



Impact Evaluation of Training and Wage Subsidies for the Unemployed in Greece

Connecting People with Jobs

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Contents of presentation



RECAP project overview



DATA sources and preparation



ANALYSIS methodology and additional insights



THE FUTURE evidence building



The OECD - EC project on impact evaluations of active labour market policies (ALMPs)

[Project webpage](#)

Objectives

Improve ALMP efficiency and effectiveness

Strengthen countries' analytical capacity

Lessons for improving data linking and use for evaluation

Activities

Phase I
2019-2020

Mapping evaluation efforts

Provide guidelines

Phase II
2020-2024

Counterfactual impact evaluations (CIE) of selected ALMPs

Assessment of ALMP impact evaluation system

Peer learning events

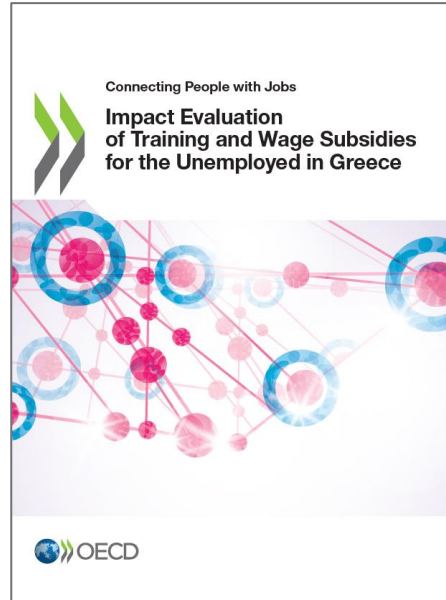
Synthesis report and lessons



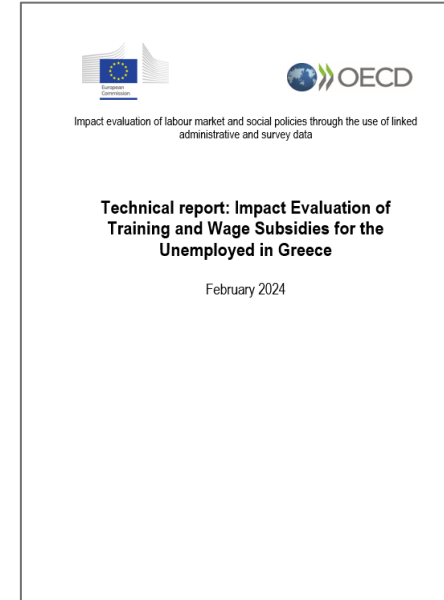
The Greek component of the project assessed two of Greece's main ALMPs, wage subsidies and training

OUTPUTS

Country report



Technical report



MAIN RESULTS

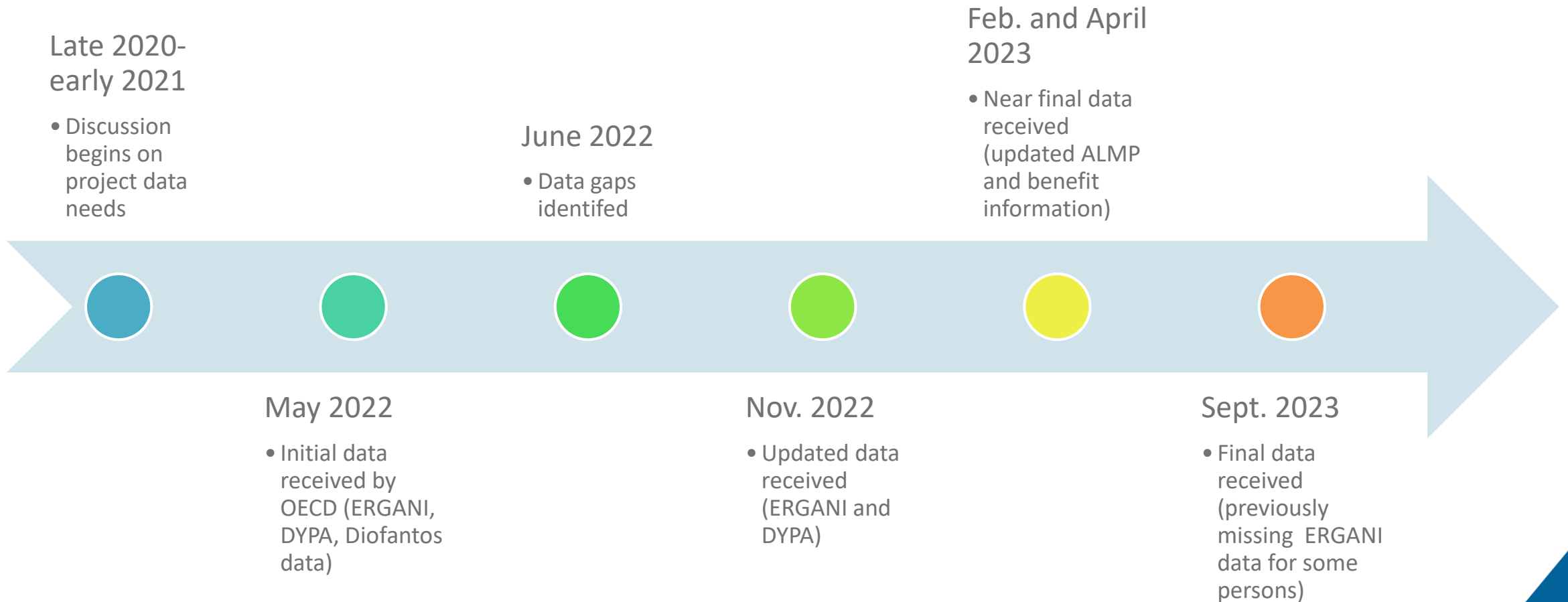
- Positive effects on employment and earnings
- Mostly positive effects on occupational mobility
- Some groups experience especially positive effects

- Project shows promise of Greek administrative data to inform policymaking
- Several steps could be taken to increase use of administrative data for evidence-based policymaking



Data linking was a collective successful effort across several institutions

Timeline of data linking and acquisition milestones





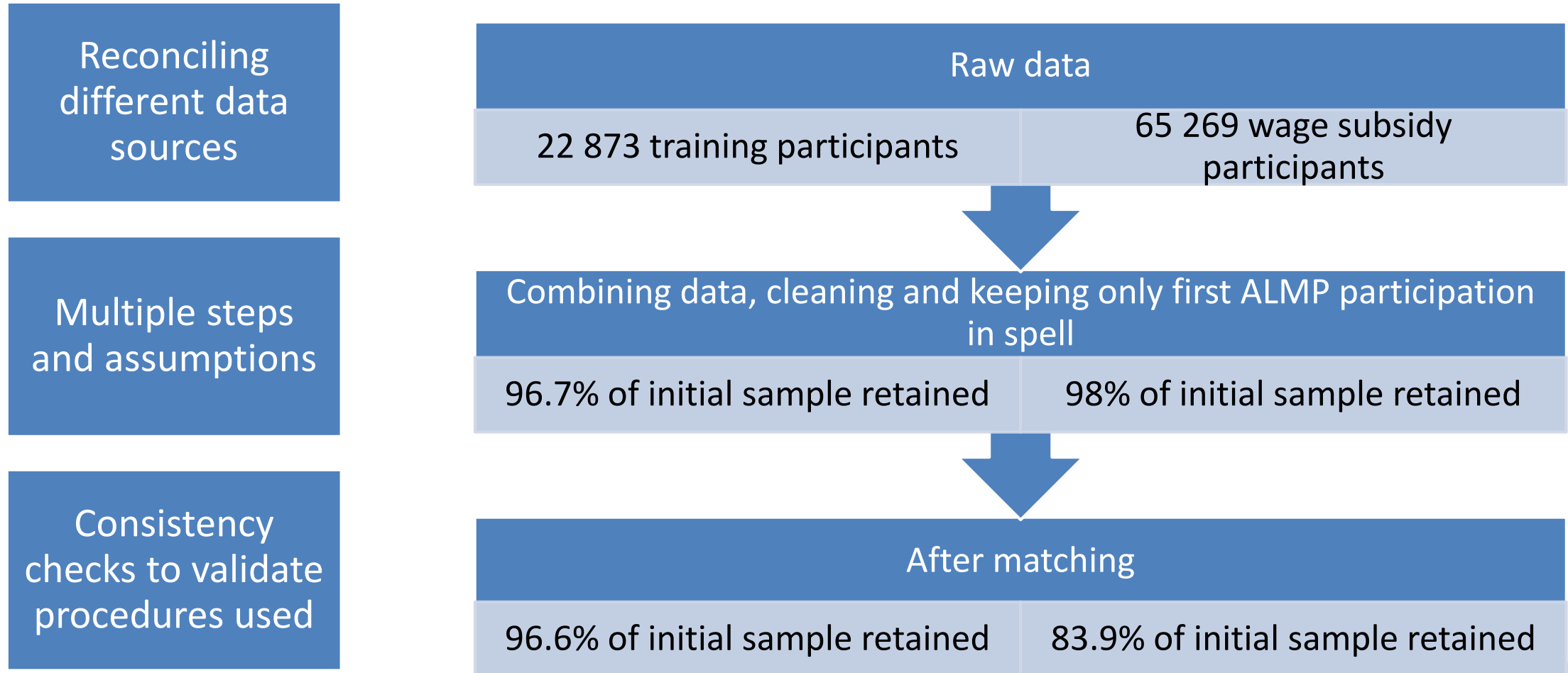
Data from three sources provide a rich understanding of individuals' characteristics and outcomes

Source	Information	Unit of observation	Period covered
DYPA	Unemployment spells	Unemployment spells	January 2017 - December 2021
	Personal characteristics of unemployed	Individuals	January 2017 - August 2022
	Wage subsidy participation	Entry into wage subsidy	March 2017 - (approximately) end 2022
	Unemployment benefits data	Unemployment benefit spells	2013 - early 2023
Diofantos	Training programme participation	Entry into training	2016 - 2021
ERGANI	Employment data	Employment data (changes to employment conditions)	March 2013-August 2022
	Firm-level employment counts	Employers	March 2013-August 2022



Several steps were required to prepare the administrative data for analysis

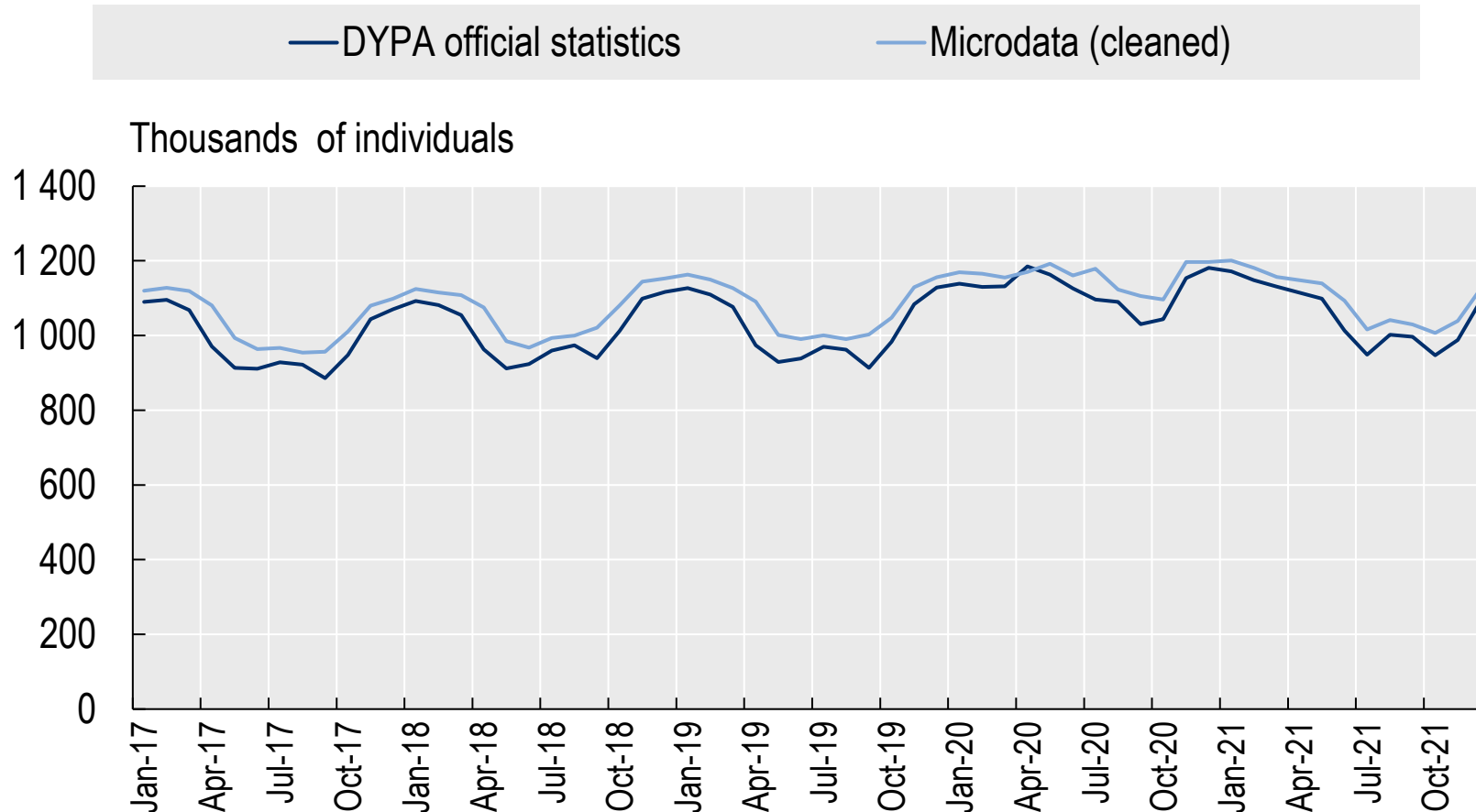
Steps taken in analysis of ALMP participant data





Statistics calculated from individual-level data correspond well with official statistics

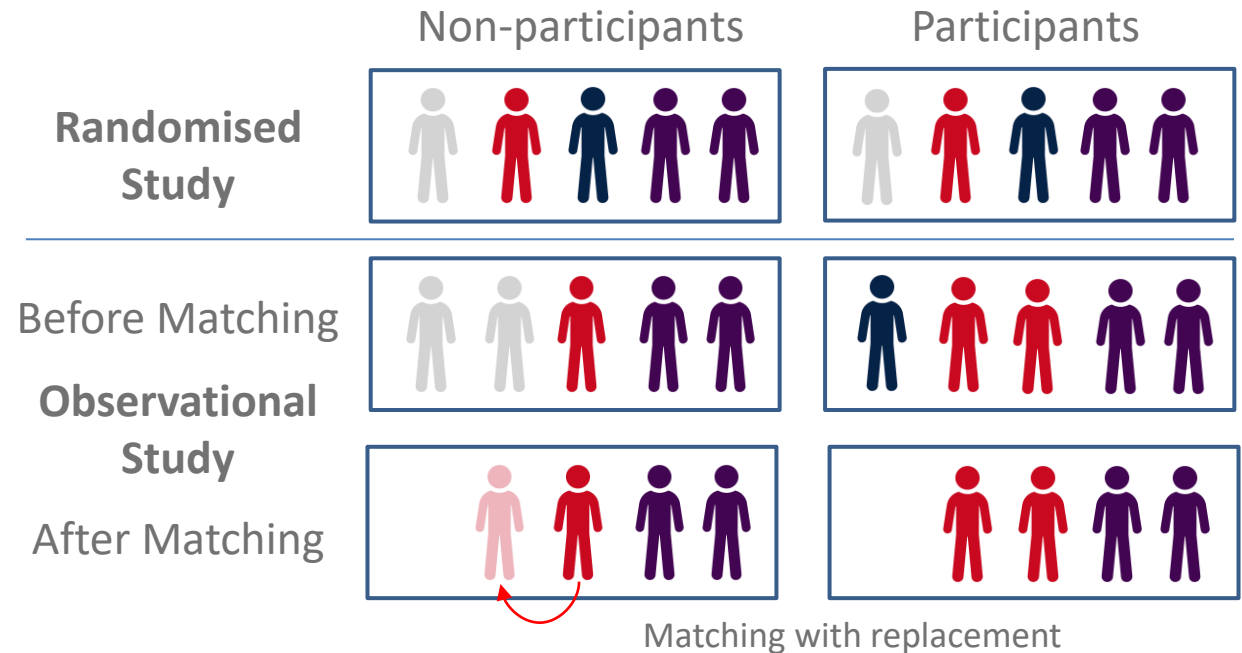
Comparison of total registered unemployment by data source, Greece





Propensity score matching was used to estimate causal impacts of wages subsidies and training

- No Randomised Controlled Trial (RCT) possible to select participants
- Matching relies on having good information on individual characteristics
- Assumes all factors influencing outcomes are captured by the administrative data used in the analysis



Data used to match individuals: prior employment history (earnings, occupation, duration of employment), unemployment duration, employability rating, demographic characteristics (education, gender, nationality), foreign language skills, location, calendar month and year of entry into ALMP (if applicable).



Examining which wage subsidy parameters work best was not feasible

Significant variation across programmes

Randomised controlled trials could be used to examine differences

Parameters of largest wage subsidy programmes

Outcomes at 18 months

Subsidy duration (minimum)

Minimum: 9 months

Maximum: 15 months

Retention requirement at end of subsidy?

Yes: 5 programmes

No: 4 programmes

Wage subsidy amount (percent of wage)

75%: 3 programmes

50%: 6 programmes

First implemented after June 2020?

Yes: 3 programmes

No: 6 programmes

Treatment effect on employment

Minimum: 24 percentage points

Maximum: 51 percentage points

Treatment group employment rate

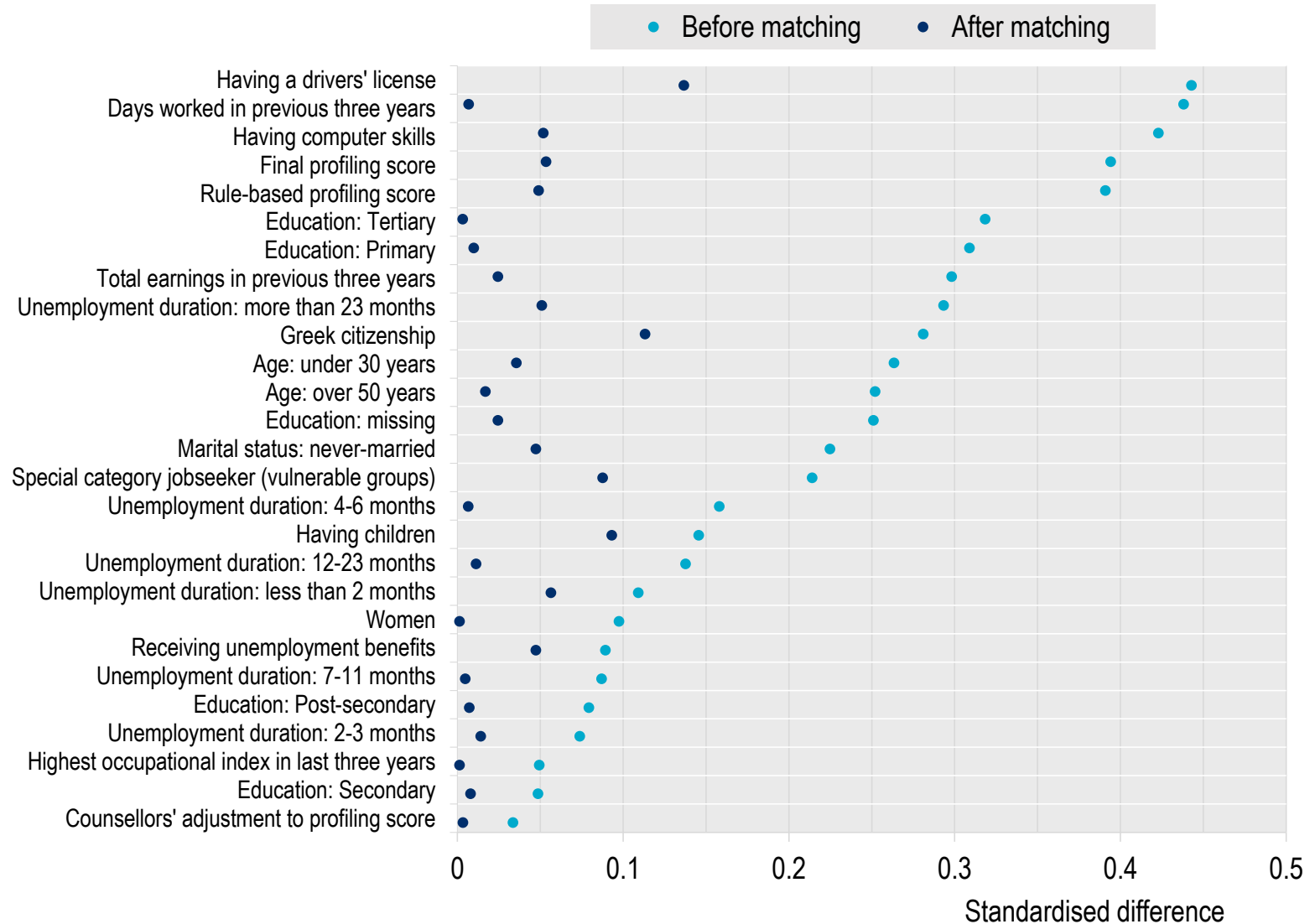
Minimum: 59%

Maximum: 82%



After matching, characteristics are similar between ALMP participants and their matched non-participants

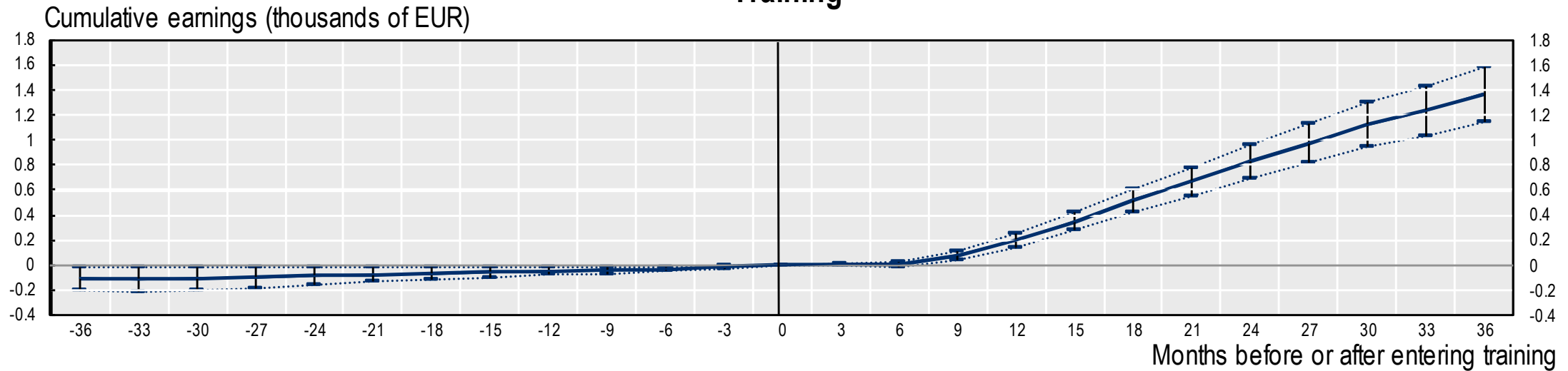
Training participants – differences before and after matching



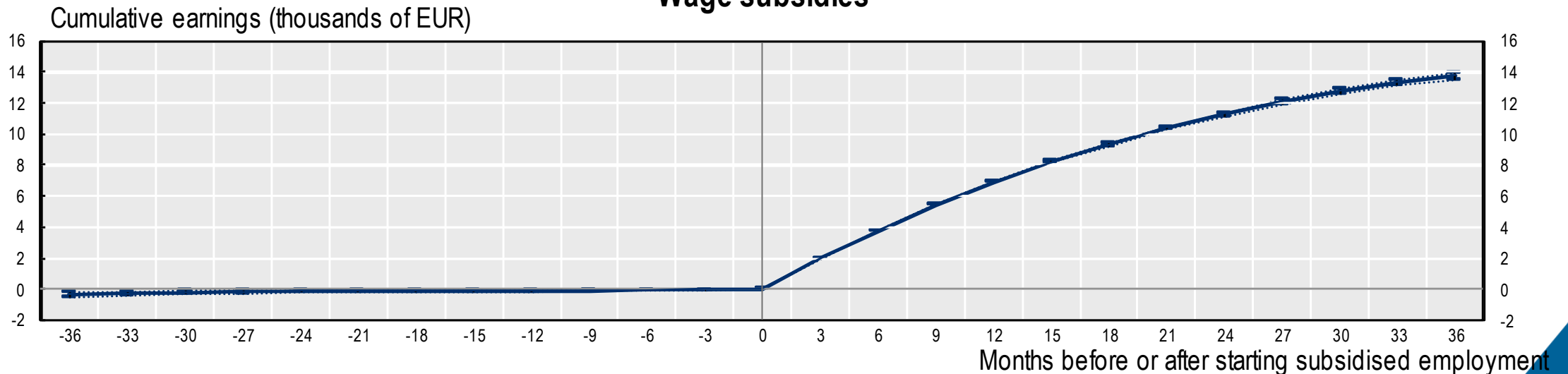


Participants and matched non-participants have similar labour market history prior to participation

Training



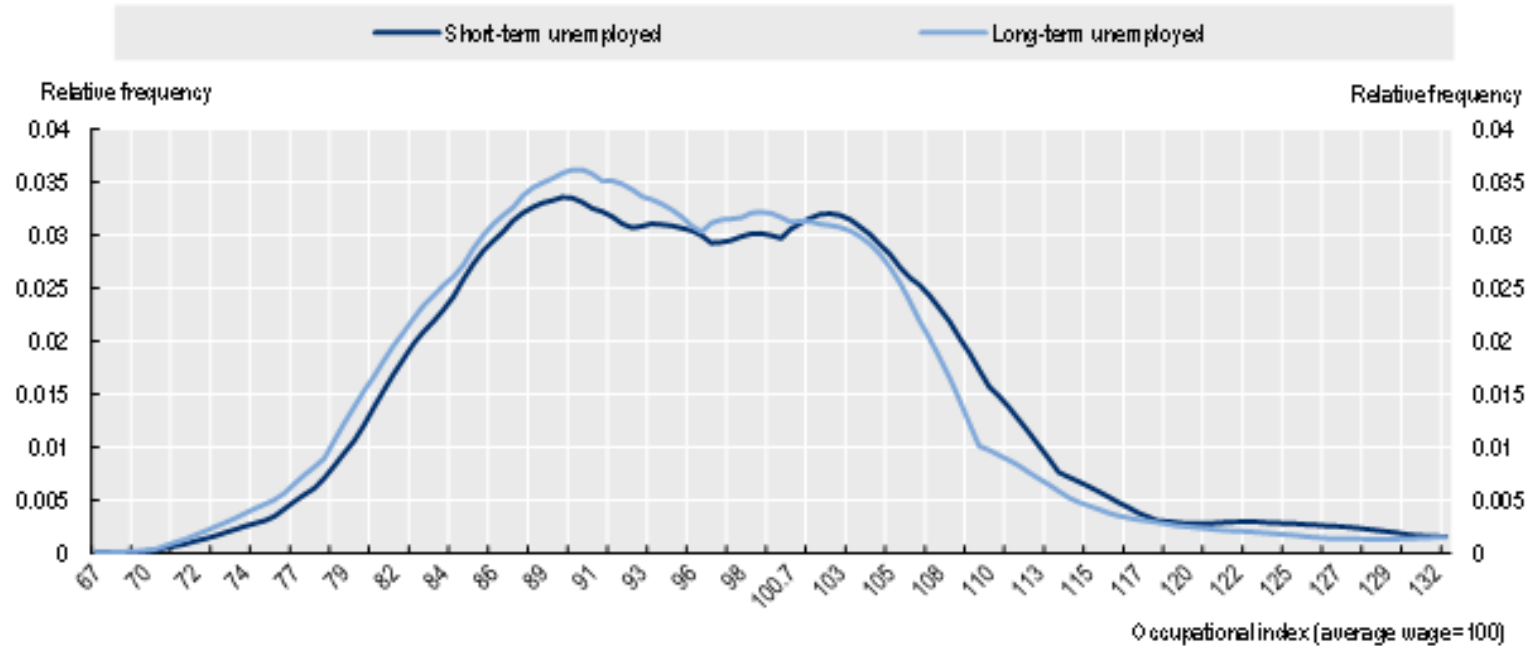
Wage subsidies





Calculating an occupational index yields interesting insights into dynamics of labour market transitions

Individuals experiencing long-term unemployment disproportionately come from lower-ranked occupations



RECAP:
Constructing the
Occupational Index

Occupations broken
into 1 649 groups
(STEP-92 codes)



Average monthly
wages computed for
each occupation for
employed individuals
in 2017-21



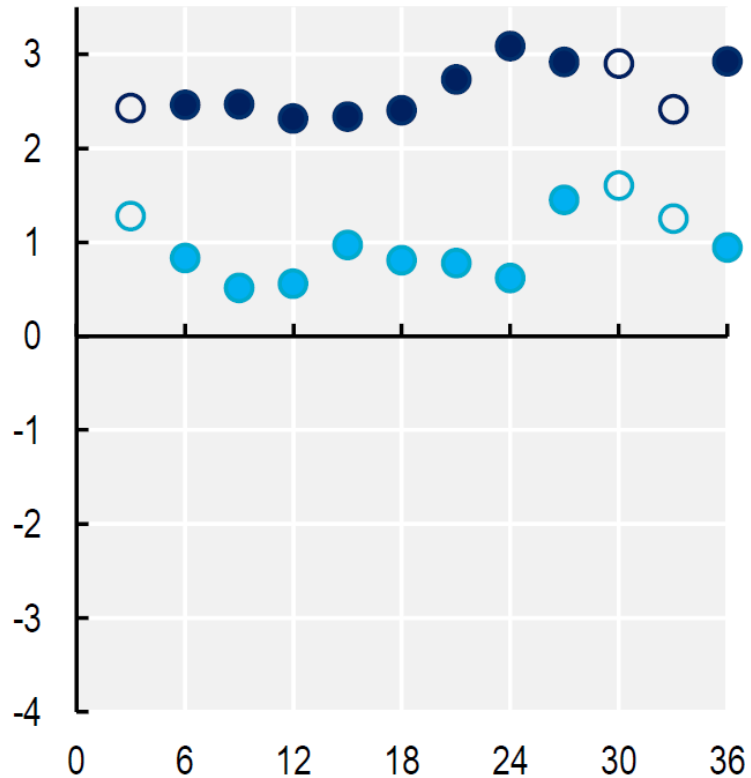
Occupations ordered
by wage



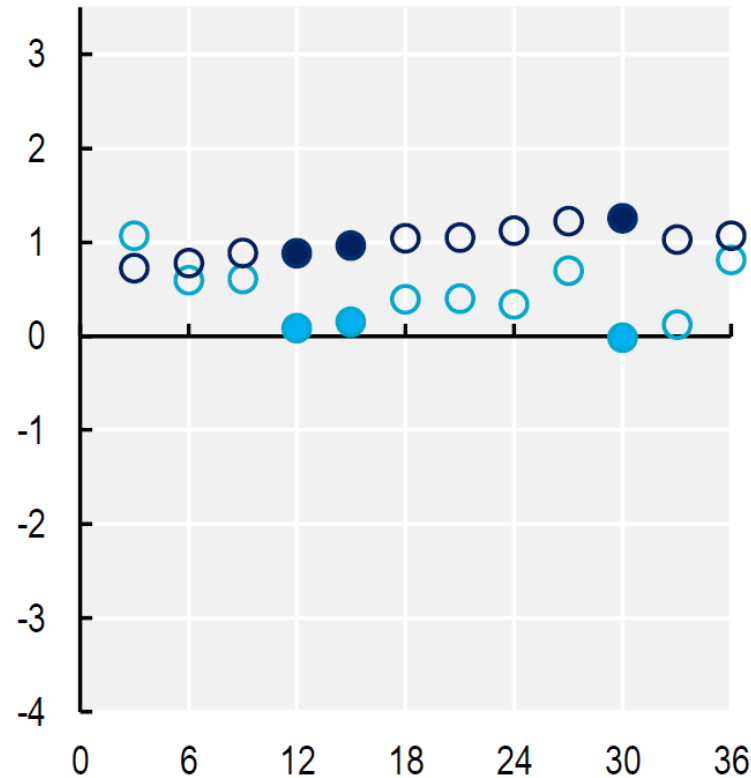
Wage subsidies help boost occupational mobility for younger men

Change in occupational index for those who found a job
(shaded circles denote statistically significant differences)

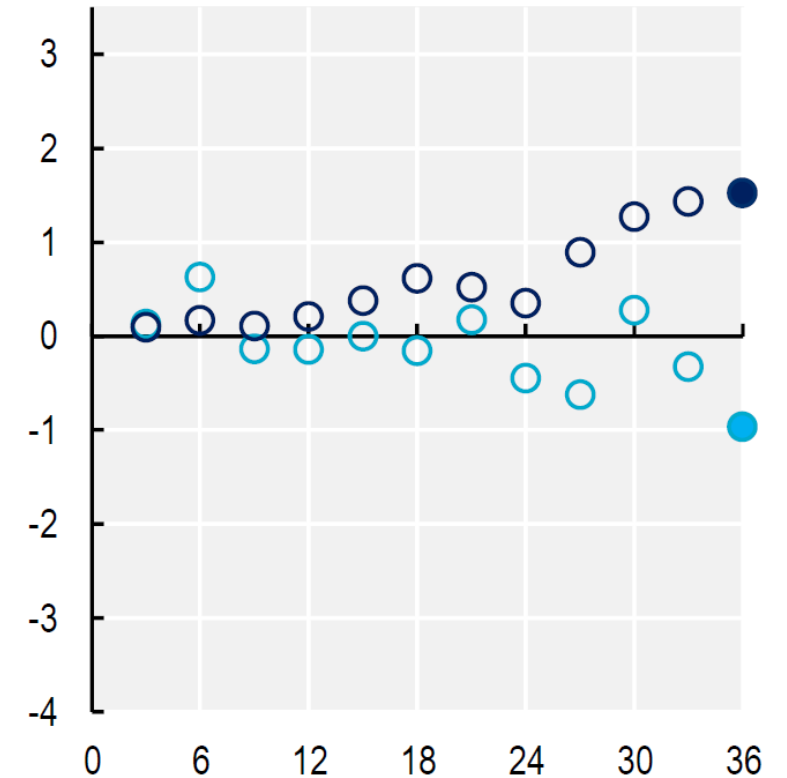
Men under 30



Men 30-50



Men over 50

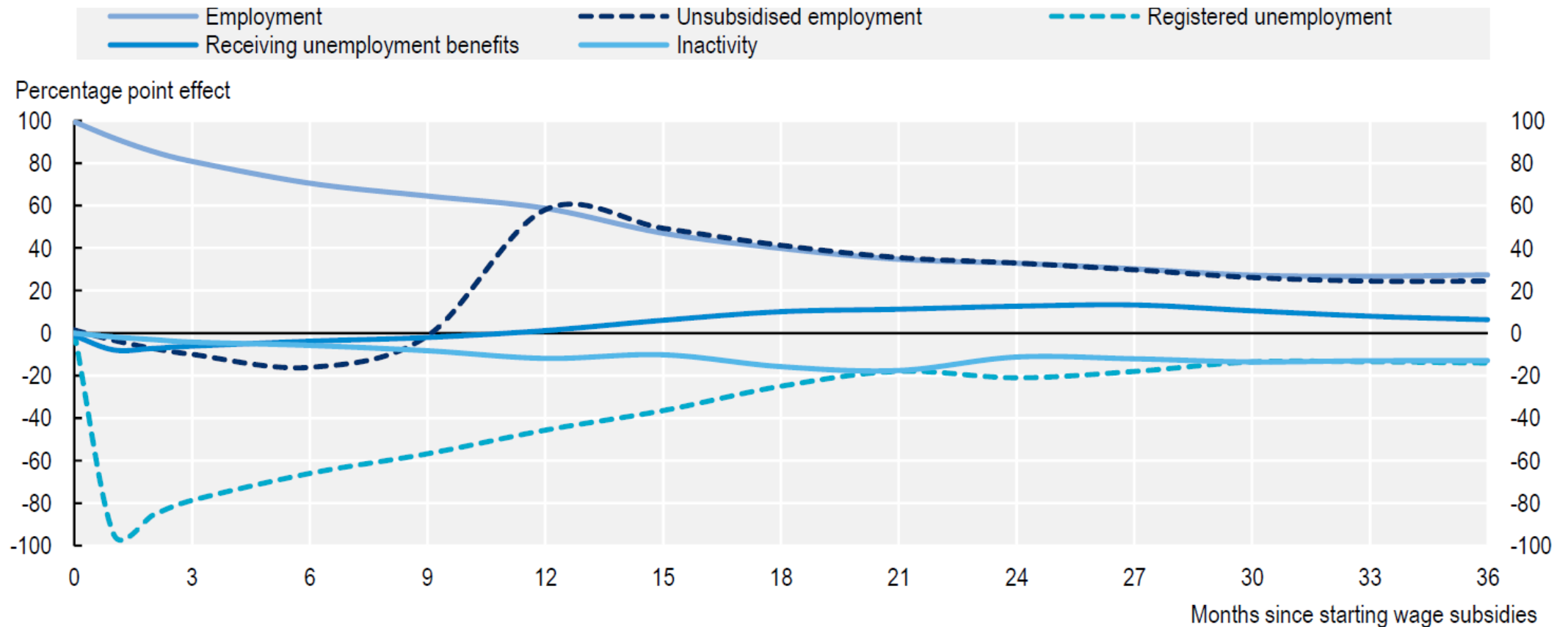


Months since starting wage subsidies



Wage subsidies reduce registered unemployment and inactivity in equal measure

Percentage point effect on being in different labour market states





Several limitations in the existing data could be addressed for future evaluations

DYPA data are snapshots, potentially problematic for variables that change over time (e.g., education, family status)

Missing (self-reported) skills information in unemployment registry, affecting over 80% of cases

Wage subsidy data lacks information on detailed programme parameters, precise end dates, and cost information

Some inconsistencies and accuracy issues in ERGANI employment data, particularly regarding hours, wages, and contract end dates

Public sector employment data are not included



Recommendations for building the evidence base on ALMPs in Greece



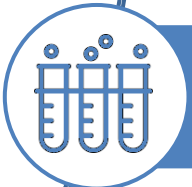
Incorporate additional data sources into the DYPA data warehouse



Strengthen the monitoring framework based on additional data and digital tools



Develop a framework for systematically conducting impact evaluations of ALMPs



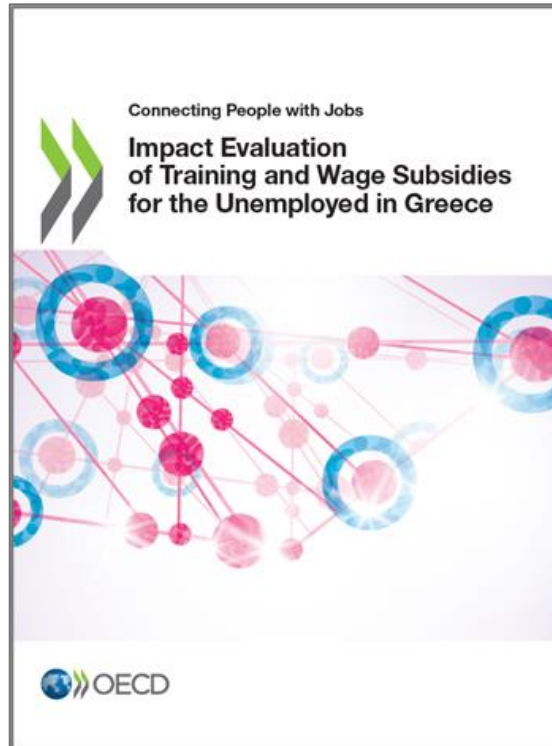
Embed evaluation into the design of policies and programmes including, possibly through experimental approaches



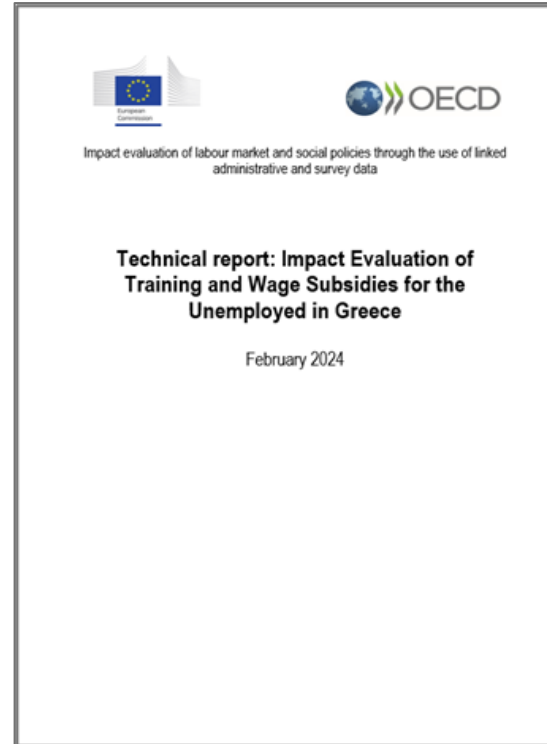
Ensure that the results of the ALMP evaluations are effectively communicated to different stakeholders



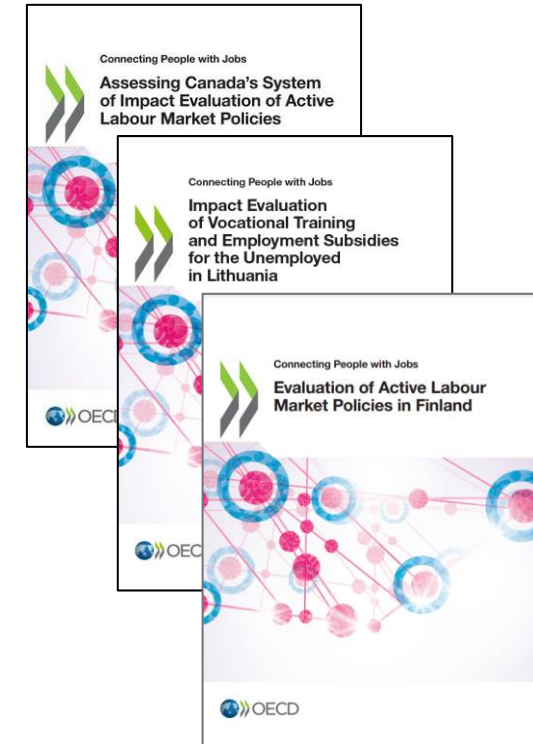
Thank you!



Country report link:
oe.cd/Greece-alm-p-2024



Technical report link:
oe.cd/Greece-TR



Related work:
oe.cd/ALMPs

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