-alone solution duties gaining stand-alone practice (e.g. 6 on time soution duties monts after end of the graduate practice of oral or written practice communication knowledge in gaining contacts specific field trained graduate comeback to the training graduate on machine practice on machine or evidence of the PES or working process specific work process office **External factors:** Assumptions: • access to information • opportunity to carry out activities leading to the acquisition of practical skills about support under § 51 · availability of employer • is motivated jobseekers • element of chance - luck to find jobs • existence of the offer specific professions in the labor market • active search for your • speculative purpose on the part of graduate or employer employer to exercise for convenient health and family circumstances graduates

Source: authors

# 4.2 Reference periods

As was described in the previous monitoring report, Act No. 5/2004 Coll. on Employment Services and on the amendment and supplement of various acts, graduate work experience was revised four times between the years 2007 and 2012, which are the evaluated years of the implementation of graduate work experience. Therefore, our treated and non-treated jobseekers must be divided into a reference period according to changes in intervention conditions, and criterion of eligibility.

Reference period						
1.1.2007 - 30.4.2008	1.5.2008 - 31.12.2010	1.5.2008 - 31.12.2010				
16 months	32 months	6 months	10 months			
Criteria for eligibility of jobsekers according Act No. 5/2004 Coll.:						
	adequacy o	f education				
any registered job	seeker until 25 years of age (<	<=25 years of age)	until 26 years of age (<=26)			
	jobseeker must fill in	the application form				
Terms of the intervention:						
support period	up to 6 months	at least 3 months and r	not more than 6 months			
Eligibility for multiple suppo	ort: 1 year after the end of					
previous grad	uate practice.	no multip	le support			
Financial contribution:						
financial support 56,43 Eur	inancial support 56,43 Eur					
for participant per month	th living wage					

Source: Act No. 5/2004 Coll., § 51

The allowance for graduate work experience was distributed in the growth tendency according to the time of increasing unemployment rate in Slovakia. In the first 16 months of the reference period, less than 700 jobseekers per month on average were supported. In the last period, based on the years of 2011 and start of 2012, it was up to 3000 jobseekers per month. This is an increase of more than double in comparison to the first reference period. In total, more than 90 thousand jobseekers from all parts of Slovakia were supported, and more than 1,400 jobseekers per month during the 64 months of the evaluation period of graduate work experience were treated.

	Reference period					
	1.1.2007 - 30.4.2008	1.5.2008 - 31.12.2010	1.1.2011 - 30.6.2011	1.7.2011 - 30.4.2012	total	
	16 months	32 months	6 months	10 months		
No. of treated jobseekers	10 807	37 954	18 042	24 584	91 387	
Average per month	675	1 186	3 007	2 458	1 428	

# 4.3 Target groups

Due to changes in the Act of Employment Services – target groups of graduate work experience were changed over the period. To keep the evaluated intervention homogeneous, it was necessary to identify jobseekers' criteria to be eligible for the intervention. Even when we divided the evaluated period of the graduate work experience implementation into four periods, it was possible to identify just one significant change of the target group in 2011. That is the reason why we identify two types of target groups which will be of concern in the process of control group design.

#### • From 1st January 2007 till 30th June 2011 (54 months)

 The Act of Employment Services stated that an eligible person for graduate work experience was: any registered jobseeker who was 25 years of age and less,

- o a jobseeker who has adequate education related to the graduate work experience he wants to attend and
- a jobseeker who submits an application for graduate work experience
- From 1st July 2011 till 30th April 2012 (10 months)
- Eligible for graduate work experience was every registered jobseeker who fit these conditions:
  - o 26 years of age and less,
  - o a jobseeker who had adequate education related to the graduate work experience he wants to attend and
- a jobseeker who submits an application for graduate work experience.

To summarize these facts, the target group of graduate work experience consists of every jobseeker that was registered in the database of the Public Employment office, jobseekers to 25/26 years of age, regardless of whether they ended up continuing vocational training, and regardless of whether they received regular paid employment.

# 4.4 Test of representativeness of samples

The samples of the treated and non-treated individuals were created on the basis of the rules of the law and also on the logical time sequence of individual registrations of jobseekers. During the process of creating the samples, some individuals were excluded because they did not have recorded all the values of all relevant variables. We set the rules concerning which variables must be recorded for every individual to be included in the sample. It was necessary to reduce the sample because of missing data records. However, in order to verify that the generated samples sustained were still representative, we compared in detail the distributions of variables for individuals which are included in the final sample with those who were excluded for reason of missing data in some of the variables recorded. For this purpose, a non-parametric alternative to the Chi-squared test was used, which is represented by the Kolmogorov-Smirnov test. With the aforementioned test we compared the probability of distributions distinguishing two samples. We have preceded this test to compare the distributions probability of several variables in the sample of treated individuals and in the sample of non-treated individuals.

# 4.4.1 Treated group excluded from the sample

In this part of the evaluation we tested the probability distributions of frequencies for treated individuals included in the sample and excluded from the sample. We verified the equality of frequency distributions in the final sample of treated individuals and the dropped ones. We used the Kolmogorov-Smirnov test as the non-parametric alternative to the Chi-square test<sup>5</sup>.

The results of testing are in the following table.

\_

Hypothesis Test Summary								
Treated P51								
Variable	Null Hypothesis	Test	Sig.	Decision				
Gender			0,518	The null hypothesis was confirmed				
Marital status			1,000	The null hypothesis was confirmed				
Level of education (10 categories)			0,759	The null hypothesis was confirmed				
Level of education (5 categories)	The distribution of values is the same across the	Independent-Samples Kolmogorov-Smirnov Test	0,893	The null hypothesis was confirmed				
Disadvantages	categories of selected / non selected		0,964	The null hypothesis was confirmed				
Evidence before 2007 (in months)			0,699	The null hypothesis was confirmed				
Following registration in SIA			0,964	The null hypothesis was confirmed				
Driving licence (16 categories)			0,211	The null hypothesis was confirmed				
Age	The distribution of Age is the same across categories of selected / non selected	Independent-Samples Mann-Whitney U Test Independent-Samples Kruskal-Wallis Test	0,255	The null hypothesis was confirmed				
Unemployed in months	The distribution of Unemployed in months is the same across categories of selected / non selected	Independent-Samples Mann-Whitney U Test Independent-Samples Kruskal-Wallis Test	0,188	The null hypothesis was confirmed				

The null hypothesis is that both groups were sampled from populations with identical distributions. That means, for example, in the case of the variable *Marital status*, that the sample of treated individuals included in the sample came from the same distribution of various levels of *Marital status* than treated individuals excluded from the sample, so that they have the same distribution. The null hypothesis is confirmed in case that the p-value of the test is greater than the significance level used for testing. We used the significance level of 0.05 in all tests. So, for the variables where the p-value of the test is greater than 0.05, we confirmed the null hypothesis.

As we can see in the table above, the distribution of **all variables** listed in the table **is the same for the final sample of selected treated jobseekers and for the sample of dropped ones because of some missing value of some variable**. That means, the sample still remains representative for the whole population of treated jobseekers.

# 4.4.2 Distributions of frequencies of treated individuals included and excluded from the sample

In the tables below, the distribution of frequencies of the sample of included treated individuals and those excluded is written.

Gender Crosstabulation						Driving licence_16 categories Crosstabulation					
	grou	group				group					
		non selected	select ed	Total				non selected	select ed	Total	
	men	5385	13566	18951			Driving license: group DE	1	8	9	
Gender	women	9963	24463	<b>3</b> 4426			Driving license: group D	25	75	100	
	unknown	7	0	7			Driving license: group D1E	1	8	9	
Total		15355	38029	53384			Driving license: group D1	25	75	100	
							Driving license: group CE	87	256	343	
	n					Driving license: group C	180	521	701		
	group			П		Driving license: group C1E	87	256	343		
		non	select	Total		Driving	Driving license: group C1	180	521	701	
	unknown	selected 0	<b>ed</b> 0	0		licence_16 categories	Driving license: group BE	87	256	343	
	registered partners	3	5	8			Driving license: group B	4604	10395	14999	
	divorced	59	116	175			Driving license: group B1	4604	10394	14998	
Marital status	single	14132	35242				Driving license: group A	1067	2423	3490	
		0	3	3				0	0	0	
	widow	1161	2663	3824	Н		Driving license: group A2	1067	2423		
Total	married						Driving license: group A1				
		15355	38029	<b>5</b> 3384			Driving license: group AM	4655	10508		
							Driving license: group T	234	676	910	
Unen	sstabulat	ion			Total	16904	38795	55699			
		group	select	Total							
Harrier Laure		selected	ed			Ту	pes of disadvantages Crossta	bulation			
Unemployed before 2007 in	< 1 year	1137	2324	3461			Count			1	
	1 - 3 years	538	1258	1796				grou	select		
	> 3 years	294	360	654				non selected	ed	Total	
Total	no evidence	13386	<b>3</b> 40 <mark>87</mark>	47473			no disadvantage	10876		36887	
Total		15355	<b>3</b> 8029	53384			graduate	2543	6626	9169	
F	Following registration in SIA Crossta						long - term unemployed	1906 1	5350	7256 1	
1.	grou	ıp			Types of disadvantages	organizational	3		9		
		non	select	Total			poor working discipline	3	1	4	
Following	no registration	selected 1139	<b>ed</b> 6458	7597			care	10	17	27	
registration in SIA	following registration	14216	31571	45787			disabled	13	18	31	
Total		15355	38029	53384		Total		15355	38029	53384	
Level of education_10											
		group		Total							
		group non selected	select ed	Total							
	Not finished education	non		Total 44							
	Primary education	non selected 43	ed 1 264	44							
	Primary education  Lower secondary professional ed	non selected 43 125 36	ed 1 264 105	44 389 141							
	Primary education  Lower secondary professional ed  Secondary vocational education	non selected 43 125 36 1058	ed 1 264 105 3568	44 389 141 4626							
Level of education_10	Primary education  Lower secondary professional ed  Secondary vocational education  Full secondary vocational educat	non selected 43 125 36 1058	ed 1 264 105 3568 22188	44 389 141 4626 29112							
education_10	Primary education  Lower secondary professional ed  Secondary vocational education  Full secondary vocational educat  Full secondary comprehensive educate	non selected 43 125 36 1058	ed 1 264 105 3568	44 389 141 4626							
Level of education_10	Primary education  Lower secondary professional ed  Secondary vocational education  Full secondary vocational educat	non selected 43 125 36 1058 6924 1451	ed 1 264 105 3568 22188 3763	44 389 141 4626 29112 5214							
Level of education_10	Primary education  Lower secondary professional ed Secondary vocational education  Full secondary vocational educat  Full secondary comprehensive ed  Upper vocational education	non selected 43 125 36 1058 6924 1451 34	ed 1 264 105 3568 22188 3763 65	44 389 141 4626 29 12 5214							
Level of education_10	Primary education  Lower secondary professional ed Secondary vocational education  Full secondary vocational educat  Full secondary comprehensive ed  Upper vocational education  Bachelor	non selected 43 125 36 1058 6924 1451 34 815	ed 1 264 105 3568 22188 3763 65 773	44 389 141 4626 29 12 5214 99							
Level of education_10	Primary education  Lower secondary professional ed Secondary vocational education  Full secondary vocational educat  Full secondary comprehensive ed Upper vocational education  Bachelor  Master	non selected 43 125 36 1058 6924 1451 34 815 2733	ed 1 264 105 3568 22188 3763 65 773 7280 22	44 389 141 4626 29112 5214 99 1588							

# 4.4.3 Non-treated group excluded from the sample

In this part of the evaluation the probability distributions of frequencies for non-treated individuals included and excluded from the sample was tested. As is shown in the table below, the distribution of the frequencies of the variables is the same in the sample of included non-treated individuals and the sample of excluded individuals. That means, through the exclusion of the individuals with some missing value of some variable, the final sample remains representative for the whole population of non-treated jobseekers.

Hypothesis Test Summary								
Non treated P51								
Variable	Null Hypothesis	Test	Sig.	Decision				
Gender			0,996	The null hypothesis was confirmed				
Marital status			0,441	The null hypothesis was confirmed				
Level of education (10 categories)			0,699	The null hypothesis was confirmed				
Level of education (5 categories)			0,441	The null hypothesis was confirmed				
Disadvantages	The distribution of	Independent-	0,699	The null hypothesis was confirmed				
Evidence before 2007 (in months)	values is the same across categories of selected / non selected	Samples Kolmogorov- Smirnov Test	1,000	The null hypothesis was confirmed				
Following registration in SIA			0,964	The null hypothesis was confirmed				
Driving licence (16 categories)			0,941	The null hypothesis was confirmed				
Age			0,979	The null hypothesis was confirmed				
Last occassion			0,269	The null hypothesis was confirmed				

# 4.4.4 Distributions of frequencies of non-treated individuals included and excluded from the sample

In the following tables the frequencies of the variables in the sample on non-treated individuals included in the sample and the excluded ones are written.

	Gender Crosstabulation					Driv	 ving licence_16 categories Cro	osstabulat	ion	
		gro	up					gro	up	
		selected	non selected	Total			selected	non selected	Total	
	men	35987	50145	86132			Driving license: group DE	21	2	23
Gender	women	26094	35777	61871			Driving license: group D	134	133	267
	unknown	0	42	42			Driving license: group D1E	21	3	24
Total		62081	85964	148045			Driving license: group D1	134	133	267
								553	451	1004
						Driving license: group CE				
Marital status Crosstabulation				l			Driving license: group C	1137	1008	2145
		group		Total			Driving license: group C1E	553	451	1004
		selected	selected		Drivin licence_		Driving license: group C1	1137	1008	2145
	unknown	0	475	475	categori	categories	Driving license: group BE	553	451	1004
	registered partners	9	34	43		Driving license: group B	16050	16581	32631	
Manital atatua	divorced	136	175	311		Driving license: group B1	16050	16581	32631	
Marital status	single	58576	79172	137748			Driving license: group A	3832	4419	8251
	widow	7	10	17			Driving license: group A2	0	1	1
	married	3353	6098	9451			Driving license: group A1	3832	4419	8251
Total		62081	85964	148045		Driving license: group AM	16202	16803	33005	
							Driving license: group T	1424	1296	2720
IJ	nemployed before 2007 in months Cross	stabulatio	n		Total		gg	61633	63740	
		group		Total				01000	007.10	120010
		selected	non				। Types of disadvantages Cross	tabulation		
Unemployed before 2007 in	< 1 year	1095	selected 830	1925			-	gro		
	1 - 3 years	480	539	1019				selected	non	Total
	> 3 years	65	136	201			no disadvantage	56698	selected 68231	124929
	no evidence	60441	57719	118160			graduate	2682	5370	8052
		62081	59224	121305			long - term unemployed	2640	12168	14808
							low education level	9	25	34
	Following registration in SIA Crosstabulation					Types of disadvantages	organizational	9	10	19
	group					poor working discipline	6	64	70	
		selected	non selected	Total			care	26	70	96
Following registration in SIA	no registration	62081	30365	92446			age over 50 years	0	7	7
	following registration	0	<b>555</b> 99	55599	Total		disabled	11	19	30
Total		62081	85964	148045	Total			62081	85964	148045
Level of										
education_10										
		group	non	Total						
Level of education_10 categories		selected	selected	400:						
	Not finished education	26 3391	1908	1934 13509						
	Primary education  Lower secondary professional educati	420	457	877						
	Secondary vocational education	16198	11818	28016						
	Full secondary vocational education	36546	26168	62714						
	Full secondary comprehensive educati	3688	6259	9947						
	Upper vocational education	106	98	204						
	Bachelor	660	1105	1765						
	Master	1046	1479	2525						
	Doctoral	0	0	0						
Total		62081	59410	121491						

# 4.5 Description of samples

This chapter describes some facts about the sample at the time before the creation of the pairs. This is another milestone on the path to gain matched individuals of treated and control groups in four follow-up reference periods which should ensure homogeneity of intervention and the validity of counter-factual impact evaluation.

The heath or intensity map presents the size of individuals that enrol in the program of graduate work experience. It is obvious that most of the participants in the samples are from those parts of Slovakia which are highly exposed to the unemployment rate, i.e. places were the intervention mostly make ssense and the placement of jobseekers has a much desired effect.

#### 4.5.1 Permanent residence

We have covered all districts and regions of Slovakia. Just for interpretation we will use the regional distribution of individuals. As the table below presents the most treated jobseekers in all four reference periods coming from Presov region, which is the second most suffering from high and permanent levels of unemployment rate after Banska Bystrica region. Even though Banska Bystrica region has a higher level of unemployment

rate, Presov region is more populous, and that is the reason why in all reference periods most jobseekers came from Presov region. The least treated and non-treated jobseekers are in Bratislava region; the capital region for a long-time has had the lowest level of unemployment rate. In total we have almost 65 thousand treated jobseekers covered by our samples across four reference periods and almost 67 thousand controls.

The table next to the text describes the power of relations among treated, non-treated groups of individuals and the average unemployment rate across the regions of Slovakia and reference periods.

1-st reference period: 1.1.2007 - 30.4.2008									
Correlation	Treated	Non-treated							
Average unemployment									
rate in region (%)	0,808	0,545							
2-nd reference period: 1.5.2008 - 31.12.2010									
Correlation	Treated	Non-treated							
Average unemployment									
rate in region (%)	0,849	0,410							
3-rd reference perio	d: 1.1.2011 - 3	0.6.2011							
Correlation	Treated	Non-treated							
Average unemployment									
rate in region (%)	0,874	0,200							
4-th reference perio	d: 1.7.2011 - 3	0.4.2012							
Correlation	Treated	Non-treated							
Average unemployment									
rate in region (%)	0,854	0,308							

As is presented in the table, the relation between the unemployment rate in the specific region and number of treated jobseekers is much more related than the number of non-treated jobseekers in the regions.

Maximal differences between treated and non-treated groups in the reference periods are 8.8 %. Through those differences it is obvious that in regions with a higher level of unemployment rate there are a higher share of treated jobseekers than the total treated jobseekers in our samples. The aforementioned indicates a higher probability of being treated in a group of unemployed eligible individuals in regions with a higher level of unemployment rate than in regions with lower unemployment rates in the west of Slovakia.

Region	Region of permanent residence treated		Deriod: 1.1.2007 - 30.4  Region of permanent residence non-treated		Difference between	Average unemployment rate ir	
Region	Frequency	Percent	Frequency	Percent	groups (%)	region (%)	
Bratislava region	134	2,1	217	5,3	3,2	2,2	
Trnava region	607	9,6	522	12,8	3,2	4,4	
Trencin region	613	9,7	495	12,2	2,5	4,7	
Nitra region	1091	17,3	613	15,1	-2,2	7,4	
Zilina region	703	11,1	548	13,5	2,3	6,7	
Banska Bystrica region	935	14,8	508	12,5	-2,3	15,1	
Presov region	1145	18,2	639	15,7	-2,4	13,3	
Kosice region	1080	17,1	525	12,9	-4,2	12,8	
Total	6308	100,0	4067	100,0		9,2	
-	2-nd re	ference <sub>l</sub>	period: 1.5.	2008 - 31.:	12.2010		
Region	Region of per		Region of presidence_i		Difference	Average unemployment rate in	

Region	Region of permanent residence_treated		Region of permanent residence_non-treated		Difference between	Average unemployment rate in	
	Frequency	Percent	Frequency	Percent	groups (%)	residence region (%)	
Bratislava region	350	2,2	2873	7,9	5,7	3,9	
Trnava region	2713	11,2	4450	12,2	1,0	7,2	
Trencin region	2275	9,4	4962	13,6	4,2	8,2	
Nitra region	3072	12,6	5243	14,3	1,7	10,4	
Zilina region	3446	14,2	4974	13,6	- <mark>0</mark> ,6	10,3	
Banska Bystrica region	3451	14,2	4004	11,0	<del>-3</del> ,2	18,4	
Presov region	4756	19,6	5322	14,6	<b>-5</b> ,0	17,2	
Kosice region	4063	16,7	4737	13,0	<b>-3</b> ,8	15,4	
Total	24126	100,0	36565	100,0	-	12,3	

	3-rd reference period: 1.1.2011 - 30.6.2011										
Region	Region of permanent residence treated		Region of permanent residence non-treated		Difference between	Average unemployment rate in					
	Frequency	Percent	Frequency	Percent	groups (%)	residence region (%)					
Bratislava region	357	2,2	583	8,1	5,9	5,5					
Trnava region	1556	9,6	943	13,1	3,5	8,9					
Trencin region	1434	8,8	1013	14,1	5,3	9,6					
Nitra region	1887	11,6	1023	14,2	2,6	13,2					
Zilina region	2333	14,4	999	13,9	-0 <mark>.</mark> 5	12,8					
Banska Bystrica region	2240	13,8	744	10,4	-3,4	20,7					
Presov region	3501	21,6	1020	14,2	- <mark>7,</mark> 4	19,6					
Kosice region	2922	18,0	861	12,0	- <mark>6,</mark> 0	18,2					
Total	16230	100,0	7186	100,0	-	14,6					

Total	16230	100,0	7186	100,0	-	14,6					
	4-th reference period: 1.7.2011 - 30.4.2012										
Region	•	egion of permanent esidence_treated		Region of permanent residence_non-treated		Average unemployment rate in					
Ü	Frequency	Percent	Frequency	Percent	between groups (%)	residence region (%)					
Bratislava region	415	2,3	1498	7,9	5,6	5,1					
Trnava region	1641	9,1	2346	12,3	3,3	8,6					
Trencin region	1606	8,9	2573	13,5	4,6	9,5					
Nitra region	2282	12,6	2704	14,2	1,6	12,5					
Zilina region	2670	14,8	2823	14,8	0,1	12,3					
Banska Bystrica region	2449	13,5	1998	10,5	-3,0	20,2					
Presov region	4051	22,4	2596	13,6	-8,8	19,1					
Kosice region	2978	16,5	2499	13,1	-3,3	17,2					
Total 18092 100,0		19037	100,0	-	14,0						

#### **4.5.2 Gender**

These frequency tables show the share of men and women in our samples. As the numbers describe, the average percentage of treated unemployed men is at the level of more than 31 %. On the other hand, 2 individuals of treated unemployed graduates are women in different reference periods, even though the share of women in non-treated groups is almost the reverse.

That is why it is possible to deduce that girls have a greater interest to undergo graduate work experience than women. We verified this difference by a statistical test. The difference between treated and non-treated groups is at the level of 20 to 25 %.

The differences between the categories of gender were verified using non-parametric

tests for testing the equality of the distributions of two samples. The results of the tests are in the following table.

	1-st refere	nce period	: 1.1.2007 -	30.4.2008	<b>,</b>	
	1	treated	Gender_n		Difference between	
Gender	Frequency	Percent	Frequency	Percent	groups (%)	
men	1974	31,3	2323	57,1	25,8	
women	4334	68,7	1744	42,9	-25,8	
Total	6308	100,0	4067	100,0	-	
	2-nd refere	nce period	: 1.5.2008 -	31.12.201	0	
	Gender	treated	Gender_n	on-treated	Difference between	
Gender	Frequency	Percent	Frequency	Percent	groups (%)	
men	8870	36,5	20808	56,9	20,4	
women	15434	63,5	15757	43,1	-20,4	
Total	24304	100,0	36565	100,0	-	
	3-rd refere	nce period	: 1.1.2011	- 30.6.2011	L	
	Gender_	treated	Gender_n	Gender_non-treated		
Gender	Frequency	Percent	Frequency	Percent	between groups (%)	
men	6027	37,1	4336	60,3	23,2	
women	10203	62,9	2850	39,7	-23,2	
Total	16230	100,0	7186	100,0	-	
	4-th refere	nce period	: 1.7.2011	- 30.4.2012		
	Gender	treated	Gender_n	on-treated	Difference between	
Gender	Frequency	Percent	Frequency	Percent	groups (%)	
men	6588	36,4	11325	59,5	23,1	
women	11504	63,6	7712	40,5	-23,1	
Total	18092	100,0	19037	100,0	-	

If we compare the p-value of the test with a significance level of 0.05; we could say that the null hypothesis is rejected. The differences between the percentage of men and women between treated individuals are significant. The differences between non-treated individuals in the field of gender are not significant. This result is illustrated in the following table.

This test verified that between treated individuals more women are participating in this program and this difference is statistically significant.

	Hypothesis Test Summary										
	Null Hypothesis	Test	Sig.	Decision							
1	The distribution of count_gender_non_treated is a same across categories of levels_of_variable_gender_no treated.	Samples Mann-	,343	Retain the null hypothesis.							
2	The distribution of count_gender_non_treated is same across categories of levels_of_variable_gender_no treated.	th Independent Samples Kolmogorov- n-Smirnov Test	,211	Retain the null hypothesis.							
3	The distribution of count_gender_non_treated is same across categories of levels_of_variable_gender_no treated.	h Independent Samples Kruskal-Wallis Test	,248	Retain the null hypothesis.							

Asymptotic significances are displayed. The significance level is ,05

	Typothosis Tool Sammary									
	Null Hypothesis	Test	Sig.	Decision						
1	The distribution of count_gender_non_treated is the same across categories of levels_of_variable_gender_non_treated.	Samples Mann-	,343	Retain the null hypothesis.						
2	The distribution of count_gender_non_treated is the same across categories of levels_of_variable_gender_non_treated.	Independent Samples Kolmogorov- Smirnov Test	,211	Retain the null hypothesis.						
3	The distribution of count_gender_non_treated is the same across categories of levels_of_variable_gender_non_		,248	Retain the null hypothesis.						

Hypothesis Test Summary

Asymptotic significances are displayed. The significance level is ,05.

<sup>&</sup>lt;sup>1</sup>Exact significance is displayed for this test.

<sup>&</sup>lt;sup>1</sup>Exact significance is displayed for this test.

#### 4.5.3 Marital status

Our database distinguished five types of marit status of the registered jobseekers. The most frequent type of registered jobseekers are single; in different reference periods these make up about 90 % of the eligible sample of treated and non-treated groups. A high share of single individuals in our distribution was expected based on the fact that we evaluate graduate work experience, i.e. jobseekers a short time after they have graduated from schools. Nevertheless, our samples distributions show 3.8 by more than 11 % of married jobseekers. There is only an insignificant share of widows, divorced individuals or registered partners. Differences between treated and non-treated groups are not greater than 1.8 % of the specific category of marital status across the reference periods.

The differences between the percentage of the category single and of the category married were also verified by non-parametric tests. The results are written below. In both cases, the significance of the differences was not confirmed.

ta	al	1-st refere	nce period	d: 1.1.2007	- 30.4.2008		
	Tunn of	Marital status_treated Marital status_non-treated bet					
	Ty pe of marital status	Frequency	Percent	Frequency	Percent		os (%)
	registered partners	3	,0	0	,0		,0
	div orced	59	0,9	17	0,4		-0,5
	single	5546	87,9	3650	89,7		1,8
	widow	1	0,0	2	0,0		0,0
	married	699	11,1	398	9,8		-1,3
	Total	6308	100,0	4067	100,0		ĺ
t	2	2-nd refere	nce period	: 1.5.2008 ·	- 31.12.201	0	
ι		Marital stat		Marital status		Diffe	rence
	Ty pe of marital status	Frequency	Percent	Frequency	Percent		ween os (%)
	registered partners	3	,0	9	,0		,0
	div orced	66	0,3	100	0,3		0,0
	single	22527	92,7	34320	93,9		1,2
	widow	2	0,0	4	,0		0,0
	married	1706	7,0	2132	5,8		-1,2
	Total	24304 100,0 3-rd reference perio		36565	100,0		-
		3-rd refere	nce perio	d: 1.1.2010	- 30.6.2011		
•		3-rd refere Marital stat	•	d: 1.1.2010 Marital status		Diffe	erence
•	Ty pe of marital status		•			Diffe	erence ween os (%)
•	Ty pe of	Marital stat	us_treated	Marital status	_non-treated	Diffe	ween
<u>;</u>	Ty pe of marital status registered	Marital stat	us_treated Percent	Marital status Frequency	_non-treated Percent	Diffe	ween os (%)
•	Ty pe of marital status registered partners	Marital state Frequency	Percent ,0	Marital status Frequency 0	Percent ,0	Diffe	ween os (%) ,0
•	Ty pe of marital status registered partners div orced	Marital state Frequency 1 27	Percent ,0	Marital status Frequency 0 8	Percent ,0	Diffe	,0 ,0 ,0
•	Ty pe of marital status registered partners div orced single	Marital state Frequency 1 27 15243	Percent ,0 0,2 93,9	Frequency  0  8  6815	Percent ,0 0,1 94,8	Diffe	,0 ,0 ,0 ,0 ,0
	Type of marital status registered partners divorced single	Marital state Frequency  1  27  15243	Percent ,0 0,2 93,9 0,0	Frequency  0  8  6815	non-treated Percent ,0 0,1 94,8 ,0	Diffe	,0 ,0 -0,1 0,9
	Ty pe of marital status registered partners div orced single widow married	Marital stat Frequency  1 27 15243 2 957 24304	Percent ,0 0,2 93,9 0,0 5,9 100,0	Frequency  0  8  6815  1  362	Percent ,0 0,1 94,8 ,0 5,0	Diff e betv group	,0 ,0 -0,1 0,9
•	Ty pe of marital status registered partners div orced single widow married	Marital stat Frequency  1 27 15243 2 957 24304	Percent ,0 0,2 93,9 0,0 5,9 100,0	Marital status   Frequency		Diffe bett group	,0 ,0 -0,1 0,9 0,0 -0,9
	Ty pe of marital status registered partners div orced single widow married	Marital stat Frequency  1  27  15243  2  957  24304  4-th referee	Percent ,0 0,2 93,9 0,0 5,9 100,0	Marital status Frequency  0  8 6815 1 362 36565		Diffe bett	,0 ,0 -0,1 0,9 0,0 -0,9
	Ty pe of marital status registered partners div orced single widow married Total	Marital stat Frequency  1 27 15243 2 957 24304 4-th referee Marital stat	Percent ,0	Marital status Frequency  0  8  6815  1  362  36565 d: 1.7.2011  Marital status		Diffe bett	,0 ,0 -0,1 0,9 0,0 -0,9
	Ty pe of marital status registered partners div orced single widow married Total  Ty pe of marital status registered	Marital stat Frequency  1 27 15243 2 957 24304 4-th referee Marital stat Frequency	Percent  ,0  0,2  93,9  0,0  5,9  100,0  ence period us_treated  Percent	Marital status	Percent  ,0  ,0,1  94,8  ,0  5,0  100,0  - 30.4.2012  _non-treated  Percent	Diffe bett	,0 ,0 ,0 ,0 ,0 ,0 ,0 ,0 ,0 ,0 ,0 ,0 ,0 ,
	Ty pe of marital status registered partners div orced single widow married Total  Ty pe of marital status registered partners	Marital state Frequency  1 27 15243 2 957 24304 4-th referee Marital state Frequency 1	Percent  ,0  0,2  93,9  0,0  5,9  100,0  ence period us_treated  Percent  ,0	Marital status	Percent  ,0  ,0,1  ,0,4  ,0,0  5,0  100,0  - 30.4.2012  - non-treated  Percent  ,0	Diffe bett	,0 ,0 ,0 ,0 ,0 ,0 ,0 ,0 ,0 ,0 ,0
	Ty pe of marital status registered partners div orced single widow married Total  Ty pe of marital status registered partners div orced	Marital stat Frequency  1 27 15243 2 957 24304 4-th referee Marital stat Frequency 1 299	Percent	### Marital status    Frequency		Diffe bett	,0 ,0 -0,1 0,9 0,0 -0,9 -
	Ty pe of marital status registered partners div orced single widow married Total  Ty pe of marital status registered partners div orced single	Marital state	Percent  .0  .0,2  .0,3  .0,0	Marital status Frequency  0  8  6815  1  362  36565  3: 1.7.2011  Marital status Frequency  1  20  18283		Diffe bett	,0 ,0 ,0 ,0 ,0 ,0 ,0 ,0 ,0 ,0 ,0 ,0 ,0 ,

	Null Hypothesis	Test	Sig.	Decision
1	The distribution of count_single the same across categories of treated_single.	ilindependent- Samples Mann- Whitney U Test	,114	Retain the null hypothesis
2	The distribution of count_single the same across categories of treated_single.	Independent Samples Kolmogorov- Smirnov Test	,699	Retain the null hypothesis
3	The distribution of count_single the same across categories of treated_single.	independent- Samples Kruskal-Wallis Test	,110	Retain the null hypothesis

<sup>1</sup>Exact significance is displayed for this test.

	Hypothesis Test Summary											
	Null Hypothesis	Test	Sig.	Decision								
1	The distribution of count_married the same across categories of treated_married.	isndependent- Samples Mann- Whitney U Test	,3431	Retain the null hypothesis.								
2	The distribution of count_married the same across categories of treated_married.	Independent Samples Kolmogorov- Smirnov Test	,699	Retain the null hypothesis.								
3	The distribution of count_married the same across categories of treated_married.	Independent- Samples Kruskal-Wallis Test	,248	Retain the null hypothesis.								

Asymptotic significances are displayed. The significance level is ,05.

<sup>1</sup>Exact significance is displayed for this test.

# 4.5.4 Types of disadvantages

We recognize 9 types of disadvantages according to the definitions of Act No. 5/2004 on Employment Services.

This variable shows that in a group of treated jobseekers, only about 20 % are graduates. We verified the eligibility of jobseekers and our samples are composed from eligible individuals currently valid in the reference period.

Distribution in all reference periods indicates insignificant character of the variable because it only covers on average less than 20 % of all jobseekers, the rest of the treated and non-treated jobseekers are without any feature of disadvantages.

Never the less, the second biggest category in the presented distributions are graduates and long-term unemployed jobseekers. The other types of disadvantages rarely appeared in our distribution of reference periods.

## 4.5.5 Age

The average age of treated jobseekers is in the range from 20 to 21 years, while the average age of controls is in the range from 22 to 24 years. The average age of nontreated jobseekers is higher in all reference periods. The youngest eligible treated jobseekers are 16 years old in all reference periods and the youngest non-treated jobseekers are 17 years old.

1-st reference period: 1.1.2007 - 30.4.2008										
Type of disadvantages	Disadvantages_tre ated		Disadvanta ated_non-	-	Difference between					
	Frequency	Percent	Frequency	Percent		os (%)				
no	5289	83,8	3760	92,5		8,6				
graduate	733	11,6	145	3,6		-8,1				
long-term unemployed	279	4,4	158	3,9		-0,5				
low education level	0	0,0	2	,0		0,0				
organizational	2	0,0	1	,0		0,0				
unemployed	0	0,0	0	,0		0,0				
care	3	0,0	1	,0		0,0				
age more than 50	0	0,0	0	,0		0,0				
disable	2	0,0	1	,0		0,0				
Total	6308	100,0	4067	100,0		-				

2-nd refere	2-nd reference period: 1.5.2008 - 31.12.2010													
Type of disadvantages	Disadvanta ate	-	Disadvanta ated_non-	-	Difference between									
	Frequency	Percent	Frequency	Percent	groups (%)									
none	18107	74,5	33685	92,1		17,6								
graduate	4390	18,1	1487	4,1		-14,0								
unemployed	1785	7,3	1	,0		-7,3								
long-term unemployed	0	,0	1349	3,7		3,7								
not finished	0	,0	1	,0		0,0								
low education	0	,0	6	,0		0,0								
organizational	5	0,0	8	,0		0,0								
care	12	0,0	19	,1		0,0								
problematic situation	0	,0	3	,0		0,0								
disabled	5	0,0	6	,0		0,0								
Total	24304	100,0	36565	100,0										

3-ra reiere	3-ra reference period: 1.1.2011 - 30.6.2011												
Type of disadvantages	Disadvanta ate	-	Disadvanta ated non-			erence							
Type of disadvaritages	Frequency	Percent	Frequency	Percent	grou	ıps (%)							
none	10551	65,0	6682	93,0		28,0							
graduate	3611	22,2	240	3,3		-18,9							
long-term unemployed	2052	12,6	258	3,6		3,6							
low education	0	,0	1	,0		0,0							
organizational	1	,0	8	,0		0,0							
care	6	,0	1	,0		0,0							
disabled	9	,1	1	,0		0,0							
Total	18092	100,0	0	100,0									

2 rd reference period: 1 1 2011 20 6 2011

				,		
4-th refer					12	•
Type of disadvantages	Disadvanta ate Frequency			treated	Difference between groups (%)	
none	9610	53,1	16977	89,2		36,1
graduate	3898	21,5	988	5,2		-16,4
long-term unemployed	4560	25,2	1063	5,6		-19,6
not finished	0	,0	0	,0		0,0
low education	0	,0	1	,0		0,0
organizational	1	0,0	1	,0		0,0
care	5	0,0	6	,0		0,0
disabled	12	0,1	1	,0		-0,1
Total	18092	100,0	19037	100,0		

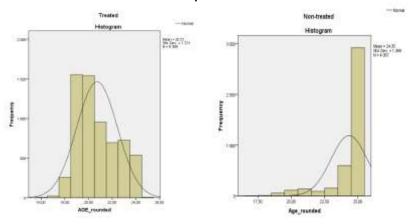
Descriptives_treated: AGE		1-st reference period: 1.1.2007 - 30.4.2008		2-nd reference period: 1.5.2008 - 31.12.2010		period: 1	ference .1.2010 - 2011	period: 1	ference 7.2011 -
		Treated	Non-treated	Treated	Non-treated	Treated	Non-treated	Treated	Non-treated
		Statistic	Statistic	Statistic	Statistic	Statistic	Statistic	Statistic	Statistic
Mean		20,7215	24,3479	21,0387	24,0229	21,2969	23,1316	21,2186	22,8624
95% Confidence	Lower Bound	20,6791	24,3059	21,0145	24,0111	21,2661	23,1043	21,1894	22,8433
Interval for	Upper Bound	20,7640	24,3899	21,0629	24,0347	21,3277	23,1590	21,2478	22,8814
5% Trimmed	Mean	20,6909	24,5641	21,0015	24,1491	21,2546	23,1880	21,1569	22,8845
Median		20,0000	25,0000	20,0000	24,0000	21,0000	23,0000	21,0000	23,0000
Variance		2,959	1,865	3,699	1,323	4,010	1,400	4,014	1,796
Std. Deviation		1,72031	1,36579	1,92338	1,15015	2,00259	1,18336	2,00340	1,34016
Minimum		16,00	17,00	16,00	17,00	16,00	18,00	16,00	18,00
Maximum		25,00	25,00	25,00	25,00	25,00	25,00	25,00	25,00
Range		9,00	8,00	9,00	8,00	9,00	7,00	9,00	7,00
Interquartile Range		3,00	1,00	4,00	2,00	3,00	1,00	3,00	2,00
Skewness		,437	-2,451	,450	-1,434	,324	-,678	,444	,008
Kurtosis		-,808	5,394	-1,093	2,263	-1,248	,662	-1,108	-,665

As is presented in the output table of the normality test below, any distributions of reference periods were not confirmed via a normal distribution of values. Even graphical numbers of distributions do not have symmetric histograms under a normal curve. The shape of distributions reveals that the group of treated jobseekers is created mostly by individuals between 19 and 20 years of age. On the other hand, non-treated groups in the first two reference periods are mostly 25 years old jobseekers and in the last second reference period the majority are 22 and 23 years old jobseekers.

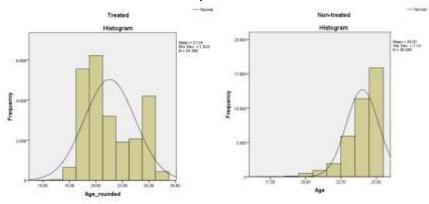
		Treated	,	Non-treated			
Tests of Normality: Age	Kol	mogorov-Smiri	nov <sup>a</sup>	Kolmogorov-Smirnov <sup>a</sup>			
	Statistic	df	Sig.	Statistic	df	Sig.	
1-st reference period: 1.1.2007 - 30.4.2008	,199	6308	0,000	,401	4067	0,000	
2-nd reference period: 1.5.2008 - 31.12.2010	,219	24304	0,000	,237	36565	0,000	
3-rd reference period: 1.1.2010 - 30.6.2011	,208	16230	0,000	,216	7186	0,000	
4-th reference period: 1.7.2011 - 30.4.2012	,216	18092	0,000	,181	19037	0,000	

Boxplots present the number of outliers and extremes in the distributions of controls, which ensures a slight distortion of means to decrease. Extremes and outliers occur just in non-treated samples.

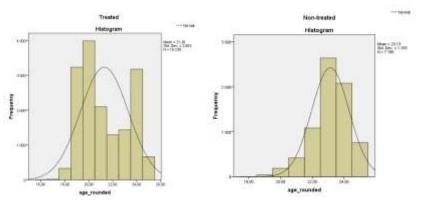
1-st reference period: 1.1.2007 - 30.4.2008



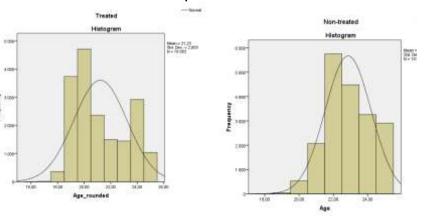
2-nd reference period: 1.5.2008 - 31.12.2010



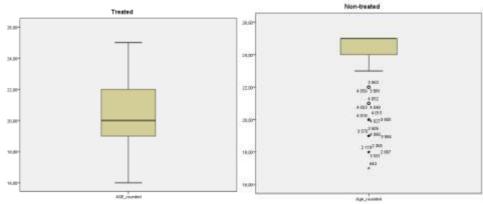
3-rd reference period: 1.1.2011 - 30.6.2011



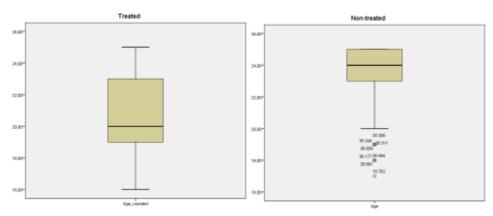
4-th reference period: 1.7.2011 - 30.4.2012



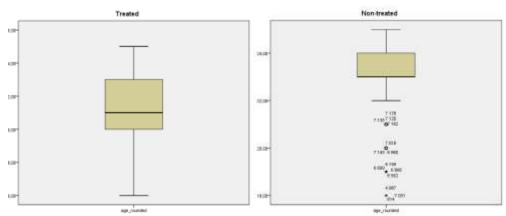
# 1-st reference period: 1.1.2007 - 30.4.2008



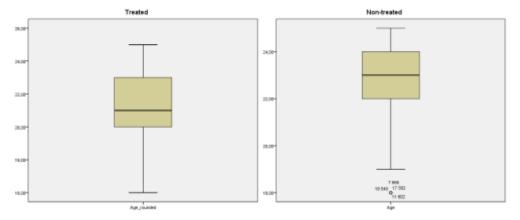
2-nd reference period: 1.5.2008 - 31.12.2010



3-rd reference period: 1.1.2010 - 30.6.2011



4-th reference period: 1.7.2011 - 30.4.2012



#### 4.5.6 Level of education

We distinguished 5 types of highest achieved level of education among treated and non-treated jobseekers. As is presented in the green bar charts in the tables next to the text, the highest frequency of education level is secondary vocational school graduates, i.e. on average more than half of the sample. The second most frequent level are college vocational school graduates who were treated. We can identify an increasing interest of college graduates about graduate work experience since the second period, i.e. 1.5.2008, when the crisis started in Slovakia and started to increase the unemployment.

The biggest differences between treated and controls across the periods are 22 % at the college level of education. We tested the statistical significance of the differences between the sample of treated and non-treated individuals for every level of education. The results of these tests are in the following table.

1-st referen	ce period	l: 1.1.2	007 - 30.	4.2008			
Level of education	Treat	ed	Non-tre	ated	Differe	een	
	Frequency	Percent	Frequency	Percent	groups	s (%)	
primary shool	93	1,5	648	15,9		14,5	
secondary vocational school	3475	55,1	1839	45,2		-9,9	
vocational school	1269	20,1	1259	31,0		10,8	
comprehensive school	519	8,2	189	4,6		-3,6	
college	952	15,1	132	3,2		-11,8	
Total	6308	100,0	4067	100,0	-		
2-nd referen	ce period	: 1.5.2	008 - 31.	12.201	0		
	Treat		Non-tre		Differe	Difference	
Level of education	Frequency	Percent	Frequency	Percent	betwo groups		
primary shool	169	0,7	1821	5.0	group	4,3	
secondary vocational school	13213	54.4	22136	60,5		6,2	
vocational school	3789	15.6	9393	25,7		10,1	
comprehensive school	2392	9.8	2184	6,0	Π	-3,9	
college	4741	19,5	1031	2.8		-16,7	
Total	24304	100,0	36565	100.0	-		
3-rd referen	ce period	1: 1.1.2	010 - 30	6.2011			
5 14 15 15 15 15	Treat		Non-tre		Difference		
Level of education	Frequency	Percent	Frequency	Percent	betwo groups		
primary shool	109	0,7	408	5,7	groups	5,0	
secondary vocational school	8285	51,0	4400	61,2		10,2	
vocational school	2265	14,0	1728	24,0		10,1	
comprehensive school	1644	10,1	501	7,0		-3,2	
college	3927	24,2	149	2,1		22,1	
Total	16230	100,0	7186	100,0	-		
4-th referen	ce nerio				)		
4 (111010101	Treat		Non-tre		Differe	ence	
Level of education	Frequency				betw		
primary shool	110	0,6	835	4,4	groups	3,8	
secondary vocational school	9755	53,9		62,9		9,0	
vocational school	2555	14,1	4443	23.3		9,0	
comprehensive school	2118	11,7		6,7		-5,0	
college	3554	19,6	497	2,6		-17,0	
Total	18092	100.0	19037	100.0	_	17,0	
	10092	100,0	19037	100,0			

Only in the case of secondary school education, the difference between treated and nontreated individuals are not significant. In the case of variables. other the differences are statistically significant. This we can say by using the p-value of the test, which we compare with the significance level 0.05. In case that the pvalue of the test is lower than 0.05, the null hypothesis about the same distribution between treated and non-treated is rejected.

#### Hypothesis Test Summary

	riypotilesis i	est Summary		
	Null Hypothesis	Test	Sig.	Decision
1	The distribution of count_primary_school is the same across categories of treated.	Independent- :Samples Mann- Whitney U Test	,029 <sup>1</sup>	Reject the null hypothesis.
2	The distribution of count_primary_school is the same across categories of treated.	Independent- Samples Kolmogorov- Smirnov Test	,037	Reject the null hypothesis.
3	The distribution of count_primary_school is the same across categories of treated.	Independent- Samples Kruskal-Wallis Test	,020	Reject the null hypothesis.
4	The distribution of count_secondary_school is the same across categories of treated.	Independent- Samples Mann- Whitney U Test	,343 <sup>1</sup>	Retain the null hypothesis.
5	The distribution of count_secondary_school is the same across categories of treated.	Independent Samples Kolmogorov- Smirnov Test	,211	Retain the null hypothesis.
6	The distribution of count_secondary_school is the same across categories of treated.	Independent- Samples Kruskal-Wallis Test	,248	Retain the null hypothesis.
7	The distribution of count_vocational_education is the same across categories of treated.		,0291	Reject the null hypothesis.
8	The distribution of count_vocational_education is th same across categories of treated.	Independent Samples Kolmogorov Smirnov Test	,037	Reject the null hypothesis.
9	The distribution of count_vocational_education is th same across categories of treated.	Independent- Samples Kruskal-Wallis Test	,021	Reject the null hypothesis.
10	The distribution of count_comprehensive is the same across categories of treated.	Independent- :Samples Mann- Whitney U Test	,0291	Reject the null hypothesis.
11	The distribution of count_comprehensive is the same across categories of treated.	Independent- Samples Kolmogorov- Smirnov Test	,037	Reject the null hypothesis.

Asymptotic significances are displayed. The significance level is ,05.

<sup>&</sup>lt;sup>1</sup>Exact significance is displayed for this test.

# 4.5.7 Registered before 2007

There are four groups of the variable which inform us about the cumulative period of jobseekers before the first reference period as of 1.1.2007.

It is obvious that most of the treated and non-treated jobseekers were not unemployed before 2007. No more than 20 % (just in the first reference period) are long-term unemployed jobseekers. From the second reference period, long-term unemployed jobseekers are markedly reduced.

The biggest differences between the groups of treated and controls are at the level of 16 %.

1-st reference period: 1.1.2007 - 30.4.2008											
Unemployed	Treate	ed	Non-tre	ated	Difference						
before 2007	Frequency	Percent	Frequency	Percent	between groups (%)						
no	3565	56,5	3442	84,6	28,1						
< 1 year	1344	21,3	411	10,1	-11,2						
> 3 years	354	5,6	192	4,7	-0,9						
1 - 3 years	1045	16,6	22	0,5	-16,0						
Total	6308	100,0	4067	100,0	-						
2-nd re	eference p	eriod:	1.5.2008	3 - 31.1	2.2010						
Unemployed	Treate	ed	Non-tre	ated	Difference						
before 2007	Frequency	Percent	Frequency	Percent	between groups (%)						
no	22538	92,7	35552	97,2	4,5						
< 1 year	1139	4,7	648	1,8	-2,9						
> 3 years	153	0,6	323	0,9	0,3						
1 - 3 years	474	2,0	42	0,1	-1,8						
Total	24304	100,0	36565	100,0	-						
3-rd r	eference <sub>l</sub>	period	1.1.201	0 - 30.6	5.2011						
Unemployed	Treate	ed	Non-tre	Difference between							
before 2007	Frequency	Percent	Frequency	Percent	groups (%)						
no	15783	97,2	7076	98,5	1,2						
< 1 year											
	364	2,2	87	1,2	-1,0						
> 3 years	364 7	2,2 0,0	87 21	1,2 0,3	-1,0 0,2						
•			_								
> 3 years	7	0,0	21	0,3	0,2						
> 3 years 1 - 3 years Total	7 76	0,0 0,5 100,0	21 2 7186	0,3 0,0 100,0	0,2						
> 3 years 1 - 3 years Total  4-th r Unemployed	7 76 16230	0,0 0,5 100,0 <b>period</b> :	21 2 7186	0,3 0,0 100,0 <b>1 - 30.</b> 4	0,2 -0,4 - - <b>3.2012</b> Difference						
> 3 years 1 - 3 years Total 4-th r	7 76 16230 eference	0,0 0,5 100,0 <b>period</b> :	21 2 7186 2 <b>1.7.201</b>	0,3 0,0 100,0 <b>1 - 30.4</b> ated	0,2 -0,4 -						
> 3 years 1 - 3 years Total  4-th r Unemployed	7 76 16230 <b>eference</b>   Treate	0,0 0,5 100,0 <b>period</b> :	21 2 7186 1.7.201	0,3 0,0 100,0 <b>1 - 30.4</b> ated	0,2 -0,4  <b>3.2012</b> Difference between						
> 3 years 1 - 3 years Total  4-th r Unemployed before 2007	7 76 16230 eference   Treate	0,0 0,5 100,0 <b>Deriod</b> :	21 2 7186 1.7.201 Non-tre	0,3 0,0 100,0 <b>1 - 30.4</b> ated	0,2 -0,4 - - <b>3.2012</b> Difference between groups (%)						
> 3 years 1 - 3 years Total  4-th r  Unemployed before 2007	7 76 16230 eference   Treate Frequency 17703	0,0 0,5 100,0 <b>period:</b> ed Percent 97,8	21 2 7186 1.7.201: Non-tre Frequency 18850	0,3 0,0 100,0 <b>1 - 30.4</b> ated Percent 99,0	0,2 -0,4 - <b>3.2012</b> Difference between groups (%) 1,2						
> 3 years 1 - 3 years Total  4-th r  Unemployed before 2007 no < 1 year	7 76 16230 eference   Treate Frequency 17703 315	0,0 0,5 100,0 period: ed Percent 97,8 1,7	21 2 7186 1.7.201 Non-tre Frequency 18850 161	0,3 0,0 100,0 <b>1 - 30.4</b> <b>ated</b> Percent 99,0 0,8	0,2 -0,4 - - - - - - - - - - - - - - - - - - -						

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# 4.5.8 Category of driving licence

Most of the graduates in the samples do not have any driving licence, which could be one of the reasons for their missing attractiveness on the labour market.

Just about every one in four jobseeker has a driving licence for cars and motorcycles. And, just on average, about 3 present of the treated and non-treated jobseekers are holders of driving licences for buses or lorries, which determines transport working positions.

Between the treated and non-treated groups were identified differences at the maximum level of four present.

We verified the differences between treated and non-treated individuals during these 4 reference periods. The results of the testing are in the following table.

For both levels of variables, the differences between treated and non-treated are not significant. That means, we could say that both treated and non-treated individuals come from the same distributions.

			1 64 9	oforonce =	oriod: 1.1	2007 20 4		000
	Category of			eference p		2007 - 30.4 reated	1.Z	Difference
	driving license	-	equency	Valid percent	Frequency	Valid percen	1	between
	Cars and			•	. ,		+	groups (%)
	motorcycles		1427	23	920	23		0
	Smaller trucks		118	2	94	2		0
	Buses		41	1	36	1		0
	Trucks		12	0	10	0	L	0
	No driving license	l	3145	77	27591	75		2
		-nc	d refere	nce period:	1.5.2008 -	31.12.201	0	
	Cars and motorcycles		6408	26	8959	25	L	2
	Smaller trucks		415	2	817	2		-1
	Buses		158	1	330	1		0
	Trucks		44	0	78	0		0
	No driving license		5230	73	13138	69		4
		3-rd reference period: 1.1.2010 - 30.6.201					L	
	Cars and motorcycles		4957	31	1952	27	L	3
	Smaller trucks		302	2	149	2	I	0
	Buses		117	1	55	1		0
	Trucks		33	0	13	0		0
	No driving license		4879	77	17890	74		4
		4-t	h refere	nce period	1.7.2011	- 30.4.2012	2	
			l b matha ai	in Toot Pumm				2
	Null H			is Test Summ	Sig.	Decision		-1
						Retain the		0
1	same across ca	tego	ries of treat	is the Samples M. ed. Whitney U.1	ann- ,686 <sup>1</sup> Fest	null hypothesis.		0
2	The distribution same across ca	of o	count_cars ries of treat	ed. Kolmogorov	1,000	Retain the null hypothesis.		3
3	The distribution same across ca	of o	count_cars ries of treat	Smirnov Te Independer is th&amples ed. Kruskal-Wal Test	nt- 559	Retain the null hypothesis.		
4	The distribution count_no_drivi	Retain the null hypothesis.						
5	The distribution count_no_drivi	Retain the null hypothesis.						
6	The distribution count_no_drivi	ng_l	icence is th	Independer Samples ne Kruskal-Wal ed. Test	,306	Retain the null hypothesis.		

Asymptotic significances are displayed. The significance level is ,05.

# 4.6 Analysis of variance

In the samples of treated and non-treated jobseekers, we verified the equality of means or probability distributions of variables. There we tested the significance of differences between the variable means or between the variable frequency distributions. For the purpose of the testing we used a one-way analysis of variance. Firstly we verified whether the distribution of variable frequencies was normal or not. This was made by the Shapiro-Wilk test of normal distribution. Then, within the second step, we used the independent samples t-test in case of normal distribution or non-parametric alternative Mann-Whitney U test. We also used the Kruskall-Wallis test and Kolmogorov-Smirnov test as non-parametric alternatives to one-way analysis of variance for two samples.

<sup>&</sup>lt;sup>1</sup>Exact significance is displayed for this test.

# 4.6.1 1st reference period

In the following table, the results of verifying normal distribution of variables in the sample of treated and non-treated jobseekers in the first reference period are written. Based on the results from the Shapiro-Wilk test we then used the parametric or non-parametric alternative for testing the equality of means or equality of distributions.

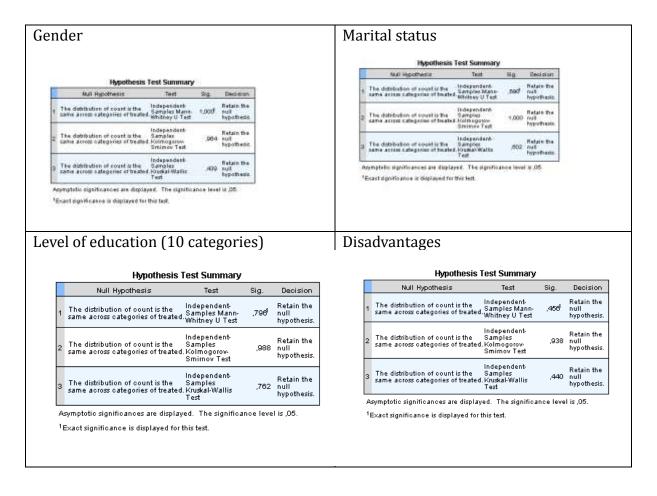
parametric anterna		of Norma	_				
		Kolm Sm	ogoro irnov <sup>a</sup>	V-	Shap	iro-W	ilk
Variable	Treated	Statistic	df	Sig.	Statisti c	Df	Sig.
Marital status	non treated	,403	5	,008	,625	5	,001
Maritai Status	treated	,392	5	,012	,638	5	,002
Level of education	non treated	,326	10	,003	,678	10	,000
(10 categories)	treated	,339	10	,002	,583	10	,000
District of School	non treated	,133	78	,002	,886	78	,000
District of School	treated	,179	78	,000	,823	78	,000
Disadvantages	non treated	,476	7	,000	,492	7	,000
Disauvantages	treated	,391	7	,002	,552	7	,000
Last Occasion	non treated	,453	36	,000	,211	36	,000
Last Occasion	treated	,289	36	,000	,619	36	,000
Age	non treated	,388	4067	,000	,550	4067	,000
Age	treated	,198	6308	,000			
Gender	non treated	,260	2				
Gender	treated	,260	2	-	-	-	-
School (5	non treated	,204	5	,200*	,910	5	,467
categories)	treated	,298	5	,169	,853	5	,206
Jobseeker before	non treated	,395	4		,719	4	,019
2007	treated	,317	4		,880	4	,339
Driving licence	non treated	,333	16	,000	,633	16	,000
Driving licence	treated	,343	16	,000	,618	16	,000

Based on the results of this testing we used the t-test for two variables: *School (5 categories)* and *Jobseeker before 2007.* The results of comparing the means of these two variables between the treated and non-treated individuals are in the following table.

	Independent Samples Test											
				Levene's Test for Equality of Variance s			st for Equality of Means					
			F	Sig.	t	df	Sig. (2- tailed )	Mean Differenc e	Std. Error Difference			
School	(5	Equal variances assumed	,534	,486	-,667	8	,524	-448,200	672,461			
categories)	(0	Equal variances not assumed			-,667	6,253	,529	-448,200	672,461			
Jobseeker	before	Equal variances assumed	,148	,714	-,524	6	,619	-560,250	1068,632			
2007	20.010	Equal variances not assumed			-,524	5,858	,619	-560,250	1068,632			

For both variables, the difference between the means is not significant. So the variable means of these two variables for treated and non-treated jobseekers are statistically equal.

In the following table, the results of non-parametric tests for the other variables are written.



#### Last occasion District of school **Hypothesis Test Summary** Hypothesis Test Summary Null Hypothesis Decision Null Hypothesis Decision Reject the null hypothesis. The distribution of count is the Samples Mann-same across categories of treated. Whitney U Test Retain the null ,681 hypothesis. The distribution of count is the Samples same across categories of treated. Kolmogorov-Smirnov Test Reject the null hypothesis. The distribution of count is the Samples same across categories of treated. Kolmogorov-Smirnov Test Retain the null hypothesis. ,878, The distribution of count is the Samples same across categories of treated. Kruskal-Wallis Test Reject the The distribution of count is the Samples same across categories of treated. Kruskal-Wallis Test Retain the null hypothesis. null hypothesis. Asymptotic significances are displayed. The significance level is ,05. Asymptotic significances are displayed. The significance level is ,05 Age **Driving licence** Hypothesis Test Summary Hypothesis Test Summary Null Hypothesis Test Sig. Decision Null Hypothesis Sig. Decision Retain the The distribution of Age is the sameIndependent-across categories of Treated/non- Samples Mann-treated. Whitney U Test Reject the ,590 null hypothesis. .000 hypothesis. Independent The distribution of count is the Samples same across categories of treated. Kolmogorov-Smirnov Test Retain the null hypothesis. The distribution of Age is the same Independent-across categories of Treated/non-Kolmogorov-treated. Reject the null ,000 hypothesis. Independent-The distribution of count is the Samples same across categories of treated. Kruskal-Wallis Test Retain the null hypothesis. The distribution of Age is the same Independent across categories of Treated/non-Kruskal-Wallis treated. ,584 hypothesis Asymptotic significances are displayed. The significance level is ,05 <sup>1</sup>Exact significance is displayed for this test. Asymptotic significances are displayed. The significance level is ,05

## Summary:

- Variables, for which the means or the probability distributions of their frequencies are statistically the same:
  - School (5 categories)
  - Jobseeker before 2007
  - Gender
  - Marital status
  - Level of education (10 categories)
  - Disadvantages
  - Last occasion
  - Driving licence
- Variables, for which the probability distributions in the sample of treated and non-treated jobseekers are significantly different:
  - District of school
- Age.

## 4.6.2 2<sup>nd</sup> reference period

Similarly to the first reference period, we tested the equality of means or of probability distributions for the variables in a sample of treated and non-treated individuals in the second reference period. As before, the first step was to test whether there is a normal distribution of every variable. The results are in the following table.

	Tests	of Normali	ty				
		Kolmogo	prov-Sm	irnov <sup>a</sup>	Shap	oiro-W	ilk
Variable	Treated	Statistic	df	Sig.	Statistic	Df	Sig.
Marital status	non treated	,434	5	,002	,594	5	,001
Marital Status	treated	,425	5	,004	,603	5	,001
Level of education (10	non treated	,317	5	,113	,786	5	,062
categories) `	treated	,310	5	,132	,861	5	,234
District of School	non treated	,126	79	,003	,902	79	,000
District of School	treated	,168	79	,000	,833	79	,000
Disadventages	non treated	,478	8	,000	,458	8	,000
Disadvantages	treated	,329	8	,011	,579	8	,000
Last Occasion	non treated	,263	39	,000	,661	39	,000
Last Occasion	treated	,289	39	,000	,631	39	,000
Age	non treated	,217	36565	,000			
Age	treated	,210	24304	,000			
Gender	non treated	,260	2				
Gender	treated	,260	2				
Sahaal /F aatamarisa)	non treated	,126	79	,003	,902	79	,000
School (5 categories)	treated	,168	79	,000	,833	79	,000
Johannikas hafasa 2007	non treated	,435	4		,643	4	,002
Jobseeker before 2007	treated	,423	4		,664	4	,004
Driving licence	non treated	,338	16	,000	,623	16	,000
Driving licence	treated	,354	16	,000	,606	16	,000

In this case, only the variable *Level of education (10 categories)* is normally distributed. Based on this result, the second step is to test whether the mean of this variable or the mean and the distribution of the other variables are the same between the samples of treated and non-treated individuals. This is tested by t-test in the case of the variable *Level of education (10 categories)*, which is normally distributed and by a non-parametric alternative for the other variables.

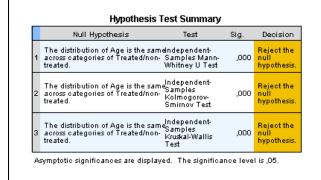
The results are in the following two tables.

The results are in the following two tables.											
	Independent Samples Test										
					t-test for Equality of Means			ns			
		F	Sig.	t	df	Sig. (2- tailed	Mean Differenc e	Std. Error Difference			
School	5 Equal variances assumed	1,73 8	,224	,536	8	,607	2452,200	4577,173			
categories)	Equal variances not assumed			,536	6,259	,611	2452,200	4577,173			

As we can see in the table, based on the significance of the t-test, the means of the

variable *Level of education* are the same in the sample of treated and non-treated individuals.

#### Marital status Gender **Hypothesis Test Summary** Hypothesis Test Summary Decision Null Hypothesis Decision Null Hypothesis Sig. Test Sig. The distribution of count is the Samples Mann-same across categories of treated. Whitney U Test Retain the null hypothesis. The distribution of count is the Samples Mann-same across categories of treated. Whitney U Test Retain the null hypothesis. The distribution of count is the samples same across categories of treated. Kolmogorov-Smirnov Test The distribution of count is the Samples same across categories of treated. Kolmogorov-Smirnov Test Retain the null hypothesis. Retain the null hypothesis. ,270 The distribution of count is the Samples same across categories of treated, Kruskal-Wallis Test Independent-3 The distribution of count is the Samples same across categories of treated. Kruskal-Wallis Test Retain the null hypothesis. Retain the null hypothesis. Asymptotic significances are displayed. The significance level is ,05. Asymptotic significances are displayed. The significance level is ,05 <sup>1</sup>Exact significance is displayed for this test. <sup>1</sup>Exact significance is displayed for this test. School (5 categories) Disadvantages Hypothesis Test Summary **Hypothesis Test Summary** Null Hypothesis Decision Null Hypothesis Test Decision Retain the null hypothesis. Retain the null hypothesis. The distribution of count is the Independent-same across categories of treated. Whitney U Test The distribution of count is the Independent-Samples Mann-same across categories of treated. Whitney U Test The distribution of count is the Samples same across categories of treated. Kolmogorov-Smirnov Test The distribution of count is the Samples same across categories of treated. Kolmogorov-Smirnov Test Independent-Retain the Retain the null hypothesis. null hypothesis. Independent-The distribution of count is the Samples same across categories of treated. Kruskal-Wallis Test The distribution of count is the Samples same across categories of treated. Kruskal-Wallis Test Retain the Retain the null hypothesis. null hypothesis. Asymptotic significances are displayed. The significance level is ,05. Asymptotic significances are displayed. The significance level is ,05 <sup>1</sup>Exact significance is displayed for this test. <sup>1</sup>Exact significance is displayed for this test. Jobseeker before 2007 Last occasion **Hypothesis Test Summary** Hypothesis Test Summary Null Hypothesis Null Hypothesis Test Sig. Decision Sig. Decision The distribution of count is the Samples Mann-same across categories of treated. Whitney U Test Retain the null hypothesis. The distribution of count is the Samples Mannsame across categories of treated. Whitney U Test Reject the ,005 hypothesis. Independent-Samples same across categories of treated. Kolmogorov-Smirnov Test The distribution of count is the Samples same across categories of treated. Kolmogorov-Smirnov Test Retain the Reject the 1,000 050 null hypothesis. hypothesis. 3 The distribution of count is the Samples same across categories of treated. Kruskal-Wallis Test The distribution of count is the Samples same across categories of treated. Kruskal-Wallis Test Retain the Reject the null hypothesis. ,773 null hypothesis. Asymptotic significances are displayed. The significance level is ,05 Asymptotic significances are displayed. The significance level is ,05. <sup>1</sup>Exact significance is displayed for this test. Driving licence Age



# Null Hypothesis Test Summary Null Hypothesis Test Summary Test Sig. Decision The distribution of count is the same across categories of treated. Independent-Samples Mann-Whittery U Test The distribution of count is the same across categories of treated. Independent-Samples Monogrov-Smirnov Test The distribution of count is the same across categories of treated. Independent-Samples Kruskal-Wallis Testandent Samples Kruskal-Wallis Testandent Samples Kruskal-Wallis Testandent Note Testan

Asymptotic significances are displayed. The significance level is ,05.

#### District of school

#### **Hypothesis Test Summary**

	Null Hypothesis	Test	Sig.	Decision
1	The distribution of count is the same across categories of treated	Independent- Samples Mann- Whitney U Test	,004	Reject the null hypothesis.
2	The distribution of count is the same across categories of treated	Independent- Samples Kolmogorov- Smirnov Test	,021	Reject the null hypothesis.
3	The distribution of count is the same across categories of treated	Independent- Samples Kruskal-Wallis Test	,004	Reject the null hypothesis.

Asymptotic significances are displayed. The significance level is ,05.

#### Summary:

- Variables, for which the means or the probability distributions of their frequencies are statistically the same:
  - School (5 categories)
  - Jobseeker before 2007
  - Gender
  - Marital status
  - Level of education (10 categories)
  - o Disadvantages
  - o Driving licence
- Variables, for which the probability distributions in the sample of treated and non-treated jobseekers are significantly different:
  - Last occasion
  - District of school
- Age

# 4.6.3 3rd reference period

The results of testing normality using the Shapiro-Wilk test are in the following table.

<sup>&</sup>lt;sup>1</sup>Exact significance is displayed for this test.

	Tests o	f Normality	у				
		Kolmogo	prov-Sm	irnov <sup>a</sup>	Shap	oiro-W	ilk
Variable	Treated	Statisti c	Df	Sig.	Statistic	Df	Sig.
Marital status	non treated	,440	5	,002	,588	5	,000
Maritai Status	treated	,433	5	,003	,594	5	,001
Level of education (10	non treated	,377	10	,000	,605	10	,000
categories) `	treated	,303	10	,010	,651	10	,000
District of School	non treated	,121	79	,006	,896	79	,000
District of School	treated	,170	79	,000	,774	79	,000
Disadvantages	non treated	,483	8	,000	,453	8	,000
Disauvantages	treated	,332	8	,010	,650	8	,001
Last Occasion	non treated	,402	41	,000	,226	41	,000
Last Occasion	treated	,321	37	,000	,628	37	,000
Age	non treated	,181	7186	,000			
Age	treated	,196	16230	,000			
Gender	non treated	,260	2	,000			
Gender	treated	,260	2	,000			
School (5 categories)	non treated	,302	5	,153	,793	5	,072
School (5 categories)	treated	,223	5	,200 <sup>*</sup>	,913	5	,487
Jobseeker before 2007	non treated	,436	4		,639	4	,002
JODSEEREI DEIDIE 2007	treated	,432	4		,647	4	,002
Driving licence	non treated	,347	16	,000	,615	16	,000
Driving licence	treated	,358	16	,000	,607	16	,000

The only one variable that has a normal distribution, is *School (5 categories)*. For this variable we used the t-test to compare means for treated and non-treated individuals. The results are in the next table.

	Independent Samples Test									
			Tes Equ Varia	ene's t for ality of ance	t-test for Equality of Means			ns		
			F	Sig.	т	Df	Sig. (2- tailed	Mean Differenc e	Std. Error Difference	
School	(5	Equal variances assumed	1,14 2	,316	-1,125	8	,293	-1808,800	1607,525	
categories)		Equal variances not assumed			-1,125	6,308	,301	-1808,800	1607,525	

According to the significance of the test we can say that the means of this variable between treated and non-treated individuals are not different.

In the next table are the results of non-parametric tests of equality of the variables

# distributions between treated and non-treated individuals.

# Gender **Hypothesis Test Summary** Null Hypothesis Test Sig. Decision Retain the null hypothesis. The distribution of count is the Samples Mann-same across categories of treated. Whitney U Test Independent-The distribution of count is the Samples same across categories of treated. Kolmogorov-Smirnov Test Retain the null hypothesis. The distribution of count is the Samples same across categories of treated. Kruskal-Wallis Test Retain the null hypothesis. Asymptotic significances are displayed. The significance level is ,05 <sup>1</sup>Exact significance is displayed for this test. Level of education (10 categories) Hypothesis Test Summary

Marital status

	Hypothesis Test Summary										
	Null Hypothesis	Test	Sig.	Decision							
1	The distribution of count is the same across categories of treated	Independent- Samples Mann- Whitney U Test	,548	Retain the null hypothesis.							
2	The distribution of count is the same across categories of treated	Independent- Samples Kolmogorov- Smirnov Test	1,000	Retain the null hypothesis.							
3	The distribution of count is the same across categories of treated	Independent- Samples Kruskal-Wallis Test	,530	Retain the null hypothesis.							

Asymptotic significances are displayed. The significance level is ,05.

	Null Hypothesis	Test	Sig.	Decision
1	The distribution of count is the same across categories of treated.	Independent Samples Mann- Whitney U Test	,631 <sup>1</sup>	Retain the null hypothesis.
2	The distribution of count is the same across categories of treated.	Independent- Samples Kolmogorov- Smirnov Test	,988	Retain the null hypothesis.
3	The distribution of count is the same across categories of treated.	Independent- Samples Kruskal-Wallis Test	,623	Retain the null hypothesis.

Asymptotic significances are displayed. The significance level is ,05.

# District of school

#### **Hypothesis Test Summary**

	Null Hypothesis	Test	Sig.	Decision
1	The distribution of count is the same across categories of treated	Independent- Samples Mann- Whitney U Test	,000	Reject the null hypothesis.
2	The distribution of count is the same across categories of treated	Independent- Samples . Kolmogorov- Smirnov Test	,000	Reject the null hypothesis.
3	The distribution of count is the same across categories of treated	Independent- Samples . Kruskal-Wallis Test	,000	Reject the null hypothesis.

Asymptotic significances are displayed. The significance level is ,05.

## Disadvantages

#### **Hypothesis Test Summary**

l		Null Hypothesis	Test	Sig.	Decision
	1	The distribution of count is the same across categories of treated.	Independent- Samples Mann- Whitney U Test	,798	Retain the null hypothesis.
	2	The distribution of count is the same across categories of treated.	Independent- Samples Kolmogorov- Smirnov Test	,964	Retain the null hypothesis.
	3	The distribution of count is the same across categories of treated.	Independent- Samples Kruskal-Wallis Test	,751	Retain the null hypothesis.

Asymptotic significances are displayed. The significance level is ,05.

#### Last occasion

#### **Hypothesis Test Summary**

	Null Hypothesis	Test	Sig.	Decision
1	The distribution of count is the same across categories of treated.	Independent Samples Mann- Whitney U Test	,195	Retain the null hypothesis.
2	The distribution of count is the same across categories of treated.	Independent- Samples Kolmogorov- Smirnov Test	,276	Retain the null hypothesis.
3	The distribution of count is the same across categories of treated.	Independent- Samples Kruskal-Wallis Test	,195	Retain the null hypothesis.

Asymptotic significances are displayed. The significance level is ,05.

# Driving licence

**Summary**: Variables, for which the means or the probability distributions of frequencies are statistically the same:

- School (5 categories)
- o Jobseeker before 2007
- Gender
- Marital status
- Level of education (10 categories)

<sup>&</sup>lt;sup>1</sup>Exact significance is displayed for this test.

<sup>&</sup>lt;sup>1</sup>Exact significance is displayed for this test.

<sup>&</sup>lt;sup>1</sup>Exact significance is displayed for this test.

	Null Hypothesis	Test	Sig.	Decisio
1	The distribution of count is the same across categories of treated	Independent- Samples Mann- Whitney U Test	,341	Retain th null hypothes
2	The distribution of count is the same across categories of treated	Independent- Samples .Kolmogorov- Smirnov Test	,415	Retain th null hypothes
3	The distribution of count is the same across categories of treated	Independent- Samples .Kruskal-Wallis Test	,336	Retain th null hypothes

- Disadvantages
- Driving licence
- Last occasion
- o Age
- Variables, for which the probability distributions in the sample of treated and non-treated jobseekers are significantly different:
  - District of school

# 4.6.4 4th reference period

In the last reference period the results of testing the normality of variables frequencies in the sample of treated and non-treated jobseekers are the following:

Tests of Normality									
		Kolmogo	rov-Sm	irnov <sup>a</sup>	Shap	iro-W	ilk		
Variable	Treated	Statisti c	Df	Sig.	Statistic	Df	Sig.		
Marital status	non treated	,448	5	,001	,579	5	,000		
Maritai Status	treated	,437	5	,002	,591	5	,000		
Level of education (10	non treated	,374	10	,000	,578	10	,000		
categories) `	treated	,293	10	,015	,619	10	,000		
District of School	non treated	,141	79	,001	,899	79	,000		
District of School	treated	,153	79	,000	,827	79	,000		
Disadvantages	non treated	,461	7	,000	,511	7	,000		
Disauvantages	treated	,328	7	,022	,769	7	,020		
Last Occasion	non treated	,274	38	,000	,615	38	,000		
Last Occasion	treated	,332	38	,000	,607	38	,000		
Age	non treated	,125	19037	,000					
Age	treated	,205	18092	,000					
Gender	non treated	,260	2	,000					
Gender	treated	,260	2	,000					
School (5 categories)	non treated	,300	5	,162	,774	5	,049		
School (3 categories)	treated	,307	5	,139	,856	5	,213		
Jobseeker before 2007	non treated	,438	4	0	,636	4	,002		
JODSECKEI DEIDIC 2007	treated	,434	4	0	,643	4	,002		
Driving licence	non treated	,340	16	,000	,615	16	,000		
Ditting hochoe	treated	,359	16	,000	,609	16	,000		

Similarly to the third reference period, only one variable has a normal distribution, *School (5 categories)*. For this variable, we used the t-test to compare the means for treated and non-treated individuals. The results are in the next table.

	Independent Samples Test									
			Levene's Test for Equality of Variance s			t-test for Equality of Means				
			F	Sig.	т	df	Sig. (2- tailed	Mean Differenc e	Std. Error Difference	
School	(5	Equal variances assumed	,420	,535	,070	8	,946	189,000	2709,096	
categories)	(5	Equal variances not assumed			,070	7,445	,946	189,000	2709,096	

Based on the significance of the test we can say that the means of this variable is not different between the samples of treated and non-treated individuals. The results of the other variables testing are in the following table.

## Gender

#### **Hypothesis Test Summary**

	Null Hypothesis	Test	Sig.	Decision
1	The distribution of count is the same across categories of treated	Independent- Samples Mann- Whitney U Test	1,000	Retain the null hypothesis.
2	The distribution of count is the same across categories of treated	Independent- Samples Kolmogorov- Smirnov Test	,964	Retain the null hypothesis.
3	The distribution of count is the same across categories of treated	Independent- Samples .Kruskal-Wallis Test	1,000	Retain the null hypothesis.

Asymptotic significances are displayed. The significance level is ,05.

# Marital status

#### Hypothesis Test Summary

I		Null Hypothesis	Test	Sig.	Decision
	1	The distribution of count is the same across categories of treated	Independent- Samples Mann- Whitney U Test	1,000	Retain the null hypothesis.
	2	The distribution of count is the same across categories of treated	Independent- Samples Kolmogorov- Smimov Test	1,000	Retain the null hypothesis.
	3	The distribution of count is the same across categories of treated	Independent- Samples Kruskal-Wallis Test	,914	Retain the null hypothesis.

Asymptotic significances are displayed. The significance level is ,05.

# Level of education (10 categories)

#### **Hypothesis Test Summary**

	Null Hypothesis	Test	Sig.	Decision
1	The distribution of count is the same across categories of treated	Independent Samples Mann- Whitney U Test	,853	Retain the null hypothesis.
2	The distribution of count is the same across categories of treated	Independent- Samples Kolmogorov- Smirnov Test	,988	Retain the null hypothesis.
3	The distribution of count is the same across categories of treated	Independent- Samples Kruskal-Wallis Test	,850	Retain the null hypothesis.

Asymptotic significances are displayed. The significance level is ,05.

# District of school

#### Hypothesis Test Summary

l		Null Hypothesis	Test	Sig.	Decision
	1	The distribution of count is the same across categories of treated.	Independent- Samples Mann- Whitney U Test	,543	Retain the null hypothesis.
	2	The distribution of count is the same across categories of treated.	Independent Samples Kolmogorov- Smirnov Test	,551	Retain the null hypothesis.
	3	The distribution of count is the same across categories of treated.	Independent- Samples Kruskal-Wallis Test	,543	Retain the null hypothesis.

Asymptotic significances are displayed. The significance level is ,05.

# Disadvantages

#### Hypothesis Test Summary

	Null Hypothesis	Test	Sig.	Decision
1	The distribution of count is the same across categories of treated	Independent- Samples Mann- Whitney U Test	1,000	Retain the null hypothesis.
2	The distribution of count is the same across categories of treated	Independent- Samples Kolmogorov- Smirnov Test	,938	Retain the null hypothesis.
3	The distribution of count is the same across categories of treated	Independent- Samples Kruskal-Wallis Test	,949	Retain the null hypothesis.

Asymptotic significances are displayed. The significance level is ,05.

# Last occasion

## Hypothesis Test Summary

ı		Null Hypothesis	Test	Sig.	Decision
	1	The distribution of count is the same across categories of treated.	Independent Samples Mann- Whitney U Test	,003	Reject the null hypothesis.
	2	The distribution of count is the same across categories of treated.	Independent- Samples Kolmogorov- Smirnov Test	,023	Reject the null hypothesis.
	3	The distribution of count is the same across categories of treated.	Independent- Samples Kruskal-Wallis Test	,003	Reject the null hypothesis.

Asymptotic significances are displayed. The significance level is ,05.  $\,$ 

# Jobseeker before 2007

#### **Hypothesis Test Summary**

	riypotricala reat aurilinary									
	Null Hypothesis	Test	Sig.	Decision						
1	The distribution of count is the same across categories of treated	Independent- Samples Mann- Whitney U Test	1,000	Retain the null hypothesis.						
2	The distribution of count is the same across categories of treated	Independent- Samples Kolmogorov- Smirnov Test	1,000	Retain the null hypothesis.						
3	The distribution of count is the same across categories of treated	Independent- Samples Kruskal-Wallis Test	,773	Retain the null hypothesis.						

Asymptotic significances are displayed. The significance level is ,05.

<sup>1</sup>Exact significance is displayed for this test.

# Driving licence

#### Hypothesis Test Summary

	Null Hypothesis	Test	Sig.	Decision
1	The distribution of count is the same across categories of treated	Independent- Samples Mann- Whitney U Test	,897 <sup>1</sup>	Retain the null hypothesis.
2	The distribution of count is the same across categories of treated	Independent- Samples .Kolmogorov- Smirnov Test	,941	Retain the null hypothesis.
3	The distribution of count is the same across categories of treated	Independent- Samples .Kruskal-Wallis Test	,895	Retain the null hypothesis.

Asymptotic significances are displayed. The significance level is ,05.

<sup>&</sup>lt;sup>1</sup>Exact significance is displayed for this test.

<sup>&</sup>lt;sup>1</sup>Exact significance is displayed for this test.

<sup>&</sup>lt;sup>1</sup>Exact significance is displayed for this test.

 $<sup>^{1}\</sup>mbox{Exact}\,\mbox{significance}$  is displayed for this test.

<sup>&</sup>lt;sup>1</sup>Exact significance is displayed for this test.

# 

# Summary:

- Variables, for which the means or the probability distributions of their frequencies are statistically the same:
  - School (5 categories)
  - o Jobseeker before 2007
  - Gender
  - Marital status
  - Level of education (10 categories)
  - Disadvantages
  - Driving licence
  - District of school
- Variables, for which the probability distributions in the sample of treated and non-treated jobseekers are significantly different:
  - Last occasion
- Age

Just one problematic variable which is not possible to eliminate is age; significant differences between treated and non-treated samples have been identified. As was obvious already in the histograms in the sub-chapter which described age, there was a left-side distribution of treated ages and right-side distribution of non-treated ages in three reference periods. That fact will influence the shrinkage of the matched samples, because the intersection between treated and non-treated distributions is too low.

# 4.7 Qualitative survey of graduate workwork experience

This qualitative part was incorporated in the evaluation because the evaluators wanted to outline even partial motivations, aspirations, real outputs and the results of the treated individuals. The main reason for this part of the research was verifying a theory of the change of graduate work experience. Qualitative research was carried out through interviews by phone. COLSaF provided a database of 48 contacts for treated individuals who were asked for an interview. The database contained individuals from every region of the SR (i.e. 8 regions) and three individuals for men and women, in total 48 contacts. Finally we carried out 41 interviews composed of 23 women and 18 men from every Slovak region.

In the scheme below is described the expected theory of the change of the intervention and the prepared topics for interviews which came from three basic parts:

#### A. Activities of the intervention

In the first section of the questions which were posed to our respondents, we wanted to uncover the motivation to take part in the intervention and identify activities which could lead to immediate service for the jobseeker and to increase his employability on the open labour market.

During the interview we asked questions like:

- 1) Where did you learn about the intervention?
- 2) Did you find an employer for graduate work experience on your own, or did PES assist you?
- 3) How did you find the employer?
- 4) Why did you decide to go to graduate work experience?
- 5) Have you matched your graduated profession with the profession of the place where you performed graduate work experience?
- 6) Did you do what was agreed with the employer in the agreement?
- 7) Have you attended any training during graduate work experience?

#### B. Immediate outputs of the intervention

Through those sort of questions we wanted to identify the provided services products that jobseekers carried out during their graduate work experience. We wanted to lead a dialogue with the jobseeker about their emotions coming out from completing the intervention.

- Have you met with your initial aspiration of graduate work experience?
- Which skills and knowledge have you gained during graduate work experience?
- Have you gained any contact for other employers or references for any job?

#### C. Outcomes

This last group of questions should identify the perception of short-term and mid-term effects of graduate work experience.

- Do you think your graduate work experience was successful? Why? Do you think that graduate work experience helped you to get a job?
- Which knowledge and skills have you used for your work?

What would you change?

#### 4.7.1 Conclusions from the interviews

One third of asked respondents had information about the intervention before this was offered by the Public Employment Services office. In other words, one third of those treated applied for intervention without any impulse, they knew that they were eligible and they wanted to attend graduate work experience.

The rest of the eligible jobseekers were informed about the intervention by the PES office and, afterwards, the interventions were offered as well.

Most of the respondents answered that they chose their placing for graduate work experience from the list provided by the PES office and only about 2 jobseekers from 5 had selected a place for intervention before they applied at the PES office for intervention. These are the same jobseekers which stated that they knew about the intervention before the PES office informed them.

Just one third of treated jobseekers answered that they would like to find a job through intervention, the rest of the respondents had the aspiration just to have some practical experience or deepen existing skills.

All respondents admit that they really carried out work that was agreed upon in the agreement before they started graduate work experience; all participants denied any abuse. But just in a few cases jobseekers worked in the field from which they graduated. Just about 10 % of respondents admitted that they worked in a business matching the type and specialization of the education they had completed.

Overall, most of the respondents were satisfied with the provided intervention. They are sure that they have met with the expectations of graduate work experience, even though these expectations were minimal and, in most cases, they did not aspire to find a job and stay employed in the field in which they carried out graduate work experience.

For the question focused on gained skills, most of the respondents answered directly that they learned to communicate with people, they gained some interpersonal skills in the working environment because that was the first experience in almost a real job without support of school, or schoolmates, and that is why they feel this intermediate step was important. A few of the asked respondents mentioned that the area in which they worked provided some sort of course, training was provided to the participants only rarely. In those few cases, the trainings were focused on MS Excel, or Access, internal supply system, or work with a cash machine. In most of the cases graduates were distributed into public institutions; only a few participants stated that they attended graduate work experience in the private sector or third sector (about 10 %).

Only about 1 treated individual from 10 stayed at the public institution where they worked during the graduate work experience, this was the Public Employment Services office – registration of jobseekers, or Social Insurance Agency – as an administrator. Finally, those treated found other jobs and used those public institutions as way stations which helped them to gain references for other employers. Another identified benefit from graduate work experience was contacts and friendship created during graduate work experience, but none of the treated identified that through those contacts they would find a job.

About 20 % of asked jobseekers wanted to go to graduate work experience just because they were waiting for another year to enrol in another school.

# What treated jobseekers would like to change?

The most frequent proposals of interviewed jobseekers concern the motivation allowance based on living wage that is not sufficient motivation for graduate work

experience. This is one identified barrier for wider use of this active labour market policy measure.

Another frequent proposal is based on the treatment period. About 3 asked graduates from 10 state that 6 months is not long enough a period to show what they know, to present their real potential even though they have just 4 hours per day and they depend on the decisions of their tutor. The tutor mostly has in the mornings some urgent work and, only after he has finished what he must, then he can care about graduates. The respondents are sure that **longer working days and increased allowance** during graduate work experience would also increase their chances of employment.

Treated jobseekers identify the need to gain something tangible through graduate work experience, something like a **recommendation**, **or certificate**, which could enforce the positions of seeking jobseekers in a job interview and would upgrade the intervention to a more serious level. Treated jobseekers would like to seriously make an effort to gain the chance of a job through preparing as much as possible.

Graduate work experience should be **better fitted to the type of education or working positions** which are attractive for graduates or where they see themselves. It is possible to expect that a higher involvement of subjects from the private sector would also increase the efficiency of the intervention. There should be prepared a motivation tool for firms and organizations to offer graduate work experience. For instance, graduate work experience could be extensive in case of financial contribution to the allowance for graduates. Intervention could be varied into some types of *modus operandi* with some motivation of companies to offer graduates jobs, sustained for some protected period.

The last type of comment from respondents was about administration whilst applying for graduate work experience. Some data should be electronically exchanged between PES offices if graduate work experience is to be carried out in another city than where the jobseeker is registered.

# 4.8 Net effects of graduate work experience

# 4.8.1 Analysis of influences on employability

In the table next to the text are correlation coefficients and their significance on the dependent variable Placed on LM and Assessment Base and other independent variables that are the characteristics of treated and non-treated units and their living environment.

For the dependent variable **Placed on** the **labour market** we can see that:

- men are placed on the labour market longer than women, the correlation is significant but weak;
- older individuals are placed longer, but the correlation coefficient is not very high, although it is significant, in other words its power or influence is not very strong;
- a longer period of registration and total period of all registrations cause a shorter placement on LM, which is confirmation of the expected assumption, and the correlation is moderate;
- the classification of an individual into Reference period 2 has a negative impact on placement on LM; other reference periods have a positive impact on placement;
- single jobseekers are unemployed for a shorter time than other marital statuses, the correlation is weak;

	Placed_on_	_LM_shares	Average asse	ssment base	
Variable	Pearson	Sig. (2-tailed)	Pearson	Sig. (2-tailed)	
Placed on LM shares	1,000		Correlation ,615	0,000	
Average assessment base	,615	0,000	1,000	0,000	
Gender	-,019	0,000	-,085	0,000	
Age	,113	0,000	,249"	0,000	
Unemployed in months	-,306**	0,000	-,335	0,000	
Total period of all registrations in months (colsaf)	-,412 <sup>**</sup>	0,000	-,387	0,000	
The average gross wage in the region of perm. residence	,089**	0,000	,140	0,000	
The proportion of women in the district of perm. residence	,042**	0,000	,058**	0,000	
Surface of district of permanent residence	-,048	0,000	-,092**	0,000	
The density of population in the district of perm. residence	,042**	0,000	,081**	0,000	
The number of municipalities in the district of perm.	-,069**	0,000	-,123	0,000	
residence The number of cities in the district of perm. residence	-0,005	0,088	-,032	0,000	
The registered unemployment rate in the district of perm.					
residence	-,135	0,000	-,184"	0,000	
Inhabitants density	,033	0,000	,100"	0,000	
Population_of_municipality_2011	,022	0,000	,031	0,000	
Change_of_population:15years  Distance from PESoffice	-0,004	0,129	-,012 <sup></sup> 040 <sup></sup>	0,000	
period=1.0	-,027"	0,000	-,040 -,047	0,000	
period=1.0	-,061	0,000	.064	0.000	
period=3.0	,029	0,000	-,025	0,000	
period=4.0	.023	0,000	-,022**	0,000	
marital_status=registered partners	-,007*	0,012	-0,002	0,558	
marital_status=divorced	-,012**	0,000	-,008	0,004	
marital_status=single	,087**	0,000	,008**	0,004	
marital_status=widow	-0,002	0,418	0,001	0,755	
marital_status=married	-,086	0,000	-,006 <sup>*</sup>	0,022	
education_STUPEŇ=Not finished education	-,009**	0,002	-0,003	0,225	
education_STUPEŇ=Primary education	-,115 <sup>**</sup>	0,000	-,085	0,000	
education_STUPEŇ=Lower secondary professional education	-,017"	0,000	-,017	0,000	
education_STUPEŇ=Secondary vocational education	-,039**	0,000	-,038**	0,000	
education_STUPEŇ=Full secondary vocational education	,058**	0,000	,025**	0,000	
education_STUPEN=Full secondary comprehensive education	-,105 <sup>**</sup>	0,000	-,092**	0,000	
education_STUPEŇ=Upper vocational education	-0,004	0,110	-0,005	0,077	
education_STUPEŇ=Bachelor	-,048	0,000	-,047	0,000	
education_STUPEŇ=Master	,144"	0,000	,167**	0,000	
education_STUPEŇ=Doctoral	-0,001	0,607	-0,005	0,093	
school=primary shool	-,115 <sup>**</sup>	0,000	-,085	0,000	
school=secondary vocational school	,025	0,000	-0,002	0,571	
school=vocational school	-0,002	0,544	-,008**	0,005	
school=comprehensive school	-,103	0,000	-,091"	0,000	
school=colledge	,116"	0,000	,137	0,000	
disadvantage=no disadvantage	,154"	0,000	,123"	0,000	
disadvantage=graduate	-,064 <sup>**</sup>	0,000	-,042"	0,000	
disadvantage=long - term unemployed disadvantage=low education level	-,146 -0,002		-,127		
disadvantage=row education rever	.006°	0,411	0,000	0,897	
disadvantage=poor working discipline	-0,005	0,032	-,007°	0,015	
disadvantage=care	-,009	0,001	-0,004	0,178	
disadvantage=disabled	-,012	0,000	-,014"	0,000	
unemployed_before_2007=< 1 year	,023**	0,000	-0,004	0,181	
unemployed_before_2007=1 - 3 years	0,003	0,252	-,027	0,000	
unemployed_before_2007=> 3 years	-,017	0,000	-,026**	0,000	
unemployed_before_2007=no evidence	-,015	0,000	,026	0,000	
region=Bratislavský region	,054	0,000	,122"	0,000	
region=Trnavský region	,069	0,000	,084"	0,000	
region=Trenčiansky region	,056**	0,000	,057**	0,000	
region=Nitriansky region	,015	0,000	-,008**	0,005	
region=Žilinský region	,015	0,000	,022**	0,000	
region=Banskobystrický region	-,050**	0,000	-,057**	0,000	
region=Prešovský region	-,088**	0,000	-,104**	0,000	
region=Košický region	-,033	0,000	-,050	0,000	
Treated/non-treated	-,052	0,000	-,197	0,000	

- from significant education levels, Master's education (positive impact) and primary education (negative impact) have the greatest impact
- from school types, college has a positive impact and primary school has a negative impact;
- almost all significant disadvantages types have a negative impact; if an individual has no disadvantage, he is placed on LM for longer;
- all regions have significant correlations but the correlation is weak.

#### For the **Assessment base** we can state that:

- older individuals have a higher assessment base, the correlation is significant and moderate;
- men have a higher assessment base than women, the correlation is significant and moderate;
- the period of registration and total period of all registrations have a negative impact on the assessment base, which means that if an individual is unemployed for a longer time, then he has a smaller assessment base, the correlation is significant and is moderate;
  - in Period 2 the assessment base is higher, but the correlations are weak;
- marital status has very weak correlations with the assessment base;
- Master's education level has the biggest correlation from all education levels and college is similar.
- with the disadvantaged long term unemployed the assessment base is lower, with no disadvantage the assessment base is higher;
- if an individual has no registration before 2007, the assessment base is higher, all other unemployment durations have a negative impact, but the correlation is weak;
- Bratislava region has the biggest positive correlation from all regions;

In the following table the coefficient of linear regression for 5 types of dependent variables are listed. If there is no coefficient, that variable wasn't significant in a linear regression model.

Dependent variable	Placed_on_LM	Self employed	Full time employed	Part time job	Individual barrier	Assement base
(Constant)	,925	,146	,932	-,057	,101	109,825
Treated/non-treated	,156	,004	,152	,014	-,010	-14,905
Gender	-,028	-,006	-,022	,004	,054	
Age	,005	,000	,004	,002		4,810
Unemployed in months	-,004		-,004	,001	,001	1,454
Total period of all registrations in months (colsaf)	-,008	,000	-,008	,001	-,001	-3,313
The proportion of women in the district of perm. residence		-,003				
The average gross wage in the	-,001		-,001		,000	,359
region of perm. residence Surface of district of permanent	,		,		,	,018
residence The density of population in the						·
district of perm. residence						-,008
The number of cities in the district of perm. residence	,005		,005	-,001		
The number of municipalities in the district of perm. residence						-,299
The registered unemployment rate	-,001		-,001	,000	,001	-,702
in the district of perm. residence Inhabitants density						,009
Change_of_population:15years				,002		,
District of permanent residence				,,,,,,		,852
period=1	,042		,041	-,004	-,007	-31,633
period=3	,104	-,003	,108	,018	,007	
period=4	,104	-,003	,109	,045	,004	
marital_status=registered partners					,180	
marital_status=divorced	-,068		-,066	-,012	,143	-33,128
marital_status=widow					,176	
marital_status=married	-,109		-,109	-,006	,168	-27,368
education_level=Primary education	-,108		-,107			-40,144
education_level=Lower secondary	-,029		-,030		,019	-30,964
professional education education_level=Secondary	-,035		-,036		,020	-28,446
vocational education education level=Full secondary			<u> </u>	044	,020	20,110
comprehensive education education_level=Upper vocational	-,099 -,054		-,100 -,052	,014		
education education_level=Bachelor	-,132	-,024	-,132	,019		
education level=Master		-,024				120,306
education_level=Doctoral		-,030				
school=primary shool				-,006	,074	
school=comprehensive school				-,008	<u> </u>	
school=vocational school		,001				-4,823
school=colledge	,093	,024	,094	-,020	-,023	
disadvantage=graduate	-,038	-,001	-,037	-,008	,004	
disadvantage=long - term unemployed	-,095	-,002	-,093	,008	-,005	-21,192
disadvantage=organizational	,196		,200			
disadvantage=care	-,102		-,097	,025	,087	
disadvantage=disabled	-,120		-,116			
unemployed_before_2007=< 1 year	,063	,002	,061	-,014	,010	14,982
unemployed_before_2007=1 - 3 years	,141		,141	-,021	,012	11,881
unemployed_before_2007=> 3 years	,252		,251	-,049	,015	39,531
region=Bratislavský region	,389	-,004	,402	-,005	,056	-48,032
region=Trnavský region	,142	-,004	,148	-,003	,009	48,953
region=Trenčiansky region	,102	-,003	,106	-,002	,007	30,706
region=Nitriansky region	,066	-,002	,070			20,864
region=Žilinský region	,095		,095	-,003	,022	
region=Banskobystrický region	,065		,068		,005	7,387
region=Košický region	,126	-,003	,132	-,004	,021	-49,870

# 4.8.2 "Post-only non-equivalent comparison design" Method

There are several methodologies on how to estimate the net effect of the interventions, one of the most simplistic methodologies is the difference of average treatment effects between a treated group and control without the matching of individuals' characteristics. That is why this method is not sufficiently robust.

We decided to apply this methodology to the data because we intend to provide different results of net estimated treatment effects on the promotion of self-employment.

As can be seen on the bottom line of the table, the non-treated group is composed of more than 66 thousand individuals and the treated group is composed of almost 65 jobseekers which were exposed to the intervention. In total, there are 131 thousand individuals, which is already a serious number of items of jobseekers; in reality, that

Ref. Period			non-treated	treated
1	Ν	Valid	4067	6308
1		Missing	0	0
2	Ν	Valid	36565	24304
2		Missing	0	0
3	Ν	Valid	7186	16230
3		Missing	0	0
4	Ν	Valid	19037	18092
4		Missing	0	0
In total			66855	64934

sample is almost 5 % of the working-age Slovak population. For this method there was used the biggest possible number of jobseekers that had recorded correct and exhaustive data. This fact ranks among the advantages of the Post-only non-equivalent design.

# Measuring of employability

The frequency table below the text represents at a glance the average probability of treated and control groups across the set reference periods sustained in the impact period on the labour market in the first column. To recap, being placed on the open market means, for the purposes of this evaluation report, to be placed in a full-time job, or to be self-employed. The numbers there are ranked from 0 to 1. 0 means that jobseekers were not placed on the labour market. In the last part of the table (i.e. the last three columns) are presented the total average percentage of probabilities to be placed on the labour market for different parts of the impact period.

While on average for all reference periods  $34\,\%$  of the treated did not find any job during the two years long impact period, just more than  $15\,\%$  of non-treated jobseekers did not find a job. There was  $10\,\%$  probability that one treated jobseeker was sustained on the LM for the entire impact period of the first reference sample, while one control sustained on the labour market in the same period had less than  $1\,\%$  probability.

The yellow bar chart integrated into the table represents the tendency of the jobseekers in the different samples to be employed and sustained on the labour market in a full-time job or to be self-employed.

To state simply, the more successful are those cumulative percent columns that have more yellow area. In the first reference periods the treated have more individuals that were sustained on the labour market mainly longer than the controls. For instance, in the first reference period it was indicated that almost 29 % were employed for 70 % of the impact period for the treated while it was just 25 % for the non-treated.

		Refer	ence pe	riod 1	Refer	ence per	riod 2	Refer	ence pe	riod 3	Refer	ence pe	riod 4	Ref. Pe	riods in	total
Group of sample	Share of impact period sustained on LM	Frequency	Percent	Cumulativ e Percent	Frequency	Percent	Cumulative Percent	Frequency	Percent	Cumulative Percent	Frequency	Percent	Cumulativ e Percent	Frequency	Percent	Cumula tive Percent
	0	633	15,6	15,6	6472	17,7	17,7	819	11,4	11,4	2513	13,2	13,2	10437	15,6	15,6
	0,1	600	14,8	84,4	4580	12,5	82,3	537	7,5	88,6	1742	9,2	86,8	7459	11,2	84,4
	0,2	485	11,9	72,5	3546	9,7	72,6	622	8,7	79,9	1327	7,0	79,8	5980	8,9	75,4
	0,3	428	10,5	62,0	3614	9,9	62,7	467	6,5	73,4	1187	6,2	73,6	5696	8,5	66,9
	0,4	326	8,0	54,0	4463	12,2	50,5	460	6,4	67,0	1714	9,0	64,6	6963	10,4	56,5
non treated	0,5	313	7,7	46,3	4948	13,5	3 <mark>7,0</mark>	467	6,5	60,5	1143	6,0	58,6	6871	10,3	46,2
non treated	0,6	425	10,4	3 <mark>5,8</mark>	4037	11,0	25,9	484	6,7	53,8	1649	8,7	49,9	6595	9,9	36,4
	0,7	494	12,1	23,7	2406	6,6	19,4	538	7,5	46,3	1872	9,8	40,1	5310	7,9	28,4
	0,8	335	8,2	15,4	1385	3,8	15,6	891	12,4	33,9	2682	14,1	26,0	5293	7,9	20,5
	0,9	23	0,6	14,9	1087	3,0	12,6	1412	19,6	14,3	2914	15,3	10,7	5436	8,1	12,4
	1	5	0,1	14,8	27	0,1	12,5	489	6,8	7,5	294	1,5	9,2	815	1,2	11,2
	Total	4067			36565			7186			19037			66855	100	
	0	1407	<b>2</b> 2,3	22,3	7384	30,4	30,4	5801	35,7	35,7	7542	41,7	41,7	22134	34,1	34,1
	0,1	458	7,3	77,7	1665	6,9	69,6	1076	6,6	64,3	1123	6,2	58,3	4322	6,7	65,9
	0,2	351	5,6	72,1	1391	5,7	63,9	878	5,4	58,8	901	5,0	53,3	3521	5,4	60,5
	0,3	489	7,8	64,4	1913	7,9	56,0	1334	8,2	50,6	1365	7,5	45,8	5101	7,9	52,6
	0,4	303	4,8	59,6	1152	4,7	51,3	743	4,6	46,1	829	4,6	41,2	3027	4,7	48,0
treated	0,5	501	7,9	51,6	1757	7,2	44,1	1212	7,5	38,6	1369	7,6	33,6	4839	7,5	40,5
treated	0,6	330	5,2	46, <mark>4</mark>	1242	5,1	38,9	818	5,0	<b>33</b> ,5	937	5,2	28,5	3327	5,1	35 <sub>,4</sub>
	0,7	351	5,6	40,8	1200	4,9	34,0	752	4,6	28,9	778	4,3	24,2	3081	4,7	30,7
	0,8	604	9,6	31,3	2069	8,5	25,5	1206	7,4	21,5	1174	6,5	17,7	5053	7,8	<b>2</b> 2,9
	0,9	509	8,1	23,2	1644	6,8	18,7	849	5,2	16,2	819	4,5	13,1	3821	5,9	17,0
	1	1005	15,9	7,3	2887	11,9	6,9	1561	9,6	6,6	1255	6,9	6,2	6708	10,3	6,7
	Total	6308			24304			16230			18092			64934	100	

In the next table is presented the net effects of the intervention where there are subtracted frequency tables of the treated and controls for the reference periods.

It appears that across all reference periods there was a higher probability of the treated finding a job in comparison to the controls - about 6 to almost 29 % probability. On the other side, in the table it is visible that if somebody found a job from the treated it was for a longer time on average, because there is in the bottom part of the impact period sustained on the labour market on the bottom of the table positive differences. In the first period for instance, one treated jobseeker had almost a 6 % higher probability to be employed for the entire two years after finishing graduate work experience.

Share of impact period sustained	Reference period 1		Reference period 2		Reference period 3		Reference period 4		Ref. Periods in total	
on LM	Per	cent	Percent		Percent		Percent		Percent	
0		6,7		12,7		<b>24,</b> 3		<b>2</b> 8,5		18,5
0,1		-7,5		-5,7		-0,8		-2,9		-4,5
0,2		-6,4		-4,0		-3,2		-2,0		-3,5
0,3		-2,8		-2,0		1,7		1,3		-0,7
0,4		-3,2		-7,5		-1,8		-4,4		-5,8
0,5		0,2		-6,3		1,0		1,6		-2,8
0,6		-5,2		-5,9		-1,7		-3,5		-4,7
0,7		-6,6		-1,6		-2,9		-5,5		-3,2
8,0		1,3		4,7		-5,0		-7,6		-0,1
0,9		7,5		3,8		-14,4		-10,8		-2,2
1		15,8		11,8		2,8		5,4		9,1

On the table below the text are presented the estimated average performances of the graduate work experience by PES offices. There are six different dependent variables which should refer to the effects of the intervention. The first dependent variable which was measured is average wage translated from the average assessment base in Euros based on the records of the Social Insurance Agency. The other effects are devoted to the placement of the jobseekers on the labour market in the form of part-time, full-time job, or self-employed. With that kind of registration we can consider that particular jobseeker was a success because it is out of the registration of the jobseekers and has a financial resource. Even if in the registration "part-time job" it isn't comprehensive

success of employability, but the jobseeker keeps in touch with the labour market. The other registration refers to individual barriers for entrance to the labour market due to the need to do personal assistance for family relatives or care for a child. The last dependent variable describes total average months registrations in the Social Insurance Agency (SIA) i.e. out of the jobseeker database of the PES office.

Effect of the intervention	Group of	Ref. Period 1	Ref. Period 2	Ref. Period 3	Ref. Period 4	In total
Effect of the intervention	sample	Mean	Mean	Mean	Mean	Mean
Average assessment base	non treated	429	494	501	526	421
Average assessment base	treated	432	483	499	490	324
Placed on labour market	non treated	0,39	0,38	0,57	0,53	0,46
Placed on labour market	treated	0,56	0,50	0,45	0,41	0,43
Self-employed	non treated	0,00	0,01	0,00	0,00	0,00
Self-employed	treated	0,01	0,01	0,00	0,00	0,00
Part-time job	non treated	0,00	0,00	0,01	0,04	0,01
Part-time job	treated	0,00	0,02	0,04	0,08	0,03
Full-time job	non treated	0,39	0,38	0,56	0,52	0,41
Full-time job	treated	0,55	0,49	0,45	0,40	0,38
Individual barrief for entrance to LM	non treated	0,05	0,04	0,05	0,03	0,03
Individual barrief for entrance to LM	treated	0,04	0,03	0,03	0,03	0,03
Average assessment base		3	-11	-3	-36	-97
Placed on labour market		<b>0,1</b> 7	0,12	-0,11	-0,12	<b>-</b> þ,03
Self-employed	not offect	<b>d</b> ,01	0,00	d,00	<b>d</b> ,00	0,00
Part-time job	net effect	0,00	0,02	d <mark>,</mark> 03	<b>d,0</b> 4	0,02
Full-time job		0 <mark>,1</mark> 6	0,12	-0,12	-0,12	<b>-</b> þ,03
Individual barrief for entrance to LM		-0,01	0,00	0,02	-0,01	-0,01

The averages of wages and months of different types of registrations are presented in the table and there is also a difference between the treated and controls of jobseekers which are all target groups of the evaluated intervention. That statistical statement is confirmed through the results from the last table. There are significant differences between treated and controls in the achieved average assessment base, during the impact period of 24 months after the intervention finished.

Just in the first reference period, assessment base of the placed participants of the intervention were higher (almost 3 Euros per month) on average within 24 months after intervention in comparison with the controls but in total average across all reference periods the treated had on average almost 100 Euros lower assessment base .

As is obvious from the table above, graduates prefer to find a job on the labour market and it was not frequent to establish their business in self-employment immediately after leaving school. There is just a very small but significant difference between the treated and non-treated in part-time jobs where the group of treated is a little more successful. The biggest difference is obvious in the ability of jobseekers placed in a full-time job on the open labour market. In the first two reference periods there are positive net effects which brought an increased average probability of the treated to be employed on the labour market longer than between 12 to 17 % of the impact period. But in the last two reference periods the net effects were estimated as negative. In this respect it is necessary to mention that in those reference periods started a total influence of the highest unemployment rate on the labour market and the influence was maximum.

In total we can say that across the reference periods, treated jobseekers were placed on the labour market for 46 % of the impact period of 24 months and controls were sustained on the labour market on average for 43 % of the reference period.

In the table below the text are presented the results of the statistical tests of dependence variables which should reject or retain the null hypothesis: whether the distribution of the particular dependent variable which demonstrates the effect in the impact period of 24 months base is the same across all categories of treated/non-treated jobseekers. The statistical tests were carried out at a 95 % confidence level. Quite simply, yellow cells represent the statement that differences between treated and non-treated samples are significant for the particular dependent variable and reference period.

There are obvious significant differences between the treated and non-treated across all the reference periods in placement on the open labour market, namely in full-time jobs and in achieved average assessment base in the database of SIA.

In the three final reference periods there were identified significant differences between treated and controls in placement in part-time jobs, individual jobseekers that completed graduate work experience were working in part-time jobs at a higher frequency than their controls, even placement in part-time jobs was quite rare.

Summary test hyppothesis			f. Period 1	Ref. Period 2		Ref. Period 3		Ref. Period 4	
Null Hypothesis	Test 🚾	Sig.	Decision	Sig.	Decision	Sig.	Decision	Sig.	Decision
The distribution of self- employment is the same across categories of Treated/non-treated.	Independent- Samples Kolmogorov- Smirnov Test	0,53	Retain the null hypothesis.	0	Reject the null hypothesis.	0,97	Retain the null hypothesis.	1	Retain the null hypothesis.
The distribution of part- time job is the same across categories of Treated/non-treated.	Independent- Samples Kolmogorov- Smirnov Test	1	Retain the null hypothesis.	0	Reject the null hypothesis.	0	Reject the null hypothesis.	0	Reject the null hypothesis.
The distribution of full- time job is the same across categories of Treated/non-treated.	Independent- Samples Kolmogorov- Smirnov Test	0	Reject the null hypothesis.	0	Reject the null hypothesis.	0	Reject the null hypothesis.	0	Reject the null hypothesis.
The distribution of barrier for entrance to LM is the same across categories of Treated/non-treated.	Independent- Samples Kolmogorov- Smirnov Test	0,18	Retain the null hypothesis.	0	Reject the null hypothesis.	0	Reject the null hypothesis.	0,07	Retain the null hypothesis.
The distribution of placed on the LM is the same across categories of Treated/non-treated.	Independent- Samples Kolmogorov- Smirnov Test	0	Reject the null hypothesis.	0	Reject the null hypothesis.	0	Reject the null hypothesis.	0	Reject the null hypothesis.
The distribution of Average assessment base is the same across categories of Treated/non-treated.  Asymptotic significance	Independent- Samples Kolmogorov- Smirnov Test	0,02	Reject the null hypothesis.	0	Reject the null hypothesis.	0	Reject the null hypothesis.	0	Reject the null hypothesis.

#### Cost-benefit analysis

In the next table there are presented the financial effects on the national budget, which should be representative according to the results learnt from the Post-only non-equivalent comparison design. All the numbers in the table are counted per jobseeker which was treated and non-treated for the particular reference period which was set for graduate work experience. There are also presented the net effects of the intervention against the reference periods. The whole cost benefit analysis proceeded according to the methodology introduced in the previous chapter.

The next table contains items which are fundamental at the moment of possibly measured influences or flows on the national budget. Every item is divided into the situation when the treated or non-treated jobseeker is employed. Only the items "grant" and Social Insurance do not distinguish between employed and non-employed statuses because the grant was paid just to the treated individuals when they were unemployed.

Social insurance did not pay when a jobseeker was unemployed according to the evidence from the PES office.

Reference			Trea	ted			Non-tr	eated		Difference between treated and non- treated			
Net effect	period	1.1.2007 - 30.4.2008	1.5.2008 - 31.12.2010	-	1.7.2011 - 30.4.2012	1.1.2007 - 30.4.2008	1.5.2008 - 31.12.2010	1.1.2011 - 30.6.2011	-	1.1.2007 - 30.4.2008	1.5.2008 - 31.12.2010	1.1.2011 - 30.6.2011	
Average time s market/lab		56%	50%	45%	41%	39%	38%	57%	53%	17%	12%	-11%	-12%
Average time open market/l		44%	50%	55%	59%	61%	62%	43%	47%	-17%	-12%	11%	12%
Unemployme	employed	2 269 €	2 962 €	3 043 €	2 451€	1 058€	2 344 €	3 270 €	3 055 €	1211€	61 <mark>8</mark> €	-228€	-604€
nt allowance	unemployed	-1814€	-2 978 €	-3 704€	-3 577€	-1656€	-3 771€	-2 510 €	-2 763 €	-1 7€	79 <mark>3 €</mark>	-1 <b>1</b> 94€	-814€
Benefit in material	employed	1 606 €	1 416€	1 281 €	1 154€	1 032 €	1 088 €	856€	1 491 €	574€	32 <mark>8</mark> €	424€	-336€
need	unemployed	-1 284€	-1 423 €	-1559€	-1 685€	-1 615€	-1 751€	-657€	-1348€	331€	32 <mark>8</mark> €	-901€	-336€
Gra	ant	-348€	-1 082 €	-1 112€	-1 121€	0€	0€	0€	0€	-348€	-1 <b>0</b> 82€	-1 <b>1</b> 12€	- <b>11</b> 21€
Health	employed	802€	828€	760€	719€	566€	622€	948€	865€	23 <mark>5</mark> €	20 <mark>5</mark> €	-18€	-146€
insurance	unemployed	-297€	-335€	-367€	-396€	-408€	-412€	-290€	-317€	111 €	77€	-777€	-79€
Social in	surance	1 940 €	2 003 €	1 839€	1 739€	1 370€	1 506 €	2 294 €	2 093 €	570€	49 <mark>7</mark> €	- <b>45</b> 5€	-354€
Taxes from	employed	816€	842 €	773€	732€	576€	633€	965€	880€	24 <mark>0</mark> €	20 <mark>9</mark> €	-1111€	-1 <b>9</b> €
consuption	unemployed	-394€	-423€	-414€	-558€	-666€	-482€	-383€	-402€	27 <mark>2</mark> €	59€	-31€	-155€
Income toy	employed	298€	307€	282€	267€	210€	231€	352€	321€	87€	76€	-70€	-54€
Income tax	unemployed	-238€	-309€	-344€	-390€	-329€	-372€	-270€	-291€	91€	63€	-78€	-99€
Total / D	ifference	3 357 €	18 <mark>08€</mark>	479€	-665€	140€	-363€	4 576 €	3 583 €	3 217 €	2 171 €	-4 096€	-4 248€

From the results presented above a positive impact on the state budget was estimated in the first three reference periods. For instance, in the first reference period the estimated effectiveness ratio shows that one invested Euro to the jobseeker returned 10 Euros over the 2 years long impact period. That extremely positive effectiveness is based on the very limited grants which were provided to the treated jobseekers (on average about 60 Euros per month). In the next update the value of the grant increased based on the living wage stated for that particular year. That is why the grant increased on average 3 times. The final row describes total flows which were on average produced by one treated or non-treated jobseeker and the differences between these groups. In the first three reference periods the treated should create on average positive flows in the state budget. They returned to the state the grant was invested to them and also they produced on average some extra money over the grant. However, in the last period the treated jobseekers were not able to repay the grant and part of the unemployment allowance. That is the reason why the last reference period is in the red.

Non-treated jobseekers were mostly successful in the last two reference periods, where they produced for the state budget up to 4600 Euros. As can be seen in the last columns in the first two months there are positive net effects of the intervention, i.e. the treated produced more money for the state budget than the non-treated - up to 3200 Euros per one treated. In the last reference periods the situation changed and the non-treated were less successful in placement on the open labour market, as well as the grant increased and that is the reason why the treated jobseekers were much more difficult to get to the green numbers.

# 4.8.3 Exact matching with the application of Post-only non-equivalent comparison design

This method is based on the creation of pairs of treated and non-treated jobseekers which have the same characteristic of independent variables:

- reference period,
- gender,
- age,

- marital status,
- permanent residence,
- level of education (5 categories),
- unemployed before 2007 (4 categories),
- driving licence: cars and motorcycles,
- driving licence: vans and trucks,
- driving licence: bus,
- driving licence: trucks.

After matching the individuals from both samples there was estimated an impact of the intervention through subtraction of the individual dependent variables of the treated and non-treated. We measured 6 types of dependent variables which should estimate the financial status of the individual and employability in the impact period of 24 months:

- 1) placed on the labour market which is a total of registrations for full-time work and selfemployment
- 2) individual barrier for entrance to LM,
- 3) part-time job,
- 4) full-time job,
- 5) self-employed,
- 6) average assessment base in Euros.

The first five variables are measured as shares of the particular type of registration in SIA during 24 months of the impact period. The coefficient was designed because it will be needed to provide a comparison of results estimated based on the different types of carried out methods.

In total, more than 100 thousand individuals for exact matching in all set reference periods were used. Every treated jobseeker was matched to individuals from

Case Processing Summary									
		Cases							
		Valid							
Reference per	riod	N	Percent						
4	non treated	702	100,0%						
!	treated	2439	100,0%						
2	non treated	31800	100,0%						
2	treated	20038	100,0%						
3	non treated	6258	100,0%						
3	treated	11266	100,0%						
4	non treated	17220	100,0%						
4	treated	14110	100,0%						
In total	non treated 702 treated 2439 non treated 31800 treated 20038 non treated 6258 treated 11266 non treated 17220 treated 14110 non treated 55980	100,0%							
iii i0lai	treated	47853	100,0%						

controls which should help in estimating the net effect of graduate work experience in different reference periods. For instance, in the first reference period there were established 359 pairs, where 702 treated individuals were matched to 2439 non-treated individuals.

## Measuring of employability

		Refe	rence pe	riod 1	Refe	rence pe	riod 2	Refe	rence pe	riod 3	Refe	rence pe	riod 4	Total es	timated r	net effect
Group of sample	Share of sustained time on LM on the time of impact period	Frequency	Percent	Cumulative Percent	Frequency	Percent	Cumulative Percent	Frequency	Percent	Cumulative Percent	Frequency	Percent	Cumulative Percent	Frequency	Percent	Cumulative Percent
	0	396	56,4	56,4	15925	50,1	50,1	2458	39,3	39,3	7353	42,7	42,7	26132	46,7	46,7
	0,1	43	6,1	43,6	1745	5,5	49,9	378	6,0	60,7	729	4,2	57,3	2895	5,2	53,3
	0,2	25	3,6	40,0	1529	4,8	45 <mark>,1</mark>	359	5,7	55,0	682	4,0	53,3	2595	4,6	48,7
	0,3	27	3,8	3 <mark>6,2</mark>	2012	6,3	38,8	588	9,4	45,6	1069	6,2	47,1	3696	6,6	42,1
	0,4	20	2,8	<b>3</b> 3,3	1343	4,2	34,6	368	5,9	39,7	706	4,1	43,0	2437	4,4	37,7
non treated	0,5	41	5,8	27,5	1769	5,6	29,0	490	7,8	31,9	1205	7,0	36,0	3505	6,3	31,5
Trom trodiod	0,6	23	3,3	24,2	1174	3,7	25,3	267	4,3	27,6	829	4,8	31,2	2293	4,1	27,4
	0,7	15	2,1	22,1	1192	3,7	21,6	263	4,2	23,4	770	4,5	26,7	2240	4,0	2 <mark>3,4</mark>
	0,8	40	5,7	16,4	1864	5,9	15,7	400	6,4	17,0	1083	6,3	20,5	3387	6,1	17,3
	0,9	29	4,1	12,3	1128	3,5	12,2	240	3,8	13,2	808	4,7	15,8	2205	3,9	13,4
	1	43	6,1	6,1	2119	6,7	5,5	447	7,1	6,0	1986	11,5	4,2	4595	8,2	5,2
	Total	702	100		31800	100		6258	100		17220	100		55980	100	
	0	325	13 <mark>,</mark> 3	13,3	4031	20,1	20,1	2423	21,5	21,5	3399	24,1	24,1	10178	21,3	2 <mark>1,3</mark>
	0,1	182	7,5	86,7	1540	7,7	79,9	856	7,6	78,5	1010	7,2	75,9	3588	7,5	78,7
	0,2	125	5,1	81,5	1296	6,5	73,4	753	6,7	71,8	853	6,0	69,9	3027	6,3	72,4
	0,3	188	7,7	73,8	1934	9,7	63,8	1180	10,5	61,3	1372	9,7	60,1	4674	9,8	62,6
	0,4	128	5,2	68,6	1078	5,4	58,4	665	5,9	55,4	846	6,0	54,1	2717	5,7	57,0
treated	0,5	221	9,1	59,5	1653	8,2	50 <mark>,</mark> 1	1029	9,1	46 <mark>,</mark> 3	1344	9,5	44 <mark>,</mark> 6	4247	8,9	48,1
would	0,6	138	5,7	53,9	1174	5,9	44 <mark>,3</mark>	741	6,6	39,7	995	7,1	3 <mark>7,6</mark>	3048	6,4	41 <mark>,</mark> 7
	0,7	161	6,6	47,3	1129	5,6	3 <mark>8,6</mark>	630	5,6	34,1	931	6,6	31,0	2851	6,0	3 <mark>5,8</mark>
	0,8	265	10,9	3 <mark>6,4</mark>	1951	9,7	28,9	1000	8,9	25,3	1376	9,8	21,2	4592	9,6	26,2
	0,9	224	9,2	27,2	1552	7,7	21,2	708	6,3	19,0	796	5,6	15,6	3280	6,9	19,3
	1	482	19,8	7,5	2700	13 <mark>,</mark> 5	7,7	1281	11,4	7,6	1188	8,4	7,2	5651	11,8	7,5
	Total	2439	100		20038	100		11266	100		14110	100		47853	100	

In total we estimated the net impact with a sample of almost 56 thousand non-treated individuals and almost 48 thousand treated jobseekers that were matched according to the same values of the independent variables.

The table above presents a distribution of the samples treated and controls in different reference periods across a share of sustainability on the labour market within the impact period of 24 months. From up to down there are presented non-treated groups, treated groups and differences across set reference periods. The highest intensity in the group of controls was identified as being the jobseekers that did not find any job during the whole impact period. The frequency of non-employed jobseekers depended on the reference period. The highest numbers are in the first two periods - more than 50 % of samples. The other shares of sustaining time on total impact period (i.e. 24 months) are equally distributed among the shares.

The sample of treated jobseekers shows that the highest frequencies are in the interval with zero share of time spent on the LM or all 2 years employed on the labour market. On average there is almost 36 % probability that the treated jobseeker sustained employment more than 17 months after he finished intervention while in the group of controls it is just less than 23 % probability that the same jobseeker sustained 17 months placed on the

Share of sustained		Net	effect		Total
time on LM on the time of impact period	1.1.2007 30.4.2008	- 1.5.2008 - 3 31.12.2010	1.1.2011 - 30.6.2011	1.7.2011 - 30.4.2012	estimated net effect
0	-43, <b>1</b>	-30,0	-1 <mark>7,8</mark>	-1 <mark>8,6</mark>	-25,4
0,1	1,3	2,2	1,6	2,9	2,3
0,2	1,6	1,7	0,9	2,1	1,7
0,3	3,9	3,3	1,1	3,5	3,2
0,4	2,4	1,2	0,0	1,9	1,3
0,5	3,2	2,7	1,3	2,5	2,6
0,6	2,4	2,2	2,3	2,2	2,3
0,7	4,5	1,9	1,4	2,1	2,0
0,8	5,2	3,9	2,5	3,5	3,5
0,9	5,1	4,2	2,4	0,9	2,9
1	13,6	6,8	4,2	-3,1	3,6

### labour market.

The yellow histogram in the columns "cumulative percent" should help to picture the speed of decreasing probability of individuals staying on the labour market. While on average almost 80 % of the treated found a job for just 2 and half months of the impact period, more than 50 % controls had the same performance in the same impact period. To compare numbers among set reference periods of the treated shows the tendency of worsening of employability and vice versa - the non-treated had the reverse trend of employability improving.

In the next table is presented the net effect on employability of treatments by the graduate work experience. The numbers are the results of the subtraction of treated and non-treated. That is why the first red bar chart shows the decreasing probability of the treated that they will not find a job during the whole impact period. The result shows that in total the average in all reference periods is about 25 % higher probability that a jobseeker that is treated will not get a place on the open labour market at all within two years after the intervention finished.

## Types of registrations in SIA

In the table below it is possible to see the types of registration in the SIA. There are outlined 5 basic types of registration. The treated and non-treated that were placed on the labour market were placed in full-time jobs. In the table it is obvious that, generally, the unemployed graduates didn't have any interest in establishing a business and becoming self-employed. Also, there were found minimum individuals registered in part-time jobs in the database of SIA, and on average for about 2 % of the time of the impact period, the treated and non-treated found individual barriers for entrance to LM. These individuals received accident benefits, care allowance or were temporary personal assistants.

The assessment base reveals treated and non-treated individuals that were even once per period placed on the open labour market and who achieved on average monthly assessment base higher than the stated minimal wage, which is on average about 100 Euros.

Group of	Ref. Period 1	Ref. Period 2	Ref. Period 3	Ref. Period 4	total
sample	Mean	Mean	Mean	Mean	Mean
non treated	0,4%	0,8%	0,3%	0,2%	0,6%
treated	0,7%	0,4%	0,3%	0,2%	0,3%
non treated	20%	24%	27%	29%	26%
treated	52%	42%	38%	34%	39%
non treated	4%	2%	1%	2%	2%
treated	2%	3%	2%	2%	2%
non treated	0,0%	1%	3%	4%	2%
treated	0,0%	1%	3%	6%	3%
non treated	21%	25%	27%	29%	26%
treated	53%	43%	38%	34%	40%
non treated	433	504	510	522	510
treated	432	488	501	496	490
	0%	0%	0%	0%	0%
Difference/	32%	18%	11%	5%	13%
•	-1%	1%	1%	0%	1%
	0%	1%	0%	2%	1%
enett	32%	18%	11%	5%	13%
	-1	-16	-9	-26	-20
	non treated treated non treated	sample         Mean           non treated         0,4%           treated         0,7%           non treated         20%           treated         52%           non treated         4%           treated         2%           non treated         0,0%           treated         21%           treated         53%           non treated         433           treated         432           Difference/estimated net effect         -1%           0%         32%           32%         32%	sample         Mean         Mean           non treated         0,4%         0,8%           treated         0,7%         0,4%           non treated         20%         24%           treated         52%         42%           non treated         4%         2%           treated         2%         3%           non treated         0,0%         1%           treated         0,0%         1%           non treated         21%         25%           treated         53%         43%           non treated         433         504           treated         432         488           Difference/estimated net effect         1%         1%           0%         1%         1%           32%         18%         1%	sample         Mean         Mean         Mean           non treated         0,4%         0,8%         0,3%           treated         0,7%         0,4%         0,3%           non treated         20%         24%         27%           treated         52%         42%         38%           non treated         4%         2%         1%           treated         2%         3%         2%           non treated         0,0%         1%         3%           treated         0,0%         1%         3%           non treated         21%         25%         27%           treated         53%         43%         38%           non treated         433         504         510           treated         432         488         501           Difference/estimated net effect         0%         0%         0%           18%         11%         0%           18%         11%         0%	sample         Mean         Mean         Mean           non treated         0,4%         0,8%         0,3%         0,2%           treated         0,7%         0,4%         0,3%         0,2%           non treated         20%         24%         27%         29%           treated         52%         42%         38%         34%           non treated         4%         2%         1%         2%           treated         2%         3%         2%         2%           non treated         0,0%         1%         3%         4%           treated         0,0%         1%         3%         6%           non treated         21%         25%         27%         29%           treated         53%         43%         38%         34%           non treated         433         504         510         522           treated         432         488         501         496           Difference/estimated net effect         0%         0%         0%         0%           18%         11%         0%         2%           32%         18%         11%         5%

To analyse the net effects of the intervention through the methodology it is obvious from the bottom part of the table that treated graduates seem to be with higher probability placed on the labour market longer by about 13 % in total effect across the reference periods. The treated sustained employment for about 32 % of the impact period, longer in comparison to the controls in the first reference period. In the table there is also visible a trend of decreasing of efficiency over time.

It was estimated a negative effect on the assessment base in the impact period, because according to the values it is reasonable to assume that if the intervention had not been granted the graduates would have achieved higher assessment base , on average about

20 Euros per month.

		Refere	nce period 1	Refere	ence period 2	Refere	ence period 3	Reference period 4		
Null Hypothesis	Test 🏋	Sig.	Decision	Sig.	Decision	Sig.	Decision	Sig.	Decision	
. ,	Independent-Samples Kolmogorov-Smirnov Test	1,000	Retain the null hypothesis.	0,744	Retain the null hypothesis.	1,000	Retain the null hypothesis.	1,000	Retain the null hypothesis.	
The distribution of full-time job is the same across categories of Treated/non-treated.	Independent-Samples Kolmogorov-Smirnov Test	0.000	Reject the null hypothesis.	0,000	Reject the null hypothesis.	0,000	Reject the null hypothesis.	0,000	Reject the null hypothesis.	
	Independent-Samples Kolmogorov-Smirnov Test	0,994	Retain the null hypothesis.	0,001	Reject the null hypothesis.	0,744	Retain the null hypothesis.	0,543	Retain the null hypothesis.	
The distribution of part-time job is the same across categories of Treated/non-treated.	Independent-Samples Kolmogorov-Smirnov Test	1 000	Retain the null hypothesis.	0,000	Reject the null hypothesis.	0,935	Retain the null hypothesis.	0,000	Reject the null hypothesis.	
The distribution of placed on LM is the same across categories of Treated/non-treated.	Independent-Samples Kolmogorov-Smirnov Test	0,000	Reject the null hypothesis.	0,000	Reject the null hypothesis.	0,000	Reject the null hypothesis.	0,000	Reject the null hypothesis.	
The distribution of Average assement base is the same across categories of Treated/non-treated.	Independent-Samples Kolmogorov-Smirnov Test	0,419	Retain the null hypothesis.	0,000	Reject the null hypothesis.	0,004	Reject the null hypothesis.	0,000	Reject the null hypothesis.	

In the table above there are presented the results of the carried out Kolmogorov-Smirnov tests of variables which should reject or retain a null hypothesis: whether it is the distribution of the particular dependent variable which demonstrates the effect in the impact period of 24 months base, the same across categories of treated/non-treated jobseekers. The tests were carried out at 95 % confidence level. The yellow cells represent variables in particular reference periods where the treated and non-treated differ from each other significantly.

Significant differences were estimated namely in the full-time job registrations, which is the reason why also in the dependent variable "placement on LM" were counted significant differences between treated and controls in assessment base they achieved in the last three reference periods .

## Cost-benefit analysis

The table below presents the estimated values of the financial effects of the intervention outcomes which have been applied to the results on the basis of the exact matching method. The cost-benefit analysis is a kind of financial statement summing items with positive and negative influence on public finance. The table is divided into reference periods of treated and non-treated with final counting of the difference between these two groups. In vertical distribution of the table presents in the first two lines the average effect on employability and in the next lines are presented the different types of the items which affect the public budget. All the values are counted for the impact period of 2 years after realisation of the intervention.

In the cost-benefit analysis there were taken into account real benefits and costs as well as costs for lost opportunities and benefits from savings. The cost-benefit analysis was carried out with items outlined in the first column of the table below.

The insured person is entitled to unemployment benefit if, in the four years before registering as unemployed jobseekers (hereinafter referred to as "registered

unemployed"), he was covered by unemployment insurance for at least three years<sup>6</sup>. All the values presented in the table below are estimated on one treated individual.

Thi the valu	Reference		Trea				Non-tr			Differen	ice petwee	n treated a tod	na non-
Net effect	period	1.1.2007 - 30.4.2008	1.5.2008 - 31.12.2010			1.1.2007 - 30.4.2008	1.5.2008 - 31.12.2010	1.1.2011 - 30.6.2011		1.1.2007 - 30.4.2008		1.1.2011 - 30.6.2011	1.7.2011 - 30.4.2012
Average time sha market/labou		53%	43%	38%	34%	21%	25%	27%	29%	3 <mark>2%</mark>	18 <mark>%</mark>	1 <mark>1</mark> %	5 <b>%</b>
Average time share market/labou		47%	57%	62%	66%	<b>7</b> 9%	75%	73%	71%	<b>-32</b> %	- <b>18</b> %	-11%	- %
Unemployment	employed	2 155 €	2 534 €	2 589€	2 041 €	562€	1509€	1578€	1 697 €	15 <mark>93€</mark>	1 0 <mark>25 €</mark>	10 <mark>11€</mark>	344€
allowance	unemployed	-1928€	-3 407 €	-4 157 €	-3 987 €	-2 152 €	-4 606 €	-4 202 €	-4 121 €	2 <mark>2</mark> 4€	1 2 <mark>00 €</mark>	45€	1 <mark>3</mark> 4€
Benefit in material	employed	1 525 €	1 211 €	1 090€	961€	548€	701€	413€	828€	9 <mark>77 €</mark>	5 <mark>10</mark> €	6 <mark>76</mark> €	1 <mark>3</mark> 3€
need	unemployed	-1364€	-1 628€	-1749€	-1878€	-2 098 €	-2 139€	-1 100€	-2 011 €	7 <mark>34</mark> €	5 <mark>10</mark> €	<mark>-6</mark> 49€	1 <mark>3</mark> 3€
Grant		-348€	-1 082 €	-1 112 €	-1 121 €	0€	0€	0€	0€	- <mark>3</mark> 48€	- <b>1</b> 082€	<b>-1</b> 112€	<b>-1</b> 121€
Health insurance	employed	819€	754€	685€	575€	310€	457€	492€	542€	5 <mark>10</mark> €	2 <mark>9</mark> 7€	1 <mark>9</mark> 3€	33€
пеатиттычтансе	unemployed	-315€	-383€	-412€	-442€	-530€	-503€	-486€	-473€	2 <mark>1</mark> 4€	1 <mark>2</mark> 0€	74€	31€
Social insu	rance	1 983 €	1825€	1657€	1 392 €	749€	1 106€	1 190€	1 313 €	1 2 <mark>34 €</mark>	7 <mark>19</mark> €	4 <mark>67</mark> €	79€
Taxes from	employed	834€	768€	697€	585€	315€	465€	501€	552€	5 <mark>19</mark> €	3 <mark>03</mark> €	1 <mark>9</mark> 6€	33€
consuption	unemployed	-471€	-547€	-526€	-575€	-899€	-763€	-734€	-754€	4 <mark>28</mark> €	2 <mark>1</mark> 7€	2 <mark>0</mark> 8€	1 <mark>7</mark> 8€
Income tay	employed	304€	280€	254€	214€	115€	170€	183€	201€	1 <mark>8</mark> 9€	1 <mark>1</mark> 0€	7 <mark>2</mark> €	12€
Income tax	unemployed	-272€	-377€	-408€	-417€	-440€	-518€	-486€	-489€	1 <mark>6</mark> 8€	1 <mark>4</mark> 1€	78€	72€
Total / Diffe	Total / Difference		-50€	-1 <mark>39</mark> 3€	- <mark>2 65</mark> 3 €	-3 <b>51</b> 9€	-4 122 €	- <mark>2 65</mark> 2€	- <mark>2 71</mark> 5€	6 442 €	4 072 €	1 258€	63€

Nevertheless, while the most important results are presented in the last green line in the table above, it is important to take a look at the values in the last four columns of the table. Naturally, the most negative influenced item of cost-benefit analysis which decreases the net financial effect of the intervention is the grant, namely in the last three reference periods.

The first part of the columns takes into account only the treated samples in the reference periods. From the result in the last row, it is estimated that one treated brought in, in just the first reference period, positive cash flows of almost three thousand Euros. This is just one positive result which influences the state budget due to mainly the lowest average amount of grant – financial allowance provided during graduate work experience for a maximum of 6 months. The other reason why this is just one positive result, it is a high average level of the time placed on the labour market. In the whole line of reference periods the difference between treated and non-treated was estimated in the range of 63 Euros to 6 442 Euros per jobseeker. This means one treated can generate from 63 to 6 500 Euros more cash for the state budget in a 2 years long impact period after completion of the graduate work experience than the same non-treated jobseeker.

## 4.8.4 Propensity score exact matching

This method approach is composed of:

- estimation of logistics model with its application on individuals on the samples of treated and control individuals,
- matching only those individuals which have the same value of propensity score,
- individual non-treated adopted individual impact periods of the treated individual who was matched with the non-treated,

	Case Proce	essing Su	mmary							
- ·		Cases								
Ref. period	Type of sample	Val	id	Missing						
		N	Percent	Z	Percent					
1	non treated	249	100,0%	0	0,0%					
'	treated	762	100,0%	0,0% 0	0,0%					
2	non treated	12303	100,0%	0	0,0%					
2	treated	6335	100,0%	0	0,0%					
3	non treated	823	100,0%	0	0,0%					
3	treated	3724	100,0%	0	0,0%					
4	non treated	4486	100,0%	0	0,0%					
plemen	tsetevariou	is Assis	100,0%	0	0,0%					
In total		32281								

<sup>&</sup>lt;sup>6</sup> Act No. 461/2003 Coll. on social insurance and amendments and sup

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- enforcement of post-only comparison design,
- statistical tests between treated and non-treated results of dependent variables.

The logistic model was estimated using all independent variables that were measured for the participants and non-participants. We used the following independent variables:

- 1) Gender
- 2) Age
- 3) Marital status used as a categorical variable
- 4) Level of education\_10 categories
- 5) Level of education\_5 categories used as a categorical variable
- 6) Types of disadvantages
- 7) Unemployed in months
- 8) Total period of all registrations in months (COLSaF)
- 9) Unemployed before 2007 in months used a categorical variable
- 10) The average gross wage in the region of permanent residence
- 11) The proportion of women in the district of permanent residence
- 12) Surface of district of permanent residence
- 13) The density of population in the district of permanent residence
- 14) The number of municipalities in the district of permanent residence
- 15) The number of cities in the district of permanent residence
- 16) The registered unemployment rate in the district of permanent residence
- 17) Inhabitants density
- 18) Population of municipality in 2011
- 19) Change of population: 15 years
- 20) Distance from PES office
- 21) District of permanent residence
- 22) Region of permanent residence
- 23) Driving licence: cars and motorcycles, buses, trucks, vans

The dependent variable in logistic regression was the variable *Treated / non-treated*, with values 1 for participants and 0 for non-participants.

In the logistic regression procedure we used the Backward conditional stepwise method, with the condition of entry probability 0.01 and removal probability 0.05. Three variables were used as categorical variables with categories defined in the table above.

Using the backward conditional method we get the final best logistic regression for modelling the probability (or odds) of participating in the programme with the given independent variables. This model was created separately for every reference period. In the following tables there are the results of the final logistic models.

Categorical Variables	Codings
	primary shool
	secondary vocational school
Level of education_5 categories	vocational school
	comprehensive
	school
	colledge
	registered partners
	divorced
Marital status	single
	widow
	married
	< 1 year
Harman Laured barfaces 2007 in manufile	1 - 3 years
Unemployed before 2007 in months	> 3 years
	no evidence

as

In the first reference period independent variables Age, Education level, Unemployed in month, Total period of all registrations, Unemployed before (categorical), 2007 Marital status (categorical) and School (categorical) are significant with a

Variables in the Eq	pation, period 1					
	8	5.E	Wald	df	Sig	Exp(B)
Age (rounded)	-1,012	,027	1385,019	1	,000	,363
Education level	1,313	,113	134,792	+	,000	3,716
Unemployed in months	,158	,009	207,423	1	,000	1,171
Total period of all registrations in months (colsaf)	-,032	.003	121,789	1	.000	.965
Unemployed before 2007 in months_category_1	,699	.114	27,030	1	,000	1,821
Unemployed before 2007 in months_category_2	1,231	,142	76.033	1	,000	3,424
Unemployed before 2007 in months_category_3	3,166	.348	82,829	1	.000	23,719
Marital status_category_1	1,774	,480	13,628	†	,000	5,092
Marital status_category_2	-,385	.144	7,162	1	,007	.60
School_category_1	3,184	.846	14,163	1	.000	24,131
School_category_2	2,901	,485	37,832	1	,000	19,702
School_category_3	3,986	,517	35,593	1	,000	21,896
School_category_4	1,782	,390	20,874	1	,000	6,940
Constant	13,361	1.235	116,991	1	.000	634458,661

significance level of 0.05. The values of coefficient B and Exp(B) we can interpret in the following way: if the value of *Age* increases by 1 year, that means the participant or non-participant will be 1 year older, and all other variables stay the same, the unit will 0.363

times more likely to belong to the treated units. The odds of Age are smaller than 1, so increasing Age changes the probability that the unit is treated 0.363 times (e.g. decreases the probability). For education level the influence is stronger. With higher education level of 1 degree the probability of being treated will increase 3,716 times, if the values of all other variables stay the same. Similarly for Unemployed in months and Total period of all registrations. If the value of odds Exp(B) is greater than 1, increasing of that variable by 1 will increase the probability of being treated. If the value of Exp(B) is smaller than 1 (as for *Total period* of all registrations), increasing of this period by 1 month will change the probability of being treated 0.969 times (decrease it).

For categorical variables such as *School*, the value of odds Exp(B) can be interpreted for every category compared to the reference category as follows: for example, for School category 1 (primary school) the value 24,139 means that the units with primary school have 24,139 times higher probability of belonging

Variables in the Equation, p	mint?				_	
	- 10	5.6.	Wat	đ	Fig.	Exp(R)
Gender	.319	.876	86,881	1	.800	1,38
Age (rounded)	1.100	.812	8375,615	1	0.100	.31
Education level	1.481	340	346,876	1	,640	4.39
School_category_1	2,586	,369	49,210	,	,800	13.30
School_category_2	2,137	.196	719,621	1	.800	8.47
School_category_3	2,114	.216	384,883	1	,800)	8.29
School_category_4	1,104	.168	48,796	1	,880	3.55
Disafrantages	.290	,837	11,625	1	,800	1.30
Unemployed in months		.003	2682,116	1	0,000	1.16
Total partied of all registrations in moreths (color)	1,003	,862	380,961		,800	.97
Unemployed before 2007 in sountle_category_1	1.668	.881	429,534	1	.000	5.30
Housephayed before 2007 in recette, category 2	1,467	(125)	141,881	1	.800	4.33
Unemployed before 2007 in months_category_3	1.100	.710	9,010	1		326
The average gross maps in the region of perm, residence	-,001	.010	9,686	7	.962	.30
Surface of district of permanent residence	,000	,888	11,116	1	,800	1,60
The density of population in the electric of perm. residence	,000	,010	57,450	1	,688	1.30
The morelier of cities in the district of perm, residence	-,076	.82%	19,800	,	,801	.50
The registered unemployment rate in the district of perm, residence	,2116	354	19,794	9	im	1,01
Inhabitams density	.000	.000	4,617		.216	1.00
Distance_from_PESoffice	-,00	.002	21,615		.000	. 30
Constant	15,041	.638	781,794	1	.600	340005.73

	0	SE	Wald	-	Sin	Equilit
Teach to the second sec	_	-		-	_	
Geoder	.726	.063	130.887	2	.000	2.09
Age (rounded)	-,956	,822	1960,409	1	0.000	.39
Education level	1,132	,628	1671,454	1	0.000	2,100
School	1.042	.134	60,458	1	.000	2.83
Disadventages	193	.060	10,456	1	.001	1.21
Unamployed in months	.289	,007	1632,648	1	0.000	1.336
Total period of all registrations in months (colsel)	-,810	.003	11,861	1	.001	.990
Unemployed before 2007 in months category EVIDENCE PRED 2007			88,540	2	.000	
Unemployed before 2007 in months_category1	1,987	.229	77,557	1	.000	7,29
Unemployed before 2007 in months_category_2	1,450	.296	13,466	1	,000	4,252
The density of population in the district of perm. residence	.000	,000	6,974	1	.008	1,000
The registered snamployment rate in the district of perm. residence	.827	.005	27,331	1	.000	1,021
Inhabitentsdensity	.000	.000	13,190	1	.000	1,000
Population_of_municipality_2011	,806	.000	11,379	1	.001	1,000
Distance from PE Soffice	-,011	.004	7,960	1	,005	.990
cars	,168	.013	3,282	1	.022	1,180
Constant	8.910	.593	229.611	1	.000	8029.550

to the group of treated individuals than the reference category (the last/highest category

of school, which is College).

For another categorical variable *Unemployed before 2007* for example category 3 (registered more than 3 years) has 23,719 times higher probability of belonging to the group of treated units than the reference category (that is *No evidence before 2007*).

In reference period 2, the following variables are significant in logistic regression with a significance level of 0.05. The variables *Age, Total period of all registrations, Average gross wage in the region, Number of cities in the region and Distance from PES office* decrease the probability of being treated, because their odds Exp(B) are smaller than 1, although only *Age* has odds significantly smaller than 1, the others are very close to 1 (therefore do not change the probability of being treated very much). Other variables have the value of odds Exp(B) greater than 1, so in case they change by 1 and the other variables stay the same, the probability of being the unit in the treatment group will increase Exp(B)-times. For categorical variables *School* and *Unemployed before 2007* the odds Exp(B) means a change in multiples of the probability of every category compared to the reference category. All categories of these variables increase the probability of classification of the unit into the group of treated individuals.

In the third reference period the situation is similar. Only *Age* has the odds Exp(B) significantly smaller than 1, so a change in *Age* of 1 decreases the probability of being in the treatment group. Some variables have odds very close to 1, so we can say that a change in these does not change the probability of being in the treatment group. All other variables, categorical too, have odds more than 1, so with a change of 1 the probability of being treated increases in multiples of Exp(B).

For the last reference period Age, Marital status category 2 (divorced), Driving licence category Vans and category Motorcycles have the odds less than 1, so a change of 1 of these variables will cause a decrease in the probability that the unit will be in the treatment group multiple by the Exp(B). In case of Marital status it means the ratio of probability of being treated compared to the reference category. All other variables have odds more than 1, so with a change of them of 1, the probability that the unit belongs to the treatment group increases by multiples of Exp(B).

The coefficient of all variables is significant with a significance level of 0.05 in the Wald test for logistic regression coefficients. All created

	#	SE	Wald	ď	Sig.	Exp(B)
Gender	561	,048	-	-	_	
Age (rounded)	- 268	.016	3045,285	+	0.000	-
Marital status, category	250000	36.5%	12.433		002	
Marital status_category(1)	1,297	,568	5.221	1	,022	3,650
Marital status_category(2)	-233	102	5.271	1	,022	,790
Education level	1,472	,059	612,058	•	,000	4,357
School			114,603	4	,000	
School_category_1	1,568	.449	12.218	1	,000	4,79
School_category_2	1,663	,244	45,914	1	,000	5,225
School_category_3	1,665	256	42,181	1	,000	5.26
School_category_4	,733	,198	13,752	1	,000	2,083
Disadvantages	,450	,031	212,018	1	,000	1,560
Unemployed in months	.197	,004	2266,600	1	0.000	1,210
Total period of all registrations in months (colsaf)	,010	,002	18,166	1	,000	1,010
Unemployed before 2007 in months			135,291	2	,000	
Unemployed before 2007 in months_category_(1)	2,038	,192	112,106	1	.000	7,67
Unemployed before 2007 in months_category_(2)	2,140	,419	26,075	1	,000	8,497
The average gross wage in the region of perm, residence	-001	,000	19,413	1	,000	,900
The proportion of women in the district of perm. residence	-,074	,036	4,375	1	,036	,926
Surface of district of permanent residence	,000	,000	12,940	1	,000	1,000
The number of cities in the district of perm. residence	-,076	.028	7,563	1	,006	.92
Population_of_municipality_2011	,000	.000	15,783	1	,000	1,000
Distance_from_PE Soffice	-,010	002	12,950	+	,000	.990
motorcycles	-,103	.050	4,202	1	,040	,900
email_trucke	,443	,163	7,395	1	,007	,643
Constant	11,405	1,010	29.723	1	,000	69745.887

models have very good classification ability. The percentage correctly classified is always more than 90%; the Nagelkerke R-square (alternative for R-square in linear regression) is in all 4 models more than 0.80.

## Measuring of employability

As was used in the previous method, we divided samples of the treated and non-treated

into four reference periods. The smallest samples were matched in the first reference period. And, on the other side, the biggest samples of treated and non-treated were matched in the second reference periods.

In total, the results of the method were estimated according to more than 32 thousand individuals from the treated and non-treated samples, that is about one third of the available total sample. Exact matching is a significant rule which directly influences the shrinking of available samples before matching.

As already described twice before, the next table provides a view on the frequencies table of the most important dependent variable which has a role in bringing the view on employability after the intervention finishes after the two years impact period of treated and control groups.

In the lines there are presented the shares of the time of the impact period when individuals were sustained on the labour market from 0 to 100 % in a coefficient from 0 up to 1. The table is again divided into five parts; the first four describe employability in the particular impact periods of set reference periods and the fifth part informs about the average effect without taking into consideration of the homogeneity of the intervention.

As it is presented in the table, in the all four reference periods are high frequencies of non-treated jobseekers that were not employed during the entire impact period. This fact will increase the net-effect of the intervention. On average more than 60 % of the non-treated remained unemployed throughout the entire two years of the impact period. From the shape of the yellow bar chart, particularly from the sharpness and bluntness of the shape which is created from the bar chart, it is possible to deduce that if a non-treated placed was placed once on the labour market, they remained there for a longer time with higher probability. For instance, in the second reference period, about 40 % of controls found a job at least for 10 % of the impact period, but from those individuals there remained about every second one employed for the entire impact period. While almost 84 % of treated identical graduates placed on the labour market for at least for 10 % of the whole impact period (2 months), from those remained employed only every 7th treated individual.

		Refe	rence pe	riod 1	Reference period 2			Refe	rence pe	riod 3	Refe	rence pe	riod 4	Ref. I	Periods i	n total
Group of sample	Share of impact period sustained on LM	Frequency	Percent	Cumulative Percent	Frequency	Percent	Cumulative Percent	Frequency	Percent	Cumulative Percent	Frequency	Percent	Cumulative Percent	Frequency	Percent	Cumulative Percent
	0	199	79,9	79,9	7404	60,2	60,2	475	57,7	5 <mark>7,7</mark>	2893	64,5	64,5	10971	61,4	61,4
	0,1	10	4,0	20,1	549	4,5	39,8	48	5,8	42,3	222	4,9	35,5	829	4,6	38,6
	0,2	8	3,2	16,1	443	3,6	35,4	44	5,3	36,5	160	3,6	30,6	655	3,7	33,9
	0,3	5	2,0	12,9	553	4,5	31,8	52	6,3	3 <mark>1,1</mark>	192	4,3	27,0	802	4,5	30,3
	0,4	2	0,8	10,8	267	2,2	27,3	15	1,8	24,8	84	1,9	22,7	368	2,1	25,8
non treated	0,5	4	1,6	10,0	317	2,6	25,1	29	3,5	23,0	112	2,5	20,8	462	2,6	23,7
non treated	0,6	2	0,8	8,4	194	1,6	22,5	17	2,1	19,4	49	1,1	18,3	262	1,5	21,1
	0,7	3	1,2	7,6	177	1,4	20,9	9	1,1	17,4	40	0,9	17,3	229	1,3	19,7
	0,8	5	2,0	6,4	198	1,6	19,5	15	1,8	16,3	66	1,5	16,4	284	1,6	18,4
	0,9	0	0,0	4,4	112	0,9	17,9	3	0,4	14,5	87	1,9	14,9	202	1,1	16,8
	1	11	4,4	4,4	2089	17,0	17,0	116	14,1	14,1	581	13,0	13,0	2797	15,7	15,7
	Total	249	100		12303	100		823	100		4486	100		17861	100	
	0	167	21,9	21,9	1022	16,1	16,1	1018	27,3	27,3	992	27,6	27,6	3199	22,2	22,2
	0,1	54	7,1	78,1	556	8,8	83,9	399	10,7	72,7	276	7,7	72,4	1285	8,9	77,8
	0,2	39	5,1	71,0	498	7,9	75,1	313	8,4	61,9	250	6,9	64,8	1100	7,6	68,9
	0,3	49	6,4	65,9	656	10,4	67,2	465	12,5	53,5	370	10,3	57,8	1540	10,7	61,3
	0,4	41	5,4	59,4	367	5,8	56,9	242	6,5	41,1	225	6,3	47,5	875	6,1	50,6
treated	0,5	70	9,2	54,1	582	9,2	51,1	339	9,1	34,6	317	8,8	41,3	1308	9,1	44,5
treated	0,6	43	5,6	44,9	391	6,2	41,9	221	5,9	25,5	226	6,3	32,5	881	6,1	35,5
	0,7	45	5,9	39,2	365	5,8	35,7	175	4,7	19,5	176	4,9	26,2	761	5,3	29,3
	0,8	73	9,6	33,3	608	9,6	30,0	216	5,8	14,8	281	7,8	21,3	1178	8,2	24,1
	0,9	72	9,4	23,8	482	7,6	20,4	132	3,5	9,0	191	5,3	13,5	877	6,1	15,9
	1	109	14,3	14,3	808	12,8	12,8	204	5,5	5,5	295	8,2	8,2	1416	9,8	9,8
	Total	762	100		6335	100		3724	100		3599	100		14420	100	

The next table informs us about the types of registration of treated and non-treated on average during the impact periods. There are again five types of registration which have been identified for graduates, infrequent self-employment, full-time job, part-time job, individual barrier for entrance to LM and placement on LM which is a full-time job, or self-employment. A part-time job is not considered as real placement on LM. Another presented independent variable average of the assessment base.

In the context the test results between the results of independent variables of treated and non-treated groups it is possible to note that treated and control individuals earned less of money across all reference periods by about 10 up to 20 %.

From the presented results it is again obvious that graduates do not have any significant interest about self-employment.

There are significant differences across all reference periods between the distribution of treated and controls for the independent variables full-time job and placement

intervention	sample	Mean	Mean	Mean	Mean
Average assessment	non treated	461	539	510	564
base	treated	422	476	480	482
Calf amalaumant	treated	0,00	0,00	0,00	0,00
Self-employment	treated	0,01	0,01	0,00	0,00
Full times ich	non treated	0,10	0,25	0,24	0,21
Full-time job	treated	0,47	0,47	0,33	0,38
Individual barrier	non treated	0,01	0,03	0,03	0,02
for entrance to LM	treated	0,04	0,04	0,03	0,03
Part-time job	non treated	0,00	0,00	0,00	0,00
Part-time job	treated	0,00	0,02	0,06	0,08
Placed on LM	non treated	0,10	0,26	0,24	0,22
Placed on Livi	treated	0,48	0,47	0,34	0,38
Average assessment		-3 <mark>9</mark>	-62	-30	-82
Self-employment		0,01	0,00	0,00	0,00
Full-time job		0,37	0,21	0,09	0,17
Individual barrier for entrance to LM	net effect	0,02	0,00	-0,01	0,01
Part-time job		0,00	0,02	0,06	0,08
Placed on LM		0,38	0,21	0,10	0,17

on the labour market. This means that the presented net effect is confirmed. In the first reference period the treated remained on average on LM for about 37% of the entire impact period longer than the controls. In the second reference period it was about 21% and in the others it was 9% and 17%. Graduates achieved that effect mostly due to placement in full-time jobs, just in some exceptions graduates established self-

employment. From the group of non-treated none had any interest in self-employment.

Summary test hyppo	thesis	Re	f. Period 1	Re	f. Period 2	Re	f. Period 3	Re	f. Period 4
Null Hypothesis	Test 🕶	Sig.	Decision	Sig.	Decision	Sig.	Decision	Sig.	Decision
The distribution of Average assessment base is the same across categories of Treated/non-treated.	Independent-Samples Kolmogorov-Smirnov Test	0,038	Reject the null hypothesis.	0,000	Reject the null hypothesis.	0,001	Reject the null hypothesis.	0,000	Reject the null hypothesis.
The distribution of Self-employment is the same across categories of Treated/non-treated.	Independent-Samples Kolmogorov-Smirnov Test	0,999	Retain the null hypothesis.	0,211	Retain the null hypothesis.	1,000	Retain the null hypothesis.	1,000	Retain the null hypothesis.
The distribution of Full-time job is the same across categories of Treated/non-treated.	Independent-Samples Kolmogorov-Smirnov Test	0,000	Reject the null hypothesis.	0,000	Reject the null hypothesis.	0,000	Reject the null hypothesis.	0,000	Reject the null hypothesis.
The distribution of Individual barrief for entrance to LM is the same across categories of Treated/non- treated.	Independent-Samples Kolmogorov-Smirnov Test	0,564	Retain the null hypothesis.	0,000	Reject the null hypothesis.	0,727	Retain the null hypothesis.	0,005	Reject the null hypothesis.
The distribution of Part-time job is the same across categories of Treated/non-treated.	Independent-Samples Kolmogorov-Smirnov Test	1,000	Retain the null hypothesis.	0,000	Reject the null hypothesis.	0,000	Reject the null hypothesis.	0,000	Reject the null hypothesis.
The distribution of Placed on LM is the same across categories of Treated/non-treated.  Asymptotic significances are displayed.	Independent-Samples Kolmogorov-Smirnov Test	0,000	Reject the null hypothesis.	0,000	Reject the null hypothesis.	0,000	Reject the null hypothesis.	0,000	Reject the null hypothesis.

## Cost-benefit analysis

The next table presents the net effect of the graduate work experience on the state budget calculated per jobseeker. The net effects in the last four columns are calculated by subtraction of the treated and their controls financial balance based on the average measured success in placement on the open labour market. From the table can be seen that the treated returned on average the grants that were distributed through intervention and they also brought a "net profit" from 1,200 up to 1,800 Euros per 24 months long impact period. That situation was estimated from just the first two reference periods, the other had a negative estimated financial influence on the national budget. All controls have an estimated negative financial influence on the national budget due to their low level of employability. On average the net effects are very positive because across all reference periods the treated generated from 700 Euros up to almost 7,500 Euros per impact period more finance due to employability and paid taxes and saved allowance and benefits.

Net effect	Reference		Trea	ted			Non-tr	eated		Difference between treated and non- treated				
Neterrect	period	1.1.2007 - 30.4.2008	1.5.2008 - 31.12.2010		1.7.2011 - 30.4.2012	1.1.2007 - 30.4.2008	1.5.2008 - 31.12.2010		1.7.2011 - 30.4.2012	1.1.2007 - 30.4.2008	1.5.2008 - 31.12.2010	1.1.2011 - 30.6.2011	1.7.2011 - 30.4.2012	
Average time sha market/labou		48%	47%	34%	38%	10%	26%	24%	22%	38%	21 <mark>%</mark>	10%	17%	
Average time share market/labou		52%	53%	66%	62%	90%	74%	76%	78%	-38%	-21%	-10%	-17%	
Unemployment	employed	1 963 €	2 799 €	2 262 €	2 312 €	274€	1 570 €	1 383 €	1 254 €	1 <mark>6</mark> 89€	1 <mark>229 €</mark>	8 <mark>79</mark> €	1 <mark>058</mark> €	
allowance	unemployed	-2 120€	-3 142 €	-4 484 €	-3 716€	-2 441 €	-4 546 €	-4 397€	-4 563 €	3 <mark>2</mark> 0€	1 404 €	-87€	8 <mark>48</mark> €	
Benefit in material	employed	1 389€	1 338€	952€	1 089€	267€	729€	362€	612€	1 122 €	6 <mark>09</mark> €	5 <mark>90</mark> €	4 <mark>77</mark> €	
need	unemployed	-1 501 €	-1501€	-1887€	-1750€	-2 380 €	-2 110 €	-1 151€	-2 227€	8 <mark>79</mark> €	6 <mark>09</mark> €	<b>-7</b> 36€	4 <mark>77</mark> €	
Grant		-348€	-1 082 €	-1 112€	-1 121 €	0€	0€	0€	0€	-348€	<b>-1</b> 082€	<u>-1</u> 112€	<b>-1</b> 121€	
Health insurance	employed	746€	833€	598€	651€	151€	475€	431€	401€	5 <mark>95</mark> €	3 <mark>58</mark> €	1 <mark>6</mark> 7€	2 <mark>5</mark> 0€	
nearth mourance	unemployed	-347€	-353€	-444€	-412€	-601€	-497€	-508€	-524€	2 <mark>5</mark> 4€	143€	64€	112€	
Social insu	rance	1806€	2 016 €	1 447€	1 576 €	365€	1 150 €	1 043 €	970€	1441€	8 <mark>66 €</mark>	404€	6 <mark>06</mark> €	
Taxes from	employed	759€	848€	609€	663€	153€	484€	439€	408€	6 <mark>06</mark> €	3 <mark>64</mark> €	1 <mark>7</mark> 0€	2 <mark>5</mark> 5€	
consuption	unemployed	-518€	-504€	-568€	-536€	-1 019€	-753€	-768€	-835€	5 <mark>01</mark> €	2 <mark>4</mark> 9€	2 <mark>0</mark> 0€	2 <mark>9</mark> 8€	
Income tax	employed	277€	309€	222€	242€	56€	177€	160€	149€	2 <mark>2</mark> 1€	1 <mark>3</mark> 3€	62€	93€	
mcome tax	unemployed	-299€	-347€	-440€	-389€	-499€	-511€	-509€	-542€	2 <mark>0</mark> 0€	164€	69€	1 <mark>5</mark> 3€	
Total / Diffe	erence	1 807 €	1 214 €	-2 <mark>846</mark> €	-1 39 <mark>0</mark> €	-5 673 €	-3 833 €	-3 <mark>515</mark> €	-4 895 €	7 480 €	5 047 €	669€	3 505 €	

## 4.8.5 Propensity score nearest neighbour matching

This method is very similar to the previous one. The difference is based on the rule of pairing treated and non-treated individuals, where each treated unit is matched to the control unit with the closest propensity score. The method was applied without

replacement, i.e. one participant or non-participant can be used for matching just once.

As can be seen in the reported table next to the text, due to the carried out method of matching, the samples' size in the reference periods significantly shrank. For example, in the first reference period the size of the sample is lower than the ideal estimated size of a representative sample. Every treated and non-treated were used just once and one individual was matched with 5 nearest neighbours.

	Non-treated	Treated
Reference period	Valid	Valid
P - 11 - 21	N	N
1	49	72
2	1015	854
3	290	424
4	780	660
In total	2134	2010

## Measuring of employability

The table below informs about frequencies of shares of time spent on the open labour market in the impact period of 24 months, as already explained. The results show that in all reference periods more treated individuals remained on the labour market for the whole time period. From the control group at least 72 % of jobseekers were not placed on the labour market in the whole impact period. Again, there is the obvious tendency that one non-treated who finds a job will have a greater probability of remaining on the labour market in comparison with participants of graduate work experience. On the other hand, in the group of controls they are not frequently placed on the labour market according to the carried out methodology approach.

		Refe	rence pe	riod 1	Refere	nce peri	od 2	Refere	nce peri	od 3	Refere	nce peri	od 4	Ref. Periods in total		
Group of sample	Share of impact period sustained on LM	Freque ncy	Percent	Cumula tive Percent	Frequency	Percent	Cumulative Percent									
	0	32	65,3	65,3	678	66,8	66,8	158	54,5	54,5	511	65,5	65,5	1379	64,6	64,6
	0,1	3	6,1	34,7	39	3,8	33,2	23	7,9	45,5	32	4,1	34,5	97	4,5	35,4
	0,2	3	6,1	28,6	27	2,7	29,4	13	4,5	37,6	35	4,5	30,4	78	3,7	30,8
	0,3	2	4,1	22,4	37	3,6	26,7	17	5,9	33,1	36	4,6	<b>25</b> ,9	92	4,3	27,2
	0,4	1	2,0	18,4	15	1,5	23,1	10	3,4	27,2	17	2,2	21,3	43	2,0	22,9
Non-treated	0,5	3	6,1	16,3	19	1,9	21,6	9	3,1	23,8	18	2,3	19,1	49	2,3	20,9
Non-liealeu	0,6	0	0,0	10,2	8	0,8	19,7	2	0,7	20,7	3	0,4	16,8	13	0,6	18,6
	0,7	0	0,0	10,2	15	1,5	18,9	3	1,0	20,0	5	0,6	16,4	23	1,1	17,9
	0,8	0	0,0	10,2	14	1,4	17,4	5	1,7	19,0	11	1,4	15,8	30	1,4	16,9
	0,9	1	2,0	10,2	8	0,8	16,1	1	0,3	17,2	11	1,4	14,4	21	1,0	15,5
	1	4	8,2	8,2	155	15,3	15,3	49	16,9	16,9	101	12,9	12,9	309	14,5	14,5
	Total	49	100		1015	100		290	100		780	100		2134	100	
	0	20	27,8	27,8	110	12,9	12,9	61	14,4	14,4	136	20,6	20,6	327	16,3	16,3
	0,1	2	2,8	72,2	70	8,2	87,1	29	6,8	85,6	46	7,0	79,4	147	7,3	83,7
	0,2	5	6,9	69,4	58	6,8	78,9	36	8,5	78,8	38	5,8	72,4	137	6,8	76,4
	0,3	7	9,7	62,5	79	9,3	72,1	61	14,4	70,3	67	10,2	66,7	214	10,6	69 <mark>,</mark> 6
	0,4	1	1,4	52,8	45	5,3	62,9	22	5,2	5 <mark>5</mark> ,9	36	5,5	56,5	104	5,2	59,0
Treated	0,5	7	9,7	51,4	85	10,0	57,6	34	8,0	5 <mark>0,7</mark>	58	8,8	5 <mark>1,1</mark>	184	9,2	53,8
Healeu	0,6	5	6,9	41,7	47	5,5	47,7	28	6,6	42,7	47	7,1	42,3	127	6,3	44,6
	0,7	2	2,8	34,7	55	6,4	42,2	18	4,2	36,1	35	5,3	35,2	110	5,5	38,3
	0,8	8	11,1	31,9	87	10,2	35,7	36	8,5	31,8	54	8,2	29,8	185	9,2	32,8
	0,9	4	5,6	20,8	83	9,7	25,5	27	6,4	23,3	53	8,0	21,7	167	8,3	23,6
	1	11	15,3	15,3	135	15,8	15,8	72	17,0	17,0	90	13,6	13,6	308	15,3	15,3
(D)	Total	72	100		854	100		424	100	C 1	660	100		2010	100	1 6

The next table summarizes the types of registration of the participants and controls for different reference periods. This information should explain where our units were placed and how they were successful financially.

In the first lines it is possible to see that participants of graduate work experience earned a lower assessment base per month compared to non-treated groups, except for first reference period where the treated achieved a predominantly higher assessment base than the controls by about 22 Euros per month. Even that difference was tested with the results: non-significant differences are between the treated and nontreated in the first reference period. Significant differences

Effect of the	Group of	Ref. Period 1	Ref. Period 2	Ref. Period 3	Ref. Period 4
intervention	sample	Mean	Mean	Mean	Mean
Assessment base	non treated	440	559	543	575
Assessment base	treated	461	488	496	511
Self-employment	non treated	0,00	0,00	0,00	0,00
Self-employment	treated	0,01	0,01	0,01	0,00
Full-time job	non treated	0,17	0,22	0,26	0,21
i dii-diile job	treated	0,45	0,51	0,48	0,46
Part-time job	treated	0,00	0,02	0,03	0,07
Individual barriers for	non treated	0,05	0,04	0,05	0,02
enatrance to LM	treated	0,04	0,04	0,03	0,03
Placed on LM	non treated	0,17	0,22	0,26	0,21
Flaced Off Livi	treated	0,45	0,52	0,49	0,46
Assessment base		22	-71	-47	-64
Self-employment		0,01	0,00	0,01	0,00
Full-time job	net effect/	0,28	0,30	0,22	0,26
Individual barriers for enatrance to LM	difference	-0,02	0,00	-0,02	0,01
Placed on LM		0,28	0,30	0,23	0,26

in the assessment base/wage of treated and non-treated were identified just in the second and fourth reference periods.

According to the following results, both groups of eligible jobseekers did not have significant interest to start with self-employment. That information has been confirmed by the statistical test presented in the table below. Also, individual barriers for entrance to the open LM did not occur very frequently according to the result in both treated and non-treated groups of samples.

One of the most important pieces of information was the dependent variable "placement on the labour market" which collates full-time job and self-employment. In accordance with the values presented in the table, it was estimated that the treated remained placed on the open LM for about 6 months longer than the controls in the period of 2 years immediately after graduate work experience finished. This result was similar for all the set reference periods.

Summary test hyppo	othesis		Ref.	Period 1	Ref.	Period 2	Ref.	Period 3	Ref.	Period 4
Null Hypothesis	Test	Ţ,	Sig.	Decision	Sig.	Decision	Sig.	Decision	Sig.	Decision
The distribution of Assessment base/wage is the same across categories of Treated/non-treated.	Independent- Samples Kolmogorov- Smirnov Test		0,781	Retain the null hypothesis.	0,000	Reject the null hypothesis.	0,283	Retain the null hypothesis.	0,000	Reject the null hypothesis.
The distribution of Self- employment is the same across categories of Treated/non-treated.	Independent- Samples Kolmogorov- Smirnov Test		1,000	Retain the null hypothesis.	0,995	Retain the null hypothesis.	0,997	Retain the null hypothesis.	1,000	Retain the null hypothesis.
The distribution of Full-time jobs is the same across categories of Treated/non-treated.	Independent- Samples Kolmogorov- Smirnov Test		0,000	Reject the null hypothesis.	0,000	Reject the null hypothesis.	0,000	Reject the null hypothesis.	0,000	Reject the null hypothesis.
The distribution of Part-time jobs is the same across categories of Treated/non-treated.	Independent- Samples Kolmogorov- Smirnov Test		1,000	Retain the null hypothesis.	0,000	Reject the null hypothesis.	0,000	Reject the null hypothesis.	0,000	Reject the null hypothesis.
The distribution of Individual barrier for entrance to LM is the same across categories of Treated/non-treated.	Independent- Samples Kolmogorov- Smirnov Test		1,000	Retain the null hypothesis.	0,602	Retain the null hypothesis.	0,930	Retain the null hypothesis.	0,788	Retain the null hypothesis.
The distribution of Placed on LM is the same across categories of Treated/non-treated.	Independent- Samples Kolmogorov- Smirnov Test		0,000	Reject the null hypothesis.	0,000	Reject the null hypothesis.	0,000	Reject the null hypothesis.	0,000	Reject the null hypothesis.
Asymptotic significances are displ	ayed. The signifi	ican	ce level	is ,05.						

## Cost-benefit analysis

The estimated numbers of the analysis ensure the information about the financial influence on treated and non-treated jobseekers on the state budget in the 2 years long impact period. The methodology was applied to the numbers of the dependent variable "placement on the LM".

On average, the treated were able to repay into the state budget in the first reference period more than 3 times more money than the grant that the state had invested in the graduate work experience graduate work experience. This trend decreases and, in the last fourth reference period, the treated returned, due to paid taxes and saved allowance, about 80 Euro-cents for each invested Euro into the graduate work experience.

While the non-treated are in red numbers due to their weak ability to find a job, the participants of the program in every reference period returned to the public budget grant and produced some extra money on average.. The table in the last green line presents the financial positive net effects of graduate work experience in all reference periods

perious.														
Net effect	Reference		Trea	ted			Non-tr	eated		Difference between treated and non- treated				
Neterieu	period	1.1.2007 - 30.4.2008	1.5.2008 - 31.12.2010		1.7.2011 - 30.4.2012		1.5.2008 - 31.12.2010					1.1.2011 - 30.6.2011		
Average time sha market/labou		45%	52%	49%	46%	17%	22%	26%	21%	28%	30%	23%	26%	
Average time share market/labou		55%	48%	51%	54%	83%	78%	74%	79%	-28%	-30%	-23%	-26%	
Unemployment	employed	1848€	3 088 €	3 288 €	2 798 €	459€	1348€	1509€	1 203 €	1388€	1740€	1779€	1 595 €	
allowance	unemployed	- 2235€	- 2852€	- 3459€	- 3229€	- 2255€	- 4767€	- 4271€	- 4615€	20€	1915€	813€	1 385 €	
Benefit in material	employed	1 308€	1 476 €	1 384 €	1 318 €	448€	626€	395€	587€	860€	850€	988€	731€	
need	unemployed	- 1582€	- 1363€	- 1456€	- 1521€	- 2199€	- 2213€	- 1119€	- 2252€	617€	850€	- 337€	731€	
Grant		- 348€	- 1082€	- 1112€	- 1121€	- €	- €	- €	- €	- 348€	- 1082€	- 1112€	- 1121€	
	employed	702€	919€	869€	789€	253 €	408€	470€	385€	450€	511€	399€	404€	
Health insurance	unemployed	- 366€	- 321€	- 342€	- 358€	- 555€	- 521€	- 494€	- 530€	189€	200€	151€	172€	
Social insu	rance	1 700 €	2 224 €	2 104 €	1908€	612€	988€	1138€	931€	1 088 €	1 236 €	966€	977€	
Taxes from	employed	715€	936€	885€	803€	257€	416€	479€	391€	458€	520€	406€	411€	
consuption	unemployed	- 546€	- 458€	- 438€	- 466€	- 942€	- 790€	- 746€	- 844€	396€	332€	308€	378€	
	employed	261€	341€	323 €	293 €	94€	152€	175€	143€	167€	190€	148€	150€	
Income tax	unemployed	- 316€	- 315€	- 340€	- 338€	- 461€	- 536€	- 494€	- 548€	145€	221€	155€	210€	
Total / Diffe	erence	1 141€	2 594 €	1705€	875 <mark>€</mark>	- 4289€	4 889 €	- 2958€	- 5149€	5 430 €	7 483 €	4 664 €	6 024 €	

## 4.8.6 Comparisons of the method results

To put all of what we have learnt from the values from the provided previous four impact evaluation designs, we prepared an overview of the outcomes. The following tables provide a comparison of the established net effects between the treated and non-treated

groups of samples.

In the 5 and half years which were evaluated, more than 91 thousand eligible jobseekers were treated by graduate work experience. The available databases allowed us to use a limited number of correct records, which were in total 72 % of all the treated in the different reference periods. The table next to the text presents a comparison of the methods from the representativeness of the samples

			Deferen			
		1.1.2007 - 30.4.2008	1.5.2008 - 31.12.2010	1.1.2011 - 30.6.2011	1.7.2011 - 30.4.2012	total
		16 months	32 months	6 months	10 months	
	Minimal estimated size of samples (confidence level 95 %)	371	380	376	379	383
	No. of treated jobseekers	10 807	37 954	18 042	24 584	91 387
Frequences	post-only non-equivalent comparison	6 308	24 304	16 230	19 037	<b>65</b> 879
Klear	exact matching	2 439	20 038	11 226	14 110	47 813
	propensity exact score matching	762	6 335	3 724	3 599	14 420
	propensity score nearest neighbour matching	72	854	424	660	2 010
	post-only non-equivalent comparison	58%	64%	90%	77%	72%
Share on	exact matching	23%	53%	62%	57%	52 <mark>%</mark>
treated jobseekers	propensity exact score matching	7%	17%	21%	15%	16%
	propensity score nearest neighbour matching	1%	2%	2%	3%	2%

of treated jobseekers used for the estimation of net effects. Post-only non-equivalent comparison design uses every available record without elimination due to matching. The method is not very accurate but simple to use. It is important to emphasise that the samples for this method were tested and the samples do not differ from the basic set of data that has been obtained from COLSaF. Due to the performed exact matching, samples were eliminated on average from about one third of the records that were not matched. One of the most rigorously provided methods is propensity exact score matching, which on average covers 16 % of the total treated eligible graduates. The fewest samples of treated units were used for propensity score nearest neighbour matching; it is possible to say that these were used for just 2 % of all treated jobseekers.

The values in the table are sorted by the used CIE design and type of the analysed dependent variables. In the last columns are summarized the significances which represent the results of the statistical tests between treated and non-treated units in the samples. Yellow cells inform us that a null hypothesis has been rejected. A null hypothesis assumes that the distribution of the values for a particular independence variable is the same across the categories of participants and non-participants.

For average wage or assessment base during the impact period were estimated mostly significant differences. Jobseekers that underwent the graduate work experience earned monthly less money than non-treated jobseekers by 1 to 82 Euros per month in average. Coefficients inform us about the share of sustainability on the labour market during the whole impact period of 24 months after the intervention. The values are differences between treated and non-treated jobseekers. The blue bar charts in the cells of the table represent positive effects.

One of the most important constructed indicators that estimate employability as a net effect is represented by the dependent variable "Placed on LM." The values show that the estimated net effect is positive. In the other words, this means that the graduate work experience is meaningful for employability and sustainability of the graduates as the target group. Differences between the treated and non-treated in placement on LM were confirmed by the statistical tests. The results show that in the data are significant differences across the methods and reference periods. Only the results from the method of exact matching estimated for the last two reference periods indicate a negative impact that could be due to the used method of the net-effect estimation without using any of the matching methods of the same treated and control individuals. The Post-only nonequivalent comparison design method is not a very accurate method which uses large samples of the data which just simply compare, but on the other hand, uses also individuals who essentially differ from one another. There were also problems setting the exact impact period of the non-participants, which takes over the impact period from the matched exact or neighbour twin. That is the reason the impact period was set as the initial date of the reference period plus 2 years of impact period after the last date of the reference period. For instance, in the first reference period it was 40 months (16 moths of reference period and 24 months for the impact period). That could also be a very important aspect which affects the result, because while the treated do not look for a job during the graduate work experience period for a maximum of 6 months, controls could be very active in seeking placement on the labour market.

Placement on LM represents that the jobseeker was registered as an employee in a full-time job or was self-employed. The values show that mostly graduates were placed in full-time jobs and numbers indicate the weak efforts of jobseekers up to 26 years of age to establish self-employment. This knowledge is in contrary to the analysis of samples of

the treated by grant for self-employment in the next chapter. There we learn that young jobseekers are more willing to start self-employment if they receive a grant for it. It is possible to state that older graduates were more successful in the sustaining of self-employment,; age is not a significant independent variable which influences the on number of months sustaining self-employment or being placed on LM in the 2 years after the intervention had finished according to the results of the estimated linear regression model. Age was identified as a significant independent variable which had an influence on sustainability and employability although the coefficient is very low number, which means a one year increase initiated only a minimal change in placement on the labour market.

The results of the statistical tests also present significant differences of placement in part-time jobs of the treated mainly in the last three reference periods. In the first reference period, it looks like that both the treated and non-treated were not willing to work in part-time jobs. In the first reference period, no rule in the Act of employment services, according to § 6, Art. 2 which states: The jobseeker can engage in gainful employment on the basis of employment or legal relationship under a special regulation, if the wage or remuneration for carrying out these activities shall not exceed 75% of the amount of subsistence minimum for one adult person, was identified. In the last three periods, the treated were more able to find a part-time job than their controls, even if it was just for a short time of the impact period on average.

Only rarely did the treated or non-treated have individual barriers for entrance on the labour market because they were, for example, recipients of accident benefit, care

allowance, or they were personal assistants for relatives.

		Differe	ences in re	ference <sub>l</sub>	periods	Sig	. in refere	nce perio	ods
Net effect	CIE design	1.1.2007 -	1.5.2008 -		1.7.2011 -	1.1.2007 -	1.5.2008 -	1.1.2011 -	1.7.2011 -
		30.4.2008	31.12.2010	30.6.2011	30.4.2012	30.4.2008	31.12.2010	30.6.2011	30.4.2012
•	Post-only non-comparison design	3€	- 1 <mark>1</mark> €	- 3€	- 36€	0,017	0,000	0,000	0,000
Average assessment	Exact matching	- 1€	- 1 <mark>6</mark> €	- 9€	- <mark>26</mark> €	0,419	0,000	0,004	0,000
base	Propensity score nearest neighbour matching	22 €	- 71€	- 47€	- 64€	0,781	0,000	0,283	0,000
	Propensityscore exact matching	- <mark>39</mark> €	- <mark>62</mark> €	- <mark>30</mark> €	- 82€	0,038	0,000	0,001	0,000
	Post-only non-comparison design	0,16	0,12	-0,12	-0,12	0,000	0,000	0,000	0,000
Full time ich	Exact matching	0,32	0,18	0,11	0,05	0,000	0,000	0,000	0,000
Full-time job	Propensity score nearest neighbour matching	0,28	0,30	0,22	0,26	0,000	0,000	0,000	0,000
	Propensityscore exact matching	0,37	0,21	0,09	0,17	0,000	0,000	0,000	0,000
	Post-only non-comparison design	-0,01	0,00	-0,02	-0,01	0,181	0,000	0,000	0,069
Individual	Exact matching	-0,01	0,01	0,01	0,00	0,994	0,001	0,744	0,543
barriers for entrance to LM	Propensity score nearest neighbour matching	-0,02	0,00	-0,02	0,01	1,000	0,602	0,930	0,788
	Propensityscore exact matching	0,02	0,00	-0,01	0,01	0,564	0,000	0,727	0,005
	Post-only non-comparison design	0,00	0,02	0,03	0,04	1,000	0,000	0,000	0,000
Part-time job	Exact matching	0,00	0,01	0,00	0,02	1,000	0,000	0,935	0,000
Part-time job	Propensity score nearest neighbour matching	0,00	0,02	0,06	0,08	1,000	0,000	0,000	0,000
	Propensityscore exact matching	0,00	0,00	0,00	0,00	1,000	0,000	0,000	0,000
	Post-only non-comparison design	0,17	0,12	-0,11	-0,12	0,000	0,000	0,000	0,000
Diseased and LAA	Exact matching	0,32	0,18	0,11	0,05	0,000	0,000	0,000	0,000
Placed on LM	Propensity score nearest neighbour matching	0,28	0,30	0,23	0,26	0,000	0,000	0,000	0,000
	Propensityscore exact matching	0,38	0,21	0,10	0,17	0,000	0,000	0,000	0,000
_	Post-only non-comparison design	0,01	0,00	0,00	0,00	0,525	0,010	0,973	0,999
Self-	Exact matching	0,00	0,00	0,00	0,00	1,000	0,744	1,000	1,000
employment	Propensity score nearest neighbour matching	0,01	0,00	0,01	0,00	1,000	0,995	0,997	1,000
	Propensityscore exact matching	0,01	0,00	0,00	0,00	0,999	0,211	1,000	1,000

The outcomes of the performed cost benefit analysis indicate the financial influence of the treated and non-treated eligible graduates on the national budget, as well as the neteffect of the graduate work experience. In the first part of the table are presented the number of treated jobseekers, then non-treated and finally the net financial average effects in the impact periods. Values in the table are calculated per jobseeker, per impact periods.

Treated jobseekers in the first reference period achieved, on average, a positive influence on the financial budget, they were able to repay the grant back to the national budget multiply and in the second reference period as well. In the last two reference periods the situation changed and the treated had an estimated negative average effect on public financial sources mainly due to the achieved employability.

Observations of the outcomes of the financial influences of controls on the national budget indicate a generally negative effect. Only the first method of Post-only non-comparison design increased the estimated employability of the non-treated and through that influence were estimated some positive trends. But as already mentioned, the impact periods were set for the whole time of the reference period and 2 years after, i.e. a total of 40 months for first reference period and individuals are not matched. That approach of measurement of the registrations in the impact period may overestimate the controls.

The last part of the table presents net effects. It is obvious that in most of the cells appear yellow bar charts which inform us about the positive net effect of the treated when compared to the financial average outcomes of the non-treated. The financial outcomes are positive almost for every reference period across the carried out methods.

		Trea	ited			Non-ti	reated		Difference between treated and non-treated					
CIA design	1.1.2007 -	1.5.2008 -	1.1.2011 -	1.7.2011 -	1.1.2007 -	1.5.2008 -	1.1.2011 -	1.7.2011 -	1.1.2007 -	1.5.2008 -	1.1.2011 -	1.7.2011 -		
	30.4.2008	31.12.2010	30.6.2011	30.4.2012	30.4.2008	31.12.2010	30.6.2011	30.4.2012	30.4.2008	31.12.2010	30.6.2011	30.4.2012		
Post-only non- comparison design	3 357,00 €	1 807,88 €	479,19€	- 664,84€	139,67€	- 363,09€	4 575,55€	3 583,01 €	3 217,33€	2 1 <mark>70</mark> ,98 €	-4 096,36 €	- <b>42</b> 47,85€		
Exact matching	2 922,89 €	- 50,40€	-1393,50€	-2652,52€	-3 519,20€	-4 121,98€	-2 652,00€	-2715,09€	6 4 <mark>42,09 €</mark>	40 <mark>71,5</mark> 8€	1 258,50€	62,57€		
Propensityscore exact matching	1 806,95 €	1 213,75 €	-2 846,14€	-1389,91€	-5 673,35€	-3832,92€	-3 514,86€	-4895,36€	7 4 <mark>80,30 €</mark>	5 0 <mark>46,67</mark> €	6 <mark>6</mark> 8,73€	3 5 <mark>05,4</mark> 5 €		
Propensity score nearest neighbour matching	1 141,13€	2 593,53 €	1 705,33€	875,37€	-4 289,00€	-4889,10€	-2 958,18€	-5 148,91€	5 430,13€	7 4 <mark>82,63 €</mark>	4 663,51 €	6 024,28€		

## 4.8.7 Identification of the successful target group for graduate work experience

In this sub-chapter are presented outcomes which describe the average net effects of the key and available independent variables and their categories. Averages are divided into four reference periods of the intervention and there were also carried out statistical tests between the treated and non-treated groups of samples. The null hypothesis of the test was distribution of the variable across the categories is the same.

The objective of this sub-chapter is to identify the target group which was the most successful in fundamental net-effect: placement on the open labour market and its sustainability during the impact periods across the reference periods.

**The men and women** who participated in the graduate work experience achieved on average a positive net effect which is significantly better than the control one. But, still on average, women had a higher share of placement on the labour market during the impact periods after the intervention finished.

	Ref. period 1	Ref. period 2	Ref. period 3	Ref. period 4	Ref. period 1	Ref. period 2	Ref. period 3	Ref. period 4				
Gender	Difference	of means of F	Placement on L	M between	Test of the di	fference acros	s categories o	f Treated and				
	tre	ated and non-	treated individ	luals	Non-treated							
men	0,35	0,22	0,08	0,15	reject	reject	reject					
women	0,39	0,22	0,11	0,18	reject	reject	reject	reject				

From the **marital status** characteristic, it appears that divorced individuals are more effective than single or married participants, but their difference between treated and non-treated is insignificant and their representation in every group of samples and reference period were less than 0.9 % from all samples. Single and married graduates achieved positive placement on LM when compared to their controls. In the first two reference periods, single and married individuals achieved on average the same performances in the placement on LM, but in the two last reference periods single units were slightly more successful in remaining on the labour market.

	Ref. period 1	Ref. period 2	Ref. period 3	Ref. period 4	Ref. period 1	Ref. period 2	Ref. period 3	Ref. period 4	
Marital status	Difference of	of means of PI	acement on LI	M between	Test of the d	ifference acr	oss categorie	s of Treated	
	treat	ed and non-tr	reated individ	uals	and Non-treated				
divorced	0,48	0,31	0,16	0,18	retain	retain	retain	retain	
single	0,38	0,22	0,09	0,17	reject	reject	reject	reject	
married	0,38	0,23	0,06	0,16	reject	reject	reject	reject	
registered partners	-	0,25	-	-	-	retain	-	-	
	•								

College graduates had the highest potential to be employed and remain on the open labour market during the impact period, i.e. the highest grade of the **education**. It is noteworthy that the overall average share of placement in the impact period of jobseekers that achieved a primary school education is in the second and third reference period as the second highest. The success rate of secondary educated jobseekers is characterized by irregular values.

	Ref. period 1	Ref. period 2	Ref. period 3	Ref. period 4	Ref. period 1	Ref. period 2	Ref. period 3	Ref. period 4
Level of education					Test of the difference across categories of Treated and Non-treated			
primary shool	0,13	0,22	0,19	0,10	retain	reject	reject	reject
secondary vocational school	0,40	0,18	0,04	0,15	reject	reject	reject	reject
vocational school	0,34	0,18	0,05	0,15	reject	reject	reject	reject
comprehensive school	0,28	0,22	0,09	0,11	reject	reject	reject	reject
colledge	0,39	0,37	0,21	0,26	reject	reject	reject	reject

**Jobseekers** that were **unemployed** less than three years **before 2007** were more successful in the sustaining a placement on labour market than jobseekers that were not registered and are new in the evidence of jobseekers. This statement was possible to make thanks to the values which we learn from the outcomes of three from four reference periods. These statements indicate that the placement and sustainability on LM of some unemployed graduates is caused by the time factor. After some months in the database of jobseekers, graduates finally find a job.

Ref. period 1	Ref. period 2	Ref. period 3	Ref. period 4	Ref. period 1	Ref. period 2	Ref. period 3	Ref. period 4	
				Test of the difference across categories of Treated and Non-treated				
0,37	0,21	0,09	0,16	reject	reject	reject	reject	
0,39	0,27	<b>0,1</b> 9	0,21	reject	reject	reject	reject	
0,42	0,18	0,13	0,28	reject	reject	retain	reject	
0,36	0,20	0,08	0,25	reject	reject	retain	retain	
	0,37 0,39 0,42	Difference of means of P treated and non-t 0,37 0,21 0,39 0,27 0,42 0,18	Difference of means of Placement on L treated and non-treated individ  0,37	Difference of means of Placement on LM between treated and non-treated individuals    0,37	Difference of means of Placement on LM between treated and non-treated individuals    0,37	Difference of means of Placement on LM between treated and non-treated individuals  O,37  O,21  O,39  O,27  O,19  O,21  reject  reject  O,42  O,18  O,13  O,28  reject  reject  reject	treated and non-treated individuals         Non-treated           0,37         0,21         0,09         0,16         reject         reject         reject           0,39         0,27         0,19         0,21         reject         reject         reject           0,42         0,18         0,13         0,28         reject         reject         retain	

Jobseekers in the western **regions** were generally, across the reference periods, more successful; in the prepared maps the detailed average differences are much more visible.

		Ref.	Ref.	Ref.	Ref.	Ref.	Ref.	Ref.	
Region of permanent	period 1	period 2	period 3	period 4	period 1	period 2	period 3	period 4	
residence		of means en treated a individ			Test of the difference across categories of Treated and Non-treated				
Bratislava region	0,48	0,26	0,17	0,15	reject	reject	reject	reject	
Trnava region	0,24	0,22	0,06	0,23	reject	reject	reject	reject	
Trenčín region	0,49	0,20	0,08	0,18	reject	reject	reject	reject	
Nitra region	0,40	0,24	0,09	0,15	reject	reject	reject	reject	
Žilina region	0,38	0,23	0,13	0,17	reject	reject	reject	reject	
Banská Bystrica region	0,34	0,19	0,08	0,18	reject	reject	reject	reject	
Prešov region	0,40	0,23	0,12	0,16	reject	reject	reject	reject	
Košice region	0,40	0,24	0,12	0,20	reject	reject	reject	reject	

Mostly higher years of **age** (particularly 23 – 24 years) are characterized across most of the reference periods as the categories that determined the success of sustaining jobseekers in employment in the impact periods. It is interesting that jobseekers about the age of 19 years had higher success in placement on the open labour market.

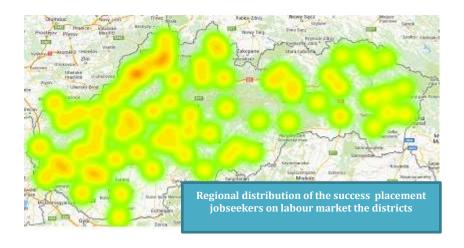
Age	Difference of	means of Placen and non-treate		Test of the difference across categories of Treated and Non-treated					
	Ref. period 1	Ref. period 2	Ref. period 3	Ref. period 4	Ref. period 1	Ref. period 2	Ref. period 3	Ref. period 4	
18	0,42	0,17	-0,14	0,17	reject	retain	retain	retain	
19	0,39	0,30	0,14	0,26	reject	reject	reject	reject	
20	0,40	0,19	<b>0,1</b> 0	0,19	reject	reject	reject	reject	
21	0,38	0,25	0,03	0,13	reject	reject	reject	reject	
22	0,35	0,28	0,11	0,13	reject	reject	reject	reject	
23	0,41	0,28	<b>0,0</b> 9	0,16	reject	reject	reject	reject	
24	0,47	0,31	0,20	0,29	reject	reject	reject	reject	
25	0,00	0,13	0,29	0,27	retain	reject	reject	reject	

Almost the half of the jobseekers attended the graduate work experience in the organisation of the public sector, such as in offices, in public administration, in health care and social centres or in educational institutions. The most frequent category in **the economic classification** of private organisations where the graduate work experience was carried out was wholesalers and retail traders, manufacturers, employers offering accommodation and food services, real estate traders, etc. From the values presented in the table below it is not clear that a particular economic activity generally determined jobseekers to be employed for a longer time in the impact period. But it is possible to state that individuals that carried out graduate work experience in public institutions achieved just a share of the sustainability on LM very close to the average of the overall sample across the reference periods. While jobseekers that carried out graduate work experience in the organisation of the private sector, they achieved slightly higher performances in placement and sustainability on LM.

Averages of "Placement on LM"	R	ef. period	1	R	ef. period	2	R	ef. period	3	R	ef. period	4
Cathegory of SK NACE	Mean	N	Percent	Mean	N	Percent	Mean	N	Percent	Mean	N	Percent
Public administration and defense; compulsory social security	,46	296	39%	,48	2408	38%	,34	1295	35%	,39	12 <mark>57</mark>	35%
Wholesale and retail trade; repair of motor vehicles and motorcycles	,50	137	18%	,44	1060	17%	,30	667	18%	37	611	17%
Education	,44	52	7%	,45	449	7%	,35	315	8%	,39	305	8%
Manufacturing	,52	51	7%	,52	525	8%	.38	293	8%	,39	289	8%
Other activities	,49	46	6%	,41	349	6%	,32	186	5%	,32	186	5%
Accommodation and food services	,52	45	6%	,45	358	6%	,28	208	6%	,35	183	5%
Real estate activities	,47	42	6%	,53	326	5%	37	230	6%	,41	268	7%
Construction	,40	26	3%	,47	204	3%	,32	118	3%	,35	108	3%
Health care and social assistance	,48	21	3%	,49	197	3%	,35	128	3%	,46	120	3%
Administrative and support services	,41	10	1%	,50	130	2%	,35	96	3%	,36	88	2%
Arts, entertainment and recreation	,65	10	1%	,46	111	2%	,26	47	1%	,41	61	2%
Transport and Storage	,59	8	1%	,54	79	1%	,40	43	1%	,47	37	1%
Information and communication	,53	8	1%	,49	74	1%	40	54	1%	,43	39	1%
Financial and insurance activities	,50	6	1%	,35	38	1%	,27	24	1%	,27	23	1%
Water supply; cleaning and waste-water treatment, waste management and remediation activities	,76	3	0%	,62	20	0%	,30	11	0%	,43	14	0%
Electricity, gas, steam and air conditioning supply	,08	1	0%	38	7	0%	,42	8	0%	,26	9	0%
Activities of extraterritorial organizations and bodies	,00	0	0%	,00	0	0%	1,00	1	0%	1,00	1	0%
Total	,48	762	100%	,47	6335	100%	,34	3724	100%	,38	3599	100%

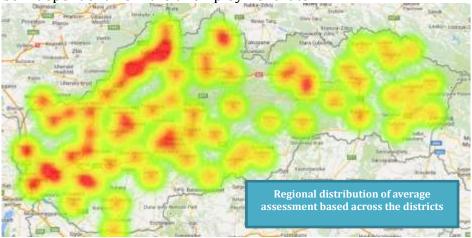
The table below is a correlation matrix which describes the relationship between characteristics (independent variables) of participants and a dependent variable, treatment effect – placement on LM. Blue coloured cells represent the tested significant relations.

Ref. Period	Group of samples	Statistics	Gender	Age	Marital status	Level of education	Unemploye d before 2007 in months	Unemploy	Region of permanent residence
1	non treated	Pearson Correlation	-,078	,015	-,096	-,033	,016	-,169**	-,203**
' [	treated	Pearson Correlation	,001	-,027	-,064	-,065	,000	-,318**	-,106**
2	non treated	Pearson Correlation	-,024**	,085**	-,075**	-,007	,009	-,153**	-,087**
	treated	Pearson Correlation	-,012	,120**	-,094**	,115	-,011	-,392**	-,078**
3	non treated	Pearson Correlation	-,034	,061	-,058	,002	,012	-,215**	-,085 <sup>*</sup>
	treated	Pearson Correlation	,008	,202**	-,099**	,178**	-,015	-,509**	-,055**
4	non treated	Pearson Correlation	-,036*	,023	-,052**	,011	-,005	-,224**	-,094**
	treated	Pearson Correlation	-,002	,195 <sup>**</sup>	-,081**	,120**	-,032	-,440**	-,094**



The heat map in the figure above describes the regional differences of the achieved average differences of placement on the labour market of treated and controls. Red and orange colours represent districts with the highest net sustainability share of placement on the labour market of eligible jobseekers. From the map it is obvious that in the west of Slovakia are districts which are more successful in placement, probably mainly due to a lower unemployment rate and the industrial concentration of the employers in the districts. These districts which are in the blue ellipse are characterized as the catchment areas of the automotive and electrical industries. The highest average net sustainability rates of the graduate work experience are in the Bytca and Povazska Bystrica districts.

In the figure below is a map which describes the average assessment base or wage which was achieved by graduates during the impact periods. Again, the highest wage was achieved in the districts which are coloured by red spots on the map. As can be seen from the map, there are differences between the west and east of the country. While the west of the country earns a higher wage, in the east where there is a higher unemployment rate the condition on the labour market drops. Only in the districts of Poprad, Spiska Nova Ves and Levoca does the average wage achieved by jobseekers appear to be independent from the unemployment rate.



# 4.8.8 Impact of the graduate work experience

This part of the evaluation report describes the estimated average influence of the intervention on decreasing of the unemployment rate, or number of registered jobseekers. Impact is calculated year by year according average estimated placement on LM as the one of outcome variables. Particularly were used for estimation of the impact the shares of placement on LM of Propensity exact matching period method that were applied on the number of treated jobseekers in the years.

We measured 2 years of impact that is reason why the impact is also cumulative and estimated just for number of treated jobseekers in the years from 2007 to half of 2012. In other words it means that we calculate with same jobseekers in two consecutive years.

To emphasis distortion which occurs without using of counterfactual impact evaluation approach, we decided calculate impact as the gross effect and net effect. Net effect or impact informs about real estimated % of influence due to the graduate work experience, i.e. with subtraction of the effect which would occur if the intervention would not exist.

At least provided graduate work experience decreased number of target group of young jobseekers about 4 % and in maximum about 19 %. In some years were treated in average one jobseeker from 5 registered jobseekers in the 15-24 years of age. The annual net impacts on decreasing registered number of jobseekers in 15-24 years of age were estimated on the level from 4 to 12 % (i.e. decreasing of the jobseekers).

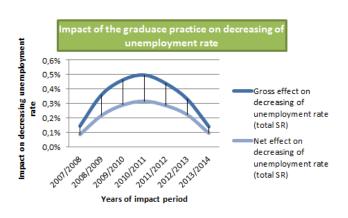
The difference between gross and net effect in this case is about 1/3. That is reason we can assume that without the counterfactual impact evaluation method impacts would be about 33 % overestimated.

Additionally we estimated the annual impact on decreasing of number of all registered jobseekers. Gross effect of the graduate work experience is from 1 to 3,4 %, depends on the commutation of the previous treated jobseekers. Net impact on number of registered jobseekers is lower and achieved values from 0.7 to 2.1 %.

obsected is 15 wer und define ved values from 6,7 to 2,1 7,0										
	2007/2008	2008/2009	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014			
No. of jobseekers in Slovakia (15-24 years of age)	41 873	65 989	67 462	68 782	84 372	72 629	65 469			
No. of treated jobseekers	8 000	12 000	14 000	14 000	33 000	10 000	-			
Estimated number of jobseekers placed on LM: gross effect	3 896	9 698	12 508	13 412	11 822	8 887	3 772			
Estimated number of jobseekers placed on LM: net effect	2 296	5 848	7 813	8 522	7 703	5 974	2 532			
Gross effect on decreasing of no. of registered jobseekers (15 - 24 years of age)	9%	15%	19%	19%	14%	12%	6%			
Net effect on decreasing no. of registered jobseekers (15 - 24 years of age)	5%	9%	12%	12%	9%	8%	4%			
No. of registered jobseekers (total SR)	248 556	379 553	381 209	399 800	425 858	398 876	373 754			
Gross effect on decreasing no. of registered jobseekers (total SR)	1,6%	2,6%	3,3%	3,4%	2,8%	2,2%	1,0%			
Net effect on decreasing no. of registered jobseekers (total SR)	0,9%	1,5%	2,0%	2,1%	1,8%	1,5%	0,7%			
Gross effect on decreasing of unemployment rate (total SR)	0,1%	0,4%	0,5%	0,5%	0,4%	0,3%	0,1%			
Net effect on decreasing of unemployment rate (total SR)	0,1%	0,2%	0,3%	0,3%	0,3%	0,2%	0,1%			

 $Source: Statistics\ of fice\ of\ Slovak\ Republic,\ authors$ 

Overall the graduate work experience as the intervention had a power decreased annually unemployment rate about power from 0,1 to 0,3 % in the period 2007 - 2014. This is one of the most important information from carried out impact evaluation. That is why it is possible assume that intervention has sense for decreasing of the unemployment rate and it is a part of



the diversity of ALMP which is offered to the specific group of unemployed jobseekers.

## Financial impact of graduate work experience

The intention of this part of the evaluation was estimate overall financial impact of the ALMP measure taking into account all the participated individuals. We count with the numbers from the performed cost-benefit analysis.

The table below composed from the two parts first tells about financial effect of the intervention according gross effects and second part refers financial impact which

consideration of the net effects. We estimated that treated individuals were able to bring to national budget about 150 mil. Euros across the reference periods.

If we consider estimated net effect of the intervention. The participants of the graduate practice generated for national budget about 3,6 times more money than same elidgible jobseekers. It means the treated jobseekers brought to national budget about 540 mil. Euros more than non-treated jobseekers in total for all reference periods.

		Treated_gross	effect in two years of i	impact period						
	1.1.2007 - 30.4.2008	1.5.2008 - 31.12.2010	1.1.2011 - 30.6.2011	1.7.2011 - 30.4.2012	In total					
Propensity score nearest neighbour matching	1 141 EUR	2 594 EUR	1 705 EUR	875 EUR	1 579 EUR					
No. of treated jobseekers in ref. period	10 807	37 954	18 042	24 584	91 387					
Total effect on national budget	12 000 000 EUR	98 000 000 EUR	31 000 000 EUR	22 000 000 EUR	144 000 000 EUR					
Estimated annual financial effect	6 000 000 EUR	49 000 000 EUR	15 500 000 EUR	11 000 000 EUR	-					
	Net-effect in two years of impact period									
	1.1.2007 - 30.4.2008	1.5.2008 - 31.12.2010	1.1.2011 - 30.6.2011	1.7.2011 - 30.4.2012	In total					
Propensity score nearest neighbour matching	5 430 EUR	7 483 EUR	4 664 EUR	6 024 EUR	5 900 EUR					
No. of treated jobseekers in ref. period	10 807	37 954	18 042	24 584	91 387					
Total effect on national budget	59 000 000 EUR	284 000 000 EUR	84 000 000 EUR	148 000 000 EUR	539 000 000 EUR					
Estimated annual financial effect	29 500 000 EUR	142 000 000 EUR	42 000 000 EUR	74 000 000 EUR	-					

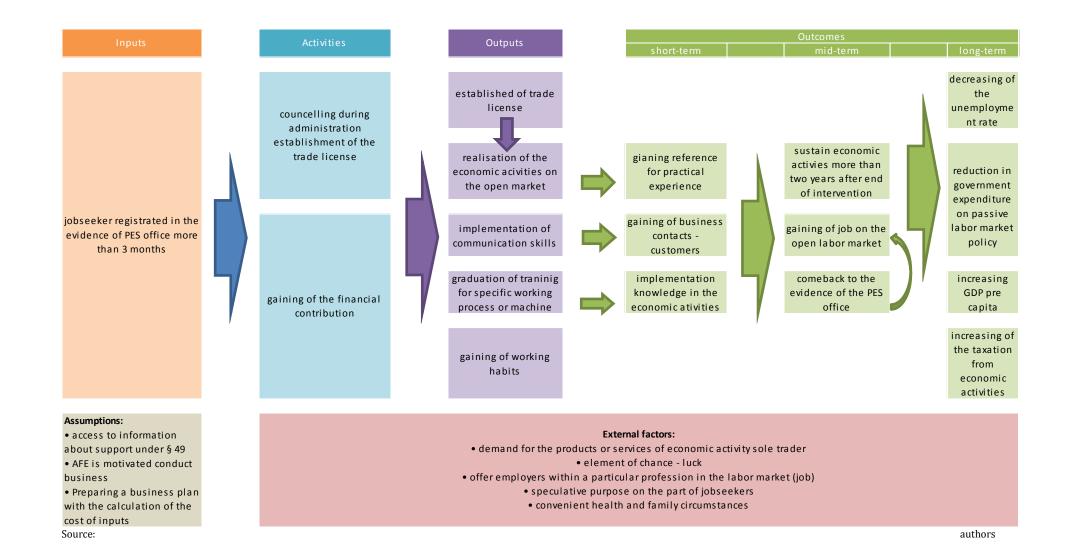
# **Self-employment**

The allowance for self-employment is the intervention stated in §51 of Act No. 5/2004 Coll. This ALMP measure is distributed through regional public employment offices. The intervention was first time introduced for the first time on 14-th April 2004.

# 5.1 Treatment effects of self-employment

As the Explanatory Report on the Act on employment services states, the aim of the intervention is to motivate a jobseeker to launch the operation or implementation of self-employment with the possibility of using a financial grant. The grant was distributed to jobseekers that were registered for more than 3 months and submitted an application in written form with an attached business plan and budget. The intervention is accompanied with training which is focused on the practical information of establishment of self-employment (intervention by § 46 of Act No. 5/2004 Coll.). The schemes below the text present the general intervention log of self-employment

intervention.



The intervention has several potential measured treatment effects on the target groups:

- sustainability of self-employment/employability on the open labour market,
- profit generated during the impact period which should indicate level of success in the business or wages earned by the employed,
- secondary effects on increasing employment rate of self-employment through additional job creation for employers. Unfortunately this data was not provided to us, which is the reason the evaluation will concern just on the measurable primary effects of the intervention.

We will focus on those which can be possibly measured according to data from SIA based just on employability and amount of money which was made during the impact period. Every jobseeker included in the treated or non-treated sample had 24 months of impact period starting from the individual date of the end of intervention. Controls will admit the individual impact period according to treated pairs.

## **5.2** Reference periods

As was described in the previous monitoring report, Act No. 5/2004 Coll. on employment services and on the amendment and supplement of various acts, graduate work experience was revised twice between the years 2007 and 2010. Therefore our treated and non-treated jobseekers must be divided into reference periods according to changes of intervention conditions, and criterion of eligibility.

of fifter vention conditions, and trice	erion of engionity.						
Referen	ce period						
1.1.2007 - 30.4.2008	1.5.2008 - 30.4.2010						
16 months	24 months						
Criteria for eligibility of jobsekers according Act No. 5,	/2004 Coll.:						
minimum registration period in register of jobseekers: 3 months							
jobseeker aplly for intervence o	fficially in written apllication form						
	jobseeker must carry out his business plan						
	jobseeker must attend course devoted to the business						
	preparation.						
Sustainability of self-employment:							
minimum two years	minimum two years						
Terms of the intervention:							
Ammounth of grant differ from next period	Ammounth of grant differ from previous period						
	Financial support can be provided several times. Since						
	1.4.2009 - 30.4.2010 next support can be provided not						
Financial support can be provided several times.	less than three monts after sustainability of previous						
Financial support can be provided several times.	less than three monts after sustainability of previous						

Source: Act No. 5/2004 Coll., § 51

In the table below there are presented the numbers of treated jobseekers during the reference periods of the impact evaluation. In total there was supported more than 40 thousand of jobseekers who started their own businesses. We covered in a total 40 months of implementation of § 49 between the years 2007 till 2010, where more than a thousand jobseekers per month were supported. In the first reference period there were treated almost 14 thousand jobseekers in 16 months, which is 850 jobseekers per month. In the second period of 24 months it was almost 26,500 treated jobseekers and on average 1,100 jobseekers per month.

	Reference period					
	1.1.2007 - 30.4.2008	1.5.2008 - 30.4.2010	total			
	16 months	24 months				
No. of treated jobseekers	13 650	26 486	40136			
Average per month	853	1104	1003			

Source: COLSaF, authors

# 5.3 Target group of self-employment promotion

The act of employment services introduced a wide definition of target group for support of self-employment: every jobseeker that is registered more than three months in the database of Public employment service office.

Since 1st January 2007 till 30th April 2008 it was eligible to enrol in the intervention every jobseeker:

- who was registered for at least 3 months in the database of jobseekers,
- who officially submitted an application in written form

From 1st May 2008 till 30th April 2010 the rules were changed: Eligible for support of self-employment was any jobseeker who:

- was registered for at least 3 months in the database of jobseekers,
- officially submitted an application in written form,
- attended a training program promoted under § 46 of the Act of employment services. This specific training is focused on gaining some theoretical and practical knowledge. This training was obligatory granted to the candidates for self-employment;
- carried out a business plan covering budget.

Controls selected in our samples are jobseekers that were eligible during the reference periods. The controls had to meet the following conditions:

- registered for at least 3 months in the database of jobseekers,
- non-treated by any intervention,
- registered in the database of SIA as self-employed in the reference period. Through that selection we could make sure of the equal motivation and ability of the treated and non-treated to start self-employment, prepare and establish a business.

# 5.4 Test of representativeness of the samples

As we mentioned before, during the process of creating the samples, some individuals were excluded from the sample because they did not have recorded all the values of the variables. For the reason of the records missing data, it was required to reduce the sample and verify the representativeness of the finally selected samples. We tested the equality of distributions of frequencies of variables for individuals which are included in the final sample with those who were excluded and did have not all variables recorded. We used the Kolmogorov – Smirnov test for this purpose.

# **5.4.1** Treated group excluded from the sample

As for the case of non-treated individuals, we tested the equality of distributions of variables in the set of treated individuals included in the final sample and those excluded ones because of some missing value. We used the Kolmogorov – Smirnov test too. The results are in the following table.

results are in the following	<u>U</u>			
	Hypothesis Test	Summary		
	Treated F	P49		
Variable	Null Hypothesis	Test	Sig.	Decision
Gender			0,518	The null hypothesis was confirmed.
Marital status			0,893	The null hypothesis was confirmed.
Level of education (10 categories)			0,988	The null hypothesis was confirmed.
Level of education (5 categories)	The distribution of values is the same across	Independent- Samples	0,441	The null hypothesis was confirmed.
Disadvantages	categories of selected / non selected	Kolmogorov- Smirnov Test	1,000	The null hypothesis was confirmed.
Evidence before 2007 (in months)			0,037*	The null hypothesis was not confirmed.
Following registration in SIA			0,964	The null hypothesis was confirmed.
Driving licence (16 categories)			0,415	The null hypothesis was confirmed.
Unemployed in months	The distribution of Unemployed in months is the same across categories of selected / non selected	Independent- Samples Kolmogorov- Smirnov Test	0,067	The null hypothesis was confirmed.
Total period of all registrations in months (COLSaF)	The distribution of Total period of all registrations in months (COLSaF) is the same across categories of selected / non selected	Independent- Samples Mann- Whitney U Test Independent- Samples Kruskal- Wallis Test	0,382	The null hypothesis was confirmed.
* for a significance level 0,01 the	null hypothesis will be retain	ed		

As is presented in the tables above, the distributions of frequencies of all listed variables are the same for dropped individuals and those which were included into the final sample. Only in the case of the variable *Evidence before 2007*, the null hypothesis is unconfirmed. But in the case of using the significance level 0.01 instead of 0.05 the hypothesis would have been confirmed. That means, it is possible to assume that our created sample is representative for the whole population.

# 5.4.2 Distributions of frequencies of treated individuals included and excluded from the sample

In the tables below the frequencies of values of all variables are compared for included individuals and those excluded in the set of treated jobseekers.

	Individuals and those excluded  Gender Crosstabulation				Ĭ	Driving licence_16 categories Crosstabulation				
	Gender Crosstabulation		un	l		DIIV	ing incence_to categories			1
		non						non		Total
		selected	selected	Total			Driving license: group	selected	selected	
	men	10424	4701	15125			DE	5	1	6
Gender	women	5886	3255	9141			Driving license: group D	47	23	70
	unknown	15	0	15			Driving license: group D1E	5	1	6
Total		16325	7956	24281			Driving license: group D1	47	23	70
							Driving license: group	131	76	207
	Marital status Crosstabulati	on				-	CE Driving license: group	410	221	631
	maritar status or osstabulati	-					C Driving license: group			
		non	l	Total			C1E Driving license: group	131	76	
		selected	selected			Driving licence_16	C1	410	221	631
	unknown	30	0	30		categories	Driving license: group BE	131	76	207
	registered partners	1	0	1			Driving license: group B	1398	839	2237
	divorced	1187	533	1720			Driving license: group B1	1398	839	2237
Marital status	single	5647	3396	9043			Driving license: group A	536	300	836
	widow	138	42	180			Driving license: group	0	0	0
	married	9322	3985	13307			A2 Driving license: group	536	300	
Total	illarrieu						A1 Driving license: group			
		16325	7956	24281			AM	1419	847	2266
							Driving license: group T		244	692
Unemployed before 2007 in months C		rosstabulation				Total		7052	4087	11139
		group		Total						
		non selected	selected			T	ypes of disadvantages Cro	sstabulati	ion	
Unemployed before 2007 in	< 1 year	4109	1935	6044		Count				
										_
	1 - 3 years	4300	2158	6458				gro	up	
	1 - 3 years > 3 years	4300	2158 1815	6458 6012				non	selected	Total
							no disadvantage			
Total	> 3 years	4197	1815	6012		Types of	no disadvantage graduate	non selected	selected	23689
Total	> 3 years	4197 3719	1815 2048	6012 5767		Types of disadvantages		non selected 15960	selected 7729	23689 473
Total	> 3 years	4197 3719 16325	1815 2048 7956	6012 5767		disadvantages	graduate	non selected 15960 264	7729 209	23689 473
Total	> 3 years no evidence	4197 3719 16325	1815 2048 7956	6012 5767			graduate long - term unemployed	non selected 15960 264 88	7729 209	23689 473 105 14
Total	> 3 years no evidence	4197 3719 16325	1815 2048 7956	6012 5767		disadvantages	graduate long - term unemployed	non selected 15960 264 88	7729 209 17	23689 473 105 14
Following	> 3 years no evidence	4197 3719 16325 stabulatio gro	1815 2048 7956	6012 5767 24281		disadvantages	graduate long - term unemployed	non selected 15960 264 88	7729 209 17	23689 473 105 14
Following registration in SIA	> 3 years no evidence Following registration in SIA Cross	4197 3719 16325 stabulatio gro non selected	1815 2048 7956 n	6012 5767 24281 Total		disadvantages	graduate long - term unemployed	non selected 15960 264 88	7729 209 17	23689 473 105 14
Following registration	> 3 years no evidence Following registration in SIA Cross no registration	3719 16325 stabulatio gro non selected 495	2048 7956 n selected	6012 5767 24281 Total 1646		disadvantages	graduate long - term unemployed	non selected 15960 264 88	7729 209 17	23689 473 105 14
Following registration in SIA	> 3 years no evidence Following registration in SIA Cross no registration	4197 3719 16325 stabulatio grc non selected 495 15830	1815 2048 7956 n up selected 1151 6805	6012 5767 24281 Total 1646 22635		disadvantages	graduate long - term unemployed	non selected 15960 264 88	7729 209 17	23689 473 105 14
Following registration in SIA	> 3 years no evidence Following registration in SIA Cross no registration	4197 3719 16325 stabulatio grc non selected 495 15830	1815 2048 7956 n up selected 1151 6805	6012 5767 24281 Total 1646 22635		disadvantages	graduate long - term unemployed	non selected 15960 264 88	7729 209 17	23689 473 105 14
Following registration in SIA Total	> 3 years no evidence Following registration in SIA Cross no registration	4197 3719 16325 stabulatio group 16325 15830 16325	1815 2048 7956 n up selected 1151 6805	6012 5767 24281 Total 1646 22635		disadvantages	graduate long - term unemployed	non selected 15960 264 88	7729 209 17	23689 473 105 14
Following registration in SIA Total	> 3 years no evidence Following registration in SIA Cross no registration	4197 3719 16325 stabulatio gro non selected 495 15830 16325	1815 2048 7956 n up selected 1151 6805	6012 5767 24281 Total 1646 22635 24281		disadvantages	graduate long - term unemployed	non selected 15960 264 88	7729 209 17	23689 473 105 14
Following registration in SIA Total	> 3 years no evidence Following registration in SIA Cross no registration	4197 3719 16325 stabulatio gro non selected 495 15830 16325 group non	1815 2048 7956 n up selected 1151 6805 7956	6012 5767 24281 Total 1646 22635 24281		disadvantages	graduate long - term unemployed	non selected 15960 264 88	7729 209 17	23689 473 105 14
Following registration in SIA Total	> 3 years no evidence  Following registration in SIA Cross no registration following registration	4197 3719 16325 stabulatio grc non selected 495 15830 16325	2048 7956 n selected 1151 6805 7956	Total Total Total		disadvantages	graduate long - term unemployed	non selected 15960 264 88	7729 209 17	23689 473 105 14
Following registration in SIA Total	> 3 years no evidence  Following registration in SIA Cross no registration following registration  Not finished education	4197 3719 16325 stabulatio grc non selected 495 15830 16325 group non selected 63	2048 7956 n selected 1151 6805 7956	Total 24281  Total 22635 24281  Total 646		disadvantages	graduate long - term unemployed	non selected 15960 264 88	7729 209 17	23689 473 105
Following registration in SIA Total  Level of education_10	> 3 years no evidence  Following registration in SIA Cross no registration following registration  Not finished education  Primary education	4197 3719 16325 stabulatio group 15830 16325 group 16325 3914	1815 2048 7956 n selected 1151 6805 7956  selected 1 145 24 2282	Total 1646 22635 24281 Total 644 347 69 6196		disadvantages	graduate long - term unemployed	non selected 15960 264 88	7729 209 17	23689 473 105
Following registration in SIA Total  Level of education 10  Level of education_10	> 3 years no evidence  Following registration in SIACross no registration following registration  Not finished education Primary education Lower secondary professional edu Secondary vocational education Full secondary vocational education	4197 3719 16325 stabulatio gro non selected 495 15830 16325 group non selected 63 202 45 3914 5325	1815 2048 7956 n pup selected 1151 6805 7956 selected 1 145 24 2282	Total  Total  Total  4347  69  6196  8998		disadvantages	graduate long - term unemployed	non selected 15960 264 88	7729 209 17	23689 473 105
Following registration in SIA  Total  Level of education 10	> 3 years no evidence  Following registration in SIACross  no registration following registration  Not finished education Primary education Lower secondary professional education Full secondary vocational education Full secondary comprehensive edu	4197 3719 16325 stabulatio gromon selected 495 15830 16325 group non selected 63 202 45 3914 5325 662	1815 2048 7956 n pup selected 1151 6805 7956 selected 1 145 24 2282 3673 489	Total  Total  Total  44281  Total  Total  644  347  69  6196  8998  1151		disadvantages	graduate long - term unemployed	non selected 15960 264 88	7729 209 17	23689 473 105
Following registration in SIA Total  Level of education 10  Level of education_10	> 3 years no evidence  Following registration in SIACross  no registration following registration  Not finished education  Primary education  Lower secondary professional education  Full secondary vocational education  Full secondary comprehensive edu  Upper vocational education	4197 3719 16325 stabulatio group non selected 63 202 45 3914 5325 662	1815 2048 7956 n up selected 1151 6805 7956 selected 1 145 24 2282 3673 489	Total  Total  Total  44281  Total  Total  644  347  69  6196  8998  1151  5		disadvantages	graduate long - term unemployed	non selected 15960 264 88	7729 209 17	23689 473 105
Following registration in SIA Total  Level of education 10  Level of education_10	> 3 years no evidence  Following registration in SIACross no registration following registration  Not finished education Primary education Lower secondary professional education Full secondary vocational education Full secondary comprehensive edu Upper vocational education Bachelor	4197 3719 16325 stabulatio group non selected 63 202 45 3914 5325 662 1	1815 2048 7956 n up selected 1151 6805 7956 selected 1 145 24 2282 3673 489 4 18	Total Total Total Total Total Total Total 44 347 69 6196 8998 1151 5		disadvantages	graduate long - term unemployed	non selected 15960 264 88	7729 209 17	23689 473 105
Following registration in SIA Total  Level of education 10  Level of education_10	> 3 years no evidence  Following registration in SIACross no registration following registration  Not finished education Primary education Lower secondary professional education Full secondary vocational education Full secondary comprehensive edu Upper vocational education Bachelor Master	4197 3719 16325 stabulatio group non selected 495 15830 16325  group 3914 5325 662 1 222 1713	1815 2048 7956 n up selected 1151 6805 7956  selected 1 145 24 2282 3673 489 4 188 1318	Total Total Total Total Total Total Total 44 347 69 6196 8998 1151 5 40 3031		disadvantages	graduate long - term unemployed	non selected 15960 264 88	7729 209 17	23689 473 105
Following registration in SIA Total  Level of education 10  Level of education_10	> 3 years no evidence  Following registration in SIACross no registration following registration  Not finished education Primary education Lower secondary professional education Full secondary vocational education Full secondary comprehensive edu Upper vocational education Bachelor	4197 3719 16325 stabulatio group non selected 63 202 45 3914 5325 662 1	1815 2048 7956 n up selected 1151 6805 7956 selected 1 145 24 2282 3673 489 4 18	Total Total Total 44 347 69 6196 8998 1151 5 40 3031		disadvantages	graduate long - term unemployed	non selected 15960 264 88	7729 209 17	23689 473 105 14

## **5.4.3** Non-treated group excluded from the sample

For testing the probability distributions of frequencies for non-treated individuals included and excluded from the sample we used the Kolmogorov – Smirnov test. As was already mentioned, it compared the probability distributions of the sample of included non-treated individuals with the sample of excluded non-treated individuals. We got the following results:

	Hypothesis <sup>-</sup>	Test Summary		
	Non tre	ated P49		
Variable	Null Hypothesis	Test	Sig.	Decision
Gender	The distribution of		0,518	The null hypothesis was confirmed.
Marital status			0,139	The null hypothesis was confirmed.
Level of education (10 categories)			0,055	The null hypothesis was confirmed.
Level of education (5 categories)	The distribution of count is the same	Independent- Samples	0,005	The null hypothesis was not confirmed.
Disadvantages	across categories of selected / non	Kolmogorov- Smirnov Test	0,124	The null hypothesis was confirmed.
Evidence before 2007 (in months)	selected		0,699	The null hypothesis was confirmed.
Following registration in SIA			0,270	The null hypothesis was confirmed.
Driving licence (16 categories)			0,001	The null hypothesis was not confirmed.

As we can see in the table above, the distribution of frequencies of all variables listed in the table is the same between groups of excluded individuals and those included in the sample. Only for one variable the null hypothesis about the same distribution of the samples was not confirmed: the variable School (in 5 categories) and variable *Driving licence* (in 16 categories).). All other variables have the same distribution. That means, by excluding the individuals with a missing record we did not have significantly different groups. So our group of non-treated individuals is representative for the whole population of non-treated jobseekers.

# 5.4.4 Distributions of frequencies of non-treated individuals included and excluded from the sample

In the tables below are presented the frequencies of values of all variables compared for included individuals and those excluded from our samples.

	Gender Crosstabulation	n			n	riving licence_16 categories Cro	sstabulati	on	
	Centur Orossiaburano	gro	up			Tring notified_to categories ore	gro		
		selected	non	Total			selected	non	Total
	men	17212	selected 303692	Total 320904		Driving license: group DE	39	selected 319	358
Gender	women	5172	300643	305815		Driving license: group D	251	2832	3083
	unknown	0	267	267		Driving license: group D1E	41	343	384
Total		22384	604602	626986		Driving license: group D1	251	2832	3083
		22001	00.002	020000			841	8223	9064
						Driving license: group CE			<u> </u>
	Marital status Crosstabula		tion			Driving license: group C	2370	23189	25559
		gro	non	Total		Driving license: group C1E	841	8223	9064
		selected	selected		Driving licence_16	Driving license: group C1	2370	23189	25559
	unknown	0	1761	1761	categories	Driving license: group BE	841	8223	9064
	registered partners	3	274	277		Driving license: group B	7169	96364	103533
Marital	divorced	2132	63121	65253		Driving license: group B1	7169	96364	103533
status	single	7913	<b>23</b> 4879	242792		Driving license: group A	2599	32509	35108
	widow	202	13551	13753		Driving license: group A2	0	7	7
	married	12134	<b>291</b> 016	303150		Driving license: group A1	2599	32509	35108
Total		22384	604602	626986		Driving license: group AM	7261	98309	105570
						Driving license: group T	2579	25985	28564
	Unemployed before 2007 in months	Crosstabul	ation		Total	Total		459420	496641
		group		Total					
		selected	non selected			Types of disadvantages Crosstabulation			
Unemploye d before	< 1 year	5414	473906	479320	Count				
	1 - 3 years	6467	0	6467			gro	up	
	> 3 years	5988	0	5988			selected	non selected	Total
T !	no evidence	0	130696	130696		no disadvantage	20925	555077	576002
Total		17869	604602	622471		graduate	197	8342	8539
	Fallender varietesties in Old Ose					long - term unemployed	1026	32430	33456
	Following registration in SIA Cro	gro			Types of	low education level	3	45	48
		git			disadvantages	armonizational	3	518	521
i		selected	non		uisauvaiitages	organizational	3	518 78	521 79
Following	no registration	selected 0	non selected	Total	ursauvantages	poor working discipline	1	78	79
Following registration in SIA	no registration following registration	0 22384	non selected		ursauvantayes				79
registration		0	non selected 119244	119244	uisauvainages	poor working discipline	1 11	78 281	79 292
in SIA Total		22384	non selected 119244 485358	119244 507742	Total	poor working discipline care age over 50 years	1 11 205	78 281 7171	79 292 7376
in SIA		22384	non selected 119244 485358	119244 507742		poor working discipline care age over 50 years	1 11 205 13	78 281 7171 660	79 292 7376 673
in SIA  Total  Level of		22384	non selected 119244 485358 604602	119244 507742		poor working discipline care age over 50 years	1 11 205 13	78 281 7171 660	79 292 7376 673
in SIA  Total  Level of		0 22384 22384	non selected 119244 485358	119244 507742 626986		poor working discipline care age over 50 years	1 11 205 13	78 281 7171 660	79 292 7376 673
in SIA  Total  Level of		0 22384 22384 group selected	non selected 119244 485358 604602 non selected 4256	119244 507742 626986 Total		poor working discipline care age over 50 years	1 11 205 13	78 281 7171 660	79 292 7376 673
in SIA  Total  Level of	following registration  Not finished education  Primary education	0 22384 22384 group selected 1 930	non selected 119244 485358 604602 non selected 4256 49092	119244 507742 626986 Total 4257 50022		poor working discipline care age over 50 years	1 11 205 13	78 281 7171 660	79 292 7376 673
in SIA  Total  Level of	following registration  Not finished education  Primary education  Lower secondary professional education	22384 22384  group selected 1 930 277	non selected 119244 485358 604602 non selected 4256 49092 4559	119244 507742 626986 Total 4257 50022 4836		poor working discipline care age over 50 years	1 11 205 13	78 281 7171 660	79 292 7376 673
registration in SIA  Total  Level of education  Level of	following registration  Not finished education  Primary education  Lower secondary professional	0 22384 22384 22384 group selected 1 930 277 9841	non selected 119244 485358 604602 non selected 4256 49092 4559	119244 507742 626986 Total 4257 50022 4836 190408		poor working discipline care age over 50 years	1 11 205 13	78 281 7171 660	79 292 7376 673
registration in SIA Total  Level of education_	Not finished education  Primary education  Lower secondary professional education Secondary vocational education	9841 8429	non selected 119244 485358 604602 non selected 4256 49092 4559 180567	119244 507742 626986 Total 4257 50022 4836 190408		poor working discipline care age over 50 years	1 11 205 13	78 281 7171 660	79 292 7376 673
Level of education_  Level of education_  Level of education_  10	Not finished education  Primary education Lower secondary professional education Secondary vocational education Full secondary vocational education Full secondary comprehensive education	0 22384 22384 22384 group selected 1 930 277 9841	non selected 119244 485358 604602 non selected 4256 49092 4559	119244 507742 626986 Total 4257 50022 4836 190408		poor working discipline care age over 50 years	1 11 205 13	78 281 7171 660	79 292 7376 673
Level of education_  Level of education_  Level of education_  10	Not finished education  Primary education  Lower secondary professional education Secondary vocational education Full secondary comprehensive	930 277 9841 8429 882	non selected 119244 485358 604602 non selected 4256 49092 4559 180567 143021 20131	119244 507742 626986 Total 4257 50022 4836 190408 151450 21013		poor working discipline care age over 50 years	1 11 205 13	78 281 7171 660	79 292 7376 673
Level of education_  Level of education_  Level of education_  10	following registration  Not finished education  Primary education  Lower secondary professional education  Secondary vocational education  Full secondary comprehensive education  Upper vocational education	9841 882 200	non selected 119244 485358 604602 non selected 4256 49092 4559 180567 143021 20131 363	119244 507742 626986 Total 4257 50022 4836 190408 151450 21013 383		poor working discipline care age over 50 years	1 11 205 13	78 281 7171 660	79 292 7376 673
Level of education_  Level of education_  Level of education_  10	following registration  Not finished education  Primary education  Lower secondary professional education  Secondary vocational education  Full secondary vocational education  Full secondary comprehensive education  Upper vocational education  Bachelor	930 277 9841 8429 882 20 84	non selected 119244 485358 604602 non selected 4256 49092 4559 180567 143021 20131 363 2248	119244 507742 626986 Total 4257 50022 4836 190408 151450 21013 383 2332		poor working discipline care age over 50 years	1 11 205 13	78 281 7171 660	79 292 7376 673

## 5.5 Description of samples

This chapter should describe some facts about the sample at the time before the creation of pairs. This is another milestone in the path to gain matched individuals willing to establish self-employment in treated and control groups distinguished by four follow-up reference periods which should ensure the homogeneity of intervention and validity of the counterfactual impact evaluation.

The heat or intensity map presents the number of individuals that enrolled in the

self-employment program promotion. Red areas represent the districts that were the most frequently supported. obvious that the majority of the participants in the samples are from the south-east parts of which Slovakia. are highly exposed to the unemployment rate. i.e. places were the intervention mostly took but



growing the established business of self-employed jobseekers is very limited due to the regional purchasing power according to the lower average degree of wage in the affected areas by unemployment.

#### 5.5.1 Permanent residence

The stated samples are composed from almost 2, 400 treated jobseekers and more than 6 thousand of eligible non-treated jobseekers.

Our individuals selected into treated and non-treated samples for both reference periods are from all regions of Slovakia. Frequencies of treated and non-treated in the regions are distributed with the biggest difference being 2 %. Most of the jobseekers selected into our samples belong to Presov region and Banska Bystrica region where there is the highest unemployment rate Slovakia. At the first look at the table it is obvious there is a relation between average unemployment rate

in the reference period and number of individuals covered by the samples.

Coefficients of the correlation clarify the relation between the number of treated individuals and average unemployment rate

	1-st reference period: 1.1.2007 – 30.4.2008										
Region		permanent e_treated		permanent _non-treated	Differences between	Average of unemployment rate in					
Ů	Frequency	Percent	Frequency	Percent							
Bratislava region	175	7,4	326	5,4	-2,0	2,2					
Trnava region	181	7,6	444	7,3	- <b>0</b> β	4,4					
Trencin region	213	9,0	523	8,6	- <b>0,</b> 3	4,7					
Nitra region	253	10,6	696	11,5	0,8	7,4					
Zilina region	265	11,2	769	12,7	1,5	6,7					
Banskabystrica region	425	17,9	1002	16,5	-1,4	15,1					
Presov region	550	23,1	1412	23,3	0,1	13,3					
Kosice region	314	13,2	893	14,7	1,5	12,8					
Total	2376	100,0	6065	100,0	-	9,2					

	2-nd reference period: 1.5.2008 – 30.4.2010										
Region		permanent e_treated		permanent _non-treated	Difference between	Average unemployment rate in					
	Frequency	Percent	Frequency	Percent	groups (%)	residence region (%)					
Bratislava region	350	5,9	825	5,1	-0,9	3,9					
Trnava region	482	8,2	1199	7,3	-0,8	7,2					
Trencin region	651	11,0	1657	10,2	-0,9	8,2					
Nitra region	550	9,3	1653	10,1	0,8	10,4					
Zilina region	783	13,3	2455	15,0	1,8	10,3					
Banskabystrica region	965	16,3	2515	15,4	-0,9	18,4					
Presov region	1315	22,3	3938	24,1	1,9	17,2					
Kosice region	809	13,7	2077	12,7	-1,0	15,4					
Total	5905	100,0	16319	100,0	-	12,3					

1-st reference period: 1.1.2007 – 30.4.2008								
Correlation	treated	non-treated						
Average of unemployment rate in reference period (%)	0,8699	0,8809						
2-nd reference perio	od: 1.5.2008 – 30	.4.2010						
Correlation	treated	non-treated						
Average of unemployment rate in reference period (%)	0,8777	0,8171						

in the concrete region. There is a possitive correlation between these variables.

#### **5.5.2 Gender**

The tables indicate that intervention motivates women to establish a business or become self-employed because there is almost 16 % difference between treated and non-treated groups of women in the first reference period and almost 19 % in the second reference period. Generally, women have some barriers for making the decision to start a business. It is possible to expect a following reduction of samples after pairing according to the different share of men in treated and non-treated groups.

#### 5.5.3 Marital status

Next to the text is presented a distribution of the marital status of treated and non-treated jobseekers for both reference periods. As the green bar charts shows, most of the individuals covered by all samples are married and single. Registered partners, divorced and widows are the minority of the samples. The biggest differences are between treated and non-treated in single jobseekers for both reference periods (more than 8 %). Through that fact we can assume a bigger willingness of

1-st	: re	ferenc	e perio	od: 1.1.	2007	- 3	0.4.20	08
	G	ender_tı grou			Gender_non- treated group			ences
	Frequency P		Percent	Frequenc	y Per	cent	groups	
men		1345	56,6	438	4	72,3	15	,7
women		1031	43,4	168	1 _ 2	27,7	-15	,7
Total		2376	100,0	606	5 10	00,0		
2-nc	l re	eferen	ce peri	iod: 1.5.	2008	3 — 3	30.4.20	010
	G	ender_t	reated	Gende trea	_		Differe betwe	
Gender	Fre	equency	Percent	Frequenc		cent	groups	
men		3534	59,8	1282	8	78,6		18,8
women		2371	40,2	349	1 2	21,4		-18,8
Total		5905	100,0	1631	9 10	00,0	-	

	1-st reference period: 1.1.2007 – 30.4.2008									
	trea	ited	non-tr	Differences between						
	Frequency	Percent	Frequency	Percent	groups (%)					
registered partners	0	,0	1	,0	,0					
divorced	166	7,0	595	9,8	2,8					
single	872	36,7	2024	33,4	<b>-3</b> 3					
widow	15	,6	57	,9	,3					
married	1323	55,7	3388	55,9	0,2					
Total	2376	100,0	6065	100,0	-					

	2-na reterence perioa: 1.5.2008 – 30.4.2010										
Type of	Marital stat	us_treated	Marital status	Difference between							
marital status	Frequency	Percent	Frequency	Percent	groups (%)						
registered partners	0	,0	2	,0	,0						
divorced	402	6,8	1537	9,4	2,6						
single	2617	44,3	5889	36,1	-8,2						
widow	28	0,5	145	,9	0,4						
married	2858	48,4	8746	53,6	5,2						
Total	5905	100,0	16319	100,0							

single jobseekers to undergo risky of single people without family commitments in comparison to jobseekers with another marital status.

## **5.5.4** Type of disadvantage

It is suspicious that variables were not measured equally for all registered jobseekers because just about five percent of the sample admitted symptoms of a disadvantage. Most of the jobseekers in both reference periods and for treated and non-treated groups do not have any disadvantage.

According to another variable which summarizes the months of jobseekers registration, more than 80 % of both groups were registered for more than one year, which indicates a long-term unemployment disadvantage.

# 5.5.5 Age

The average age of treated jobseekers in both reference periods is more than 34 years. Non-treated individuals covered in samples for both reference periods have, on average, time more than 41

	1-st reference period: 1.1.2007 – 30.4.2008									
		isadvantag	jes_treated	Disadvantage	Differences between					
Type of disadvantage	Frequency		Percent	Frequency	Percent		ps (%)			
no disadvantage		2297	96,7	5695	93,9		-2,8			
graduate		79	3,3	58	1,0		-2,4			
long - term unemployed		0	0,0	249	4,1		4,1			
low education level		0	0,0	1	,0		0,0			
organizational		0	0,0	2	,0,		0,0			
care		0	0,0	2	,0	i	0,0			
age over 50 years		0	0,0	55	,9	i	0,9			
disabled		0	0,0	3	,0		0,0			
Total		0	0,0	6065	100,0	ĺ				

2-nd reference period: 1.5.2008 – 30.4.2010										
Type of disadvantages	Disadvantag	es_treated	Disadvantages trea		Difference between groups (%)					
	Frequency	Percent	Frequency	Percent						
no disadvantage	5731	97,1	15230	93,3		-3,7				
graduate	156	2,6	139	,9		-1,8				
long - term unemployed	17	,3	777	4,8		4,5				
low education level	0	,0	2	,0		0,0				
organizational	0	,0	1	,0		0,0				
poor working discipline	0	,0	1	,0		0,0				
care	0	,0	9	,1		0,0				
age over 50 years	1	,0	150	,9		0,9				
disabled	0	,0	10	,1		0,0				
Total	5905	100,0	16319	100,0	-					

years of age in the first reference period and more than 40 for the second reference period. Half of the treated samples have less than 33 years and less than forty in non-treated groups. The youngest treated jobseekers in the first reference period are 18 years old and in the second reference period 19 years old. On the other hand, the oldest treated jobseekers in the first reference period have 61 years of age and in the second reference period 73 years of age. These extreme ages show that intervention for starting a business also got jobseekers that were eligible for retirement in two years after the obligatory sustainable period.

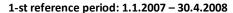
		1-st refere	nce period:	1.1.2007 -	30.4.2008	2-nd refere	nce period	: 1.5.2008 -	30.4.2010	
A	GE	Treated		Non-treated		Descriptive	es_treated	Descriptives_non-treated		
		Statistic	Std. Error	Statistic	Std. Error	Statistic	Std. Error	Statistic	Std. Error	
Mean		34,6351	,21170	41,5151	,13141	34,6334	,13075	40,6408	,08096	
95%	Lower Bound	34,2200		41,2575		34,3771		40,4821		
Confidence Interval for	Upper Bound	35,0502		41,7727		34,8897		40,7995		
5% Trimmed Mean		34,3381		41,2440		34,1834		40,3899		
Median		33,0000		40,0000		33,0000		39,0000		
Variance		106,488		104,735		100,948		106,958		
Std. Deviation		10,31929		10,23403		10,04731		10,34204		
Minimum		18,00		19,00		18,00		19,00		
Maximum		61,00		68,00		75,76		73,49		
Range		43,00		49,00		57,76		54,49		
Interquartile Range		17,00		16,00		14,00		17,00		
Skewness		,381	,050	,338	,031	,626	,032	,357	,019	
Kurtosis		-,866	,100	-,899	,063	-,150	,064	-,842	,038	

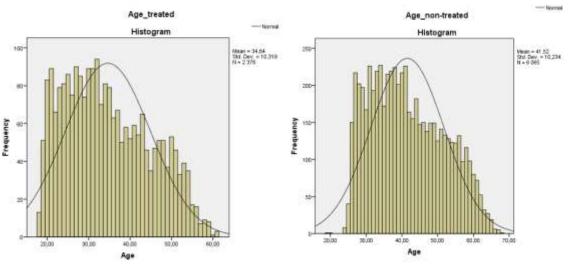
The Kolmogorov-Smirnov test of normality does not confirm the normal distribution of

age in both reference periods for treated and non-treated jobseekers in the created samples.

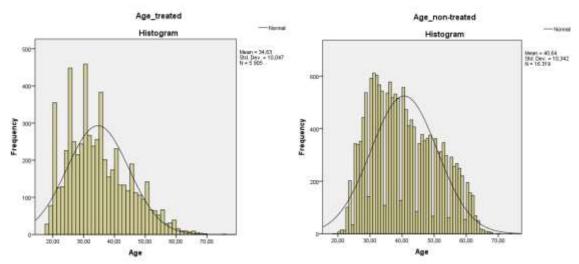
On the other side, histograms of distributions of age of jobseekers indicate normal distribution with right-side distribution.

Tests o	of Normality of	treated	Tests of Normality of non-treate			
Kol	mogorov-Smirn	iov <sup>a</sup>	Kolmogorov-Smirnov <sup>a</sup>			
Statistic	df	Sig.	Statistic	df	Sig.	
,082	2376	,000	,076	6065	,00,	
	2-nd refere	ence period	: 1.5.2008 –	30.4.2010		
Tests	of Normality_tr	eated	Tests of Normality_non-treated			
Kol	mogorov-Smirn	iov <sup>a</sup>	Kolmogorov-Smirnov <sup>a</sup>			
Statistic	df	Sig.	Statistic	df	Sig.	
.077	5905	,000	,076	16319	,00,	



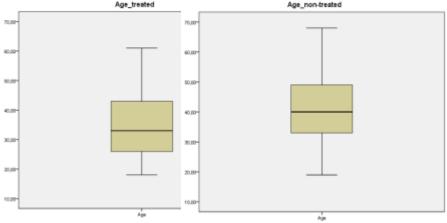


2-nd reference period: 1.5.2008 - 30.4.2010

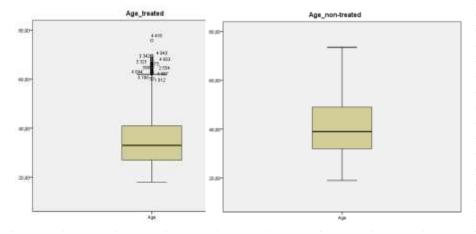


Boxplots in the charts below this text confirm a symmetric distribution of jobseekers age. The boxplot for the treated group of jobseekers in the second reference period present the outliers of the oldest treated individuals.

1-st reference period: 1.1.2007 - 30.4.2008



2-nd reference period: 1.5.2008 - 30.4.2010



### 5.5.6 Level of education

Again in this case the green bar charts in the table next to the text indicate a similar distribution in the treated and non-treated groups across reference periods. The most frequently represented are groups of jobseekers who achieved secondary vocational school as the highest education level. The next most frequent group of highest level of education graduates of vocational school. These groups create more than 75 % in treated groups in both reference periods and more than 81 % in nontreated groups. In the category of vocational school graduates, the most notable difference is between treated

1-st reference period: 1.1.2007 – 30.4.2008							
Level of education	Level of education_5 categories_treated			Level of ed categories	Differences between		
	Frequency		Percent	Frequency Percent		groups (%)	
primary shool		81	3,4	304	5,0		1,6
secondary vocational school		1025	43,1	2474	40,8	-	2,3
vocational school		790	33,2	2490	41,1		7,8
comprehensive school		139	5,9	272	4,5	-	1,4
colege		341	14,4	525	8,7	-	5,7
Total		2376	100,0	6065	100,0	-	

2-nd reference period: 1.5.2008 – 30.4.2010							
Level of education	Level of education_5 categories			Level of ed	Difference between		
	Free	quency	Percent	Frequency	Percent	groups (%)	
primaryshool		90	1,5	624	3,8	2,3	
secondary vocational school		2479	42,0	6629	40,6	-1,4	
vocational school		1953	33,1	6964	42,7	9,6	
comprehensive school		362	6,1	622	3,8	-2,3	
colege		1021	17,3	1480	9,1	-8,2	
Total		5905	100,0	16319	100,0	-	

and non-treated groups across the periods (more than 7 %). The biggest negative difference between treated and non-treated groups is in the group of college graduates (about 7 %). Those facts indicate an increased motivation of vocational school graduates

to be self-employed and a lower motivation of college graduates to establish their own business.

# 5.5.7 Registered before 2007

This variable informs us about the period of individuals' registration in the database of jobseekers before the first reference period.

From the table next to the text it is obvious that most of the treated and non-treated jobseekers long-term are unemployed. In the first reference period more than 60 % of long-term unemployed jobseekers and in the second period about half of jobseekers are covered by our samples. The

1	st referenc	e period: 1	L.1.2007 – 3	30.4.2008	
Unemployed before 2007	trea	ted	non-tr	Differences between	
	Frequency	Percent	Frequency	Percent	groups (%)
no	267	11,2	591	9,7	-1,5
< 1 year	495	20,8	1385	22,8	2,0
> 3 years	900	37,9	1949	32,1	-5,7
1 - 3 years	714	30,1	2140	35,3	5,2
Total	2376	100,0	6065	100,0	0,0
2-	nd referen	ce period:	1.5.2008 –	30.4.2010	
Unemployed before 2007	Trea	ted	Non-tr	Difference	
	Frequency	Percent	Frequency	Percent	between groups (%)
no	1784	30,2	3924	24,0	-6,2
< 1 year	1441	24,4	4029	24,7	0,3
> 3 years	1184	20,1	4518	27,7	7,6
1 - 3 years	1496	25,3	3848	23,6	-1,8
Total	5905	100.0	16319	100.0	-

biggest differences between groups of treated and non-treated are about 6 %.

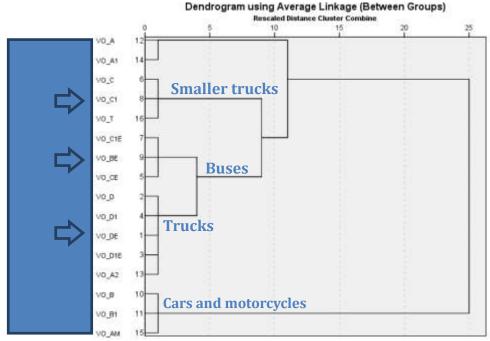
## 5.5.8 Category of driving licence

A driving licence gives permission to drive with 16 types of vehicle. During realization of exact matching we found out that due to the wide range of categories of driving licence it is difficult to find pairs. That was the impulse for thinking how to eliminate the wide categorization of driving licences of jobseekers. We carried out a cluster analysis which sorted permits for different categories of vehicles into groups which gave a maximization of homogeneity of vehicle categories.

Hierarchical clustering is based on the gradual merging of the closest pair of cases or clusters which have formed in one - each step merges one pair and the distance matrix is recalculated for the newly formed group. The algorithm is continued until all of the cases are in a cluster.

We tested the categorization in a dataset of self-employed treated and non-treated groups of jobseekers in the both reference periods. In total we tested more than 30 thousand of jobseekers. The dendrogram below presents proposed clusters by vehicle types. At the fundamental level, the dendrogram shows 5 clusters, but if we assume the relation to employability there is no high contribution of the fact that a jobseeker has a driving licence for motorcycles. There are not very many types of jobs in the culture of Slovakia which would lead to holding a driving licence for motorcycles, as there are for instance in Italy. That is why we used just 4 clusters of driving licences. The cluster of motorcycles was merged into the cluster of small cars and motorcycles.

There are just four types of clusters: cars and motorcycles, smaller trucks, trucks and buses.



Most of the treated and non-treated jobseekers are not holders of any driving licence (more than 88 %). Just less than 12 % of treated jobseekers in the samples are holders of a driving licence for cars and motorcycles categories, and less than 33 % of the non-treated are holders of the same category of driving licence. The least of the jobseekers have a driving licence which could determine their placement on the labour market (trucks, buses and small trucks).

	1-st refe	rence	period: 1	.1.200	7 – 30.4.2008	2-nd ref	erence	period:	1.5.20	08 – 30.4.2010
Categories of driving license	Treat	ed	Non-tre	ated	Difference between groups	Treat	ed	Non-tre	ated	Difference between groups
	Frequency	Percent	Frequency	Percent	0 '	Frequency	Percent	Frequency	Percent	0 1
Cars_motorcycles	291	12	1886	31	19	610	10	5375	33	2 <mark>3</mark>
Smaller_trucks	83	3	617	10	7	177	3	1962	12	9
Buses	29	1	179	3	2	52	1	662	4	49
Trucks	9	0	48	1	ģ	16	0	203	1	1
none	2084	88	4172	69	-19	5295	90	10934	67	<b>-2</b> 3

# 5.6 Analysis of variance

In the created samples of treated and non-treated individuals it was verified by statistical hypothesis testing that the two groups significantly mutually differ in values of variables or in their probability distributions. Using one-way analysis of variance, which is an independent samples t-test, we verified the hypothesis that the means (or probability distributions) of variable frequencies are the same. Before using the independent sample t-test for two samples we always first verify whether these samples come from a normal distribution or not. In the case of non-normal distribution (which were for most variables), we used the non-parametric alternative of the t-test, which is the Mann-Whitney U test. We also used the Kruskall-Wallis test and the Kolmogorov-Smirnov test as non-parametric alternatives of one-way analysis of variance for two samples. The normality was verified using the Shapiro-Wilk test.

#### **5.6.1** 1st reference period

In the following table are the results of testing of the normal distribution of variables frequencies in the samples of treated and non-treated jobseekers in the first reference period. Based on the results from the Shapiro-Wilk test we used the parametric or non-parametric alternative for analysis of variances.

		ests of No		у			
			ogoro irnov <sup>a</sup>	<b>v-</b>	Shap	iro-Wi	lk
Variable	Treated	Statistic	Df	Sig.	Statistic	Df	Sig.
Marital status	non treated	0,299	5	0,165	0,837	5	0,157
Walital Status	treated	0,264	5	,200*	0,866	5	0,252
Level of	non treated	0,345	10	0,001	0,658	10	0,000
education (10 categories)	treated	0,301	10	0,011	0,713	10	0,001
District of	non treated	0,164	79	0,000	0,812	79	0,000
School	treated	0,161	79	0,000	0,788	79	0,000
Disadvantages	non treated	0,476	8	0,000	0,448	8	0,000
Disauvantages	treated	0,481	8	0,000	0,437	8	0,000
Last Occasion	non treated	0,239	41	0,000	0,72	41	0,000
Last Occasion	treated	0,245	41	0,000	0,774	41	0,000
Ago	non treated	0,075	6065	0,000			
Age	treated	0,081	2376	0,000	0,959	2376	0,000
Gender	non treated	0,26	2	0,000			
Gender	treated	0,26	2	0,000			
School (5	non treated	0,227	5	,200*	0,895	5	0,382
categories)	treated	0,323	5	0,096	0,738	5	0,023
Jobseeker	non treated	0,291	3	,	0,925	3	0,469
before 2007	treated	0,289	3	,	0,928	3	0,480
Driving licence	non treated	0,261	16	0,005	0,762	16	0,001
2	treated	0,229	16	0,025	0,76	16	0,001

As a result of this testing, where the significance is higher than 0.05; the variable is normally distributed and vice versa. As we can see in the table above, only the variables *Marital status, School (5 categories)* and *Jobseeker before 2007* are normally distributed. For these three variables we used the parametric tests then and for the others variables we used the non-parametric alternative.

In the following table, the results of testing of the equality of variables or their probability distributions across the samples of treated and non-treated individuals are written. In the first table there are the results for three variables that have the normal distribution. In the second table there are the results from non-parametric testing.

	In	depend	dent Sa	mples	Test			
		Leve Test Equal Varia	for lity of	t-test for Equality of Means				
		F	Sig.	t	df	Sig. (2- tailed)	Mean Difference	Std. Error Difference
	Equal variances assumed 6,02 0,04		0,04	-1,04	8	0,327	-737,8	706,575
Marital status	Equal variances not assumed			-1,04	5,28	0,342	-737,8	706,575
	Equal variances assumed	470	0	-14	8439	0	-0,157	0,011
Gender	Equal variances not assumed			-13,4	3975,81	0	-0,157	0,012
School (5	Equal variances assumed	26,2	0	-1,34	8	0,218	-737,8	551,986
categories)	Equal variances not assumed			-1,34	5,002	0,239	-737,8	551,986

#### Level of education

	Null Hypothesis	Test	Sig.	Depision
1	The distribution of count is the same across categories of level	Independent Samples Mann- Ohitney U Test	,481	Retain the null hypothesis
	The distribution of count is the same across categories of level	Independent Samples Raimogorby Smirnay Feat	.088	Retain the null hypothesis
3	The distribution of count is the same across categories of level	Independent Samples Riudkal Wallis Test	.440	Retain the null hypothesis

Asymptotic significances are displayed. The significance level is  $\mathcal{M}$ 

Exact rightfoance is displayed for this feet.

# Disadvantages

8	Hull Hypothesis	Test	5ig.	Because	
	The dubibution of court is the same across categories of beated	Independent Samples Mann- Whitney U Test	000	Reject the sull hypothesis	
2	The distribution of count is the same across categories of treated	Independent Samples Kolmagative Smirnov Test	/022	Reject the Aud hypothesis	
3	The distribution of count is the same accoust categories of treated	Independent Samples Knakai-Waltis Test	,040	Reject the suit hypothesis	

# Age

	Mult Hypothesis	Test	Sig	Decision
	The distribution of Age is the same accuse a stepories of Reference period.	endependent Samples Maro- Bibliney U Test	,000	Rajeof the aud hypothesis
M	The distribution of Age is the sam across categories of Reference period.	Interested Samples Kalmogorae Smines Test	pob	Reject the null hypothesis
3	The distribution of Age is the same across pategories of Reference period	Independent Samples Viscolal Wallis Test	.000	Reject the not hypothesis

# Driving licence

#### **Hypothesis Test Summary**

	Null Hypothesis	Test	Sig.	Decision
1	The distribution of count is the same across categories of treated	Independent- Samples Mann- Whitney U Test	,017 <sup>‡</sup>	Reject the null hypothesis.
2	The distribution of count is the same across categories of treated	Independent- Samples Kolmogorov- Smirnov Test	,037	Reject the null hypothesis.
3	The distribution of count is the same across categories of treated	Independent- Samples Kruskal-Wallis Test	,018	Reject the null hypothesis.

Asymptotic significances are displayed. The significance level is ,05.

#### District of school

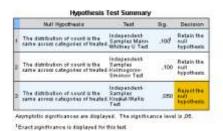
	Null Hypothesis	Test	Sig	Decision
1	The distribution of count is the same across categories of treated	Independent Sample: Mann- Whitney U Test	,000	Rejective nut hypothesis
- 12	The distribution of count is the same across outegoins of freated	Independent Samples Visimogerow Smirrow Test	.000	Reject So aut hypothesi
1	The distribution of count is the same across categories of treated	independent Semples Kruskel-Wallis Test	£80	Reject the null hypothesis

#### Last occasion

	Null Hypothesis	Test	Sig	Bediston
1	The distribution of count is the same across categories of treated	Independent Sample: Mann- Uritney U Test	,003	Reject the null hypothesis
- 20	The distribution of count is the same across categories of feated	Independent Samples Relmogerow Smirrow Test	£17	Rajest Se aut hypothesis
	The distribution of count is the same across categories of treated	Independent Samples Kruskal-Mallis Test	pno con	Reject the nut hypothesis

Asymptotic significances are displayed. The significance level is 05

# Jobseeker before 2007



#### Summary of all tests:

- Not significantly different values of mean or different probability distribution between groups of treated and nontreated:
  - o Marital status
  - o Level of education
  - School
- Significantly different values or distribution:
  - District of school
  - o Disadvantages
  - o Last occasion
  - o Age
  - o Gender
  - o Jobseeker before 2007
  - Driving licence

<sup>&</sup>lt;sup>1</sup>Exact significance is displayed for this test.

<sup>&</sup>lt;sup>1</sup>Exact significance is displayed for this test.

# 5.6.2 2nd reference period

As in the first reference period, we made the verification of the normal distribution of variables frequencies and then, based on the result of this, with the Shapiro-Wilk test of normality we compared the distribution of treated and non-treated individuals.

In the following table there are the results of the normality tests.

lonowing table there are the r	Tests of No						
		Kolmogor	ov-Smi	rnov <sup>a</sup>	Shapir	o-W	'ilk
Variable	Treated	Statistic	df	Sig.	Statistic	Df	Sig.
Marital status	non treated	0,272	5	,200*	0,859	5	0,226
iviaritai Status	treated	0,307	5	0,14	0,777	5	0,052
Level of education (40 estampina)	non treated	0,345	10	0,001	0,647	10	0
Level of education (10 categories)	treated	0,303	10	0,01	0,712	10	0,001
District of Cabaci	non treated	0,137	79	0,001	0,841	79	0
District of School	treated	0,159	79	0	0,819	79	0
Disadvantages	non treated	0,47	9	0	0,422	9	0
Disadvantages	treated	0,492	9	0	0,405	9	0
Last Occasion	non treated	0,274	39	0	0,654	39	0
Last Occasion	treated	0,237	39	0	0,767	39	0
Age	non treated	0,076	16319	0			
Age	treated	0,077	5905	0			
Gender	non treated	0,485	16319	0			
Gerider	treated	0,392	5905	0			
School (5 categories)	non treated	0,309	5	0,135	0,761	5	0,038
ochool (3 categories)	treated	0,189	5	,200*	0,933	5	0,617
Jobseeker before 2007	non treated	0,39	4	,	0,754	4	0,042
JODSEGNET DETOTE 2007	treated	0,218	4	,	0,978	4	0,887
Driving licence	non treated	0,253	16	0,007	0,749	16	0,001
Bitting nooned	treated	0,267	16	0,003	0,777	16	0,001

Similarly to the first reference period, only 3 variables have a normal distribution of their frequencies: *Marital status, School (5 categories)* and *Jobseeker before 2007.* For these variables we then used an independent sample t-test to verify the hypothesis whether their means are equal or not. For all other variables we used non-parametric alternatives for this testing. The results are in the two following tables. In the first table are the results of the parametric t-test and in the second one are the results of non-parametric tests.

	Independ	lent S	ample	s Test				
		Levene's Test for Equality of Variances			t-test for Equality of Means			
		F	Sig.	t	df	Sig. (2- tailed)	Mean Difference	Std. Error Difference
	Equal variances assumed	9,778	0,014	1,125	8	0,293	2082,8	1850,6718
Marital status	Equal variances not assumed			1,125	5,069	0,311	2082,8	1850,6718
School (5	Equal variances assumed	27,08	0,001	1,369	8	0,208	2082,8	1521,7272
categories)	Equal variances not assumed			1,369	4,783	0,232	2082,8	1521,7272
Jobseeker before	Equal variances assumed	6,554	0,043	1,546	6	0,173	1622,5	1049,8022
2007	Equal variances not assumed			1,546	3,084	0,218	1622,5	1049,8022

#### Level of education

	Null Hypothesia	Test	Sig.	Decision
4	The distribution of count is the same across categories of treated	Independent- Samples Mann- Whitney U Test	,461	Retain the null hypothesis
2	The distribution of count is the same across categories of treated	independent Samples Kolmogerov Smirnov Test	,988	Retain the null hypothesis
3	The distribution of count is the same across categories of treated	Independent Samples Kruskal-Wallis Text	,473	Retain the null hypothesis

Asymptotic significances are displayed. The significance level is (9)

# Disadvantages

#### **Hypothesis Test Summary**

	Null Hypothesis	Test	Sig.	Decision
1	The distribution of count is the same across categories of treated	Independent- Samples Mann- Whitney U Test	,094	Retain the null hypothesis.
2	The distribution of count is the same across categories of treated	Independent- Samples Kolmogorov- Smirnov Test	,124	Retain the null hypothesis.
3	The distribution of count is the same across categories of treated	Independent- Samples Kruskal-Wallis Test	,081	Retain the null hypothesis.

Asymptotic significances are displayed. The significance level is ,05.

#### District of school

Hypothesis	Test Summary
oothesis	Tost

	Null Hypothesis	Test	Sig.	Decision
1	The distribution of court in the same across categories of beated	Independent Samples Mann- Writing U Test	500	Reject the null hypothesis.
2	The distribution of count is the same across categories of beated	Interestent Samples Kalmogowe Sminor Test	.000	Reject the null hypothesis
3	The sixtribution of about is the same across calegories of breated	Independent Samples Knawat-Wallis Test	.000	Reject the half hypothesis.

Anymptotic significances are displayed. The significance level is £5

# Last occasion

	Hypothesis Test Summary								
	Null Hypothesis	Test	Sig.	Decision					
1	The distribution of count is the same across categories of treated	Independent- Samples Mann- Whitney U Test	,006	Reject the null hypothesis.					
2	The distribution of count is the same across categories of treated	Independent- Samples .Kolmogorov- Smirnov Test	,050	Reject the null hypothesis.					
3	The distribution of count is the same across categories of treated	Independent- Samples Kruskal-Wallis Test	,006	Reject the null hypothesis.					

Asymptotic significances are displayed. The significance level is ,05.

# Age

#### Hypothesis Test Summary

	Null Hypothesis	Test	Sig.	Decision
1	The distribution of Age is the sam across categories of Treated/non-treated.	eindependent- Samples Mann- Whitney U Test	,000	Reject the null hypothesis.
2	The distribution of Age is the sam across categories of Treated/non-treated.	Independent- Samples Kolmogorov- Smirnov Test	,000	Reject the null hypothesis.
3	The distribution of Age is the sam across categories of Treated/non-treated.	Independent- Samples Kruskal-Wallis Test	,000	Reject the null hypothesis.

Asymptotic significances are displayed. The significance level is ,05.

# Gender

Hypothesis Test Summary							
Ī	M/I Hypothesis	Test	Bg.	Decision			
1	The distribution of count is the same across categories of treated	Independent Samples Mann- Whitney U Test	.007	Retain the nall hygothesis			
2	The distribution of court is the same across categories of treated	Independent Samples Kolmagarev Smirnov Test	,964	Retain the null hypothesis			
3	The distribution of count is the same across categories of breated	Independent Samples Kruskat-Wallis Text	,439	Retain the null hypothesis			

Asymptotic significances are displayed. The significance level is .05.

# Driving licence

	Hypothesis Test Summary								
	Null Hypothesis	Test	Sig.	Decision					
1	The distribution of count is the same across categories of treated	Independent Samples Mann- Whitney U Test	.002	Reject the null hypothesis.					
2	The distribution of count is the same across categories of treated	Independent Samples Kolmogorov Smirnov Test	,001	Reject the null hypothesis.					
3	The distribution of count is the same across categories of treated	Independent Samples Kruskal-Wallis Text	,002	Reject the null hypothesis.					

Asymptotic significances are displayed. The significance level is ,05.

# Summary of all tests:

- Not significantly different values of mean or different probability distribution between groups of treated and non-treated:
  - Marital status
  - Level of education
  - o School
  - o Disadvantages
  - o Gender
  - o Jobseeker before 2007
- Significantly different values or distribution:
  - o District of school
  - o Last occasion
  - o Age
  - Driving licence

<sup>&</sup>lt;sup>8</sup>Exact significance is displayed for this test.

 $<sup>^{1}\</sup>mbox{Exact}$  significance is displayed for this test.

Exact significance is displayed for this test.

Exact significance is displayed for this test.

# 5.7 Qualitative survey of self-employment

This qualitative part was carried out in the evaluation because the evaluators wanted to outline even partial motivations, aspirations, real outputs and results of the treated individuals. The main reason for this part of the research was to verify a theory about the change of graduate work experience. Qualitative research was carried out through interviews over the phone. COLSaF provided a database of 48 contacts for treated individuals who were asked for interview. The database contained individuals from every region of SR (i.e. 8 regions) and three individuals for men and women, in total 48 contacts.

Finally, we carried out 17 interviews represented by 9 women and 8 men from all eight Slovak regions.

On the scheme below is described the expected theory of the change of the intervention and prepared topics for interviews which came from three basic parts:

#### A. Activities of the intervention

In the first branch of the questions which were was posed to our respondents we wanted to uncover the motivation to take part in the intervention and identify activities which could lead to immediate service for the jobseeker and to increase his competitiveness on the open market as an entrepreneur.

During the interview we asked questions like:

- Where did you learn about the intervention?
- How long have you planned to become self-employed, to start your own business?
- Have you prepared any analysis (SWOT, financial, market, competitiveness, innovation, etc.)?
- Were you self-employed in the business you worked in before or the branch from which you graduated?
- Did have any skills or knowledge in the branch of your business?

#### B. Immediate outputs of the intervention

Through those sorts of questions we wanted to identify provided services products with which jobseekers carried out their graduate work experience. We wanted to lead dialogues with jobseekers about their emotions after completing intervention.

- Has somebody helped you to prepare and carry out your business plan?
- How did you help training organized by PES office?
- What kind of information have you utilized in self-employment?
- What kind of training would help you for to start your own business (soft-skills, e-business, information about electronic database of customers etc.)?

#### C. Outcomes

This last group of questions should identify the perception of short-term and midterm effects of graduate work experience.

- Do you think the intervention helped you? Why, how?
- What would you advise to change / do better?

#### **5.7.1** Conclusions from the interviews

About more than one quarter of respondents reported that they had learnt about intervention from another source than the PES office. That information source was mainly friends, relatives or the internet. It means that the most of the respondents answered that they got the initiative impulse for establishment of self-employment from an officer at the PES office. Most of the jobseekers didn't plan to do business but they took their unemployed status as the chance to become self-employed. As was already presented, the most of the treated jobseekers who established their self-employment were long-term unemployed before the first reference period of 1st January 2007. That is one reason why these unemployed could take this intervention as an emergency way out of their difficult living situation.

Just a few cases (i.e. 11 %) reported that they agreed with a future employer to work for the company as self-employed before they applied for the grant.

Most of those asked reported that they prepared for self-employment, but they did not want to tell how. But in most cases their preparation was based on skills from previous jobs. Just two respondents admit that they wanted to start self-employment and they would have done so even if the intervention had not been granted to them. Two respondents answered that they prepared for self-employment through a specific course which they paid on their own without any assistance from the PES office. The respondents were not able to specify how long they had prepared for intervention because they had done it a long time before. It was obvious with many respondents that they were not willing to analyse a situation so far in the past, which is why the PES offices should have collected qualitative data immediately after the intervention had finished.

Jobseekers did not carry out any deeper analysis of competitiveness, market, SWOT analysis, or other professional analysis. Jobseekers did not consult their business plans with any professional counsellor. Establishment of self-employment happened in many cases as a kind of experiment which was related to previous job skills, knowledge or contacts. When we take into account the fact that most of the treated jobseekers had finished the highest level of education secondary school, or vocational school, it is not possible to expect that those people would be able to carry out a rigorous professional business plan according to business theory. That is the reason why intervention should be extensive in the process of counselling jobseekers in the creation of individual business plans.

Just about one quarter of asked respondents admits that they started their business in fields they did not graduate from; the rest established themselves in the field which they were familiar with from school.

Four respondents out of five reported they had serious experience in the field of their established business. Four respondents did not have any experience in their business field from previous jobs or school, all those who were not already self-employed. That information implies the causal question, how previous experience, or knowledge, has an influence on success in self-employment especially at the group of secondary educated jobseekers. We can expect that a higher share of innovativeness is in the group of treated jobseekers which finished university education. Especially, the university level of education should initiate the innovative spirit of graduates.

Three from 17 replied to the answer that they had non-professional assistance during business plan preparation from family relatives, or from PES office counsellors. Most of the jobseekers prepared business plans without any help, which could be one of the key

failures in the process of correctly preparing jobseekers for intervention.

Just one of the asked respondent answered that he was not satisfied with the intervention provided. We can generalize that the most of the treated asked jobseekers were satisfied with the intervention and the intervention had meet with the goal and promoted self-employment. The respondents report that the intervention was a starting point for them in the way how to escape from the evidence of unemployed jobseekers. They consider intervention a good way to start, a necessary initial impulse.

#### What treated jobseekers would like to change?

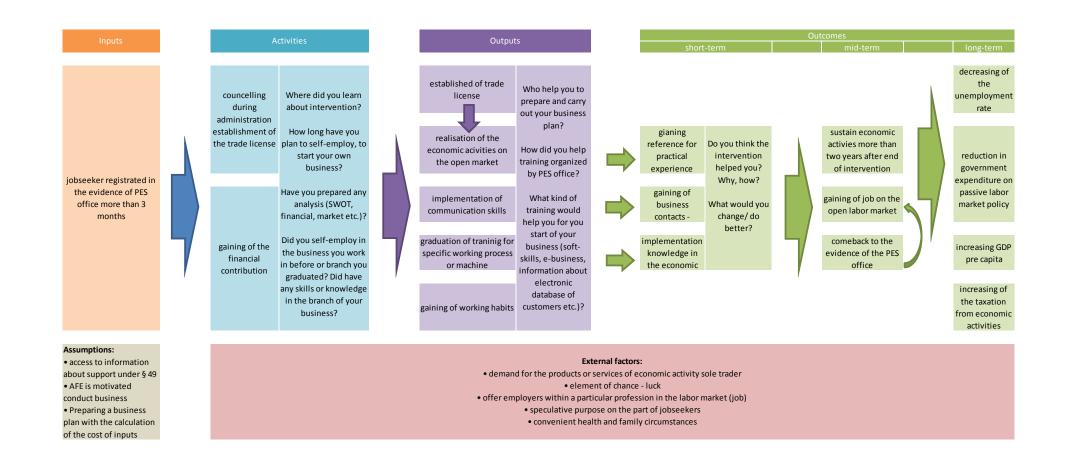
The vast majority of treated jobseekers would welcome some specific courses mostly based on self-representation on the market, communication strategy with clients, or customers, and information about effective communication channels used for marketing strategy. The treated missed courses based on professional advice in the fields of seeking customers, databases, information about electronic markets, etc.

Treated jobseekers would like to be informed about the law, advocacy assistance in case of bad debts, mainly in the construction sector which is a frequent profession of treated jobseekers. These self-employed have a problem to earn money and that is also a reason for their failure.

Respondents see as a limitation that they must buy exactly the same item they proposed in the approved financial plan enclosed with the business plan. Procurement of items in the financial plan is carried out with a time gap and meanwhile could be an achievable product with a higher efficiency. That is why respondents would propose it to be more flexible in the changing types of procured items.

Some groups of respondent would propose to introduce tax relief for the first two years of self-employment, which would be a reward mainly for those self-employed jobseekers who are active and sell services or products. It is necessary to consider abuse of the tax relief.

Even obligatory preparation course concerns about preparing the jobseeker for selfemployment are very positively and helpfully assessed; there are some points which could improve the effectivity of if. The asked would welcome segmentation of course participants into groups distinguished for example by education, because some respondents admit that they did not understand some economic categories which were familiar for the other participants who had previously dealt with accounting, etc.



# 5.8 Net effects of self-employment

# 5.8.1 Analysis of influences on self-employability

In the table next to the text are correlation coefficients and their significance on the dependent variable *Placed on LM* and Assessment base and other independent variables that are the characteristics of treated and non-treated units and their living environment.

For the variable **Placed on labour market** we can see in the table of correlation coefficient, that:

- gender and age are not significant variables,
- the total period of all registrations has a negative impact on placement on LM,
- only period 2 is significant,
- if an individual is divorced or single, then they are placed on LM for a shorter period,
- primary and secondary education levels have a negative impact on placement on LM, a Master's degree has a positive impact,
- disadvantaged long term unemployed also has a negative impact.

For the variable *Self-employed* the situation is similar, here we can see for example that low education levels have a negative impact on self-employed placement on LM.

For the variable **Assessment base** we can see the following facts:

- the treated individual has a higher assessment base than the non-treated,
- women have a lower assessment base than men,
- age is not significant,
- the longer total period of all registrations has a negative impact on the assessment base,
- from marital status only single status is significant and these have a negative impact,
- primary school and comprehensive school have a positive impact on the assessment base, but college has 4 times higher impact,
- unemployment longer than 3 years has a negative impact.

	placed on I	_M_pomerné	Average asse	seement hase
Variable	Pearson	Sig. (2-tailed)	Pearson	Sig. (2-tailed)
placed on LM pomerné	Correlation	Org. (Z. taned)	Correlation	,000
Average assessment base	,126"	,000	,120	,000
Gender	,091	,000	,000	.999
Age	-,102"	,000	-,020**	,002
Unemployed in months	-,092**	,000	-,061**	,000
Total period of all registrations in months (colsaf)	-,227**	0,000	-,104**	,000
The average gross wage in the region of perm. residence	,055**	,000	,121"	,000
The proportion of women in the district of perm. residence	,025**	,000	,092	,000
Surface of district of permanent residence	-,031"	,000	-,053**	,000
The density of population in the district of perm. residence	,022**	,000	,095	,000
The number of municipalities in the district of perm. residence	-,007	,217	-,057**	,000
The number of cities in the district of perm. residence	,012	,036	-,014	,039
The registered unemployment rate in the district of perm. residence	-,068**	,000	-,081"	,000
Inhabitants density	,039**	,000	,101	,000
Population_of_municipality_2011	,055**	,000	,056	,000
Change_of_population:15years	,001	,869	-,008	,243
Distance_from_PESoffice	-,030**	,000	-,039**	,000
marital status=registered partners	-,013	,025	-,004	,512
marital status=divorced	-,035**	,000	-,005	,480
marital status=single	-,002	,739	,008	,251
marital status=widow	-,019**	,001	-,002	,773
marital status=married	,025**	,000	-,004	,530
education=Not finished education	-,003	,608	-,002	,815
education=Primary education	-,109	,000	-,005	,408
education=Lower secondary professional education	-,031**	,000	-,012	,074
education=Secondary vocational education	-,092	,000	-,120	,000
education=Full secondary vocational education	,052**	,000	-,007	,323
education=Full secondary comprehensive education	,034	,000	,011	,102
education=Upper vocational education	-,003	,594	-,003	,611
education=Bachelor	-,003	,549	,003	,684
education=Master	,118"	,000	,213"	,000
education=Doctoral	-,001	,886	,009	,172
school=primary shool	-,108	,000	-,005	,426
school=secondary vocational school	,006	,283	-,040	,000
school=vocational school	-,052	,000	-,089	,000
school=comprehensive school	,031	,000	,010	,119
school=colledge	,115**	,000	,210	,000
disadvantages=no disadvantage	,097	,000	,036	,000
disadvantages=graduate	,028**	,000	,003	,598
disadvantages=long - term unemployed	-,118	,000	-,037	,000
disadvantages=low education level	-,003	,580	-,003	,638
disadvantages=organizational	,003	,580	,007 -,004	,268
disadvantages=poor working discipline disadvantages=care	-,002 -,003	,785 ,569		,518 ,876
-			-,001	
disadvantages=age over 50 years disadvantages=disabled	-,048 -,013	,000	-,019	,003
unemployed before 2007=< 1 year	,016	,028	,004	,000
unemployed before 2007=1 - 3 years	-,032**	,000	-,003	,707
unemployed before 2007=> 3 years	-,032	,000	-,003	,000
unemployed before 2007=20 years	,283**	0,000	,064	,000
period=1.0	,030	,000	-,052	,000
period=2.0	-,030	,000	,052	,000
region=Bratislavský region	,053	,000	,116	,000
region=Trnavský region	,033	,000	,030"	,000
region=Trenčiansky region	,024	,000	,012	,060
region=Nitriansky region	-,004	,495	,011	,083
region=Žilinský region	,006	,288	-,022**	,001
region=Bans kobystrický region	-,023"	,000	-,024	,000
region=Prešovský region	-,026	,000	-,053**	,000
region=Košický region	-,020**	,000	-,008	,240
Treated/non-treated	,583	0,000	,047	,000
L	,,,,,,		,	

#### 5.8.2 "Post-only non-equivalent comparison design" method

There are several methodologies of how to estimate the net effect of the interventions, one the most simplistic methodologies is the difference between average treatment effects without the matching of individuals from treated and controls samples. That is

the reason why the method is not very robust. Another advantage of the method is its use of rather big samples. In the table there are presented two sets of reference periods, in total there were used for the result more than 30 thousand of individuals with almost three times greater samples of controls in comparison to the treated. No missing observations were identified.

Measuring of employability
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The frequency table below the text represents at a glance the average probability of the treated and controls across the set reference periods sustained on the labour market during the impact period. In the first

Case Processing Summary									
		Cases							
	reference period	Va	alid	Mi	ssing				
	, , , , , ,	N	Percent	Ν	Percent				
1	non treated	6 065	100,0%	0	0,0%				
	treated	2 376	100,0%	0	0,0%				
2	non treated	<b>16</b> 319	100,0%	0	0,0%				
_	treated	5 905	100,0%	0	0,0%				
	non treated	22 384	100,0%	0	0,0%				
	treated	8 281	100,0%	0	0,0%				
	In total	30 665							

column there are situated shares of the time sustained on the labour market the target groups in the samples, i.e. from 0 (jobseeker did not find any job in the impact period), to 1 (jobseeker remained on the labour market throughout the impact period). On the other side of the table in the last two columns are presented the averages for both two reference periods. According to the results, all of the treated remained on the labour market for at least one year of the impact period for a duration of 2 years. And there was an almost 10 % of probability that the treated jobseeker would remain on the labour market for the whole impact period. While controls had on average just up to 1 % of probability of being employed during the whole impacted period.

Yellow bar charts integrated into the table represent the tendency of the jobseekers in the different samples to be employed and sustained on the labour market in a full-time job or to be self-employed.

Simply saying, the more successful are those cumulative percentage columns that have more yellow area. In the first reference periods the treated have more individuals that remained on the labour market mainly longer than the controls. For instance, in the first reference period it was indicated higher by almost 42 % to be employed for 70 % of the impact period for the treated while just 10 % for the non-treated.

Placed_on_L			Reference	e period 1					Referenc	e period 2			Net-e	ffect/
M_rounded	N	lon-treat	ed	Treated		Non-treated		Treated			differences			
Share of impact period sustained on LM	Frequency	Percent	Cumulative Percent	Frequency		Cumulative Percent	Frequency	Percent	Cumulative Percent	Frequency	Percent	Cumulative Percent	Reference period 1	Reference period 2
0	96	1,6	1,6	0	0,0	0,0	440	2,7	2,7	0	0,0	0,0	-1,6	-27
0,1	312	5,1	98,4	0	0,0	100,0	1772	10,9	97,3	0	0,0	100,0	-5 <mark>.</mark> 1	-1 <mark>0</mark> ,9
0,2	574	9,5	93,3	0	0,0	100,0	4562	28,0	86,4	0	0,0	100,0	- <mark>9,</mark> 5	- <b>28</b> ,0
0,3	2206	36,4	83,8	0	0,0	100,0	2363	14,5	58,5	0	0,0	100,0	-3 <mark>6</mark> ,4	- <mark>14,</mark> 5
0,4	468	7,7	47,4	823	34,6	100,0	2025	12,4	44,0	0	0,0	100,0	26, <mark>9</mark>	-12,4
0,5	456	7,5	39,7	237	10,0	65,4	2729	16,7	31,6	1891	32,0	100,0	2,5	15,3
0,6	1325	21,8	32,2	326	13,7	<b>55</b> ,4	1027	6,3	14,9	928	15,7	68,0	- <b>8,</b> 1	9,4
0,7	232	3,8	10,4	286	12,0	41,7	756	4,6	8,6	743	12,6	52,3	8,2	7,9
0,8	148	2,4	6,5	223	9,4	29,6	403	2,5	4,0	936	15,9	39,7	6,9	13,4
0,9	202	3,3	4,1	252	10,6	20,2	209	1,3	1,5	807	13,7	23,8	7,3	12,4
1	46	,8	0,8	229	9,6	9,6	33	,2	0,2	600	10,2	10,2	8,9	10,0
Total	6065	100,0	-	2376	100,0	•	16319	100,0	-	5905	100,0	-	1	-

On the table below the text there are presented the estimated average performances of the self-employment promotion by the PES offices. There are six different dependent variables which should refer to the effects of the intervention. The first dependent variable which was measured is the average wage translated from the average assessment base in Euros based on the records of SIA. The other effects are devoted to the placement of the jobseekers on the labour market in the form of part-time, full-time job, or self-employed. With those kinds of registration we can consider that the particular jobseeker was successful because he/she is out of the registration of the jobseekers and has a financial source. Even if in the registration "part-time job" isn't a comprehensive success of employability, the jobseeker keeps in touch with labour

market. Other registration refers to individual barriers for entrance to the labour market due to the needs to do personal assistance for family relatives or caring for a child. The last dependent variable describes total average months registrations in SIA, i.e. out of the jobseeker database of the PES office.

In the next table there are presented the averages of wages, and average shares of placement on the open labour market in the impact period for different types of registrations. The first row shows average assessment bases, or wages achieved in different samples in different reference

Dependent variable	Sample	Statistics	Reference period 1	Reference period 2
Assessment	non treated	Mean	352,83	389,21
base	treated	Mean	458,66	419,45
Full-time job	non treated	Mean	,0796	,0937
	treated	Mean	,1171	,1220
Individual barriers for entrance to	non treated	Mean	,0048	,0047
LM	treated	Mean	,0242	,0311
Placed on LM	non treated	Mean	,3884	,3434
Flaced off Livi	treated	Mean	,6137	,6915
Self-	non treated	Mean	,3089	,2497
employment	treated	Mean	,4965	,5695

periods. It is obvious that the treated ensured greater incomes than the non-treated and this statistical statement was rejected by the Kolmogorov-Smirnov test. There are

significant differences between the assessment base of treated and controls across selected samples. Individuals in both samples did not have an interest in being employed in part-time jobs, they preferred to find a perspective job, or source of income. In the first reference period the treated jobseekers earned per month more than 100 Euros more than the non-treated and in the second reference period it was

Net-effect/ difference	Reference period 1	Reference period 2
Assessment base	105,826	30,244
Full-time job	,0375	,0284
Individual barriers for entrance to LM	,0195	,0264
Placed on LM	,2252	,3481
Self- employment	,18 <mark>77</mark>	,3198
employment	,1877	,3198

about 30 Euros per month. Samples of treated jobseekers had in higher frequency individual barriers to come into the labour market because of giving personal assistance to family relatives, or caring for a child.

Additionally, the treated remained a significantly longer time placed in full-time jobs or as self-employed than the non-treated in both reference periods. On average, the treated remained more than 60~% of time of the impact period while the controls remained placed on the open labour market up to 40~% of the same impact periods. That is why it is possible to assume that the treated remained on the labour market longer in the first period by about more than 22~% of the impact period and in the second reference period by almost 35~%.

Also, the table below describes statements of the carried out Kolmogorov-Smirnov tests of variables which should reject or retain the null hypothesis: whether it is the distribution of the particular dependent variable which demonstrates the effect in the impact period, the same across categories of treated/non-treated jobseekers. The statistical tests are carried out at 95 % confidence level. It is necessary to highlight inconsistency; this method is used without pairing, which is the reason why it was difficult to determine an individual impact period for controls as it was in the other methods. That is why we used the 48 months upper date of the reference period. The period of 48 months was composed of the compulsory sustaining period (24 months) and the real impact period (24 months), when the treated were not bound by any

obligations.

Null Hypothesis	Test	Refe	erence period 1	Ref	erence period 2
radii riypotriesis	.T	Sig.	Decision	Sig.	Decision
The distribution of Average assessment base is the same across categories of Treated/non-treated.	Independent-Samples Kolmogorov-Smirnov Test	0,000	Reject the null hypothesis.	0,000	Reject the null hypothesis.
The distribution of Full-time job is the same across categories of Treated/non-treated.	Independent-Samples Kolmogorov-Smirnov Test	0,000	Reject the null hypothesis.	0,000	Reject the null hypothesis.
The distribution of individual barrier for entrance to LM is the same across categories of Treated/non-treated.	Independent-Samples Kolmogorov-Smirnov Test	0,000	Reject the null hypothesis.	0,000	Reject the null hypothesis.
The distribution of part-time job is the same across categories of Treated/non-treated.	Independent-Samples Kolmogorov-Smirnov Test	1,000	Retain the null hypothesis.	1,000	Retain the null hypothesis.
The distribution of Self- employment is the same across categories of Treated/non- treated.	Independent-Samples Kolmogorov-Smirnov Test	0,000	Reject the null hypothesis.	0,000	Reject the null hypothesis.
The distribution of Placed on LM is the same across categories of Treated/non-treated.	Independent-Samples Kolmogorov-Smirnov Test	0	Reject the null hypothesis.	0	Reject the null hypothesis.
Asymptotic significances are d	isplayed. The significance l	evel is ,05.			

#### Cost-benefit analysis

This paragraph is determined to show the average financial influences of provided intervention to the state budget. The numbers in the table are in three branches. The first one informs us about the performance of the treated across the reference periods, the second one about the sample of control individual jobseekers and the last one tells us about the net effect, which is the subtraction of the treated and non-treated average performances.

Further table content items which are fundamental at the moment possibly measure the influences or flows on the state budget. Every item is divided into a situation when the

treated treated iobseeker is employed. Only the items "grant" and Social insurance do distinguish between employed and non-employed statuses because the grant is paid only to the treated individuals when thev are unemployed. Social insurance is paid when а jobseeker is

the state baage	100111	o arvic	104 1110	o a bic	aution	******		
Net effect		Trea	ated	Non-t	reated	Diff. Betwen treated and non-treated		
Reference period		1.1.2007 - 30.4.2008	1.5.2008 - 30.4.2010	1.1.2007 - 30.4.2008	1.5.2008 - 31.12.2010	1.1.2007 - 30.4.2008	1.5.2008 - 30.4.2010	
Average time share on open market	arket/labour	61%	69%	39%	34%	23%	35%	
Average time share out o market/labour mark		51%	54%	41%	43%	10%	11%	
Harrist and Alberta	employed	3 758 €	5 780€	2 202 €	1947€	15 <mark>56</mark> €	38 <mark>33€</mark>	
Unemployment allowance	unemployed	-3 124€	-4 523 €	-2 318€	-2 421€	-807€	-21.02€	
0(1)	employed	1 718€	1779€	1 244 €	1 100 €	47 <mark>5</mark> €	68 <mark>0</mark> €	
Benefit in material need	unemployed	-1 429€	-1 392 €	-1 309€	-1 367 €	-120€	-25€	
Grant		-2 779€	-2 933 €	0€	0€	-2 779€	- <b>2</b> 933€	
Health income	employed	789€	870€	481€	447€	309€	4 <b>2</b> 3€	
Health insurance	unemployed	-656€	-681€	-506€	-556€	-151€	-125€	
Social insurance		1910€	2 106 €	1 163 €	1082€	74 <mark>8</mark> €	10 <mark>24</mark> €	
Tarras for an accounting	employed	804€	886€	489€	455€	314€	43 <mark>1</mark> €	
Taxes from consuption	unemployed	-19€	0€	0€	0€	-19€	0€	
I a como tom	employed	1340€	2 169 €	652€	607€	68 <mark>8</mark> €	15 <mark>62</mark> €	
Income tax	unemployed	-1 114€	-1697€	-686€	-755€	-427€	-942€	
Total / Difference		1 198€	2 365 €	1 412 €	538€	-214€	1827€	

unemployed in the evidence of the PES office.

As we can see in the last green line of the table, both the treated and non-treated individuals brought to the state budget positive flows. Even the treated were able to return the grant back to the state budget in the way of paid taxes in the impact period. In the first reference period, one treated individual brought to the state budget almost 1,200 Euros over the cost generated due to his unemployed status in the impact period of 2 years after the intervention finished. When we switch into indicators of financial analysis, the cost effectiveness ratio shows that the invested money to one treated jobseeker by the active, or passive employment policy measures brought on average 43 % of the costs back to the national budget and in the second reference period it was already almost double, i.e. 2,400 Euros. The non-treated were, in the first reference period, merely effective and they generated about 214 Euros greater positive flows to the state budget. On the other hand, in the second reference period, we estimated that one treated brought to the state budget about more than 1, 800 Euros more financial flows than a non-treated.

# 5.8.3 Exact matching with the application of Post-only non-equivalent comparison design

To refresh, this method is based on the creation of pairs of treated and non-treated jobseekers which are matched according to the same characteristic of the independent variables, such as age, marital status, gender, number of months of jobseeker registration before the year 2007, level of education, etc.

Similarly to before, for the exact matching method we used the following variables:

- reference period,
- gender,
- age (rounded to integer),
- marital status,
- region of permanent residence,
- school (5 degrees),

- length of unemployment before the year 2007 (categorized),
- driving licences categorized into 4 groups: cars and motorcycles, buses, smaller trucks, trucks.

The participants and non-participants were matched together if they had exactly the same values of these variables.

After the matching of individuals of both samples, the impact of the intervention through subtraction of the individuals' dependent variables of treated and non-treated was estimated. We measured 6 types of dependent variables which should estimate the financial status of the individual and their employability in the impact period of 24 subsequent months:

- 1) placed on the labour market, which is total of registrations of full-time jobs and selfemployment
- 2) individual barrier for entrance to LM,
- 3) part-time job,
- 4) full-time job,
- 5) self-employed,
- 6) average assessment base in Euros.

The first five variables were measured in the share of the particular type of registration in SIA during the impact period of 2 years. It was designed as a coefficient because it will be necessary to provide a comparison of results estimated based on the different types

of carried out methods.

Together for both reference periods we used almost 6400 jobseekers that created samples of treated and controls; every one of them was used just once. Every treated jobseeker was matched to individuals from the controls, which should help to estimate the net effect of self-employment promotion in different reference periods. For instance, in the first reference period, it was used 689 treated individuals were used, and for one non-treated accounted on average 4 treated jobseekers.

Cas	Case Processing Summary										
			Cases								
reference period			Va	lid	N	/lissing					
,			Z	Percent	Z	Percent					
non treated	1		689	100,0%	0	0,0%					
	2		3341	100,0%	0	0,0%					
treated	1		535	100,0%	0	0,0%					
	2		1821	100,0%	0	0,0%					
non treated			4030	100,0%	0	0,0%					
treated	treated		2356	100,0%	0	0,0%					
In total			6386								

#### Measuring of employability

The table presents a distribution of the samples of treated and control jobseekers across shares of sustaining time on the open labour market during the whole impact period of 24 months. The heading of the table is divided into three sections. The first two sections describe the reference periods and the second the estimated net effect for particular shares of sustaining time on the labour market. Into the cell with numbers are integrated yellow bar charts which should help to illustrate the scale of the effect provided by the concrete group of samples. Simply, the more yellow highlighted in the cells, the more people were sustained longer on the labour market as the measured desired positive effect.

Placed_on_L			Reference	e period 1				Reference period 2					Net effect / difference	
M_rounded		Treated		N	lon-treate	ed	Treated Non-treated				Reference period 1	Reference period 1		
Share of impact period sustained on LM	Frequency	Percent	Cumulative Percent	Frequency	Percent	Cumulative Percent	Frequency	Percent	Cumulative Percent	Frequency	Percent	Cumulative Percent	Percent	Percent
0	199	37,2	37,2	569	82,6	82,6	476	26,1	0,0	2544	76,1	76,9	-45,4	-50,0
0,1	29	5,4	62,8	11	1,6	17,4	135	7,4	73,9	56	1,7	23,9	3,8	5,7
0,2	27	5,0	57,4	6	0,9	15,8	112	6,2	66,4	55	1,6	22,2	4,2	4,5
0,3	45	8,4	52,3	14	2,0	14,9	169	9,3	60,3	102	3,1	20,5	6,4	6,2
0,4	36	6,7	43,9	10	1,5	12,9	121	6,6	51,0	46	1,4	17,5	5,3	5,3
0,5	44	8,2	37,2	13	1,9	11,5	192	10,5	44,4	119	3,6	16,1	6,3	7,0
0,6	30	5,6	29,0	2	0,3	9,6	99	5,4	33,8	61	1,8	12 <mark>,</mark> 5	5,3	3,6
0,7	26	4,9	23,4	6	0,9	9,3	101	5,5	28,4	60	1,8	10,7	4,0	3,8
0,8	34	6,4	18,5	15	2,2	8,4	160	8,8	22,8	93	2,8	8,9	4,2	6,0
0,9	33	6,2	12,1	16	2,3	6,2	123	6,8	14,1	71	2,1	6,1	3,8	4,6
1	32	6,0	6,0	27	3,9	3,9	133	7,3	7,3	134	4,0	4,0	2,1	3,3
Total	535	100,0		689	100,0	-	1821	100,0	-	3341	100,0	-	100,0	100,0

About every third and fourth participant of the self - emloyment did not find any placement during the whole impact period after the intervention finished. While three from four non-participants did not find a job in the impact period of 2 years after the matched treated finished the self – employment .

In the last section of the table there are presented the net effects. It is visible that about half of the non-treated did not have any registration in SIA and were not placed on the labour market according to the available data. There could be a high number of non-treated jobseekers that didn't meet the legal conditions to be obliged to register in the database of SIA. On the other hand, the samples of treated individuals are also exposed to the same information limitations. We can just expect that this limitation is equally distributed across treated and non-treated individuals in the samples.

Additionally it is necessary to emphasise the fact that non-treated individuals adopted the individual impact periods of treated individuals that were matched to the non-treated into pairs. That could also be the possible reason why 80 % of non-treated jobseekers were not frequently placed on the LM.

From the yellow bar charts integrated in the table below, the treated jobseekers remained on the labour market for significantly longer than the non-treated, and the frequency table indicates extensive positive net-impacts across the reference periods.

The following tables inform us about the types of registrations in SIA of treated and non-treated jobseekers selected into samples for both reference periods.

As is presented in the first line of the table, treated jobseekers achieved on average about almost 30 Euros per month higher assessment base in the first reference period. In the second reference period almost 20 Euros separates the treated and non-treated jobseekers.

Sample Statistics Reference period 1		Reference period 2	
non treated	Mean	386€	399€
treated	Mean	415€	418€
non treated	Mean	0,08	0,10
treated	Mean	0,18	0,15
non treated	Mean	0,03	0,04
treated	Mean	0,16	0,25
non treated	Mean	0,00	0,00
treated	Mean	0,01	0,02
non treated	Mean	0,11	0,14
treated	Mean	0,34	0,40
	non treated treated non treated treated non treated treated treated non treated treated	non treated Mean treated Mean non treated Mean treated Mean non treated Mean treated Mean treated Mean treated Mean non treated Mean treated Mean treated Mean Mean Mean Mean Mean Mean	SampleStatisticsperiod 1non treatedMean386 €treatedMean415 €non treatedMean0,08treatedMean0,18non treatedMean0,03treatedMean0,16non treatedMean0,00treatedMean0,01non treatedMean0,01non treatedMean0,11

According to the results of the method, the treated are much more employable due to the

intervention than the controls. Non-participants were longer time sustained for longer in full-time jobs, on the other hand the treated were sustained for a longer time as self-employed. Treated and non-treated groups did not have an interest in finding part-time jobs.

This method is also limited due to the exclusion of a big part of the samples which were not matched between treated and non-treated groups.

Net-effect/ difference	Reference period 1	Reference period 2
Assessment base	29,843	19,345
Self-employment	0,10	0,05
Full-time job	0,13	0,21
Individual barrier for entrance to LM	0,01	0,02
Placed on LM	0,23	0,26

Also the table below describes statements of the carried out Kolmogorov-Smirnov tests of variables which should reject or retain the null hypothesis: whether it is the distribution of the particular dependent variable which demonstrate the effect in the impact period, the same across categories of treated/non-treated jobseekers. The statistical tests are carried out at 95 % confidence level.

The average assessment base was significantly different in the first reference period between treated and controls, in the second reference period the differences were not significant. The distribution of individual barriers for entrance to LM and part-time jobs were the same across the categories of the variables between treated and controls. The result of the other dependent variables significantly differs between treated and controls.

Null Hypothesis	Test	r F	Ref	erence period 1	Ref	erence period 2
Null Hypothesis	Test	Sig	g.	Decision	Sig.	Decision
The distribution of Average assessment base is the same across categories of Treated/non-treated.	Independent-Samples Kolmogorov-Smirnov Test	0,00	00	Reject the null hypothesis.	0,578	Retain the null hypothesis.
The distribution of Self-employment is the same across categories of Treated/non-treated.	Independent-Samples Kolmogorov-Smirnov Test	0,00	00	Reject the null hypothesis.	0,000	Reject the null hypothesis.
The distribution of Full-time job is the same across categories of Treated/non-treated.	Independent-Samples Kolmogorov-Smirnov Test	0,00	00	Reject the null hypothesis.	0,000	Reject the null hypothesis.
The distribution of Individual barrief for entrance to LM is the same across categories of Treated/non-treated.	Independent-Samples Kolmogorov-Smirnov Test	0,54	44	Retain the null hypothesis.	0,544	Retain the null hypothesis.
The distribution of Part-time job is the same across categories of Treated/non-treated.	Independent-Samples Kolmogorov-Smirnov Test	1,00	001	Retain the null hypothesis.	1,000	Retain the null hypothesis.
The distribution of Placed on LM is the same across categories of Treated/non-treated.	Independent-Samples Kolmogorov-Smirnov Test	0,00	00	Reject the null hypothesis.	0,000	Reject the null hypothesis.
Asymptotic significances are displayed. T	he significance level is ,05.					

#### Cost-benefit analysis

As was done in the previous method, cost-benefit analyses were provided representatively for one jobseeker treated and non-treated for both reference periods with the adoption of the probability to be employed in the set impact periods. One treated was able to repay the grant and also generated on average more than 1 thousand Euros for the state budget. And in the second reference period it was on average more than 2,500 Euros. The net-effect estimated through subtraction of the controls' average financial effect is up to 6,500 Eur according to the reference period.

Net effect		Treated		Non-treated		Diff. Betwen treated and non- treated	
Reference period		1.1.2007 - 30.4.2008	1.5.2008 - 30.4.2010	1.1.2007 - 30.4.2008	1.5.2008 - 31.12.2010	1.1.2007 - 30.4.2008	1.5.2008 - 30.4.2010
Average time share on open market/	labour market	60%	70%	7%	7%	54%	63%
Average time share out of open marke	t/labour market	51%	54%	41%	43%	10%	11%
Unampleyment allows nee	employed	3 701 €	5 848 €	371€	400€	3 <mark>330</mark> €	5 <mark>448€</mark>
Unemployment allowance	unemployed	-3 124€	-4 523 €	-2 318€	-2 421€	807€	- <b>2</b> 102 €
Benefit in material need	employed	1 692 €	1800€	209€	226€	1 <mark>48</mark> 3€	1 <mark>57</mark> 5€
Deficiff iffiliaterial fieed	unemployed	-1 429€	-1392€	-1 309 €	-1367€	- 20€	-25€
Grant		-2 779€	-2 933 €	0€	0€	<b>-2</b> 779€	<b>-2</b> 933€
Health insurance	employed	777€	881€	81€	92€	6 <mark>9</mark> 7€	7 <mark>8</mark> 9€
riearth filsul alice	unemployed	-656€	-681€	-506€	-556€	-151€	-125€
Social insurance		1881€	2 131 €	196€	222€	1 <mark>68</mark> 6€	1 <mark>90</mark> 9€
Taxes from consuption	employed	791€	896€	82€	94€	7 <mark>0</mark> 9€	8 <mark>0</mark> 3€
raxes from consuption	unemployed	-19€	0€	0€	0€	-19€	0€
Income tax unemploy		1319€	2 194 €	110€	125€	1 <mark>21</mark> 0€	2 <mark>07</mark> 0€
		-1 114€	-1697€	-686€	-755€	-427€	942€
Total / Difference		1 042 €	2 526 €	-3 770 €	-3 941€	4812€	6 467 €

### **5.8.4** Propensity score exact matching

The procedure of application of this method consists of:

- estimation of logistics model with its application on individuals on the samples of treated and control individuals,
- matching just individuals which have the same value of propensity score,
- individual non-treated adopted individual impact periods of the treated individual which was matched with the non-treated.
- enforcement of post-only comparison design,
- tests of differences between treated and nontreated results of dependent variables.

	Case Processing Summary									
			Ca	ses						
referer	nce period	Va	ılid	Miss	sing					
		N	Percent	N	Percent					
1	non treated	956	100,0%	0	0,0%					
	treated	514	100,0%	0	0,0%					
2	non treated	6 968	100,0%	0	0,0%					
2	treated	3 432	100,0%	0	0,0%					
In total	non treated	7 924	100,0%	0	0,0%					
iii totai	treated	3 946	100,0%	0	0,0%					
In total		11 870								

In the table next to the text there are presented sample sizes. In total, pairs were created from almost 12 thousand eligible jobseekers in two reference periods. As can be seen in the table, the samples do not contain any missing data. The first reference period is represented by a smaller number of treated and non-treated of individuals in comparison with the second reference period.

For the logistic model we used all independent variables, similarly as before, with categorical variables coding as written in the table:

- 1) Gender
- 2) Age
- 3) Marital status used as a categorical variable
- 4) Level of education\_10 categories
- 5) Level of education\_5 categories used as a categorical variable
- 6) Types of disadvantages
- 7) Unemployed in months
- 8) Total period of all registrations in months (COLSaF)
- 9) Unemployed before 2007 in months used as a categorical variable
- 10) The average gross wage in the region of permanent residence
- 11) The proportion of women in the district of permanent residence
- 12) Surface of district of permanent residence
- 13) The density of population in the district of permanent residence
- 14) The number of municipalities in the district of permanent residence
- 15) The number of cities in the district of permanent residence
- 16) The registered unemployment rate in the district of permanent residence
- 17) Inhabitants density
- 18) Population of municipality in 2011
- 19) Change of population: 15 years
- 20) Distance from PES office
- 21) District of permanent residence
- 22) Region of permanent residence
- 23) Driving licence: cars and motorcycles, buses, trucks, small trucks

Cat	egorical Variables	Codings			
		primary shool			
		secondary vocational school			
Level of educati	on_5 categories	vocational school			
		comprehensive school			
	registered partners				
		divorced			
Marital	status	single			
		widow			
		married			
		< 1 year			
Unamployed befo	Unemployed before 2007 in months	1 - 3 years			
onemployed belo		> 3 years			
	·				

The dependent variable in the logistic regression was the variable *Treated / non-treated*, with values 1 for participants and for non-participants. In the logistic regression procedure we used the Backward conditional stepwise method, with the condition of entry probability 0.01 and removal probability 0.05. Using this method we get the final best logistic regression for modelling the probability (or odds, score) of participating in the programme with the given independent variables. This model was created separately for every reference period. In the following tables the results of the final logistic models are presented.

The results are very similar to before. As we can see according to the values of odds Exp(B), Age, Disadvantages, Total period of all registrations, Distance from office, District of permanent residence, Marital status category 3 and Driving licence category motorcycles have the odds smaller than 1. That means, if their value changes by 1 and all the other variables stay the same, the probability of being treated will decrease. For example for Age, if the individual is 1 year older, this changes the probability of being treated 0.883 times. For a categorical variable this is true compared to the reference category (the last category for all categorical variables). All variables have odds Exp(B) higher than 1, so their change (in case other variables stay the same) will cause an increase in the probability of being in a treatment group by a multiple of Exp(B).

In the second reference period, the variables with odds Exp(B) smaller than 1 cause a decrease in the probability of being in the treatment group, in case they change by 1 and the other variables stay the same. Other variables with odds Exp(B) greater than 1 increase the probability of being in the treatment group with change in these variables of 1.

These two logistic regression models were created with a significance level of 0.05; all coefficients are statistically significant, tested with the Wald test.

Variables in the E	quation	Perio	d 1			
	В	S.E.	Wald	df	Sig.	Exp(B)
Gender	,387	,070	30,366	1	,000	1,473
Age (rounded)	-,125	,005	671,846	1	,000	,883
Education level	,211	,021	100,035	1	,000	1,235
Disadvantages	-,502	,155	10,453	1	,001	,605
Unemployed in months	,115	,006	398,460	1	.000	1,122
Total period of all registrations in months (colsaf)	-,084	,005	280,536	1	,000	,919
The density of population in the district of perm. residence	,000	.000	5,029	1	,025	1,000
The registered unemployment rate in the district of perm. residence	,030	.008	14,280	1	,000	1,031
Population_of_municipality_2011	,000	,000	8,772	1	,003	1,000
Distance_from_PESoffice	-,008	.004	4,023	1	,045	,992
District of permanent residence	-,092	,021	19,013	1	,000	,912
motorcycles	-,707	.104	46,027	1	,000	,493
trucks	1,476	,453	10,630	1	,001	4,377
Marital status _category_3	-1,349	.087	238,655	1	,000	,259
Marital status _category_4	1,209	,401	9,083	1	,003	3,350
Constant	3,649	,283	166,428	1	,000	38,447

Variables in the Eq	uation	Perio	d 2			
	В	S.E.	Wald	df	Sig.	Exp(B)
Gender	,757	,040	357,821	1	,000	2,133
Age (rounded)	-,082	,002	1197,217	1	,000	,921
Education level	,344	,023	223,954	1	,000	1,410
Disadvantages	-,764	,079	94,511	1	,000	,466
Unemployed in months	,024	,003	69,832	1	,000	1,025
Total period of all registrations in months (colsaf)	-,018	,002	61,858	1	,000	,982
The average gross wage in the region of perm. residence	,001	,000	11,559	1	,001	1,001
Surface of district of permanent residence	-,001	,000	33,713	1	,000	,999
The density of population in the district of perm. residence	,000	,000	14,641	1	,000	1,000
The number of cities in the district of perm. residence	,008	,001	53,442	1	,000	1,008
The number of municipalities in the district of perm. residence	,071	,023	9,968	1	,002	1,074
Inhabitants density	,000	,000	8,331	1	,004	1,000
Population_of_municipality_2011	,000	,000	20,461	1	,000	1,000
motorcycles	-1,303	,058	503,522	1	,000	,272
Marital status_category_2	-,217	,072	9,055	1	,003	,805
Marital status_category_3	-,713	,048	237,122	1	,000	,490
School_category_1	,749	,221	11,462	1	,001	2,115
School_category_2	,792	,100	62,089	1	,000	2,208
School_category_3	,783	,106	54,739	1	,000	2,187
School_category_4	,620	,107	33,655	1	,000	1,859

The classification result is correct in more than 90 % of cases. Nagelkerke R-square is more than 80 % in both reference periods.

In the table next to the text the sample sizes are presented,. In total, pairs were created from almost 12 thousand eligible jobseekers in two reference periods. As can be seen in the table, the samples do not contain any missing data. The first reference period is represented by a smaller number of treated and non-treated of individuals in comparison with the second reference period.

# Measuring of employability

Another table below the text represents the share of sustained jobseekers in the impact period on the labour market in the first column. Then the table refers to values for the first and second reference periods for treated and non-treated groups of samples; finally, in the last two columns are presented the net effect of the interventions for the concrete share of remaining on the labour market in the impact period. While about 10 % of treated jobseekers could not be placed on LM in the impact period, more than 40 % of the controls were not employed during the whole first impact period. From the shape created by the yellow bar chart it is obvious that the treated loose placement on LM much more easily than the controls. Just more than 6 or more than 8 % of the treated ensured placement on LM for the whole measured impact period, while almost every second non-treated jobseeker who was placed on LM sustained employment, or selfemployment for the whole measured impact period. From the frequency table it is possible to deduce (last two columns) that there is about a 30 % higher probability for non-participants that they will not find any placement during the impact period, which is the main reason why intervention has been estimated as having a positive effect. Almost every second non-participant was in the evidence of jobseekers.

Placed on L			Reference			tile ev	Reference period 2						Net-effect/	
M_rounded	N	on-treate			Treated		N	Non-treated Treated			differences			
Share of impact period sustained on LM	Frequency	Percent	Cumulativ e Percent	Frequency	Percent	Cumulative Percent	Frequency	Percent	Cumulativ e Percent	Frequency	Percent	Cumulativ e Percent	Reference period 1	Reference period 2
0	395	41,3	41,3	50	9,7	9,7	3469	49,8	16,8	649	18,9	18,8	-31, <mark>6</mark>	-30,9
0,1	44	4,6	58,7	41	8,0	90,3	245	3,5	50,2	257	7,5	81,1	3,4	4,0
0,2	55	5,8	54,1	30	5,8	82,3	268	3,8	46,7	243	7,1	73,6	0,1	3,2
0,3	81	8,5	48,3	68	13,2	76,5	348	5,0	42,9	388	11,3	66,6	4,8	6,3
0,4	28	2,9	39,9	41	8,0	63,2	199	2,9	37,9	241	7,0	55,3	5,0	4,2
0,5	42	4,4	36,9	68	13,2	55, <mark>3</mark>	233	3,3	35,0	418	12,2	48, <mark>2</mark>	8,8	8,8
0,6	20	2,1	32,5	37	7,2	42,0	150	2,2	31,7	191	5,6	<mark>3</mark> 6,1	5,1	3,4
0,7	23	2,4	30,4	38	7,4	34,8	114	1,6	29,5	215	6,3	30,5	5,0	4,6
0,8	29	3,0	28,0	58	11,3	27,4	192	2,8	27,9	316	9,2	24,3	8,3	6,4
0,9	17	1,8	25,0	50	9,7	16,1	105	1,5	25,2	226	6,6	15,1	7,9	5,1
1	222	23,2	23,2	33	6,4	6,4	1620	23,6	23,7	291	8,5	8,5	-16, <mark>8</mark>	-15,1
Total	956	100,0	-	514	100,0	-	6968	100,0	-	3432	100,0	-	-	-

The next table presents types of registration in SIA during the impact periods. The first rows describe the average assessment base; in the first reference period the treated achieved about more than 90 Euros per month higher amount than the controls; in the second reference period the situation changed and the treated achieved about 25 Euros per month less but statistical tests stated that the

Dependent variable	Sample	Statistics	Reference period 1	Reference period 2	
Assessment base /	non treated	Mean	371,19	430,95	
wage per month	treated	Mean	465,00	405,61	
Self-employ ment	non treated	Mean	,3463	,2760	
	treated	Mean	, <mark>2</mark> 089	,1682	
Full-time job	non treated	Mean	,0297	,0739	
i dii-tiirie job	treated	Mean	,2826	,26 <mark>7</mark> 0	
Individual barrier for	non treated	Mean	,0051	,0109	
enatrance to LM	treated	Mean	,0349	,0519	
Place on LM	non treated	Mean	,3760	,3499	
	treated	Mean	,4915	,4352	

difference is insignificant. Then from the table it is visible that the treated jobseeker has greater interest in being employed in a full-time job than non-treated jobseekers. This statement is confirmed by the table below which presents a test of differences between the treated and non-treated.

In the first reference period there was estimated a higher than 11 % employability of the treated in the impact period, while in the second reference period the effectivity of the intervention decreased and the treated were employed for a shorter share of the impact period - 8,5 %. Finally, we may state that the program of self-employment promotion in both reference periods was with positive net effect on the probability of placement on the open labour market.

Net-effect/ difference	Reference period 1	Reference period 2
Assessment base	<mark>93,</mark> 817	25,340
Self -employ ment	1374	1078
Full-time job	, <mark>2529</mark>	, <mark>1931</mark>
Individual barrier for entrance to LM	, <mark>0</mark> 298	, <mark>0</mark> 410
Placed on LM	, <mark>115</mark> 5	, <mark>085</mark> 3

We identified that the treated and non-treated significantly differed from each other in the assessment base in the first period, in self-employability, in the tendency to find a full-time job and as well in placement on the open LM. In the table above it is also obvious that treated jobseekers are significantly more successful in sustaining full-time jobs than controls.

Net-effect/ difference	Reference period 1	Reference period 2
Assessment base	8 <mark>0,32</mark> 6	40,968
Self-employment	- <b>,1</b> 822	- <b>,1</b> 186
Full-time job	,2 <mark>140</mark>	,1 <mark>934</mark>
Individual barrier for entrance to LM	,0 <mark>2</mark> 69	,0 <mark>49</mark> 6
Placed on LM	,0 <mark>3</mark> 18	,0 <mark>748</mark>

Null Hypothesis	Test	r	Reference period 1	Reference period 2			
Null Hypothesis	Test	Sig.	Decision	Sig.	Decision		
The distribution of Assessment base is the same across categories of Treated/non-treated.	Independent-Samples Kolmogorov-Smirnov Test	0,011	Reject the null hypothesis.	0,116	Retain the null hypothesis.		
The distribution of Self- employment is the same across categories of Treated/non- treated.	Independent-Samples Kolmogorov-Smirnov Test	0,000	Reject the null hypothesis.	0,000	Reject the null hypothesis.		
The distribution of Full-time jobs is the same across categories of Treated/non-treated.	Independent-Samples Kolmogorov-Smirnov Test	0,000	Reject the null hypothesis.	0,000	Reject the null hypothesis.		
The distribution of Part-time job is the same across categories of Treated/non-treated.	Independent-Samples Kolmogorov-Smirnov Test	1,000	Retain the null hypothesis.	1,000	Retain the null hypothesis.		
The distribution of Individual barrier for entrance to LM is the same across categories of Treated/non-treated.	Independent-Samples Kolmogorov-Smirnov Test	0,132	Retain the null hypothesis.	0,000	Reject the null hypothesis.		
The distribution of Placed on LM is the same across categories of Treated/non-treated.	Independent-Samples Kolmogorov-Smirnov Test	0,000	Reject the null hypothesis.	0,000	Reject the null hypothesis.		
Asymptotic significances are displayed. The significance level is ,05.							

# Cost-benefit analysis

In the next table there are again presented numbers uncovering the financial influences of the intervention on the state budget per jobseeker for the set impact period. The last green line shows that the treated in the first reference period were able to repay about 2/3 of the grant back during the impact period while in the second reference period the treated were able to return on average just less than 10 % of the grant. The net effect of the intervention had an estimated negative average influence on the state budget (from 2 thousand up to 3,300 Euros per jobseeker). If the cost-benefit analysis didn't calculate the amount of the grant the participants of the program received, the net-effect would be positive. In the first reference period on average the treated earned for the public budget about 700 Euros more than the controls.

Net effect		Trea	ated	Non-t	reated	Diff. Betwen treated and non- treated	
Reference period	1.1.2007 - 30.4.200 8	1.5.2008 - 30.4.201 0	1.1.2007 - 30.4.200 8	1.5.2008 - 31.12.201 0	1.1.2007 - 30.4.200 8	1.5.2008 - 30.4.201 0	
Average time share on open market	49%	44%	38%	35%	12%	9%	
Average time share out of open mark	et/labour market	51%	54%	41%	43%	10%	11%
Una mala mana kalla mana	employed	3 010 €	3 638 €	2 131 €	1 984 €	879€	1 654 €
	unemployed	-3 124 €	-4 523 €	-2 318 €	-2 421 €	-807€	- <mark>2 10</mark> 2 €
0.00	employed	1 376 €	1 120 €	1 204 €	1 120 €	172€	-1 €
Benefit in material need	unemployed	-1 429 €	-1 392 €	-1 309 €	-1 367 €	-120€	-25€
Grant		-2 779 €	-2 933 €	0€	0€	-2 7 <b>7</b> 9€	-2 9 <b>3</b> 8 €
Health insurance	employed	632 €	548 €	465 €	456 €	167€	92 €
nealthinisulance	unemployed	-656 €	-681€	-506 €	-556 €	-151€	-125€
Social insurance		1 530 €	1 326 €	1 126 €	1 102 €	405€	223€
Tayor from consumtion	employed	644 €	558 €	473 €	464 €	170€	94 €
Taxes from consuption	unemployed	-19€	0€	0€	0€	-19€	0 €
Income toy	employed	1 073 €	1 365 €	631 €	618€	442€	747€
Income tax	unemployed	-1 114 €	-1 697 €	-686 €	-755 €	-427€	-9 <mark>42</mark> €
Total / Difference		-856 €	-2 672 €	1 212 €	645 €	-2 068 €	-3 317 €

#### 5.8.5 Propensity score nearest neighbour matching

This method is very similar to the previous one. The difference is based on the rule of pairing treated and non-treated individuals, where each treated unit is matched to the control unit with the closest propensity score. The method was applied without replacement, i.e. one participant and non-participants can be used as a match only once and for every participant we used 5 nearest neighbours in propensity score.

In the samples there were matched in total across the reference period more than 13 thousand of jobseekers from the treated and control group of samples. No missing data was identified. Every nontreated and non-treated individual was used just once and in every group of treated and his 5 nearest neighbours has to be in adition to treated individual also at least one non-treated individual. That is the reason we have 887 pairs in the first reference period and 3,129 pairs in the second reference period.

Case Processing Summary									
	Cases								
Reference	Va	alid	Missing						
	Ν	Percent	Z	0,0% 0,0%					
1	2153	100,0%	0	0,0%					
2	7095	100,0%	0	0,0%					
1	887	100,0%	0	0,0%					
2	3129	100,0%	0	0,0%					
	13264								
	Reference period  1 2	Reference period N 1 2153 2 7095 1 887 2 3129	Case           Case           Valid         N         Percent           1         2153         100,0%           2         7095         100,0%           1         887         100,0%           2         3129         100,0%	Cases           Cases           Valid         M           N         Percent         N           1         2153         100,0%         0           2         7095         100,0%         0           1         887         100,0%         0           2         3129         100,0%         0					

# Measuring of employability

The frequency table below again presents shares of sustaining time on the open labour market during the impact period of 24 months for treated and control units. The results are very similar to the previous one. Even a high percentage of controls were not at all placed on LM during the impact period; every second who found a place on the labour market remained employed for the whole impact period. On the other side, a rather big part of the treated sample placed for at least for  $10\,\%$  of the impact period but just every ninth or tenth remained placed on the labour market for the whole impact period. From that point of view again the stability of placement seems to be in the group of nontreated.

The last two columns in the first line show that there is a higher than 24 % and lower

than 30 % probability that the treated will be employed for at least 10 % of the impact period, i.e. up to almost 2 and half months. On the bottom of the table, in the last two columns are presented values that show that the non-treated sustained placement on LM for the whole period with 16 % higher probability than the participants of the intervention.

Placed_on_LM_r			Non-t	reated					Tre	ated			Net-e	effect/
ounded	Refe	erence peri	od 1	Refe	erence peri	od 2	Reference period 1 Reference period 2		differences					
Share of impact period sustained on LM	Frequency	Percent	Cumulativ e Percent	Frequency	Percent	Cumulativ e Percent	Frequency	Percent	Cumulativ e Percent	Frequency	Percent	Cumulativ e Percent	Reference period 1	Reference period 2
0	746	34,6	34,6	3492	49,2	49,2	96	10,8	10,8	595	19,0	19,0	-23,8	-30,2
0,1	104	4,8	65,4	267	3,8	50,8	71	8,0	89,2	251	8,0	81,0	3,2	4,3
0,2	123	5,7	60,5	266	3,7	47,0	58	6,5	81,2	208	6,6	73,0	0,8	2,9
0,3	161	7,5	54,8	305	4,3	43,3	121	13,6	74,6	342	10,9	66,3	6,2	6,6
0,4	60	2,8	47,3	220	3,1	39,0	80	9,0	61,0	239	7,6	55,4	6,2	4,5
0,5	83	3,9	44,5	250	3,5	35,9	108	12,2	52,0	375	12,0	47,7	8,3	8,5
0,6	62	2,9	40,7	143	2,0	32,3	49	5,5	39,8	173	5,5	35,8	2,6	3,5
0,7	45	2,1	37,8	111	1,6	30,3	60	6,8	34,3	196	6,3	30,2	4,7	4,7
0,8	54	2,5	35,7	171	2,4	28,8	95	10,7	27,5	284	9,1	24,0	8,2	6,7
0,9	40	1,9	33,2	99	1,4	26,4	75	8,5	16,8	203	6,5	14,9	6,6	5,1
1	675	31,4	31,4	1771	25,0	25,0	74	8,3	8,3	263	8,4	8,4	-23,0	- <mark>16,6</mark>
Total	2153	100,0		7095	100,0		887	100,0		3129	100,0			

The output next to the text presents the types of registrations across the impact periods the average assessment base earned during the impact period. From the table it is obvious that the treated and non-treated achieved the assessment base in the whole period about 400 Euros per month. Treated units achieved in the first reference period

80 Euros monthly more than controls. In the next reference period the situation changed and the controls were more successful because they were able to achieve about 40 Euros per month more than treated individuals but this difference was established as non-significant by the Kolmogorov-Smirnov test. As presented in

Dependent variable	Sample	Statistics	Reference period 1	Reference period 2
Assessment base	non treated	Mean	384	444
Assessment base	treated	Mean	464	403
Self-employment	non treated	Mean	,40	,28
3en-employment	treated	Mean	,21	,17
Full-time job	non treated	Mean	,05	,07
Full-time job	treated	Mean	,27	,27
Individual barrier for entrance	non treated	Mean	,01	,01
to LM	treated	Mean	,04	,06
Placed on LM	non treated	Mean	,45	,36
Flaced Off LIVI	treated	Mean	,48	,43

Net-effect/ difference	Reference period 1	Reference period 2
Assessment base	8 <mark>0,32</mark> 6	-40,968
Self-employment	- <b>,1</b> 822	-, <b>1</b> 186
Full-time job	,2 <mark>140</mark>	,1 <mark>934</mark>
Individual barrier for entrance to LM	,0 <mark>2</mark> 69	,0 <mark>49</mark> 6
Placed on LM	,0 <mark>3</mark> 18	,0 <mark>74</mark> 8

the previous results, the treated had identified more individual barriers for entrance to the open LM. While non-treated individuals remained mostly self-employed, treated units were mostly placed in full-time jobs. Participants and non-participants did not have an interest in part-time jobs. Generally, the treated remained on the labour market about 3 % longer than the non-treated in first reference period, which represents about 21 days of the impact period. In the second reference period, the treated remained placed on LM longer by about 7.5 % of the whole impact period of 24 months. In other words, treated individuals were more successful in placement by about 54 days than controls in average numbers.

The next table presents the results of the carried out tests of differences between participants and non-participants. They significantly differ from each other in self-employment, full-time job, placement on LM and individual barriers for entrance to the LM.

Null Hypothesis	Test 🔏	Reference period 1 Sig.	Decision	Reference period 2 Sig.	Decision
The distribution of Assessment base is the same across categories of Treated/non-treated.	Independent-Samples Kolmogorov-Smirnov Test	0,000	Reject the null hypothesis.	0,167	Retain the null hypothesis.
The distribution of Self- employment is the same across categories of Treated/non- treated.	Independent-Samples Kolmogorov-Smirnov Test	0,000	Reject the null hypothesis.	0,000	Reject the null hypothesis.
The distribution of Full-time job is the same across categories of Treated/non-treated.	Independent-Samples Kolmogorov-Smirnov Test	0,000	Reject the null hypothesis.	0,000	Reject the null hypothesis.
The distribution of Part-time job is the same across categories of Treated/non-treated.	Independent-Samples Kolmogorov-Smirnov Test	1,000	Retain the null hypothesis.	1,000	Retain the null hypothesis.
The distribution of Individual barrier for entrance to LM is the same across categories of Treated/non-treated.	Independent-Samples Kolmogorov-Smirnov Test	0,008	Reject the null hypothesis.	0,000	Reject the null hypothesis.
The distribution of Placed on LM is the same across categories of Treated/non-treated.	Independent-Samples Kolmogorov-Smirnov Test	0,000	Reject the null hypothesis.	0,000	Reject the null hypothesis.
Asymptotic significances are dis	played. The significance	level is ,05.			

Cost-benefit analysis

The financial effect on the state budget of treated and non-treated units are again estimated through cost-benefit analysis in the context of the results from the propensity score nearest to neighbour matching.

The table presents in the last green line the estimated average influences on the state budget per one individual from samples of the treated and non-treated. On average,

Net effect		Tre	ated	Non-treated			en treated -treated
		1.1.2007 - 30.4.2008	1.5.2008 - 30.4.2010	1.1.2007 - 30.4.2008	1.5.2008 - 31.12.2010	1.1.2007 - 30.4.2008	1.5.2008 - 30.4.2010
Average time share on open market/labour market		48%	43%	45%	36%	3%	7%
Average time share out o market/labour mark		51%	54%	41%	43%	10%	11%
	employed	2 953 €	3 617 €	2 553 €	2 030 €	<b>△</b> 400€	<b>△</b> 1588€
	unemployed	- 3124€	- 4523€	- 2318€	- 2421€	<b>-</b> - 807€	<b>~</b> -2102€
- 600 000	employed	1 350€	1 114 €	1 442 €	1 146€	<b></b> - 92€	<b></b> - 33€
	unemployed	- 1429€	- 1392€	- 1309€	- 1367€	<b></b> - 120€	<b></b> - 25€
Grant		- 2779€	- 2933€	- €	- €	<b>▼</b> -2779€	<b>-</b> 2933€
Health insurance	employed	620€	545€	557€	466€	<b>—</b> 63€	<b></b> 79€
Hearth Insurance	unemployed	- 656€	- 681€	- 506€	- 556€	<b></b> - 151€	<b></b> - 125€
Social insurance		1 501 €	1 318 €	1 348€	1 128€	<b>△</b> 153€	<b>△</b> 190€
Taxes from consuption	employed	631€	554€	567€	474€	<b>—</b> 64€	<b>—</b> 80€
raxes from consuption	unemployed	- 19€	- €	- €	- €	<b></b> - 19€	<b>-</b> - €
Income tax	employed	1 053 €	1 357€	756€	633€	<b>△</b> 297€	<b>△</b> 725€
micome tax	unemployed	- 1114€	- 1697€	- 686€	- 755€	<b>-</b> - 427€	<b></b> - 942€
Total / Difference		- 1012€	<b>27</b> 20€	2 406€	778€	- 3418€	- 3498€

participants were able to return to the state budget in the first impact period more than 2/3rds of the provided grant; in the impact period of the second reference period it was just less than 10 % of the grant. That is why the treated have an estimated negative net effect on the state budget in the amount of almost 3,500 Euros per participant.

#### **5.8.6** Comparison of the method results

This subchapter should provide a view on the outcomes of the four carried out methods that estimated the net effect of the self-employment promotion. As mentioned before, it was a 3 and half years long evaluated period during which the intervention was distributed to the eligible jobseekers that applied for grant. That period was divided into two separated, so called reference, periods when the intervention rules were changed.

In the table are presented in the first row the minimal size of representative samples, that estimated at a confidence level of 95 %, i.e. about 380 individuals. All the methods used bigger samples, which should ensure the accuracy of the estimated outcomes across the methods. In total for both periods more thousand eligible jobseekers received a grant from COLSaF. The Post-only non-comparison design is the method that was carried out with the assistance of all available data, which is the reason in the table the bar charts show the highest frequency of concerned samples. For the first reference period were used just 17 % of all treated jobseekers due to the availability

		Reference	e period	
		1.1.2007 - 30.4.2008	1.5.2008 - 30.4.2010	
		16 months	24 months	
	Minimal estimated size of samples (confidence level 95 %)	374	379	381
	No. of treated jobseekers	13 650	26 486	40136
Frequences	post-only non-equivalent comparison	2376	<b>16</b> 319	18695
Kler	exact matching	535	1821	2356
	propensity exact score matching	514	3432	3946
	propensity score nearest neighbour matching	887	3129	4016
C.	post-only non-equivalent comparison	17%	62%	47%
Share on treated	exact matching	4%	7%	6%
jobseeke	propensity exact score matching	4%	13%	10%
13	propensity score nearest neighbour matching	6%	12%	10%

of correct data. And in the second reference period we used 62 % of the program participants.

The other performed methods counted with lower scopes of samples and representativeness due to the rules of the matching, which substantially limited samples.

The other table presents five dependent variables whose role is estimation of the net effect from some points. The first one is the **assessment base** achieved by jobseekers. The values show the differences of averages between treated and non-treated units. In the first reference period the result is obvious because all the methods confirmed that the net financial impact on the high of the assessment base per month of treated individual is positive from 30 to 106 Euros more than the controls earned in the impact period. In the second reference period exact matching and only-past non-equal comparison design established a positive effect of intervention on the participants' assessment base. But more rigorous methods estimated a negative net impact on the high of the assessment bases of treated units. Even the statistical test in the propensity score nearest neighbour matching method stated that negative differences between the treated and non-treated are insignificant. It is possible to make the conclusion that the assessment bases in the second reference period of treated and non-treated were similar.

For the dependent variable **full-time job** the notion that every difference between treated and non-treated is significant was tested. The values in the table indicate that the treated were much more determined to find a job because even for the one propensity score exact matching design was estimated a positive difference between treated and controls. That method estimated the negative net effect on placement of the treated on the labour market. From the values it is obvious that the self-employment sustainability of controls is significantly higher.

The other values indicate that participants of the program are significantly more exposed to the **individual barriers for entrance to the labour market**. Even barriers were not long-term parts of the impact period but some participants were recipients of accident benefit, care allowance, or they were personal assistants for relatives during the impact periods in both reference periods of the intervention.

It is possible state that overall the **placement of the treated** on the open **labour market** was more frequent and sustainable than with non-treated individuals who were eligible and also established self-employment during the impact period. In the first reference period, participants of the intervention remained on the labour market longer by up to five months. In the second reference period, three carried out methods confirmed a positive effect as well. Robust methods propensity nearest neighbour and propensity exact matching estimated the lowest difference which says that participants of the self-employment promotion remained on the open labour market on average about 50 days longer than their nearest controls. That result was tested as the significant difference between both groups of samples.

The last dependent variable reveals that the treated were not so successful in selfemployment in the impact periods. Even jobseekers supported by grants were able to be a longer time on average on the open market. They more intended to find a full-time job. Mainly due to placement in full-time jobs, participants were more successful than nonparticipants.

	Not offer		Differ	enc	es	Si	g.
Net effect	CIE design	1.1.2007 -		1.5.2008 -		1.1.2007 -	1.5.2008 -
		30	.4.2008	30	.4.2010	30.4.2009	30.4.2011
	Exact matching		30€		19€	0,000	0,578
Assessment	Post-only non-equal comparison design		106€		30€	0,000	0,000
base	Propensity score exact matching		94€		25€	0,011	0,116
	Propensity score nearest neighbour matching		80€	-	41€	0,000	0,167
	Exact matching		<b>0,1</b> 3		0,21	0,000	0,000
Full times in h	Post-only non-equal comparison design		0,04		,03	0,000	0,000
Full-time job	Propensity score exact matching		0,25		0,19	0,000	0,000
	Propensity score nearest neighbour matching		0,21		0,19	0,000	0,000
	Exact matching		0,01		0,05	0,544	0,544
Individual barriers for	Post-only non-equal comparison design		0,02		,03	0,000	0,000
entrance to LM	Propensity score exact matching		0,03		,04	0,132	0,000
entrance to zivi	Propensity score nearest neighbour matching		0,03		0,05	0,008	0,000
	Exact matching		0,23		0,26	0,000	0,000
Placed on LM	Post-only non-equal comparison design		0,23		0,35	0,000	0,000
Praced on Livi	Propensity score exact matching		0,12		<b>0,</b> 09	0,000	0,000
	Propensity score nearest neighbour matching		0,03		<mark>0,</mark> 07	0,000	0,000
	Exact matching		<mark>0,1</mark> 0		0,05	0,000	0,000
Self-	Post-only non-equal comparison design		0,19		0,32	0,000	0,000
employment	Propensity score exact matching		0,14		0,11	0,000	0,000
	Propensity score nearest neighbour matching		0,18		0,12	0,000	0,000

Another outcome informs about the estimated values of the carried out cost benefit analysis as one method which should uncover the impact of the intervention on public finance. The values were analysed for all three performed methods of impact evaluation. Cost benefit analysis of self-employed counted with 48 months of impact period. We assumed the term of sustainability of self-employment (24 months – a condition of the intervention) as well as the impact (24 months after the conditions of the sustainability of the self-employment compliance).

The values in the table differ according to estimated placement on the labour market across the methods. In the previous table were presented the net effects of placement on the labour market. While the first two provided methods are rather optimistic and post only-non-comparison design is not very accurate, taking into account the features of the individuals, we again advise to assess the financial influence of the evaluation by the last carried out method – propensity nearest neighbour matching.

According to those outcomes, the intervention had a negative effect on the national budget. Both reference periods estimated a very similar net financial impact on public finance. The provided values say that one treated can generate for the national budget almost 3500 Euros less than the nearest control individual. On the other side, in the cost benefit analysis, the provided grant was taken into account. When the grant was not counted the net impact would be lower (the average grant was more than 2900 Euros).

CIA design	Trea	ated	Non-tı	reated	Diff. Betwo	
	1.1.2007 - 30.4.2008	1.5.2008 - 30.4.2010	1.1.2007 - 30.4.2008	1.5.2008 - 31.12.2010	1.1.2007 - 30.4.2008	1.5.2008 - 30.4.2010
Post-only non-comparison design	1 198€	2 365 €	1 412 €	538€	- 214€	827€
Exact matching	1 042 €	2 526 €	- 3770€	- 3941€	<mark>4812</mark> €	6 467 €
Propensityscore exact matching	- 856€	262€	1 212 €	645€	- 2 068€	- 3317€
Propensity score nearest neighbour matching	- 1012€	- 2720€	2 406 €	778€	- 8418€	- 8 498€

# 5.8.7 Identification of the successful target group for self-employment

This sub-chapter should interpret the successful target and eligible group of the intervention. In the tables below the text are presented values that are outcomes of the analysis. Positive values represent a higher net-effect of the treated in comparison to the controls; for easier orientation, blue and red bar charts were added into the cells. Also, the tables contained on the right side results of the statistical test the null hypothesis: the means of treated and non-treated individuals is the same.

From a gender point of view, we identified across the reference periods insignificant differences between the performance of treated and non-treated units. In the first reference period, women were more successful in placement on the labour market, in the second reference period it was men. As stated in the one of the previous subchapters, age and gender were tested as insignificant characteristics of the jobseekers in relation to placement on the labour or open market.

Ref. period 1	Ref. period 2				
	kei. periou z	Ref. period 1	Ref. period 2		
Placement on treated and	LM between non-treated	Test of the difforcategories of Treat	ated and Non-		
0,11	0,10	reject	reject		
0,13	0,06	reject reject			
	Placement on treated and indivi		Placement on LM between treated and non-treated individuals    0,11		

In first reference period, widows are the most successful category of **marital status**, but this category is not created on average in about 1 % of all samples and in the second reference period the difference between treated and non-treated widows is insignificant. I In both reference periods divorced treated individuals remained about 15 % longer employed than their controls.

Marital status	Ref. period 1			
ividi i tal us	Difference of Placement on		Test of the across cat	
divorced	0,16	0,15	reject	reject
single	0,06	0,07	reject	reject
widow	0,39	0,03	reject	retain
married	0,14	0,09	reject	reject

The most successful category of treated jobseekers were graduates of lower secondary professional education. Overall, the longest time sustained employed on average jobseekers were those with highest secondary level of education. They remained about 15 % longer than non-treated jobseekers. Just to remember that the most effective groups in the graduate work experience evaluation were jobseekers with achieved higher, tertiary, education.

	Ref. period 1	Ref. period 2	Ref. period 1	Ref. period 2	
Level of education	Difference of	of means of	Test of the difference		
201010100000000	Placement on	LM between	across categories of		
	treated and	non-treated	Treated and	Non-treated	
primary shool	0,10	0,11	retain	reject	
secondary vocational school	0,11	0,07	reject	reject	
vocational school	0,13	0,10	reject	reject	
comprehensive school	0,14	0,11	retain	reject	
colledge	0,02	0,03	retain	reject	

Probably that relates to the category of economic activity of self-employment. Almost 70 % of self-employed jobseekers established a business in construction, services in repair of vehicles or manufacturing. More than every 10th treated jobseeker started to work as real estate sellers. Especially, this economic activity has been identified in the survey as the occasion which was offered to jobseekers during job interviews with big real estate agencies. Jobseekers agreed that they would take the grant for self-employment establishment and would work for these real estate agencies.

SK NACE 2 digits	SK NACE 2 digits	Mean	N	Cumulative percent
Stavebníctvo	Construction	,43	980	29%
Veľkoobchod a maloobchod; oprava motorových vozidiel a motocyklov	Wholesale and retail trade; repair of motor vehicles and motorcycles	,43	703	49%
Priemyselná výroba	Manufacturing	,47	649	68%
Činnosti v oblasti nehnuteľností	Real estate activities	,44	<mark>4</mark> 05	80%
Ostatné činnosti	Other activities	,38	202	86%
Administratívne a podporné služby	Administrative and support services	,44	148	90%
Ubytovacie a stravovacie služby	Accommodation and food services	,37	103	93%
Informácie a komunikácia	Information and communication	,51	99	96%
Doprava a skladovanie	Transport and Storage	,36	46	97%
Vzdelávanie	education	,37	37	98%
Finančné a poisťovacie činnosti	Financial and insurance activities	,37	29	99%
Umenie, zábava a rekreácia	Arts, entertainment and recreation	,40	25	100%
Zdravotníctvo a sociálna pomoc	Health care and social assistance	,25	4	100%
Dodávka vody, čistenie a odvod odpadových vôd, odpady a služby odstraňovania odpadov	Water supply, cleaning and waste-water treatment, waste management and remediation activities	,90	2	100%
Average		,44		

The highest net-impact was achieved in the group of individuals that were unemployed for more than 3 years and in the central and east regions of Slovakia. Bratislava region had the lowest level of net-effect in placement on LM. In Bratislava, no significant differences between treated and controls were identified that could be related to a kind of non-quantification variable as the motivation of jobseekers in the region with the lowest unemployment rate and highest living standard.

	Ref. period 1	Ref. period 2	Ref. period 1	Ref. period 2
Unemployed before 2007	Difference of Placement or treated and	LM between	Test of the diff categories of Non-to-	f Treated and
no evidence	-	-	-	-
< 1 year	0,06	0,09	retain	reject
1 - 3 years	0,10	0,07	reject	reject
> 3 years	0,15	0,13	reject	reject

Region of permanent residence	[		Ref. period 2 of means ent on LM	Ref. period 1 Test of the across cat	
	į		reated and	Treated a	
Bratislava region		<b>0,1</b> 0	0,00	retain	retain
Trnava region		0,11	0,01	retain	reject
Trenčín region		-0,03	0,10	retain	reject
Nitra region		0,07	0,09	retain	reject
Žilina region		0,05	0,12	retain	reject
Banská Bystrica region		0,20	0,12	reject	reject
Prešov region		0,17	0,06	reject	reject
Košice region		0,10	0,11	reject	reject

٨σ٥	Placement o	of means of n LM between I non-treated	Test of the difference across categories of Treated and Non-treated		
Age	Ref. period 1	Ref. period 2	Ref. period	Ref. period 2	
<= 25	0,31	0,08	reject	reject	
25 - 35	0,05	0,09	reject	reject	
35 - 45	0,13	0,07	reject	reject	
45 - 55	0,14	0,12	reject	reject	
> 55	0,12	0,03	reject	reject	

Reference period		placed_on_L M_pomerné	Gender	Age	Marital status	Level of education_10 categories	Level of education_5 categories	Unemployed before 2007 in months	Region of permanent residence
non treated	Pearson Correlation	-,006	-,031	-,045	0,147	0,13	-0,158	-0,118	
1		Sig. (2-tailed)	,860	,337	,166	,000	,000	,000	,000
1	treated	Pearson Correlation	,018	,062	,019	,076	0,092	-,043	-,066
		Sig. (2-tailed)	,690	,162	,675	,085	,037	,331	,133
	non treated	Pearson Correlation	-,021	,002	,044	0,095	0,055	-0,1	-0,068
0		Sig. (2-tailed)	,079	,891	,000	,000	,000	,000	,000
2	2 treated	Pearson Correlation	-,084	,016	,039	0,045	0,042	-0,019	-0,041
		Sig. (2-tailed)	,000	,354	,022	,009	,013	,264	,017
. Correlation i	is significant a	t the 0.05 level (	(2-tailed).						

The following figures provide a spatial orientation of the two fundamental outcomes of performances achieved in the impact period in particular districts of Slovakia.

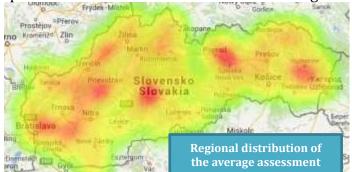
The map presents the averages of achieved assessment base in the impact periods, the red areas show the above averages of the assessment base earned by treated jobseekers. It is possible to see the highest assessment bases were achieved in Zvolen,



upper Povazie, Senec district, Levoca, Spiska Nova Ves, generally west parts of Slovakia. The next map also presents districts with the highest sustainability of participants of the

programme in the impact period on the open market. As was the case with the average

assessment base, sustainability relates to the average assessment base, except in one area in the east of Slovakia, around Humenne. There are more than average sustainability treated jobseekers on the labour market but they earn below average money.



#### 5.8.8 Impact of the self-employment

This part of the evaluation report describes the estimated average influence of the intervention on unemployment rate decreasing, or number of registered jobseekers. Impact is calculated year by year according average estimated placement on LM as the one of outcome variables. Particularly were used for estimation of the impact the shares of placement on LM of Propensity exact matching period method that were applied on the number of treated jobseekers in the years.

We measured 4 years of impact that is reason why the impact is also cumulative and estimated just for number of treated jobseekers in the years from 2007 to half of 2010. In other words it means that we calculate with same jobseekers in four consecutive years. Four years because grants were distributed with condition that self-employment must be sustained at least two years after the intervention provided.

To emphasis distortion which occurs without using of counterfactual impact evaluation approach, we decided calculate impact as the gross effect and net effect. Net effect or impact informs about real estimated % of influence due to the graduate work experience, i.e. with subtraction of the effect which would occur if the intervention would not exist.

At least provided grand focused for establish self-employment decreased number of registered jobseekers from 0,8 to 8,3 %.

During years the impact evaluation was focused for, about  $3-4\,\%$  of the unemployed registered jobseekers and about  $0.4\,\%$  of Slovak labour force<sup>7</sup> were treated. The difference between gross and net effect in this case is multiply and differ year by year according the number of the treated jobseekers in previous years. That is reason we can assume that without the counterfactual impact evaluation method impacts would be also multiply overestimated and the method have a sense.

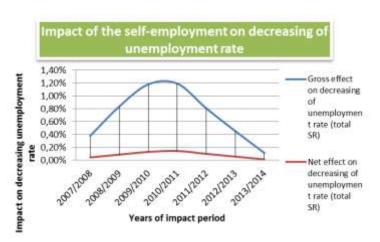
Additionally we estimated the annual impact on decreasing of number of all registered jobseekers. Gross effect of the self-employed is from almost 1 to 8,3 %, depends on the commutation of the previous treated jobseekers. Net impact on number of registered jobseekers is lower and achieved values from 0,5 to 1 %.

<sup>&</sup>lt;sup>7</sup> i.e. denominator of the unemployment rate equation.

	2007/2008	2008/2009	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014
No. of registered jobseekers (total SR)	248 556	379 553	381 209	399 800	425 858	398 876	373 754
No. of treated jobseekers	10 000	12 000	13 000	4 000	-	-	-
Estimated number of jobseekers placed on LM: gross effect	10 000	22 000	31 137	31 127	20 980	11 756	2 766
Estimated number of jobseekers placed on LM: net effect	1 155	2 299	3 408	3 749	2 593	1 450	341
Gross effect on decreasing no. of registered jobseekers (total SR)	4,0%	5,8%	8,2%	7,8%	4,9%	2,9%	0,7%
Net effect on decreasing no. of registered jobseekers (total SR)	0,5%	0,6%	0,9%	0,9%	0,6%	0,4%	0,1%
Gross effect on decreasing of unemployment rate (total SR)	0,37%	0,81%	1,15%	1,15%	0,78%	0,44%	0,10%
Net effect on decreasing of unemployment rate (total SR)	0,04%	0,09%	0,13%	0,14%	0,10%	0,05%	0,01%

Source: Statistics office of Slovak Republic, authors

Finally we can conclude that the intervention had an annual net effect on the unemployment decreasing from 0,04 % up to 0,14 % in the impact period. These numbers may appears too low but we must assume that annually policy covered about 0,4 % of the population and we measure net impact which is difference between average performance of the participants and non-participants of the programme for self-employment promotion. The



intervention influences on the decreasing of unemployment rate and have a sense for unemployed jobseekers.

#### Financial impact of the self-employment

The intention of this part of the evaluation was estimate overall financial impact of the ALMP measure taking into account all the participated individuals. We count with the numbers from the performed cost-benefit analysis.

The table below composed from the two parts first tells about financial effect of the intervention according gross effects and second part refers financial impact which consideration of the net effects. We estimated that treated individuals were able to bring to national budget about -75 mil. Euros across the reference periods.

If we consider estimated net effect of the intervention. The participants of the self-employment generated for national budget about 2 times less money than same elidgible jobseekers. It means the treated jobseekers brought to national budget about -140 mil. Euros more than non-treated jobseekers in total for all reference periods.

	Treated_gross ef	ffect in two years	of impact period	Net-effect in two years of impact period			
	1.1.2007 -	1.5.2008 -	In total	1.1.2007 -	1.5.2008 -	In total	
	30.4.2008	30.4.2010	III LULAI	30.4.2008	30.4.2010		
Propensity score nearest neighbour matching	- 1 012 EUR	- 2 720 EUR	- 1 866 EUR	- 3 418 EUR	- 3 498 EUR	- 3 458 EUR	
No. of treated jobseekers in ref. period	13 650	26 486	40 136	13 650	26 486	40 136	
Total effect on national budget	- 14 000 000 EUR	- 72 000 000 EUR	- 75 000 000 EUR	- 47 000 000 EUR	- 93 000 000 EUR	- 139 000 000 EUR	
Estimated annual financial effect	- 7 000 000 EUR	- 36 000 000 EUR	-	- 23 500 000 EUR	- 46 500 000 EUR	-	

# **6** Executive summary

This chapter presents final conclusions and recomedations of the whole evaluation report; it contains the most important and most interesting findings, consequences, conclusions and recommendations which should be topical for policy makers and implementation bodies of active labour market policy measures.

#### 6.1 Conclusions

#### 6.1.1 Graduate work experience

Evaluation of the graduate work experience was carried out with the size of sample which represents more than half of the participants. The most robust method of counterfactual impact evaluation estimated the net effect with the assistance of 16 % of all the participants that were enrolled and intervening. In total, we used the registration of more than 131 thousand young eligible jobseekers that were supported and not. The evaluation considered more than 6 years of implementation of this measure of ALMP. Answers gained from the interviewed participants of the program confirmed that their aspiration of graduate work experience met with the objective stated in the act.

Non-participants of the program are eligible jobseekers that were not treated before and during the evaluation period by any other ALMP measure to eliminate effects of the other interventions.

One of the most important lessons which was possible to learn due to this evaluation report was the real net effect of the graduate work experience which was distributed to the young unemployed jobseekers up to 26 years of age. The net effect represents an answer for the fundamental counterfactual evaluation question: Does the graduate work experience affect employability and sustainability on the open labour market? Or, simply: what would have happened if the intervention had not existed?

The aspiration of the policy makers was to help unemployed young graduates to improve their status on the labour market due to the obtaining of the relevant professional skills and practical experience that would be valuable and attractive for employers.

We had the opportunity to learn that placement of young participants was sustained on the open labour market for a significantly longer time than non-participants that did not receive any other intervention of the active labour policy measures. We measured that the placement on the labour market during the impact period of 2 years after the intervention had been correctly complied with. It depends on the method which was used for estimation, but participants of graduate work experience on average stayed up to half an year longer employed than those eligible jobseekers that did not want to attend the graduate work experience. Non-participants of the programme were able to stabilize their position on the open labour market better than participants, because every second non-participant that was even once employed in the 2 years impact period remained employed for both these two years. But on average, every 8th participant of the graduate work experience sustained employment during all the impact period of 2 years. The overall effect in placement of participants is significantly higher because three participants from four were employed even for one month in the impact period, while in the non-participants group, three from five individuals were not employed.

Mostly graduates were placed in full-time jobs; they had just very rare interest to become self-employ, which was considered as another type of placement on the labour market. Registration in the Slovak Insurance Agency of part-time jobs was considered as a not fully placed jobseeker on the labour market. According to the results, in most cases and methods, the participants of the graduate work experience were more strenuous and they were able to find part-time jobs on average for a longer period than their peers. The independence tests confirmed in the last three reference periods a significant positive treatment effect on participants' placement in part-time jobs due to the intervention.

Also in the study, the probability that a barrier occurred in the individual units which would create barriers for entrance to the labour market was measured. It could be, for example, care for a child, receiving disability pension, personal assistant, etc. These types of registrations indicate to us that granted jobseekers were forced by a life event to stay out of the labour market on average for a very similar time in the impact period to non-participants. On average, there exists a 4 % probability that a participant/nonparticipant will be exposed to an individual barrier for entrance to the labour market. Jobseekers that attended graduate work experience earned on average during the 2 years long period after intervention finished from 430 up to 500 Euros per month, depending on the concrete year. Graduates that were participants of the program for graduate work experience earned on average a bit more than half of the average gross nominal wage in Slovakia during the first two years of working. But from the values, this was obviously a slight tendency of increasing the average wage over the years. The evaluation uncovered generally significant negative differences between the participants and non-participants of the program. Just to simplify, those unemployed and registered graduates that attended the graduate work experience earned on average from 30 to 80 Euros per month.

The overall financial influence of one individual participant was measured through costbenefit analysis. The analysis considered items such as paid unemployment allowance benefit in material need, grant, health and social insurance, taxes paid from consumption, or income. In the first reference period from 1st January 2007 until 30th April 2008, when the financial balance was very positive, on average one participant was able to return the provided grant and also bring in some extra money (about 2 thousand Euros over 2 years) due to the saved allowances and paid taxes. In the next three reference periods, the financial balance of participants became negative also due to the weaker power of placement on the labour market. Correlation confirmed that graduates that were in jobseekers evidence for a shorter time earned, in the impact periods, a significantly higher wage. Another aspect which influenced the negative financial balance of the participants in the cost-benefit analysis was the change in the average amount of the provided grant which increased three times from the first reference period in 2007, from a value of almost 350 Euros for the whole graduate work experience period. In the last three reference periods, which started 1st May 2008 until 30th April 2012, the novelization of Act No. 5/2004 Coll. stated that the provided grant would be calculated based on the level of the living wage. But in general, treated participants of the graduate work experience program brought in to the public budget more money than non-participants. It means that even though the grant was not returned back to the budget, the counterfactual situation when the intervention had not existed would influence the public budget much more dramatically on average. Overall, it is possible to quantify that one participant brought to the budget about 5,000 Euros more than one non-participant in the 2 years after the graduate work experience

#### finished.

Last but not least, the goal of the evaluation was try to identify the characteristics of the groups that achieved the most significant positive net effect. We decided to identify these characteristics through their success of sustainability on the labour market in the impact period. The most successful participants of graduate work experience were women, about 19 or 23 – 24 years of age, with single or married marital status, with the highest level of education (graduates of college), registered less than three years before the year 2007, and inhabitants of the west Slovakian regions. Additionally, outcomes indicate that those jobseekers that carried out graduate work experience at private companies had a slightly higher chance to be employed for a longer period over the following 2 years after the interventions finished.

The evaluation provides identification of the participants that were the most successful in the sustaining of a placement on the open labour market, or open market as self-employed units. The evaluation confirms that age and gender do not influence the placement of jobseekers that intend to start with self-employment. More than average were the successful divorced jobseekers that achieved the highest education level – secondary, individuals that started self-employment in water supply, waste management, IT sector or manufacturing. Almost three participants from four established self-employment in an economic activity such as construction, repair of motor vehicles, manufacturing, or real estate. The named categories of economic activities brought average or more than average results in keeping individuals employed. Very effective were individuals that had been for the long-term outside of the labour market, i.e. unemployed more than 3 years before the year 2007.

Undeniable fact of the graduate work experience is ability to decrease of unemployment rate. We tried to measure as well this important effect of the intervention and we estimated that annually in average graduate work experience were able to decrease unemployment rate about 0,2 – 0,3 %. We must take into account that if the intervention was success for 100 % and every participant would be placed on the labour market after graduate work experience, the unemployment rate decreases two times more. To realize this fact the graduate work experience has a sense for graduates and it was one for the most important measure of ALMP that were targeting for young jobseekers to activate them as the perspective work force. The other argument could be overall financial impact which has been estimated on the level of 540 mil. Euros over the reference period. In the other words the participants of the program brought to the national budget about 540 mil. Euros more than would brought the same eligible jobseekers that would not be supported by any of ALMP measure.

#### **6.1.2** Self-employment

Also for estimation of the net effect of the self-employment promotion, a large sample of jobseekers was used. We used evidence of less than every second participant of the jobseeker programme that were encouraged by financial grant to establish self-employment. The evaluation covered the period from the start of 2007 to the end of April 2010, in total 40 months of distribution of disposable grants for jobseekers that applied for intervention, carried out a financial business plan and were registered in the evidence of jobseekers at the PES office for more than 3 months. For the most rigorous method, we used on average every 10th participant of the program and in total for evaluation methods we used samples of more than 30 thousand individuals that were participating in the program and units that did not take the grant and were eligible, but

self-employed.

Estimation of the net effect of the intervention is the fundamental objective of the carried out evaluation of self-employment. The net effect of the intervention should be sustainable placement of a participant of the programme on the open market or labour market. Conditions of the intervention state that every participant must be self-employed minimally for two years after the grant is provided. For two years after compliance of this condition was the fixed impact period. The impact period is characterized in that participants are out of intervention duties. It is a period when participants can decide to be self-employed, find a job or return back to the registration of jobseekers.

The evaluation report estimated whether participation in the programme made sense for eligible jobseekers. Due to the evaluation, it is possible say what would be the treatment effect of jobseekers that have an interest in being self-employed. In the evaluation were compared the performances of the participants and non-participants of the ALMP programme focused on self-employment promotion. To ensure the highest level of comparability of both these groups, non-participants were just individuals that were eligible in the particular reference period and data from SIA confirmed they started self-employment in the impact period of the particular reference period.

The most desired effect of this active labour policy measure is sustainable self-employment of the participants on the open market or placement on the open labour market as an employee in a full-time job, i.e. out of the evidence of jobseekers. That effect is represented in the variable "Placement on the labour market." According to the carried out counterfactual impact evaluation methods, we are able to estimate that, on average, participants sustained out of the jobseekers evidence about less than 20 % of the impact period (2 years after sustainability of self-employment). In other words, one participant of the program would be employed about 50 days less if the financial intervention had not been granted.

The most rigorous methods that were performed for estimation of the net-effects show that the programme had a negative effect on the self-employment sustainability of participants. Participants prefer full-time jobs. Non-participants of the programme sustained self-employed about one month longer than participants in the 2 years long impact period. Generally, participants as well as non-participants of the programme do not prefer to be placed in a part-time job. That would be probably due to the higher average age of both samples. Previous intervention focused on graduate work experience proved interesting to young jobseekers, about the same as part-time jobs.

The situation is very similar to the graduate work experience: non-participants of the programme were able to find their stable position on the market more easily than participants, because every second non-participant that was even once employed in the 2 years impact period sustained employment for the entire two years. But on average every 8th participant of the self-employment sustained employment throughout the 2 year impact period. The overall effect in placement of participants is significantly higher because seven participants from ten were employed even for one month in the impact period, while in the non-participants group it was just about every second.

The evaluation also concentrated on measurement of the probability that barriers occur in individual units which could create barriers for entrance to the labour market. These could be, for example, caring for a child, receiving disability pension, personal assistant, etc. These types of registrations indicate that participants of the programme were forced to stay out of the labour market for a longer time on average than non-participants. An individual barrier occurs in the group of participants much more frequently than in the

group of non-participants. While in the group of participants there exists about 10% probability that individuals will be exposed to a barrier of entrance to the market, while in the sample of non-participants it is just about 0.3%.

On average, about  $\frac{3}{4}$  of a month in the impact period was a longer period when individual barriers for entrance to the labour market occurred to the participants of the programme.

Part of the evaluation was devoted to the estimation of the average financial effect that occurred due to the distribution of grants for self-employment promotion. Provided cost-benefit analysis compared the financial flows of one participant and non-participant according to the average of the time when they were employed and unemployed. According to the final outcomes, the intervention had a negative effect on the national budget. Both reference periods have estimated a very similar net financial impact on public finance. Provided values estimate that one participant of the programme can generate for the national budget almost 3500 Euros less than a non-participant. On the other hand, in the cost benefit analysis the provided grant was also calculated. If the grant were not counted, the net impact would be significantly lower (the average provided grant was more than 2900 Euros). In the first reference period it was estimated that one participant earned about 80 Euros per month more than those jobseekers that started self-employment without a grant from COLSaF. In the second reference period one non-participant of the programme earned 20 more than the same participant, but this difference was tested as being insignificant.

The overall estimated financial impact of the intervention refer that negative influence on public finance in the level almost -140 mil. Eur over the evaluated reference periods as the difference between participants and non-participant, i.e. net financial impact.

We learned from the survey that many of the interviewed participants of the self-employment promotion program of COLSaF welcomed and appreciated the provided training as the preparation course for self-employment. They answered that the course was rather encouraging for their orientation among offices or in business vocabulary, awareness about business finance and accounting. That supplementary intervention could be evaluated as very requested. Only the orientation of the courses could be improved (see Recommendation for self-employment).

The outcomes of the evaluation uncovered a motivation force for women. Slovak women frequently have barriers for entrance to the open market through the establishment of their own business, mainly due to the family and limited time they can devote to the work. Women are not generally motivated to become self-employed. In the analysis of samples were identified significant differences between women who participated in the program and who did not. While for one non-participated women in the program fall three men, for one participated women fall one participated man. Indicatively grand is one of the powers which can change the attitude of women in the decision making process to start with self-employment. In the programming period 2014-2020 Operation program Research and Innovation incorporated into the structure of the activities "social innovation" which operates by encouraging women into the business establishment. Participants remained employed for a longer time mostly in the west districts, but not in Bratislava, Trnava or Trencin districts where there is a lower unemployment rate. That could occur due to the influence of a weaker motivation to employ jobseekers that live in the environment of a higher living standard.

Finally the most important effect of the self-employment promotion is impact on the unemployment rate decreasing. The analysis of the impact on unemployment rate proved the justification of the intervention which decreased the unemployment rate annually about 0.1% up to 0.14%. These values represent impacts that occurred mainly due to the intervention. Numbers were cleaned about effect which would have occurred if the intervention would not exist. The impact might seem too low but we must but we must consider that annually were exposed to the intervention just about 0.4% of total labour force in Slovakia.

Self-employment could be perspective measure of the ALMP which must be reform into to more complex tool which provide to the participants more than basic information general about business estimation of the business, but additional services that would imply to the competiveness of the self-employed units.

Outcomes of the evaluation clarified that the intervention is more measure ensuring placement of the participants out of the evidence of the jobseekers than real tool for promotion of the self-employment as the way how to activate work force of wide group of jobseekers. The participants significantly prefer to be placed on the full-time job than continued in business as self-employer.

#### 6.2 Recommendations

1. The Ministry of Labour, Social Affairs and Family of the SR should initiate to carry out regular surveys of active labour policy measures. COLSaF could distribute forms to all participants after the provided intervention. Every participant should evaluate the whole process and time period of the intervention and activities which were provided to him/her. Information could be collected through an on-line form. That would be a unique source of valuable information. There should be simple questions focused on the topics in the carried out Qualitative research of both active measures. And the form should contain an open space for the statements of participants. The information should be electronically recorded and there should be prepared a modus operandi for analyses which should be provided to the policy makers and experts for methodology. Additionally, it would be welcome to analyse difficulties which appeared during the activities of the intervention or in the sustaining period after the intervention (2 years obligatory sustainability for the self-employment after the grant was provided). It is important to emphasise that very valuable information and lessons could be provided through analysis of the reasons why the treated failed; for instance, why did the self-employed close their business after the minimal claimed 2 years sustainability period?

#### **6.2.1** Graduate work experience

- 2. In the performed survey, about 10 % of program participants admitted that they worked in the business which fit with the type and specialization of the education they had completed. Most of the participants carried out their graduate work experience in public sector organizations (mainly in public offices, education, health or social organisations), the rest of the participants carried out their graduate work experience in private companies with a slightly higher propensity to be placed on the labour market with greater sustainability in the impact period after intervention finished. COLSaF should actively search companies and organizations that would be better fit to the participant's profession. Graduates should have experience in the branch which they studied and graduated. That would be ensured through transparent and clear categorisation. The COLSaF should be encouraged to create such an electronic system which would identify the economic nomenclature of the organisation for a particular group of professions.
- 3. Four-hours working time appears to be insufficient according to the multiple opinions of the program participants. They claim that the working time was insufficient to manifest their capabilities. The policy maker could start a pilot with a prolongation of working days.
- 4. Participants identified the need to gain something tangible through the carried out graduate work experience, some **recommendation**, **or certificate**, which could enforce their positions as seeking jobseekers in a job interview and which would upgrade the intervention to a more serious level. Treated jobseekers would like to seriously make an effort to gain the chance of a job by preparing as much as is possible.

#### 6.2.2 Self-employment

Self-employment is a rather wide topic which is exposed to a numbers of influence which determine the success of the self-employment. There are some aspects which from the open market which decide whether the established business comes across "the death valley" as one of the most important initiative stages from the business cycle of any start-up. That is the reason why it is necessary to provide to participants of the intervention the relevant information which would ensure a healthy start and sustainability of the self-employment, i.e. desired status.

5. It would be helpful to collect and analyse the problems of the self-employed and create a FAQ or account on a social network site which would represent the place where some

information would be published about the support for the self-employed, or start cooperation with the Slovak Business Agency, which is the body responsible for development of micro, small and medium sized enterprises, with the National Business Centre currently in the process of preparing a network of regional affiliations to be closer to regions. According to the responses of interviewed participants of the intervention, they would welcome some soft support, some of the entrepreneurs would like to receive support such as expert counselling, legal counselling, marketing counselling, market experts, accounting counselling, graphics ensuring transmission information about additional funding of the business plans through grants or non-grant schemes, etc.

- 6. The survey showed that participants of the programme would welcome some legal assistance in case of bad debts, mainly in the construction sector, which is a frequent profession of treated jobseekers. These self-employed have a problem to gain money and that is also a reason of their failure. The policy maker could build self-employment promotion as a stronger measure of ALMP. The measure should be really active and should reflect the actual needs of the programme participants.
- 7. Policy makers could pilot an introduction of the selective intervention for jobseekers that have not had any experience with self-employment or with another form of entrepreneurship (by using a limitation of the retrospective assessment of the distinguished criterion). The treatment should be much for complex, mainly for first time participants of the programme.
- 8. Respondents see as a limitation that they must buy exactly the same items they proposed in the approved financial plan enclosed with the business plan. The procurement of items in the financial plan is carried out with a time gap and meanwhile a more achievable product with higher efficiency might appear. That is why respondents would propose to be more flexible in the changing types of procured items.
- 9. Even the obligatory preparation course concerns on preparing the jobseeker for self-employment are very positive and helpful. However, there are some points which could be still improved. The individuals could be segmented according to achieved highest level of education, or type of education. Participants who are for the first time encountering some economic categories are mixed together on courses with other participants to whom these subjects are very familiar. Interviewed participants felt that mixing was very limited. It would be desirable to create at least two types of courses.
- 10. The characteristics of the programme participants revealed that intervention was distributed to jobseekers in retirement (in some cases more than 70 years of age). It is not obvious what exactly the aspiration of the policy is for these jobseekers who are still eligible. We propose limiting the age of eligible jobseekers for self-employment.

#### 6.2.3 Monitoring of the relevant data

Relevant and correct data is the fundamental part of the counterfactual impact evaluation and building piece of the policy based evidence which it is desired to build. That is the reason why the implementation body and policy maker should devote intensive efforts to form databases which would be useful for analysing the effects which occur due to the distributed intervention.

- 11. It would be helpful for COLSaF to collect data which would logically complement each other on different levels. There were identified many inconsistencies among the level of education of jobseekers, types of schools and fields of specialisation. There should be implemented a controlling mechanism which ensures that one jobseeker that has recorded primary school as their highest achieved education and the last graduated school is an university. We advise using one official nomenclature to unify recording of the data.
- 12. In the database of COLSaF there were identified numerous groups of records incomplete in some basic characteristics such as age, or gender. Other provided variables were also without records, which occurs in quite a robust elimination of the samples.

- 13. It is worth considering to initiate the creation of direct linkages between COLSaF and SIA, to supply data which was already recorded in SIA. It could ensure a simplification of work on regional PES offices and overlapping in the work of managers and officers. This data should be unified via a common methodological manner.
- 14. SIA does not register the identification number of the organisation (IČO) of the self-employed, which is important for the identification of the jobseeker in the other official database of the Financial Directorate of SR, which could provide exhaustive information about the financial and economic condition of the firms.
- 15. It would be very helpful to the data if they were supplied by address and contact on jobseekers to enable the creation of a focused group for a qualitative survey. For instance, we could describe why treated graduates remained on the open labour market mostly for almost the whole impact periods with a higher frequency than controls. And why in the group of treated is there a higher frequency and probability to be unemployed for the entire impact period of 2 years.
- 16. SIA should ensure uniform recording of the data according to official nomenclatures and prevent the use of unauthorized characters in the names of municipalities, such as: ',@, ®.

# 7 Strengths and weaknesses of the evaluation

Every research has its strengths and the weaknesses in the conditions in which it was implemented and carried out. The reason for placing the strengths and weaknesses is to ensure the highest values of notice and document objective and reliable information in relation to the evaluation issues.

# 7.1 Strengths

- The most important strengths of the evaluation is the availability of the database of the jobseekers from COLSaF and SIA in a time series of 7.5 years. That is credible secondary administrative data about the performance of the ALMP.
- The evaluation was carried out with the highest possible size of samples (graduate work experience was more than 130 thousand jobseekers and self-employment more than 30 thousand individuals).
- For the data were used four different methods that ensured a higher degree of certainty of the estimated effects.
- Outcome variables estimated the influences of the individual barriers of individuals for entrance to the labour market.
- The outcomes of the method indicate same impacts, that tells about higher credibility of the carried out evaluation.

#### 7.2 Weaknesses

- Through the database of SIA it is not possible to be completely assured that supported
  people were successfully placed and maintained jobs in the labour market or continue in
  self-employment. It is therefore likely that all the results referring to success are slightly
  underpowered, and in fact perhaps the percentage of referred persons was slightly
  higher than in reality.
- The availability of very relevant data such as SK NACE of controls and identification numbers of organisations that would be a key matching variable for databases that would test the financial and economic conditions of the jobseekers.
- The provided survey were carried out with assistance of non-representative samples.
- Data do not covers self-employed units that were not oblige to resister at Social Insurance Agency, because they did not accompliched conditions stated by the Act about minimal assement base.

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# List of abbreviations

ALMP active labour market policy

COLSaF Central office of Labour and Social Affairs

FAQ Frequently Asked Questions IČO Personal Identification Number

ISCO International Standard Classification of Occupations

No number

PES Public employment services SIA Social Insurance Agency

Sig. Significance

NUTS Nomenclature of Units for Territorial Statistics

SK NACE Classification of Economic Activities