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ARE EMPLOYMENT POLICIES SET UP EFFECTIVELY? CASE STUDY OF SELECTED EU COUNTRIES AND SLOVAKIA*

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Abstract

Although there is a consensus on the need for an active employment policy, there are still differences in opinion on which tools should be used to achieve employment policy objectives. The aim of the paper is to examine whether the instruments of active employment policy in the EU countries using the LMP database have been effectively set up, as there is a clear difference in the allocation of public expenditure and how it is provided according to specific support programs. The results suggest that countries such as Austria, Sweden and Germany are examples of the right policy setting (from the allocation of funds to their evaluation). If we evaluate the position of Slovakia, according to the results of the studies, we can say that the most effective tools are in the field of education and therefore the volume of their funding should be increased. Instruments from the Employment incentives section, where Slovakia has the most funds, were found to be effective, but only on the short term, therefore we recommend reassessing the 51.80% stake in this section. The least effective instruments are in the Direct job creation section, in which Slovakia also invests the lowest amount of funds.

Keywords: active employment policy instruments, allocation of expenditure to active instruments, unemployment insurance, literature review.

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1. Introduction

As passive employment policy began to develop in the 1920s and its importance was found to be crucial, the focus of the policy began to shift to its active components. The importance of active employment measures was first emphasized in the 1993 White Paper when the Luxembourg Summit approved the first set of guidelines aimed at moving towards a more proactive and preventive approach. Active employment policy has become a more flexible instrument of public support, with the European Commission recommending EU countries to allocate their resources in active instruments of employment support in the fight against persistent unemployment.

The aim of the paper is to examine whether the instruments of active employment policy in individual EU countries using the LMP database (Labour Market Policy Database) have been effectively set up, as there is a clear difference in the allocation of public expenditure and how it is provided depending on specific support programs. We will confront the results of our findings with the conclusions of published academic studies, which point to the positive or negative effects of specific employment programs in EU countries together with a detailed examination of their focus in Slovakia. By the synthesis of the knowledge we have acquired, we can talk about a relatively effective or ineffective setting of their policies in a narrower context, as we abstract from other factors¹.

The contribution and originality of this paper lies in the connection of a detailed view of instruments of active employment policy with the findings of academic research on the effectiveness of specific employment programs.

The article consists of three parts. The first part is a literature review, which emphasizes the current state of research in the field of evaluation of instruments with emphasis on the development of evaluation of education programs. The results are further compared with academic research in evaluating the effectiveness of active employment policy instruments published in European studies. The methodological part defines the goal of the research and the research questions. The results and the discussion combine the knowledge gained regarding the expenditure side of employment policies of EU countries and the findings of published studies. The discussion also generalizes the obtained results and presents proposals for further research in this area for Slovakia and for selected EU countries.

2. Literature review

Most evaluation studies focus on a microeconomic evaluation approach, which examines individuals by time, type of program and target group. There are already many good reviews of the microeconomic literature in academia (Kluve, 2006; Betcherman, Olivas and Dar 2004; Card, Kluve and Weber, 2010, but they lack a link to the expenditure side of employment policies and an overall capture of policy settings, from its funding to evalu-

¹ We examine active employment policy through public spending, abstracting from other areas of employment policy-making such as tax policy, regulatory and legislative measures.

ation. They are mainly focused only on grouping the results of realized studies for a certain period; an example of such a study in Slovakia is the study of Kucharčíková, Mičiak and Koňušíková (2017).

We notice the largest expansion of European studies on the effectiveness of active employment policy in Sweden. We also see a wide range of studies in Germany (Annex 1). The key literature in the evaluation of public expenditure in the field of active employment policy is attributed to the authors Martin (2014) and Štefánik *et al.* (2014). Other studies have examined research expenditure on employment policy according to the LMP database (Havran, 2011; Lechner and Wiehler, 2011; Walter, 2013; Kluve, 2006). The studies carried out so far do not identify significant differences in the results of measures within developed or less developed countries; rather, these countries differ in the types of instruments they apply to a greater extent. The differences are also given by the specifics of individual countries captured in the LABREF database (Labour Market Reforms Database), e.g., specific programs for migrants or young people.

In examining the operation of the tools, we encountered many studies that have positive effects on unemployment (especially in the field of education and start-ups). Only a small group of studies report negative effects. For example, a study (Borra *et al.*, 2012) from Spain captures the negative effects of education programs on the long run, as did Sianesi (2001) from Sweden, and the studies by Bolvig, Jensen and Rosholm (2003) and Rosholm and Skipper (2003). Weber and Hofer (2004) talk about the zero effects of educational activities on the long run. In contrast, the Swedish (Larsson, 2003) and German (Fitzenberger and Speckesser, 2007) studies attribute zero to negative effects to short-term effects, and educational programs are slightly positive in the long run. This may be partly due to the type of training and whether the training is provided by companies (in practice) or whether these educational activities are 'in the classroom'. The scope or type of training also plays an important role.

Several other studies on education are appearing in Slovakia. For example, in a national study by Pisár *et al.* (2020), which evaluated the contribution to the REPAS + education program (retraining courses) in the Banská Bystrica Region, we observe very low efficiency. The effectiveness of the tool was also addressed in the SAO study (2018), which analyzed only selected districts for the period 2014 to the first half of 2017. The authors van Ours (2001), Bořík and Caban (2013) and Bořík *et al.* (2015) found a positive impact of the training. In contrast, the study by Tiruneh, Štefánik *et al.* (2014) found a negative effect over 15 months (long term). From the results we can conclude that the field of education as well as incentives to support employment (Havran; 2011; Barošová *et al.*, 2012; Lubyová, Štefánik *et al.* 2015 and 2016) are key areas of active employment policy in Slovakia.

3. Methodology and data

We assess the evaluation of employment policy instruments in the 27 EU countries. Our main research goal is to examine the focus and effectiveness of employment policy instruments in selected EU countries, including Slovakia, based on the LMP database regarding previous academic research.

Research question 1: What is the structure of employment policy instruments and the volume of allocation of expenditures for their support in EU countries, including Slovakia? We examine the structure and volume of the allocation of employment policy instruments through descriptive statistics and cluster analysis. Cluster analysis is created using a non-hierarchical distribution according to the K-means method. By identifying what instruments countries are investing in and to what extent, we will respond to the first part of the goal, namely the focus of countries on employment policy. The methodology of research question 1 is based on the LMP database² (Eurostat), which is used by authors such as Martin (2014) and Štefanik *et al.* (2014), but also by EU policy makers.

Research question 2: What is the effectiveness of employment policy instruments in EU countries, including Slovakia, based on published academic studies? The research question uses a synthesis of published academic studies in research to identify the effectiveness of employment policy instruments. The efficiency is redistributed according to the sections of the LMP database. We focus on the results of the studies and the method used. Finally, we evaluate whether existing studies on the effectiveness of the tools are in line with the focus of the given country (comparison with research question 1). The reference period is 2017, regarding the development of 2012–2017. The chosen program for the evaluation of statistical data is the SPSS program.

4. Results

The first selected characteristic is the expenditures for 2017, which we examine according to the percentage of GDP of the 27 EU countries for each section of the LMP database separately. Table 1 describes the expenditure on tools in the LMP database. If we look at the average value and the standard deviation, we see that the values of EU countries are more dispersed and there are more significant deviations from the average. This fact confirms our reason for research.

The highest average expenditure under active instruments is achieved in section 1 Employment Services with an average value of $0.132\% \pm 0.119$ p.p. The average values of the other sections gradually decrease, while section 7 achieves an average value of $0.016\% \pm 0.035$ p.p. Tools from sections 5.6 and 7 achieve their minimum values of zero (maximum values are highest in section 4 - 0.479% and in section 1 - 0.456%). Within passive instruments, the average value is at a much higher percentage, namely $0.644\% \pm 0.519$ p.p. Section 9 is of low significance, as it includes only 12 countries (other values are not available).

² The instruments of the LMP database are grouped into three main types: LMP services, LMP measures and LMP support, and are further classified into eight detailed categories. Active instruments fall into the first two categories and their division is as follows: labor market services, training, employment incentives, supported employment and rehabilitation, direct job creation and start-up incentives. Passive support is included in the third category and is divided into 2 areas: out-of-work income maintenance and support and early retirement.

From the point of view of countries, Denmark (almost 2% of GDP on active measures) and Sweden (1.22% of GDP) draw the largest amount of funding. Romania is the country with the lowest share of individual measures in the LMP database; the situation is similar in Cyprus. Slovakia is one of the countries with the lowest expenditure on active measures (0.22% of GDP). Only countries such as Romania, Cyprus, Bulgaria, Greece, and Latvia show lower funding.

Table 1: Characteristics of total expenditure on employment policy instruments in %

LMP database sections/ Averag characteristics values		MIN	MAX	Total expenditure
		A. LMP services		
1. Labor market services	0.132 ± 0.119	0.05 (Greece)	0.456 (Denmark)	3,575
		B. LMP measures		
2. Training	0.119 ± 0.122	0.003 (Romania)	0.444 (Austria)	3,238
4. Employment incentives	0.106 ± 0.109	0.02 (Bulgaria)	0.479 (Sweden)	2,877
5. Supported employment and rehabilitation	0.096 ± 0.185	0 (Bulgaria. Greece. Romania)	0.909 (Denmark)	2,61
6. Direct job creation	0.069 ± 0.131	0 (Estonia. Sweden)	0.621 (Hungary)	1,886
7. Start-up incentives	0.016 ± 0.035	0 (Bulgaria. Cyprus. Ireland. Luxembourg. Romania)	0.132 (Spain)	0,446
		C. LMP supports		
8. Out-of-work income maintenance and support	0.644 ± 0.519	0.046 (Romania)	1.954 (France)	17,393
9. Early retirement (only 12 countries)	0.118 ± 0.127	0 (France)	0.364 (Portugal)	1,423

Source: Authors' own work in accordance with LMP database, 2020

The development is relatively similar for the whole monitored period (2012–2017) according to the LMP database. This means that in the given years the countries did not fundamentally change their strategies and the analysis of 2017 is, from our point of view, not distorted by one-off changes or significant deviations. We record slight fluctuations in values in Ireland, Hungary, Belgium and Cyprus.

However, in addition to the above statements, it is interesting to monitor the link between expenditure and the number of measures. The data in Table 2 marked in yellow indicate the highest number of measures in the section, but the largest share of funds was recorded in another section. Green means that the largest number of measures is in line with the largest share of expenditure.

The results are surprising for Hungary, which invests 72.55% of expenditure (0.621% of GDP) in one measure in section 6 called *Közfoglalkoztatás*. The primary purpose of the measure is the reintegration of currently inactive and unemployed groups into the labor market. Greece also invests most of its funding in one measure, which is to support employment through welfare schemes. The target group is registered as unemployed and

affected by the economic crisis. The volume of Greek funding for this measure is 0.118% of GDP out of a total of 0.177% of GDP. Slovakia invests approximately 46% of its funds for active measures in 8 instruments in section 4.

Table 2: Number of instruments and their relation to the largest expenditure shares

LMP section	Section 1	Section 2	Section 4	Section 5	Section 6	Section 7
Country		44 (05 400)	-			
Austria	9	11 (36.10%)	7	3	2	1
Belgium	24 (36.06%)	19	20	16	8	4
Bulgaria	4	18	14	0	14 (41.30%)	2
Cyprus	3	6	13 (43.93%)	1	0	1
Czech Republic	3 (36.98%)	2	6	2	1	3
Germany	20 (58.74%)	23	6	7	4	4
Denmark	2	2	5	6 (31.87%)	0	0
Estonia	12	7	14 (36.21%)	3	2	4
Greece	7	4	26	2	1 (56.50%)	4
Spain	15 (22.35%)	12	12	3	3	8
Finland	12	6 (35.79%)	2	4	3	2
France	17 (26.92%)	17	10	3	3	3
Croatia	17	5 (33.51%)	6	1	1	3
Hungary	3	2	7	0	1 (72.55%)	1
Ireland	7	12	2	2	3 (36.19%)	1
Lithuania	7	4	7 (40%)	2	1	1
Luxembourg	5	7	7 (35.33%)	6	5	1
Latvia	15 (29.26%)	5	8	1	2	2
Malta	5 (59.75%)	6	10	3	2	0
Netherlands	8 (34.43%)	5	2	2	0	0
Norway	10 (31.99%)	2	4	5	0	1
Poland	8	11	14	7 (39.14%)	3	2
Portugal	4	25	30 (39.65%)	4	10	8
Romania	6 (51.85%)	4	13	0	1	2
Sweden	9	9	14 (28.30%)	5	0	4
Slovenia	8 (30.65%)	9	7	1	4	1
Slovakia	3	3	8 (45.95%)	4	1	2

Source: Authors' own work in accordance with data from LMP reports of EU countries, 2020

As the literature has already indicated, it is not appropriate to examine employment policy only from the point of view of active instruments, but it is also necessary to consider its passive component, which cannot be strictly separated from active policy.

Therefore, the following figure is focused on the structure of instruments, where we see that, on average, passive instruments predominate over active ones (56.25%). The fig-

ure also shows that 16 countries are still financing passive instruments to a greater extent. Slovakia is one of these countries and of the total resources for employment policy instruments it spends 60% of its funds on passive instruments (the highest share is in Cyprus). However, we cannot draw any authoritative conclusions from the results, it is only a trend that prevails between countries, as the threshold for the distribution of employment policy instruments is not set and EU countries break down their policies according to individual strategies and needs.

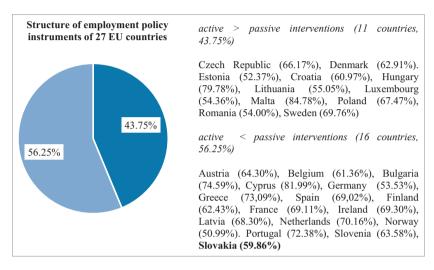


Figure 1: Structure of active and passive employment policy instruments in EU countries

Source: Authors' own work according to Eurostat data, 2020

Considering the aspect of the unemployment rate and the volume of funds spent on active employment policy instruments, we can divide the surveyed countries according to their distribution into 3 groups (Figure 2).

The first group of countries includes the seven (7) countries that have the highest values of total expenditure and the lowest unemployment rate. The second group of countries consists of two (2) countries (Greece and Spain) and their values achieve the highest unemployment rate and the lowest absorption of funds for employment policy instruments. The last group of 18 countries, in which Slovakia is also found, represents countries with an unemployment rate lower than group 2 and at the same time the total expenditure on instruments is lower than in group 1.

We can say that group 1 therefore consists of the most favorable countries in active policy expenditure with a relatively low unemployment rate. Group 2 forms a contradictory situation (countries with a relatively high unemployment rate) and Group 3 can be called a gray zone, which does not show significant values from both indicators.

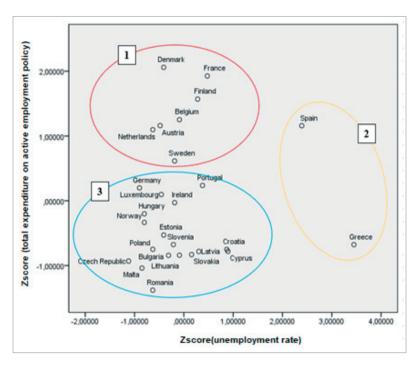


Figure 2: Distribution of EU countries according to selected characteristics

Source: Authors' own work in the SPSS program, 2020

5. Discussion

By synthesizing 41 studies in evaluating the effectiveness of active employment policy instruments and examining in detail the focus of individual countries, we can speak of a relatively effective or ineffective setting of policies of individual EU countries (in a narrower context, as we abstract from other factors).

Literature review suggests that Slovakia has the largest number of sources mentioned due to greater attention and overview of authors. Slovakia most often focuses in its research on section 4 of the LMP database, in which it also invests the largest amount of its funds. According to the results of the studies, we can say that Slovakia has the most effective tools in the field of education and should therefore increase the amount of funding, as we suggest in chapter Results (Research question 1). The least effective instruments are from section 6, where Slovakia also invests the lowest volume. These are measures for activation activities, which are a kind of maintainer of recipients of unemployment benefits. According to the qualitative research from the study conducted by Pisár *et al.* (2020) we can see that support should only be an intermediate step in adapting benefit recipients to the labor market, however, this is not the case. Beneficiaries are cyclical and their chances on the labor market are not increasing. Due to the ongoing discussions, it is necessary to keep the tool, albeit being ineffective. The Rodríguez-Planas study (2010) also pointed

out in its research in Romania that public employment schemes (activation work) are the only ones that have negative effects (they also examined programs in the field of education, SZC and employment services). A study from Slovenia by Vodopivec (1999) again shows a positive impact within a period of three months. If the period exceeds three months, it is apparent that the support is negligible. At the same time, the study confirmed the fact that the support should only be a kind of bridging period and its duration and repeatability should not be so intense.

An example of the right policy setting (from the allocation of funds to their evaluation) is Austria. Research studies by Weber and Hofer (2004), Winter-Ebmer (2006), Lechner and Whieler (2011) have shown positive effects in the field of education, which is a priority area for their expenditure side of active employment policy. This fact may also be due to a high proportion of NEETs persisting in the country, which forces the country to address the effectiveness of the tools for young people. Another example is Sweden, which, with its focus on section 4, shows the positive effects of the instruments in this section. We rank both countries as those with high expenditures and low unemployment. In addition, Swedish employment policy has a priority focus on its active component, which testifies to the country's maturity.

As part of the implication for employment policies in the Slovak Republic, we recommend considering reducing the number of implemented instruments. The result is a complicated support system that is confusing or too extensive for many entrepreneurs, resulting in, for example, too little interest in some programs. At the same time, low-usage tools are administratively demanding and inefficient. Many measures, which can be combined with each other, also make it very difficult to realistically evaluate the given instruments. We can see that countries with a better tradition of evaluating measures have a lower total number of these measures (Denmark, Hungary, the Netherlands).

The second recommendation is greater diversification of the regional dimension of contributions. According to Pisár *et al.* (2020) the results show that the measures work differently in individual regions or districts, which is confirmed by several other studies (e.g., Štefánik *et al.*, 2014). At the same time, overall efficiency is very low, so it is very questionable in regions with low unemployment. To verify some of the effects of the measure, it may be appropriate to pilot them in selected districts. This would also allow better collection of qualitative and quantitative data to evaluate the effectiveness of the instruments. Increasing the use of a tool focused on education (section 2 of the LMP database) would also strengthen the employability of members of the Roma, who are often disadvantaged by direct tools (Kureková, 2015).

The most significant effects can be seen in the field of education and training, where we positively evaluate the use of the PSM method (it is an adopted method from the field of health care). However, the question remains as to why there is such a strong need to examine the field of education. We believe that this is partly due to the EU policy makers (Europe 2020 Strategy) and to the long-term effect of the instrument. Tools from other sections of the LMP database are either short-term in nature or their effects are not clear, and there are many financial and non-financial benefits in education. Even in the develop-

ment of human capital, it is said that education provides the well-being of the nation in the form of positive externalities. If support is captured before entering the labor market, there is a better chance of higher earnings and a better standard of living. Finally, we note that the search for studies is not final, which may skew the results over time.

6. Conclusion

Expenditure on active employment policy instruments contributes to the creation and development of employment, but in different ways in different countries. Given that expenditure is a key indicator, the aim of our research was to examine whether active employment policy instruments in individual EU countries using the LMP database were effectively set up, as there is a clear difference in the allocation of public expenditure and the delivery according to specific support programs.

Expenditure analysis shows that there is a difference in the employment policy strategy between countries. On the one hand, there are countries (Denmark, France, Finland, Belgium, Austria, the Netherlands, Sweden) that have relatively high spending on active policy and the lowest unemployment rates. On the other hand, Greece, Cyprus, Croatia, Latvia, and Slovakia are countries with relatively high unemployment rates and their expenditures are significantly lower. The best rated countries are Denmark and Sweden, as their policies are focused on its active part and achieve exemplary results in terms of unemployment rates and financial resources. Denmark invests about 32% of its expenditure in six active instruments in section 5. Sweden focuses on section 4, which is supported by 14 instruments with a 28% expenditure share and, according to studies (Forslund, Johansson and Lindqvist, 2004; Carling and Larsson, 2005; Andrén and Andrén, 2006; Sianesi, 2001; Larsson, 2003; Carling and Richardson, 2001) are also effective tools. Austria, together with Sweden, are one of the examples of good policy making. Employment policy in the Czech Republic is focused on section 1 (employment services) and invests 37% of its resources oriented towards aid providers. Research (Potluka et al., 2016; Kopečná, 2016; Potluka et al., 2012; Dvouletý and Hora, 2020) points to the positive impacts of targeted programs, but they are not located in the employment services section. Therefore, we cannot discuss whether the employment policy set in this way also shows an effective setting, but we emphasize that the Czech Republic invests a higher share of funds in active instruments (66.17%). This means that it seeks to make a stronger effort to support the transition of the unemployed to the labor market than to maintain financial support for the unemployed. In this case, Slovakia is the complete opposite (59.86% share of passive measures).

If we evaluate the position of Slovakia, the results show that Slovakia is the country with the 6th lowest funding of policy instruments (0.22% of GDP active instruments; 0.55% of GDP in total). The funding structure of the instruments is 40.14% (active instruments) to 59.86% (passive instruments), which does not meet the European guidelines. Furthermore, we can say that Slovakia spends the largest amount of funds on eight (8) instruments aimed at employers in section 4, which evaluates the instruments as effective in the short term. To approach the EU average or the countries with the lowest unemployment rates,

Slovakia should direct its instruments in the area of public spending from the category of incentives to support employment (section 4) to the area of education support (section 2). Based on the studies carried out, it is questionable to increase the rate of direct job creation (section 6), as the effectiveness of these tools is highly debatable. Based on the cluster analysis, Slovakia most closely resembles the countries of Cyprus, Croatia, and Latvia in terms of these characteristics (total expenditure and unemployment rate).

An example of a tool that would improve the results obtained (low level of education tools in section 2) is the retraining course REPAS +. It is one of the cheapest and therefore relatively effective tools in Slovakia (Pisár *et al.*, 2020). It is a tool that is used across age and educational characteristics, and thus from this point of view the most universal of the examined tools. Its low usability is mainly justified by the low share of courses that improve skills for the future (IT courses) or its ability to use the contribution only once.

The study carried out on the effectiveness of employment policies could be extended to include a passive component, which we cannot strictly separate from active instruments. The results obtained that way would indicate, on one hand, a global view of the effectiveness of employment policy and, on the other hand, which countries tend to integrate jobseekers into the labor market or tend to improve the living situation of the unemployed. It is also possible to focus on a new indicator in European documents, namely the quality index on quality of ALMP (Active Labour Market Policy) implementation.

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Annex 1. Search for studies on the effectiveness of active employment policy instruments

Countries	Focus of employment policy instruments	Studies on the effectiveness of tools	Results of studies	Method used	Existing studies on the effectiveness of the country's targeted tools
Spain	section 1 (EMP) A <p< td=""><td>Borra e<i>t al.</i> (2012)</td><td>The estimated effects are positive in the short term (6 months), but not in the long term (36 months). The programs (specialized training) are focused on section 2 of the LMP database.</td><td>PSM</td><td>NO, but existing studies show positive estimated effects in section 2 (Training).</td></p<>	Borra e <i>t al.</i> (2012)	The estimated effects are positive in the short term (6 months), but not in the long term (36 months). The programs (specialized training) are focused on section 2 of the LMP database.	PSM	NO, but existing studies show positive estimated effects in section 2 (Training).
		Cockx, Bruno and Adel (1998)	The on-the-job training program has a positive but insignificant effect on the length of employment. Program focused on section 2 of the LMP database.	Risk model of length of employment	
France	section 1 (SERV)	Crépon, Ferracci and Fougčre (2007)	Educational programs (training) do not accelerate the exit from unemployment but have a positive effect on the duration of the subsequent period of employment. The program is focused on section 2 of the LMP database.	Timing of events methodology	No
	L,	Crépon, Dejemeppe, and Gurgand (2005)	Counseling and help at work had a positive and significant impact on the transition to employment. The program is focused on section 1 of the LMP database.	Duration models	Yes, and their impact is positive.
	section 2 (IND)	Weber and Hofer (2003)	Educational programs (increasing the duration of unemployment - negative impact) and job-seeking programs for the unemployed have a positive impact by reducing unemployment. Program focused on section 2 of the LMP database. Educational programs (increase the duration of unemployment - negative impact) and programs looking for work for the unemployed have a positive impact by reducing unemployment. Program focused on section 2 of the LMP database.	Multidimensional risk model, event timing method	Yes, the impact is positive.
Austria	A <p, high="" share<br="">of NEETs in tools</p,>	Winter-Ebmer (2006)	Training programs have a positive impact in the form of improved job prospects. The program is focused on section 2 of the LMP database.	Quasi-experimental methods	Yes
		Weber and Hofer (2004)	Job-seeking programs for the unemployed have a positive effect on the first 12 months of unemployment (no long-term effects). Program focused on section 2 of the LMP database.	Multidimensional risk model, event timing method	Yes, positive short-term impact.
		Lechner and Whieler (2011)	Low effects for most programs. The negative effect is the postponement of pregnancy. Program focused on section 2 of the LMP database.	Panel data	Yes, but very low.

Countries	Focus of employment policy instruments	Studies on the effectiveness of tools	Results of studies	Method used	Existing studies on the effectiveness of the country's targeted tools
		Forslund, Johansson and Lindqvist (2004)	Employment subsidies have positive effects. Program focused on section 4 of the LMP database.	DiD	Yes, the impact is positive.
		Carling and Larsson (2005)	They found no evidence that the measure significantly improved the future situation of young people in the labor market, suggesting that early interventions in the period of unemployment are not important. Program focused on section 1 of the LMP database (to a lesser extent also section 2).	Quasi-experimental methods	ON
3	Section 4 (EMP) A>P, is one of	Andrén, D. and Andrén, T. (2006)	The results of the effects of the training are slightly positive. Program focused on section 2 of the LMP database.	Matching	No
Ilanawe	the highest amount of funding	Sianesi (2001)	All the instruments examined have positive effects in the short term, but in the long term only employment subsidies. Program focused on sections 2 and 4 of the LMP database.	Quasi-experimental methods	Yes, but the effects are short-lived.
		Larsson (2003)	Zero to negative effects of both programs in the short term (slightly positive in the long run). Program focused on section 2 of the LMP database.	Matching	NO
		Carling and Richardson (2001)	Training provided by companies has better results than professional training in the classroom. Program focused on section 2 of the LMP database.	Risk model of length of employment	NO
	section 5 (EMP) A>P	Bolvig, Jensen and Rosholm (2003)	The effects of the measures are different. Employment measures have positive effects, while training programs are unfavorable. The programs are focused on sections 2 and 4 of the LMP database.	Risk model of length of employment	No
Denmark		Fitzenberger and Speckesser (2007)	Training courses (short-term and medium-term) have negative effects at the beginning of the program, but after the second year th-8eir effects are positive. The program is focused on section 2 of the LMP database.	Matching	No
		Rosholm and Skipper (2003)	Educational activities significantly increase the unemployment rate of individuals (negative impact). Program focused on section 2 of the LMP database.	Matching	No

		Potluka e <i>t al.</i> (2016)	Potluka et al. (2016) companies even one year after the end of the support. The program is focused on section 2 of the LMP database.	IV method	N
Czechia	section I (SEKV) A>P	Kopečná (2016)	Positive impact of the Traineeships for young jobseekers' program. The program is focused on section 4 of the LMP database.	PSM, DiD	N N
		Dvouletý and Hora (2020)	Positive impact of the business program for the unemployed (SVČ program). Program focused on section 7 of the LMP database.	PSM, KM, NNM	No
	section 1 (SERV) A>P, is one of	Pirciog, Ciuca and Popescu (2015)	The paper focuses on the subjective and objective assessment of the net impact of training measures in Romania. They record a slightly negative net impact. The program is focused on section 2 of the LMP database.	PSM + market research	N
	the countries with	Rodríguez-Planas (2010)	The study evaluated 4 programs, while 3 programs had positive effects (education, SZČ, employment services) and 1 program (public employment) had a negative effect. The programs are focused on sections 1, 2 and 4 of the LMP database.	Matching	Yes, the effects are positive.
Slovenia	section 1 (SERV) A <p< td=""><td>Vodopivec (1999)</td><td>The immediate impact is positive, but the effect is negligible if no work is found 3 months after the program. The program (direct job creation for the unemployed under the auspices of a public or non-profit organization not exceeding one year) is focused on section 6 of the LMP database.</td><td>Matching</td><td>No</td></p<>	Vodopivec (1999)	The immediate impact is positive, but the effect is negligible if no work is found 3 months after the program. The program (direct job creation for the unemployed under the auspices of a public or non-profit organization not exceeding one year) is focused on section 6 of the LMP database.	Matching	No
Estonia	section 4 (EMP) A>P	Leetmaa and Võrk (2004)	Positive effect in educational programs. The programs are focused on section 2 of the LMP database.	PSM	ON
Portugal	section 4 (EMP) A <p< td=""><td>Centeno, Centeno and Novo (2005)</td><td>Job search assistance programs and basic skills courses have small, insignificant, and even negative and insignificant effects. The programs are focused on sections 1 and 2 of the LMP database.</td><td>PSM, DiD</td><td>No</td></p<>	Centeno, Centeno and Novo (2005)	Job search assistance programs and basic skills courses have small, insignificant, and even negative and insignificant effects. The programs are focused on sections 1 and 2 of the LMP database.	PSM, DiD	No

Existing studies on the effectiveness of the country's targeted tools	octured Yes, but the positive effect is slight.	es, PSM YES, with a positive impact.	YES, with a positive impact.	nodels	Yes, in the case of section 4, we record positive effects (with the contribution to the support of the development of local and regional employment they decreased over time).	erview No	methods Yes
Method used	PSM + structured interviews	CBA analyses, PSM	PSM	Duration models	Counterfactual evaluation methods	PSM + interview	Descriptive methods
Results of studies	The study examines 4 programs that point to slightly positive effects of support. The programs are focused on sections 2, 4 and 7 of the LMP database.	The instruments have a positive impact on the Slovak Republic, but in the short term. The graduate internship program is focused on section 4 of the LMP database.	The allowance for attendance at work has positive effects and increases spatial mobility. The program is focused on section 4 of the LMP database.	The study evaluates 3 programs: 2 types of temporarily subsidized jobs (most effective, long-term have a negative impact) and training (positive impact). The programs are focused on sections 2 and 4 of the LMP database.	The following programs were examined: education and training for the labor market (negative effect over 15 months), incentives to support employment (positive effect, but decreased over time) and activation contributions (both positive and negative) and graduate practice (positive effects). The programs are focused on sections 2, 4 and 6 of the LMP database.	The study examines programs such as Education (positive effect also from the subjective point of view of the participants) and SZČ (positive effect, negative in sustainability). The programs are focused on sections 2 and 7 of the LMP database.	The most successful tools were education and training for the labor market (section 2) and the employment allowance (section 4). The programs are focused on sections 2, 4, 5 and 7 of the LMP database
Studies on the effectiveness of tools	Pisár et al. (2020)	Švábová, Ďurica and Klieštik (2019)	Lubyová, Štefánik et al. (2015)	Van Ours (2001)	Tiruneh, Štefánik et al. (2014)	Bořík et <i>al.</i> (2015)	Bořík and Caban (2013)
Focus of employment policy instruments					section 4 (EMP) A <p, countries="" funding<="" is="" level="" lowest="" of="" one="" td="" the="" with=""><td></td><td></td></p,>		
Countries					Slovakia		

	a)	+ a:					
ON.	Yes, but did not examine the nature of the effect.	Yes, positive effect in graduate practice.	N	No	N O	×	×
Counterfactual evaluation methods	Descriptive methods	Counterfactual evaluation methods	Matching	Matching	Matching pairs a logistic regression	Matching	CBA
The education support program has positive long-term effects. The program is focused on section 2 of the LMP database.	The authors did not deal with the evaluation of the net effects of the application of tools. The programs are focused on sections 4, 6 and 7 Descriptive methods of the LMP database.	Positive effect for graduate practice (section 4) and negative for recipients of activation allowance (section 6). The programs are focused on sections 4 and 6 of the LMP database.	Publicly funded training and retraining outside employment has a positive and significant impact. The program is focused on section 2 of the LMP database.	Training has positive effects. The program is focused on section 2 of the LMP database.	The temporary employment scheme provides temporary work for a maximum of 5 months in public or private sector projects and has positive effects. The program is focused on section 4 of the LMP database.	The authors focused on the administration of the program, which is not an examined area of the LMP database. The results have a relatively large impact on duration in favor of women aged 30 and over, while we find no impact on younger women or men.	Much of the cost of grants seems to be offset in other wage flows under reasonable assumptions. This is not an examined area of the
Lubyová, Štefánik et al. (2016)	Barošová et al. (2012)	Havran (2011)	Kluve (2002)	Kluve, Lehmann and Schmidt (2005)	Walsh et <i>al.</i> , (2001)	Micklewright and Nagy (2010)	Girma et al. (2008)
			section 5 (EMP)	T VA	section 6 (EMP) A <p< td=""><td>section 6 (EMP) A>P, it invests 72.55% of its funds in 1 instrument</td><td>section 6 (IND)</td></p<>	section 6 (EMP) A>P, it invests 72.55% of its funds in 1 instrument	section 6 (IND)
			Poland		Bulgaria	Hungary	Ireland

Source: Authors' own processing, 2020

Note: As part of the evaluation of active employment policy, we did not find any available microeconomic studies in the following countries: Netherlands, Greece, Latvia, Malta, Croatia, Cyprus, Lithuania, and Luxembourg.