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Long time series for public
expenditure on labour
market programmes

**David Grubb,
Agnès Puymoyen**

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LONG TIME-SERIES FOR PUBLIC EXPENDITURE ON LABOUR MARKET PROGRAMMES

David Grubb and Agnès Puymoyen

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The reporting of data on labour market programmes to Eurostat and to OECD brings information from different ministries and institutions together in a way that is often not done in national publications, and plays an important role in generating both a current overview and an historical record. The authors extend their thanks to national correspondents who, supplying information over the years, have made the construction of long time-series estimates possible, and to Eurostat which circulated an earlier draft to its national correspondents and provided advice and suggestions. Particular thanks are extended to the national correspondents in Australia, Belgium, Ireland, Poland and Switzerland, who provided additional advice and historical data. At the same time, current national correspondents are often not in a position to interpret data provided by their predecessors to Eurostat or the OECD many years ago. Responsibility for the remaining omissions or errors of interpretation remains with the OECD Secretariat, within which the authors thank their colleagues Maxime Ladaique and Willem Adema for suggestions.

SUMMARY

The OECD has collected data for public expenditure on labour market programmes (LMPs) continuously since the mid-1980s. For most longstanding Member countries, data according to a consistent classification system and definition of scope are available for reference years 1985 to 2002.

Starting with reference year 1998, Eurostat started collecting and publishing data according to a somewhat different classification system and definition of scope. In line with agreements for bilateral coordination of data collection, the OECD after some time adopted - for non-Eurostat OECD Member countries as well as Eurostat countries – most of the features of the Eurostat system. This allows the OECD to use data collected by Eurostat rather than making a separate data request to the 20 Eurostat countries that are members of the OECD. OECD data according to the “new” classification and definition of scope are generally available for reference year 2002 onwards, or 1998 onwards for Eurostat countries.

These data are often used in time-series applications, e.g. for documenting long-term trends in total social expenditure (in which labour market programmes are one component), or in time-series regressions that attempt to estimate the impact of training programmes vs. job-creation programmes on unemployment. It is no longer practicable to do such work using only the “old” data which stop in 2002 or the “new” data which start in 2002 or 1998. If the two data sets are combined using crude extrapolation and splicing techniques, time-series movements will result primarily from statistical breaks (*i.e.* changes in definition and coverage of the statistics) rather than real changes in spending patterns.

This paper documents how data for the 1985-2002 period have been used to reconstruct time-series comparable to the series currently available. For most countries - although there are a few exceptions – this has been done through a detailed interpretation of both sets of data and matching at the individual programme level. This has greatly reduced the impact of statistical breaks so that the change in classification system is no longer a key limitation to the validity or comparability of the long time-series. The detailed analysis has also identified a number of statistical breaks and omissions that affected either the old or the new data sets, resulting in some other improvements in data quality. The OECD Secretariat is therefore making these long time-series available via its on-line database (www.oecd.org/els/employment/data).

The long time-series estimates rely upon interpretation – for example, inferring that data lines which have slightly different names and reported expenditure in the old and new data sets do in fact refer to the same programme - and estimation. The issues, and how they were tackled, are described first in general terms and then, in an Annex, in terms of the key issues for individual countries. The Secretariat will supply on request (employment.contact@oecd.org) the underlying data files, which typically have 21 years' data for between 20 and 200 labour market programme lines per country, with some further background information and calculations.

Based on the matching of old and new data sets, an analysis of changes in total “active” and total “passive” spending on labour market programmes between the old and the new data for the same year is presented. The more restricted scope of the new data – due mainly to the exclusion of general apprenticeship support, training for employed adults, and lifetime sheltered work – led on average to a reduction in total active spending. In a few countries, this was more than offset by the inclusion in the new data of a large programme that had not previously been reported. National correspondents also

implemented some large revisions to data for passive spending (unemployment benefits or early retirement for labour market reasons). At the aggregate level, data revisions due to revised national reporting practices have influenced expenditure totals as much as revisions motivated directly by the changes in database classification system and scope, and these data revisions have also been handled with retropolation procedures.

Based on experience with the factors that influence reported expenditure and the allocation of programmes to categories, and with using the detailed programme data for subsequent analysis and interpretation, several methodological changes that could enhance the quality and range of applications of the data are outlined.

RÉSUMÉ

L'OCDE a rassemblé des données pour les dépenses publiques au titre des programmes du marché du travail (PMT) de façon continue depuis le milieu des années 80. Pour la plupart des pays membres de longue date, des données selon un système de catégories et une définition du champ cohérents sont disponibles pour les années de référence 1985 à 2002.

A partir de l'année de référence 1998, Eurostat a rassemblé et publié des données selon un système de catégories et une définition du champ modifiés. En conformité avec des accords bilatéraux concernant la collecte des données, après un certain temps l'OCDE a adopté – pour les pays membres non Eurostat autant que pour les pays Eurostat – la plupart des caractéristiques du système Eurostat. Cette approche permet à l'OCDE d'utiliser les données collectées par Eurostat plutôt que d'adresser des requêtes de données séparées aux 20 pays Eurostat membres de l'OCDE. Les données OCDE selon les « nouvelles » catégories et définition du champ sont le plus souvent disponibles à partir de l'année de référence 2002, ou à partir de 1998 pour les pays Eurostat.

Ces données servent souvent en séries temporelles, par exemple pour documenter les tendances à long terme dans les dépenses sociales totales (les PMT en étant une composante) ou dans les régressions temporelles qui visent à estimer l'impact sur le chômage des programmes de formation ou bien des programmes de créations d'emplois. Ces travaux ne sont plus faisables en se servant uniquement de données « anciennes » qui s'arrêtent en 2002 ou des données « nouvelles » qui démarrent en 2002 ou en 1998. Si les deux bases de données sont regroupées avec des techniques d'extrapolation et de raccordements crues, les variations temporelles seront principalement le reflet de ruptures statistiques plutôt que des changements réels dans la distribution des dépenses.

Cet article documente l'utilisation des données des années 1985 à 2002 pour reconstruire des séries temporelles comparables aux données actuelles. Pour la plupart des pays – malgré quelques exceptions – ce travail s'est effectué par une interprétation détaillée des deux bases de données au niveau des programmes individuels. Cette approche a grandement diminué l'impact des ruptures statistiques, de sorte qu'elles ne limitent plus de façon drastique la validité ou la comparabilité des séries temporelles longues. L'analyse détaillée a également identifié certaines ruptures et lacunes statistiques dans les séries anciennes ou nouvelles, permettant d'autres améliorations dans la qualité des données. Le Secrétariat de l'OCDE rend donc accessibles ces données sur sa base en ligne (www.oecd.org/els/employment/data).

Les séries temporelles longues estimées dépendent de l'interprétation - par exemple, déduire que des lignes avec des noms et des niveaux de dépenses un peu différents dans les données « anciennes » et « nouvelles » se réfèrent au même programme – et l'estimation. Les questions et leurs traitements sont décrits d'abord en termes généraux et ensuite dans une annexe qui identifie les questions clé pour les pays individuels. Le Secrétariat fournira sur demande (employment.contact@oecd.org) les fichiers sous-jacents, qui comportent habituellement 21 années de données pour 20 à 200 programmes du marché du travail par pays, avec certains calculs et informations pertinentes supplémentaires.

A la faveur de l'appariement des données anciennes et nouvelles, on présente une analyse des changements de niveau de dépenses totales « actives » et « passives » au titre des PMT entre les anciennes et les nouvelles données pour la même année. Le champ plus restreint des nouvelles données – principalement l'exclusion du soutien général à l'apprentissage, de la formation des adultes en emploi et de

l'emploi protégé à vie – a donné lieu en moyenne à une réduction des dépenses actives totales. Pour quelques pays cette tendance est contrecarrée par l'inclusion dans les nouvelles données d'un programme important non signalé antérieurement. Les correspondants nationaux ont également effectué quelques grandes révisions dans les données des dépenses passives fournies (allocations de chômage ou de retraite anticipée pour motifs liés au marché du travail). Au niveau agrégé, ces révisions dues aux changements dans les données fournies avaient autant de poids que les changements motivés directement par les nouvelles catégories et définition du champ : elles ont également été l'objet de procédures de réropolation.

Grâce à l'expérience des facteurs qui influencent les dépenses reportées et leur allocation aux catégories, et celle de l'utilisation des données détaillées à des fins d'analyse et d'interprétation, plusieurs changements méthodologiques pour améliorer la qualité et le champ d'application des données sont proposés.

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LONG TIME-SERIES FOR PUBLIC EXPENDITURE ON LABOUR MARKET PROGRAMMES

1. Introduction

1. The OECD has collected data for public expenditure on labour market programmes (LMPs) continuously since the mid-1980s. For most Member countries, data according to a consistent definition of scope and classification system are available for reference years 1985 to 2002. These data represent many person-years of work by OECD staff and by national officials in responding to the OECD's annual questionnaire. In many Member countries, data of a similar scope is not available from any national publication, and the collection process plays a role in generating a current overview and an historical record of labour market policies.

2. In 2005, the OECD adopted the main lines of the definition of scope and classification system implemented by Eurostat for EU member countries and Norway. Eurostat has published data for reference years 1998 to date, or from 2004 to date for most countries that joined the EU in 2004. The OECD published data according to this "new" classification system and definition of scope for reference years 2002 onwards. This change created a difficult situation for users who need information on spending patterns over the longer period back to 1985: for example, active labour market programme expenditure is a component in the OECD's estimates for total social expenditure (OECD, 2007c) which extend back, so far as possible, to 1980.

3. Although most of the new LMP database categories have an approximate match in the older classification system, this does not by itself allow good matching at the level of category aggregates: for example, the new classification has no counterpart to the old category 3. *Youth measures* (spending on youth is now allocated to categories such as Training or Direct job creation, according to the type of action). A revision in 2005 has restricted the coverage of Category 5 (now called *Supported employment and rehabilitation*) so that programmes targeted on the disabled are now in principle classified by type of action. Any simple algorithm for converting old-classification data to the new classification basis is likely to generate incoherent coherent time-series and fail to correct for the underlying statistical breaks.¹

4. This paper describes issues at the level of specific programmes in each country and how they have been treated. For Eurostat countries,² the rate of success in terms of matching individual spending

1 Medeiros (2006) converted the OECD 1985-1997 data at category level to the new categories using a simple algorithm. Although he warns "This match-up has a number of limitations and the extended series should be treated with caution because there is no precise equivalence between the two datasets", he presents data as if they were comparable, e.g. between 1995 and 2000, the EU average share of the PES and administration in total active spending fell from 17.5% to 11.4% (before recovering to 21.7% in 2004), and the share of job sharing and employment incentives rose from 8.9% to 17.1% (*op.cit.*, Graph 1). It seems likely that those time-series movements reflect unresolved statistical breaks – partly because large programmes are in effect reported in one category in the old data and in another category (or are omitted) in the new data; and partly because *de facto* coverage of PES spending was low in the first years of Eurostat data and increased more recently.

2 "Eurostat countries" here refers to OECD countries that report labour market programme (LMP) data to Eurostat: these include Norway, which is not a member of the European Union (EU). As of 2008, 20 of the OECD's 30 Member countries are Eurostat countries in this sense.

programmes (or aggregates of several spending programmes) between the old and new data, and precisely identifying the programmes that were included in the old but not the new data or vice versa, was higher than had been expected at the outset. Matching at the detailed programme level often allowed statistical breaks to be eliminated directly, by omitting programmes that appear in the old data but not the new data, and by allocating old programmes to the category where they are allocated in the new data. Often, after such matching, crude extrapolation and splicing techniques had to be applied to only a few programmes that represent a relatively small proportion of total expenditure. The detailed analysis also identified and corrected a certain number of statistical breaks and omissions within the “old” and “new” data sets. In more general terms, this exercise identifies from an empirical point of view the issues that arise in defining and measuring “labour market programmes” and expenditure on them.

2. The data sets and classification systems

OECD-LMP data for 1985-2002

5. The OECD began systematically to build a database for spending on active and passive labour market programmes (LMPs) in the mid-1980s.³ Data were constructed using information in national labour ministry budgets and other publications, and through personal missions to many Member countries to interview the people responsible for each main programme area. The first major publication of these data, in the 1988 *Employment Outlook* (OECD, 1988), included for each country a one-page table listing the individual programmes organised under several category headings, with extensive notes. Similar data were published in OECD (1990), which in a few cases provides some description of individual programmes that is not available elsewhere. From 1991, data were published annually in the *Employment Outlook* (usually in the Statistical Annex), in the form of 10 category/subcategory lines (counting only the lines that are not aggregates of others) for “active” spending and 2 lines (*Unemployment benefits* and *Early retirement benefits for labour market reasons*) for “passive” spending. The data for “active” programmes were incorporated into the first full version of the OECD Social Expenditure (SOCX) database (OECD, 1996), where most of the other expenditure recorded relates to social security, health and related programmes and based on other (mainly social affairs ministry) sources.

6. After the initial data construction effort, the OECD maintained its LMP database largely through an annual questionnaire sent to national authorities. The OECD only occasionally conducted further visits to countries or commissioned studies by national experts to improve the quality of the data. In the latter part of the 1990s, OECD supervision of data comparability and consistency with the stated definitions became more variable, and a few countries no longer replied to the questionnaire: however most countries continued to report data according to the OECD’s original coverage and classification for reference years up to 2002.

Eurostat-LMP data for 1998 onwards

7. In 1998, Eurostat started collecting data on LMP expenditure for many of the OECD Member countries. After initial work on the methodology and an experimental collection of data for reference year 1997, Eurostat has provided data for EU countries and Norway in an annual publication starting with the reference year 1998 (Eurostat, 2001) and most recently with reference year 2006 (Eurostat, 2008).

3 Data for six categories of spending on “employment and manpower policies” (training, temporary employment maintenance and creation, geographical mobility, employment service, handicapped, and “other”) in 13 countries were published in OECD (1978). At that time, spending on these active programmes exceeded 1% of GDP in Denmark and Sweden, and exceeded 0.5% of GDP in another five countries.

8. The Eurostat data have some major advantages in terms of data quality, in particular:
- The Access database used for data collection allows national respondents to enter a wide range of information directly and allows users, particularly Eurostat itself, to extract relevant tables in a flexible way. This includes the automatic generation of annual “Qualitative reports” and the semi-automatic generation of Eurostat’s annual data publication.⁴
 - National respondents are expected to provide data on expenditure, the average stock and flows (entrants and exits) of programme participants, a general text description, and to report in specific fields the programme’s:
 - legal basis: e.g. a general Act on labour market policy and a specific regulatory instrument;
 - financing support: e.g. labour ministry, a specific labour fund, social insurance fund, tax reduction;
 - responsible institution: e.g. the (national) Public Employment Service (PES);
 - target group: *i.e.* the characteristics which make an individual eligible for entry to the programme;
 - type of expenditure: e.g. transfers to individuals, transfers to service providers, ongoing vs. lump sum payment;
 - treatment of unemployment spells: *i.e.* whether registered unemployed people leave the unemployment register during programme participation;
 - year started: in some cases, this confirms that a programme existed for several years before it was first included in the data.
9. However some factors still make it difficult to use Eurostat data for international and time-series comparisons:
- There have been some changes to the *de facto* coverage of the database since 1998. From reference (*i.e.* data) year 2002, a more restricted coverage of Subcategory 2.4 *Special support for apprenticeship* was implemented.⁵ From reference year 2004, an earlier definition of Category 1 (*Intensive counselling and job-search assistance*, typically only a fraction of PES spending) was merged with an earlier “Category 0”⁶ into the current Category 1 which is very different (see

4 Annual publications (data years 1998 to 2006) as well as Qualitative reports for data years 2001, 2004 and 2006 are available at <http://circa.europa.eu/Public/irc/dsis/labour/library>. LMP data are also available through Eurostat's online database (<http://ec.europa.eu/eurostat> – data - Labour market - Labour Market Policy).

5 It was specified from the start that, in line with the restriction of database scope to targeted measures, support for general apprenticeship schemes should be excluded: but several countries had nevertheless reported them.

6 Category 0 *General PES* was defined as “Services of the public employment services which facilitate the job-search process and which are generally available to all jobseekers”. In practice some countries reported very low spending in Category 0 (referring to a few programmes that had a separate budget line) while others included the full costs of the main PES organisation. Category 1 *Labour market services* included only services that have individual (jobseeker) beneficiaries (e.g. counselling); however PES work includes

below).⁷ From reference year 2005, the earlier (1998-2004) version of Category 5 was redefined with the replacement of three old subcategories by two new ones and the transfer of many measures (for all years, *i.e.* series back to 1998 were transferred, where relevant) that formerly were reported as measures for the disabled to other categories, depending on their type of action (training, job-search counselling, etc.).

- Eurostat data for Category 1 *Labour market services* are currently defined to include the total budget(s) of the main PES organisation(s).⁸ These may or may not include spending on various other activities, e.g. labour inspection, the training of unemployed workers, employed workers and apprentices, and the administration of unemployment benefits and other types of benefits. On the basis of Eurostat data, total spending can only be reported as a total that excludes Category 1, or as a total that includes Category 1 but therefore has erratic coverage of functions across countries and (when institutional arrangements are reformed) in a given country through time.⁹
- National correspondents in some cases redistribute spending across a different set of programme names and components, or reallocate programmes to different categories.¹⁰
- Eurostat has restored the historical continuity of the data to a considerable extent (e.g. identifying cases where a programme has underlying continuity and only its reporting name has been changed), and the revised data are available online. However, remaining data gaps and statistical breaks, and the growing number of programme lines in the complete time-series, sometimes make continuity hard to trace.

OECD data from 1998 or 2002 onwards

10. Starting with its 2005 data request (for reference years 2002 and 2003), OECD adopted most features of the Eurostat classification system as the “new” OECD classification, applying this also to non-Eurostat countries in order to maintain cross-country consistency. From 2006 (data year 2004), OECD used the data collected by Eurostat as its primary source for Eurostat countries. This removed the need for national correspondents to supply the same or similar data separately to both OECD and Eurostat.

many other functions, such as vacancy/placement services for employers, job-search monitoring, fraud investigation, IT systems and register maintenance, which have different aims, e.g. to ensure that benefits are not paid to individuals not entitled to them.

7 Given the reporting inconsistencies in Category 0/1, Eurostat in comparative tables reported a total only for Categories 2 to 7, which therefore was not affected by the change in definition in 2004.

8 The whole expenditure of “the national employment service (and regional/local equivalents) together with any other publicly funded bodies whose main responsibility is to facilitate the integration of unemployed and other jobseekers in the labour market.” (Eurostat, 2006).

9 According to OECD data, Category 1 rarely accounts for much less than 20% of the total for active spending and its share exceeds 70% in Japan. The share of Category 1 in total spending on substantive service provision is often much higher because spending in the other “active” categories (Categories 2 to 7) consists to a large extent of transfers (hiring subsidies to employers and income support payments to programme participants).

10 In the Access database used for reporting to Eurostat the national correspondent can easily add some programmes for the current year and drop others. The OECD Secretariat - by presenting the time-series to date and asking for them to be updated - encourages national correspondents to identify new programmes as the continuation of their similar predecessors, so far as possible. Unfortunately this approach sometimes motivates national correspondents to hide time-series consistency problems (e.g. add data that have only recently become available into the total reported for another programme, creating a false impression that spending has increased), rather than truly resolve them.

However the OECD makes some adjustments to the data published by Eurostat particularly for Category 1 *Public employment services and administration*. By 2007 many key procedures had been established, and it is hoped that the main features of the new classification data will remain stable for some time.¹¹

Differences between the “old” and the “new” classification systems and detailed guidelines

11. Table 1 compares the current classification system with the old classification system used for the 1985-2002 data. Many of the new categories are superficially the same as old categories, apart from a change in name. However, in some areas this is not the case:

- **Training for employed adults** in the old classification falls outside the scope of the new system.¹²
- **Youth measures** and **Measures for the disabled** in the old classification no longer appear in the new classification. In the latter case many programmes fit into the new Category 5 *Supported employment and rehabilitation*. These old categories were defined in terms of their target group (*i.e.* participant characteristics), in contrast to other categories which are defined in terms of their type of action (e.g. training, hiring subsidies, etc.); a youth training programme was classified under 3. *Youth measures* rather than 2. *Labour market training*. To convert old data to the new classification basis, programmes in these old categories need to be reallocated according to their type of action (*Training, Employment Incentives, etc.*).
- **Job rotation and sharing** in the new classification refers mainly to programmes that finance employees to vacate their job temporarily or part-time so as to allow the hiring of an unemployed person. This category can be regarded as a split-off from the old Category 4.a) *Subsidies to regular employment in the private sector* (it is generally small, with many countries reporting no spending).

12. Eurostat guidelines for the definition of the new categories are not reproduced here because they run to 11 pages (Eurostat, 2006, pp.11-21) and other pages in the publication also contribute to defining the scope of reported spending. Readers are invited to access these guidelines directly (Eurostat, 2006). Comparing these with the guidelines for the categories of the old OECD data (Table 1), some further differences can be noted:

- **Eurostat Category 1. Labour market services** does not include mobility allowances (*i.e.* payments that compensate jobseekers for the cost of moving to another region to take up work) which are instead allocated to new Subcategory 4.1. *Recruitment incentives*. The OECD Category 1. *Public employment services and administration* now follows Eurostat in allocating mobility allowances to Subcategory 4.1, but in other respects continues with the coverage shown in Table 1.¹³

11 Although the OECD Secretariat has intended to link the old and new data sets for some time, waiting until now has had advantages in terms of allowing the Eurostat data for the years 1998 to 2002 to stabilise before matching the old data to them, although in practice revisions continue.

12 Except for training of people who are in work but “at risk of involuntary job loss due to the economic circumstances of the employer, restructuring, or similar” (Eurostat, 2006).

13 Discussion and/or specific details about the national coverage of Category 1 data are given in OECD (2008a; 2008b), OECD studies of public employment services such as Grubb (2007b), Eurostat (2006) and Fuller and Ludeke (2007). OECD work on the public employment service (PES) and labour market programmes at national level helps in terms of implementing an international definition of

Table 1. Old and new systems for the classification of labour market programme spending

Old OECD classification (data years 1985 to 2002)	Eurostat classification (Eurostat data years 1998 onwards after the 2005 revision; OECD data years 2002 onwards)
1 Public employment services and administration	1. Labour market services
2. Labour market training a) Training for unemployed adults and those at risk b) Training for employed adults	2. Training 2.1 Institutional training 2.2 Workplace training 2.3 Integrated training 2.4 Special support for apprenticeship
3. Youth measures a) Measures for unemployed and disadvantaged youth b) Support of apprenticeship and related forms of general youth training	3. Job rotation and job sharing 3.1 Job rotation 3.2 Job sharing
4. Subsidised employment - a) Subsidies to regular employment in the private sector	4. Employment incentives 4.1 Recruitment incentives 4.2 Employment maintenance incentives
4. Subsidised employment – b) Support of unemployed persons starting enterprises	5. Supported employment and rehabilitation 5.1 Supported employment 5.2 Rehabilitation
4. Subsidised employment – c) Direct job creation (public or non-profit)	6. Direct job creation 6.1 Permanent 6.2 Temporary
5. Measures for the disabled a) Vocational Rehabilitation b) Work for the disabled	7. Start-up incentives
6. Unemployment compensation	8. Out-of-work income maintenance and support 8.1 Full unemployment benefits 8.1.1. Unemployment insurance 8.1.2. Unemployment assistance 8.2 Partial unemployment benefits 8.3 Part-time unemployment benefits 8.4 Redundancy compensation 8.5 Bankruptcy compensation
7. Early retirement for labour market reasons	9. Early retirement 9.1 Conditional 9.2 Unconditional

Category 1, which involves documenting the activities of PES institutions and estimating spending on a standard set of functions, often not directly available from budgets and annual reports.

Table 2. **Definitions of the standardised categories and sub-categories of labour market programmes used for 1985-2000 OECD data**

Active programmes	
1. Public employment services and administration	
	The following services are included: placement, counselling and vocational guidance; job-search courses and related forms of intensified counselling for persons with difficulties in finding employment; support of geographic mobility and similar costs in connection with job search and placement. In addition, all administration costs of labour market agencies (at central and decentralised levels), including unemployment benefit agencies (even if these are separate institutions) as well as administrative costs of other labour market programmes are included.
2. Labour market training	
	Training measures undertaken for reasons of labour market policy, other than special programmes for youth and the disabled. Expenditures include both course costs and subsistence allowances to trainees, when such are paid. Subsidies to employers for enterprise training are also included, but not employers' own expenses.
	a) Training for unemployed adults and those at risk: Programmes aimed mainly, though not always exclusively, at the unemployed and those at risk of losing their jobs, or other disadvantaged groups such as the poor (especially in the United States). Mostly in training centres, but often also in enterprises.
	b) Training for employed adults: Training supported for reasons of labour market policy other than the need to help the unemployed and those at risk. Most frequently, grants to enterprises for staff training in general.
3. Youth measures	
	Including only special programmes for youth in transition from school to work. Thus it does not cover young people's participation in programmes that are open to adults as well.
	a) Measures for unemployed and disadvantaged youth. Remedial education, training or work practice for disadvantaged youth to facilitate transition from school to work. The principal target group usually consists of those who do not follow regular upper-secondary or vocational education and are unsuccessful in finding jobs.
	b) Support of apprenticeship and related forms of general youth training. Covers many forms of training and work practice in enterprises for young people. Access is not restricted to persons with employment problems.
4. Subsidised employment	
	Targeted measures to promote or provide employment for unemployed persons and other groups specified as labour market policy priorities (other than youth or the disabled).
	a) Subsidies to regular employment in the private sector. Wage subsidies for the recruitment of targeted workers or, in some cases, for continued employment of persons whose jobs are at risk. Grants aiming primarily to cover enterprises' capital costs are not included, nor are general employment subsidies or subsidies paid for all workers in certain regions.
	b) Support of unemployed persons starting enterprises. The support can consist of unemployment benefits or special grants.
	c) Direct job creation (public or non-profit). Temporary work and, in some cases, regular jobs in the public sector or in non-profit organisations, offered to unemployed persons.
5. Measures for the disabled	
	Only special programmes for the disabled are included. The category does not cover the total policy effort in support of the disabled.
	a) Vocational rehabilitation. Ability testing, work adjustment measures and training other than ordinary labour market training.
	b) Work for the disabled. Sheltered work and subsidies to regular employment.

"Passive" or income maintenance programmes**6. Unemployment compensation**

All forms of cash benefit to compensate for unemployment, except early retirement. In addition to unemployment insurance and assistance, this covers publicly funded redundancy payments, compensation to workers whose employers go bankrupt, and special support of various groups such as construction workers laid off during bad weather.

7. Early retirement for labour market reasons

Only special schemes in which workers receive retirement pensions because they are out of work or otherwise for reasons of labour market policy. Disability pensions are not included. These programme expenditures depend largely on the extent to which early pensions are subsidised rather than funded within regular pension plans, e.g. by actuarially calculated reductions of the amounts paid.

- **2.4 Special support for apprenticeship** in principle includes only targeted schemes *i.e.* excludes those open to all young people or which may be better seen as part of the regular offer of education and training. The old category 3.b) *Support of apprenticeship and related forms of general youth training* tended to include, in practice, public spending on apprenticeships by labour ministries but not education ministries. In some countries the impact of this change has not been great (due to a relatively narrow interpretation of the old category combined with a broad interpretation of the new category, or to low public spending in this area) but in others it has been substantial.
- **4.1 Recruitment incentives** at first sight corresponds to the old classification Category 4.a) *Subsidies to regular employment in the private sector*. However, two differences have a significant impact in particular countries:
 - The new Subcategory 4.1 includes payments to individuals "from an LMP target group and which are conditional on the take-up of a new job". This can justify the reporting here of continued payments of unemployment benefit (often at a reduced rate) to individuals who have taken up work (part-time or full-time), which would formerly have been classified as unemployment benefits.¹⁴ Guidelines for the corresponding old classification Category 4.a) did not mention incentive payments to the formerly-unemployed person, thus probably discouraging reporting of them in some cases.¹⁵
 - The new Subcategory 4.1 is not necessarily restricted to subsidized employment in the private sector, because recruitment subsidies may support employment in the public sector. For example, central government may subsidize local governments to hire long-term unemployed people onto their own staff, or a recruitment subsidy scheme open to private sector employers may also be used to hire auxiliaries in public hospitals or guards in (public) museums. In this way, some schemes that involve work of a non-commercial nature and are

14 "Making work pay" measures – payments to people with low earnings – when they are conditional on low earnings but not former unemployment status are regarded as untargeted, and are not in the defined scope of either the old or the new classification data.

15 The old data Category 4.a) included some schemes of this type such as Ireland's *Back to Work Allowance* (IE-4 in the new data).

entirely publicly funded, which therefore might reasonably be described as public sector job creation, are nevertheless classified in Subcategory 4.1.¹⁶

- **5.1 Supported Employment** in the new classification should only include sheltered work that has the aim of preparing people for integration into the regular labour market: lifetime sheltered work is outside the scope of the database.¹⁷ The former guidelines mention no such restriction.
- **6 Direct job creation** in the new classification covers “measures that create additional jobs, usually of community benefit or socially useful, in order to find employment for the long-term unemployed or persons otherwise difficult to place”. It is not explicitly stated that the jobs are in the public or non-profit sector. Indeed, the requirement that the jobs should be additional suggests that schemes where unemployed workers are hired on temporary contracts to fill regular posts in the public sector should not be reported here. Conversely, at least one programme where the employment is in the private sector is included in the new Category 6.¹⁸

3. Constraints on comparison and linking of “old” and “new” classification data

Changes in the names and coverage of individual programmes

13. Some countries have a well-defined set of national labour market and related programmes, and the 1985-2002 and 2002+ data sets for the country were both based on these. This situation is common where programmes are nationally managed, and perhaps where each detailed labour market programme refers to a specific clause in legislation which is also the basis for budget reporting.

14. In other cases, activities can be grouped into “programmes” or “measures” in ways that are not strictly defined by legislation and may vary (see Box 1). Consequently, a given area of spending is sometimes reported in terms of different programme names with different coverage, with two subprogrammes in the place of one, etc.

Category totals reported without programme detail

15. Some countries, notably Japan, have at most times reported to the OECD only data for each category as a whole, thus providing little information about the meaning of the information reported. In such cases, data can only be converted from old to new categories (e.g. from the old category Youth measures, or to the new Job rotation and sharing) by applying fixed multiplicative coefficients.

16. A similar problem arises for data on regional and local programmes in some countries. Data usually came from questionnaires issued by national authorities asking regional and local authorities to report spending on labour market programmes according to the old OECD categories. To convert the

16 Denmark in the early 2000s reported expenditure of over 0.5% of GDP on Subcategory 4.1 *Recruitment Incentives* in the measure DK-6 *Job Training / Wage subsidies*. In the old data, the programme *Job training for UI clients* was split between private sector (11.6% of expenditure in 2000) and public sector (88.4%). Ireland’s measure IE-47 *Social Economy Programme* was allocated to Subcategory 4.1 until 2005 – when it was transferred to another Department in recognition of its character as a social service programme rather than a labour market programme.

17 “Provisions for lifetime sheltered work in a non-productive employment are considered to act outside the open labour market and are therefore considered as social policy and outside the scope of the LMP database.” (Eurostat, 2006).

18 This is the case for Belgium’s measure BE-21 *Local Employment Agencies*.

historical data to the new classification basis, data would need to be reanalysed at the level of individual regional/local programmes and this - not surprisingly - has not been done.

Box 3. Different ways of reporting spending on labour market programmes

An individual labour market programme participant may, for example, be attending training delivered by a profit-making institution financed under contract to a municipality which itself receives funds from the national government. The participant may or may not be receiving a nationally-financed unemployment benefit during participation. There are then a number of ways that expenditure could be reported.

The Eurostat/OECD database has converged on “type of action” (training, recruitment incentives, direct job creation, passive benefit payments) as the main organizing principle for database categories. However detailed programme data at national level may be differentiated in other ways:

- cost component, e.g. payments to participants (subsistence allowances), payments to service providers, and administrative costs borne by the PES may be reported as separate programmes;
- target group (e.g. “programme for the integration of long-term social assistance recipients”);
- spending institution, funding stream and budgetary and legislative authority; these often go together but not always.

Decentralized programmes are particularly problematic because:

- reporting by decentralized authorities is incomplete;
- different local authorities may organize their programmes along very different lines;
- when statistics for programmes are reported, the information on programme content is often inadequate or hard to interpret;
- central authorities lack the information, expertise and research time to generate approximately accurate national statistics, based on the complex and incomplete information available to them.

Errors and inconsistencies in aggregate statistics can then arise as:

- aggregate data may either relate only to reporting localities or include estimates of the spending by non-reporting localities;
- local spending that is partly financed by national grants may be reported in terms either of the funding contribution borne by the local government budget or of total spending on the programme;
- changes in survey instruments and staff turnover, etc. lead to inconsistencies of reporting from year to year.

Changes in reported expenditure for the same programmes

17. Occasionally the two data sets systematically report significantly different spending for the same programme.¹⁹ A Eurostat guideline (Eurostat, 2002) specified that “the administrative costs associated with the measure should not be included”, whereas the OECD in principle included all costs, and in France the

19 Relatively insignificant discrepancies (perhaps due to reporting data at different times after the reference year and different stages of the budget cycle) are by contrast very frequent.

spending reported for a number of training programmes fell slightly because certain central administrative costs were no longer included.²⁰ However, other factors have been more significant: the exclusion from passive spending of supplements paid with the main unemployment benefits (United Kingdom); the exclusion of a fraction of spending representing programme participants who are not unemployed (e.g. for a training programme or a business start-up programme); and changes in conceptual basis that lead to higher spending being reported for the same participants (e.g. “job training” in Denmark).

Multiple changes

18. Where new and old data differed only in one dimension (either programme naming/grouping, or programme expenditure levels), it was usually possible to match the old and new data and precisely identify which programmes or expenditure totals, if any, did not match. In Denmark radical changes in programme names and their coverage, combined with radical changes in the levels of spending reported, made this relatively difficult and in a few other cases matching was not possible because one data set or another lacked significant programme detail.

4. Estimation methods and publication

Source material

19. The basic sources used here are:

- “Old” (1985-2002) data, based on returns by national correspondents to OECD with possible further processing by the OECD Secretariat, as used for the publication of data in the OECD *Employment Outlook* 2004.
- “New” data are data as published in the OECD *Employment Outlook* 2007. For Eurostat countries, typically the OECD data from 2002 including any adjustments or further programme lines added by OECD was extended back to 1998 using the 2007 version of Eurostat data, then the “new” data for 1998 to 2002 were used for matching “old” to “new” data.²¹ For Belgium, Ireland and the United Kingdom, certain changes affecting the 1998 data were implemented for the first time in Eurostat (2008) data (reference year 2006), and the matching was updated to take account of this. For non-Eurostat countries, the “new” OECD data from 2002 to 2005 were used.

Estimation methods

20. These were:

- So far as possible, likely matches between programmes in the old and new classification data were identified by inspection of programme names (and detailed descriptions of programmes in a few cases) and programme data. It was often possible to see how programmes had been renamed, split or merged and/or some spending had been reallocated between programmes.²²

20 Revised Eurostat guidelines (Eurostat, 2006) specify that administrative costs which are incurred by the employer or service provider who implements a measure are included in the expenditure on the measure, leaving little difference of principle.

21 With some exceptions, e.g. data for Ireland are matched at 1996-1997, data for Czech and Slovak Republics at the year 2002, and data for Poland at the year 2005 (see Annex A).

22 In this context, it can be noted that although some Eurostat countries coordinated their reporting to Eurostat with their reporting to OECD for the reference years 1998 to 2002, many countries had one national

- On the basis of identified matches, programmes in the old data for 1985-2002 were allocated to the relevant new categories.
- Minor discrepancies in the level of spending for overlapping years were ignored and larger discrepancies were handled either by revising the match hypothesis or by identifying the likely reason. The historical data were adjusted to the new basis by ratio extrapolation in appropriate cases (e.g. estimating training allowances, which have been added in the new data, as a fixed percentage of the amounts reported in the old data).
- In cases where a certain programme in the new data was not present in the old data, values prior to 1998 or 2002 were estimated by ratio extrapolation (e.g. as a fixed proportion of total “active” or total “passive” spending), taking into account evidence about when the programme started (see Box 2).
- In one case with limited information (Denmark), a more detailed national participant data set was mapped to both the old data and the new data. Expenditure was “disassembled” from the old programmes into the detailed programmes (using participant information) and then “reassembled” into the new programmes.
- In Japan, a technique of multiplicative splicing was applied to category totals *i.e.* after initial conversions of old data to the new classification, the old data total for each category was multiplied by a fixed coefficient for all years, chosen so as to eliminate the discrepancy in the overlap year.

Data matching aids

21. Internet has progressively eased access to annual reports and similar documents published by the PES, the labour ministry and related bodies. Files based on published data typically cover only part of the LMP data set (which typically includes interventions by several institutions or ministries, sometimes including regional and local spending, fiscal concessions as well as directly budgeted spending, etc.), but they can provide consistent time-series over a period of data reclassification or erratic data reporting in one part of the LMP data set.²³

correspondent (in Denmark and the Netherlands, from the statistical authority) reporting data to Eurostat and another (usually from the labour ministry) reporting to the OECD, with little co-ordination. This led to some discrepancies e.g. in terms of using different names (in English) for the same programme, or data being reported on a budget vs. a final outturn basis, etc.

23 Among the non-Eurostat countries, such files were available for 2000 onwards for Australia and for 1996-97 onwards for Canada. In some cases, the original Eurostat annual publications provide information that is not available in the current time-series database.

Box 4. Ratio estimation as a technique for estimating consistent time-series

An example of ratio estimation would be estimate training expenditure according to the new classification, for earlier years (e.g. in the current context, 1985-2001) as X% of training expenditure or as Y% of total labour market programme spending in the old data, with X or Y chosen to give an exact data match in the year of data overlap, 2002.

This technique is equivalent to the estimation of a missing variable, e.g. if X is less than 100, ratio extrapolation could be presented in terms of a variable called "training expenditure outside the scope of the new classification" with data values estimated as (100-X)% of expenditure reported under the old classification, giving the same result.

Some guidelines for the use of this technique are:

- **Data-timing issues should be considered first.** If one series relates to budgetary allocations and another to actual spending which is reported a year later,²⁴ values of "X" estimated in years when spending is growing or declining will be completely unrepresentative of other years when spending was, on average, relatively stable. In general, the possibility that data discrepancies involve a shift in the time of reporting, rather than anything resembling classical random error, has to be kept in mind.
- **The reliability of the estimate for X should be examined.** In 1998-2002 data, values of "X" could often be observed for several years. If "X" varies as a random walk, only the value of X in the year nearest to the estimation period should be used. But often a more plausible assumption is that variations in X have a central tendency, in which case values for other nearby years should also be taken into account. If data are subject to apparently erratic reporting errors, they cannot estimate "X" reliably.
- **Even weak information on actual spending patterns should be used.** If it is known that a training programme has always had both employed and unemployed participants, it seems reasonable to exclude half its spending (an estimate of the spending on employed participants) to estimate spending on unemployed participants. If missing values are being estimated for an entire programme, start dates should be determined or guessed appropriately, e.g. in industrialized countries a wage guarantee in cases of employer insolvency is likely to have existed as early as 1985 but a *European Social Fund* (ESF) programme is likely to have started after 1985, and some research is needed to determine the start date.

Unless conditions for estimation are reasonably favourable, ratio extrapolation is liable to propagate errors (e.g. attribute spending to a programme at a time when in fact it had not started, or apply a value of X estimated from one unrepresentative year to the data for many other years). Other options (such as simply putting zeroes where information is missing, or searching for further information) should be explored. However, sometimes ratio extrapolation has to be used because there is no better alternative.

Operational implementation and documentation

22. Annex Table A.1 (located at the end of this document) lists for 19 Eurostat countries programmes from the old database with their classification matched to that in new database, including "Estimated" programmes which were added to the old data to improve the match.²⁵

24 Eurostat (2006) specifies "Expenditure should be recorded on an accruals basis - i.e. measured at the time that the events creating related claims and liabilities occur. This is important in order to maximise the link between expenditure and participants." But complications arise, e.g. expenditure can include one-off investment in buildings and equipment, or payments which are made to service providers only after their clients have been in work for six months.

25 In non-Eurostat countries the names of individual programmes and spending levels reported for them did not usually change (although some programmes were dropped or reclassified) when the new classification system was adopted.

23. Although in principle the old data were adjusted to match the new data, in some cases of evident errors or omissions “estimated” programmes (e.g. series from the old database which merit inclusion in the new data, or data for one year that was accidentally not reported to Eurostat) were first added to the new data. The “estimated” programmes added to the new database are noted in the text descriptions. The old (actual or estimated) programmes were matched to the new data including these estimated programmes.

24. By the addition if necessary of “estimated” programmes with a specific rationale, discrepancies in the overlap years were reduced to low levels (low relative to the amount of variation in the underlying data). The long time-series estimates often still have a small statistical break between the last old (e.g. 1997) value and the first new (e.g. 1998) value (due e.g. to the inclusion of very small programmes in the new data but not the old data) which has not been treated, but is not very significant at the level of total spending.

Publication and additional documentation

25. Estimated totals for main categories according to the current system of classification will be published on www.oecd.org/els/employment/data. Some information about the estimates at national level is provided in this paper. The highest level of detail is in country files which include the old data, the new data and some side-calculations for estimated series. These can be supplied to interested users on request (employment.contact@oecd.org).

5. Main features of the data match and the quality of long time-series

Changes in total active and total passive spending between the old and new data

26. Table 3 provides a rapid overview of how much total “active” and “passive” spending changed between the old data and the new data and why;²⁶ the quality of the match between old and new data at the year(s) of overlap; and the quality of the long time-series estimates now available.

26 The “new” data here again refer to data as of 2007, incorporating any programmes added as a result of the current exercise.

Table 3. Public expenditure on labour market programmes: match between old and new classification data and the quality of the long time-series.

A. Eurostat countries with old and new classification data matched for one or more years

Country	Year of overlap	Currency	Total active spending			Total passive spending			Notes	Quality of match between old and new data	Additions to Eurostat data (except Category 1 and a few other additions).	General quality of estimates (after matching and corrections)
			Old	New ¹	Difference%	Old	New ¹	Difference%				
Austria	1998	EUR	839	876	4.4%	2 406	2 645	9.9%	New active total excludes 35m EUR of spending on a programme from old Category 2.b, not targeted on the unemployed, but includes additional unemployment benefits during training and child/parental employment programmes. New passive total includes insolvency-bankruptcy compensation (253m EUR)	Moderate: some programmes did not match (see left, see right)	AT-36 Special unemployment benefit removed from new data (parental benefit) 1998-2003	Mainly good, although there are some issue about exact coverage. Possible undercoverage of measures for social assistance beneficiaries.
Belgium	1998	EUR	3 149	2 910	-7.6%	5 530	4 528	-18.1%	New active total excludes 206m EUR of spending on a programme from old Category 2.b, not targeted on the unemployed, Includes a marginally reduced estimate for Category 1. New passive total includes bankruptcy compensation, but excludes several types of benefit that are not conditional on availability for work	Complete, after consistent inclusion of bankruptcy compensation (see left) and Emplois-services 1999-2002 (see right)	Emplois-services 1999-2002	Good subject to some specific issues e.g. Cat. 1 does not include benefit payment organisations, Unemployment Benefit data recently revised (2008), and coverage of measures for social assistance beneficiaries is recent and partial.
Czech Republic	2002	EUR	3 925	4 531	15.4%	6 210	6 831	10.0%	New active total is higher owing to the addition of measure CZ-16 Contribution to the employer whose more than 50% of employees are disabled persons. New passive total is higher owing to the addition of measure CZ-9 Early	Good except that old data do not contain two programmes (see left)	None	Good judged in terms of data continuity (few signs of missing or erratically reported data in the 1991-2002 data)
Germany	1998	EUR	24 487	22 830	-6.8%	44 084	44 581	1.1%	New active total excludes 2.3bn EUR of spending on a programme from old Category 5.b (exclusion of lifetime sheltered work), and adds about 0.9bn EUR of programmes not in the old data.	Generally good, but with uncertainty about the old programmes corresponding to DE-18 Integration subsidies in Category 4	None	Good: after 1997, the old data did not include some important new measures (Independent measures, JUMP programme) but this does not directly affect the estimated long time-series.
Denmark	1998	DKK	19 461	21 272	9.3%	39 392	34 169	-13.3%	New active total excludes 2.9bn DKK of spending on three programmes from old Category 2.b Training for employed adults, but this was more than offset by the reporting of higher levels expenditure per participant on key programmes. The new passive total includes social assistance benefits, but this is more than offset by exclusion of early retirement benefits entered from employment.	Poor, with new data for the large Categories 2, 4 and 6 organised on different principles, and much more spending allocated to Category 4 Employment incentives (see text for details)	None	Weak. Construction of the long time-series involved uncertain reallocations of old programmes and ratio extrapolation. In the new data, the active spending is mostly reported under three broad and not very informative programme names.
Spain	1998	EUR	3 569	3 011	-15.6%	8 155	8 753	7.3%	New active total excludes two programmes from old Categories 2.b and 3.b, not targeted on the unemployed. New passive total includes bankruptcy compensation.	Moderately good, subject to the correctness of interpretations here (reallocation of some social security reductions reported in old Category 4 to new Category 5); Category 5 match still not very good in 1998 but better in 1999 to	None	Generally good, subject to specific issues. Error in old data for passive spending in 1991 and 1993; several small items estimated; no data for regional spending (which would include measures for social assistance beneficiaries) before 1999.
Finland	1998	EUR	1 619	1 335	-17.6%	2 970	2 978	0.3%	New active total excludes three programmes in old Categories 2.b, 3.b and 4.c probably not targeted on the unemployed; new data also report lower Category 4 spending in 1998 (not 1999-2002)	Moderately good, but two old programmes have no obvious match in new data, and reported spending levels for matched programmes are sometimes different	None	Good in terms of the underlying availability of detailed data although actual reporting may not be completely consistent. Possible undercoverage of municipal spending for social assistance beneficiaries.
France	1998	EUR	17 147	15 585	-9.1%	23 501	20 382	-13.3%	New active total excludes or partly excludes nine programmes probably not targeted on the unemployed. New passive total excludes six programmes reported in old data, notably nearly 2bn EUR in Autres allocation de chômage total (hors frais de gestion).	Good except that some programmes in the old data are absent from the new data.	FR-200 Contrat de retour à l'emploi/Contrat d'accès à l'emploi	Very good, except that the exclusion of a few old programmes that were in old data may not be justified. Possible undercoverage of measures for social assistance beneficiaries.
Great Britain	1998	GBP	2 897	1 916	-33.9%	5 347	3 506	-34.4%	New active total excludes programmes in Categories 2b, 3b and 4b that are probably not targeted on the unemployed: much the largest is Work Based Training for Young. New passive total excludes housing benefit and other supplements to ordinary unemployment benefit, as well as Redundancy Fund payments.	Good for active spending: discrepancies in 1998-9 concern components of New Deal which do not affect earlier years	New Deal 1998-9 and Careers Service	Good except (a) Category 1 time-series continuity is unclear and includes benefit administration outside the scope (b) Category 8 depends on definition (see left).

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A. Eurostat countries with old and new classification data matched for one or more years (contd.)

Country	Year of overlap	Currency	Total active spending			Total passive spending			Notes	Quality of match between old and new data	Additions to Eurostat data (except Category 1 and a few other additions).	General quality of estimates (after matching and corrections)
			Old	New	Difference%	Old	New	Difference%				
Greece	1998	EUR	491	395	-19.7%	495	497	0.4%	New active total excludes programmes from old Category 2.b Training for employed adults	Very good with no need for ratio estimation	None	Weak, because after 1998 most Category 1 spending is unreported and large (probably false) swings are reported in Category 2; non-response to questions by national correspondents
Ireland	1996 ²	EUR	929	743	-20.0%	1 357	1 357	0.0%	New active total excludes nine programmes from old Categories 2.b, 3.b and 4.a, not targeted on the unemployed	Most large programmes match by name but some small programmes do not; data match not fully verifiable due to lack of an overlap year	NRB Counselling/guidance (IE-22 for 1997-1999), Local employment services (IE-36 for 1997-98), Specialist Training Providers (IE-51 for 1997-2002), Redundancy and Insolvency (IE-49 and IE-50 for 1997-	Good subject to some issues: Category 1 data may exclude some placement services and benefit administration costs are crudely estimated. Unreported data for 1992 and 1993 have been filled by interpolation.
Italy	1998	EUR	6 217	5 596	-10.0%	8 199	8 063	-1.7%	New active total excludes five programmes from old Categories 2.b and 3.a	Good for active spending with little use of ratio estimation; not so good for passive spending	None	Not very good, with little or no coverage of Category 1 before 2004 and erratic reporting of benefits.
Luxembourg	1997 ²	EUR	42	33	-21.2%	115	115	0.0%	New active total excludes three programmes from old Categories 2.b, 3.b and 5.b.	Complete, except as noted left	New data series for a number of measures are not complete back to 1998 (can be completed using national data).	Generally good subject to some specific issues. Eurostat only covered some measures starting 2001-2003 (see left); the character of Mesures spéciales is ambiguous; social assistance benefits for unemployed are not included.
Netherlands	1998	EUR	5 921	5 358	-9.5%	8 598	9 443	9.8%	New active total excludes (or mainly excludes) seven programmes from old Categories 2.b and 2.a and has lower values for unemployment benefits during training due to reclassification of measures towards Category 1. New passive total for UI is subject to unexplained discrepancies.	Good if the detailed interpretations and data corrections and fill-ins (see right) are accurate, and except for a discrepancy in the UI total (see left).	Seven programmes (data corrections or fillins for missing values) added and two programmes reclassified	Quite comprehensive but with several significant issues: (a) Cat. 1 may include administration of benefits outside scope (b) early Eurostat data are obscure needing interpretation/correction for time-series comparability (c) unresolved discrepancies in UI spending (d) social assistance paid to inactives is included
Norway	1998	NOK	9 985	8 727	-12.6%	5 445	6 164	13.2%	In the new active total, about 600m NOK of disability spending is treated as out of scope, and another 600m NOK is reinterpreted as passive (see right)	Moderately good, but with some differences, and ratio estimates had to be made for the elements now excluded from active spending (see left).	Estimated passive spending component deducted from NO-21 and NO-22 and transferred to NO-27 Payments for occupational rehabilitation between measures in 1998, 1999.	Generally though data appear to include Sheltered workshops (AMB) Phase 3 in 1998-2000 but exclude them later, and values for NO-27 before 2000 are estimates. Possible undercoverage of measures for social assistance
Poland	2005	PLZ	..	4 171	..	6 484	8 554	31.9%	Active total was not reported in old data (owing to incomplete reporting); passive total did not include PL-36 Pre-retirement benefits.	A match between old and new programmes is clear in some Categories, but no match in Categories 1, 5 where new data report many programmes and relatively high spending.	Nonzero value for PL-41 Bankruptcy compensation, reported as zero in Eurostat data	Fairly good in the new data. Old data values were missing for Category 1 1997-2004 and for Category 5 2000-2004; the long series back to 1992 is heavily estimated..
Portugal	1998	EUR	746	603	-19.2%	810	852	5.1%	New active total excludes about 300m€ spending on 17 programmes from old Categories 2.b and 3.b, not targeted on the unemployed. (The reduction is partly offset by the inclusion in the new data of about 100m EUR of estimated data replacing missing values, see right).	Moderately good: all major programmes could be matched by name but a few had significantly different old and new data values in 1998	Estimated values for PT-29 Job creation for young people through exemptions or reductions from compulsory social security contributions, and PT-37 (similar but for the long-term unemployed) added for the years 1998 to 2000.	Fairly good, although there is evidence of erratic reporting of programme spending (erratic data movements, last year's value copied, old and new data for the same programme differ) and some cases of non-reporting.
Slovak Republic	2002	SKK	5 012	4 598	-8.3%	5 307	3 938	-25.8%	Much of the discrepancy between old and new active total in 1998 arises from difference in values reported for old Category 4.a/new Category 4. Reason for the discrepancy in passive totals is not known.	Fairly poor owing to lack of programme detail (i.e. category totals only being reported) and different totals being reported for apparently similar categories.	None	Poor owing to lack of programme detail, erratic data reporting and the use of approximate techniques to estimate missing or unmatched data to generate the long time-series.
Sweden	1998	SEK	37 616	49 716	32.2%	36 699	35 947	-2.0%	The new active total includes 10.4bn SEK spending on Adult education initiative programmes, which ran from 1997 to 2002 with peak spending in 1998.	Good insofar as most programmes match; programmes omitted from old or new data are clearly identifiable and information for filling gaps was available.	Added 3 programmes from old data: SE-201 Work placement scheme and workplace introduction, SE-203 Working life development (ALU), and SE-204 Direct job creation - other (WES) and one series to correct for double-counting.	Good in terms of the underlying availability of detailed data and the estimates given here. Actual data reporting has been incomplete or messy at times

1. The "old" totals are taken from the last version of the old classification database. The "new" totals relate to the same year, based on the Eurostat database as of 2007 or 2008 combined with OECD Secretariat adjustments.

2. Ireland reported old classification data to 1996, new classification data from 1997; Luxembourg reported old classification data to 1997, new classification data from 1998. The new classification totals shown are estimates for the same year using the detailed match between old and new programmes.

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B. Non-Eurostat countries with near-complete match between old and new data

Country	Year of overlap	Currency	Total active spending			Total passive spending			Notes	Quality of match between old and new data at year of overlap	General quality of estimates (after matching and corrections)
			Old	New	Difference%	Old	New	Difference%			
Australia	2001-2	AUD	3 235.84	2 639.82	-0.18	7 170.70	6 678.21	-0.07	New active total excludes one programme from old Category 2.a and one from old Category 3.b; new passive total excludes Widow Allowance and Special benefit	Complete, except for very small data revisions, Green Corps and state/territory expenditure (data lines defined in terms of the old categories)	Generally very good since national data are comprehensive. New data apply most definitional guidelines but still allocate Mature Age Allowance to Category 8 (Category 9 would be appropriate). Quality of State/territory data is uncertain.
Canada	2001-2*	CAD	4 683.40	4 656.31	-0.01	8 907.84	8 907.84	0.00	New active total excludes programmes in old Category 2.b Training for employed adults	Complete, i.e. all new data lines that report 2001-2 spending have a match in the old data.	Generally good but possible inclusion of youth programmes not targeted on the unemployed, non-inclusion of income support received by unemployed trainees and provincial/municipal spending for social assistance beneficiaries
CHE-Switzerland	#####	CHF	2 252.10	2 613.00	0.16	3 291.00	3 299.30	0.00	New active total includes sheltered workshops (CH-16 Emplois protégés), which were not reported in the old data after 1996; also excludes Participation financière des cantons aux MMT but that was a much smaller measure.	Complete, except as noted left	Generally good but possible inclusion of measures outside scope (sheltered workshops, transfers to benefit funds of other countries) and omission of cantonal/municipal training and job creation and social assistance benefits
New Zealand	2002-3	NZD	661.85	562.09	-0.15	1 262.30	1 224.90	-0.03	New active total excludes programmes Industry Training Fund and Modern Apprenticeships from old Categories 2.b and 3.b. New active total excludes Emergency Benefit.	Complete, except that new data add two small programmes and exclude Emergency Benefit from Category 8	Very good. National data collections are comprehensive related to the relatively simplicity of administrative arrangements (national-level institution level only) and the benefit system (assistance benefits only).
United States	2001-2	USD	15 800.00	18 420.00	0.17	57 400.87	50 985.00	-0.11	New active total excludes two small programmes Young offenders and National Apprenticeship Act and treats as active 2.7bn USD in TANF employment-related payments (previously treated as passive). The passive total in the old data were for Unemployment Benefits, which included 3.7bn USD more than the new measure Unemployment Insurance.	Complete, except that the old programme Unemployment Benefits in 2001/2 reported higher spending than the new programme Unemployment Insurance (latter series now used)	Federal grant/performance incentive programmes (JOBS, Food Stamp Employment and Training to the mid-1990s; now TANF Work Activities) are not allocated across categories (little information on the actual pattern of expenditure). Income support payments to participants in TANF Work Activities are not included. TANF Separate State Programs are not included. Federal employees' unemployment compensation is not included.
C. Other countries											
Country	Year of overlap	Currency	Total active spending			Total passive spending			Notes	Quality of match between old and new data at year of overlap	General quality of estimates (after matching and corrections)
			Old	New	Difference%	Old	New	Difference%			
Hungary	n/a	HUF	n/a	n/a		n/a	n/a		There appear to be large breaks in coverage and definition between old 2002 and new 2003 data, but direct comparison is not possible and qualitative information on coverage of old data is lacking	Approximate match between old and new data for new Categories 1, 7 and 8 but not for 2, 4 and 6. Both data sets report no spending in Category 5.	Poor in old data owing to absence of either individual programme detail or qualitative information; much improved in Eurostat data (2003 onwards). Large statistical breaks probable between 2002 and 2003.
Japan	#####	JPY	1 445 000.00	1 440 029.00	0.00	2 353 100.00	2 377 444.00	0.01	No significant discrepancy at aggregate level, but there are large changes in new Categories 1 (23% higher in new data), 4 (62% lower in new data) and 5 (67% lower in new data) (compared with the corresponding old categories).	No change in Category 8, but active programmes (category level data) do not match well.	Poor owing to lack of national programme and qualitative information, large unexplained discrepancies between old and new data, and reliance on ratio extrapolation to construct the long time-series.
Korea	No matching, because current data file includes programmes back to 1990										Fair; uncertain allocation of training expenditure between Categories 1 and 2 and between employed and unemployed target groups.
Mexico	No matching, because current data file includes programmes back to 1985										Weak: current data file appears to omit programmes that were reported in the past; questions to national correspondents often unanswered.

Exclusion of programmes outside the scope of the new data

27. Among the 19 Eurostat countries with matched data,²⁷ total active spending was often lower in the new data owing to the exclusion of programmes formerly reported in the old data. Programmes in the old Category 2.b) *Training for employed adults* were excluded with few exceptions, and the exclusion of programmes in the old Category 3.b) *Support of apprenticeship and related forms of general youth training* was also significant in many cases. These two types of exclusion reduced total active spending in 1998 most typically by 1% to 20%, but by 34% in the United Kingdom and by 37% in Portugal. In addition:

- One programme previously reported in Category 2.a) *Training for unemployed adults and those at risk* – Australia's *Adult Migrant English Program* – has been excluded on the grounds that it is not tightly targeted.²⁸
- Several subsidised employment programmes were excluded: the *Student summer jobs scheme* in Ireland, *Public works to promote employment* in Finland and the *Business Start Up Scheme* in the United Kingdom.
- In Germany, Luxembourg and Norway, the new data exclude significant amounts of spending on sheltered workshops for the disabled.

These exclusions mainly concern programmes that are not targeted at operational level on the unemployed, while the exclusion of certain sheltered work concerns programmes that do not aim to achieve a transition into the regular labour market.

Inclusion of additional programmes in the new data

28. Although the Eurostat data include many programmes that were not in the old data, most of these were relatively small. The most significant additions were:

- several small-to-medium-sized parental employment programmes in Austria (although these are programmes for parents, they are also targeted on labour market status);
- a large programme paying subsidies to employers of disabled people in Czech Republic;
- the *Adult Education Initiative* in Sweden: the inclusion of this increased the active spending total by more than 25% in 1998 (however this was a temporary programme, phased out by 2003).

Among the non-Eurostat countries, Switzerland when first reporting data according to the new classification included sheltered workshops (for the disabled); in this case the previous non-inclusion was apparently a reporting error because until 1996 they had been included in the old data.

27 The Eurostat country with no year of matched data is Hungary (see Annex A for details).

28 Although adult migrants without good English may be statistically at risk of unemployment, the eligibility criteria for this Australian programme do not take labour market status into account. Apart from programmes that deliver placement and related services (allocated to Category 1) the database generally includes programmes for employed people only when they are targeted at individually-documented risk – typically individuals who are still at work but in a plant whose closure has been announced to the PES.

Reinterpretation of active spending as passive spending or vice versa

29. In the Netherlands, total active spending is a few per cent lower in the new data because the estimated amount of unemployment benefits paid to participants in training (which is counted as training spending) has been reduced (this is related to a reallocation of much of the spending on large “integration” programmes - which tended to focus on individual case management but also delivered training - from Category 2 Training to Category 1). In Norway, rehabilitation benefits in old data were treated as a purely active measure (they were in principle paid only to people participating in *Schooling* or *Work Experience*) but new data treat about 15% of the expenditure (in 1998; this increased afterwards) as passive (called payments “between measures”). In Denmark, a programme of “specially adapted activation” for social assistance recipients is reported as active expenditure, whereas the participants were probably regarded as regular social assistance recipients in the old data. In the United States, the programme *TANF employment-related payments* which was treated as passive spending in the old data is now treated as active spending; the previous interpretation as passive was probably more a mistake than a motivated decision.²⁹

Changes in passive spending

30. Although revisions to total passive spending were about zero on average, the standard deviation of these revisions in percentage terms is almost as great as it is for total active spending. Since the absolute level of passive spending is higher, these revisions make a greater contribution to changes in total labour market programme spending. Changes in passive spending result from:

- The treatment of insolvency/bankruptcy or redundancy compensation (added in Austria, Belgium and Spain, but no longer included in the United Kingdom),³⁰ although these programmes usually represent less than 10% of total spending in Category 8;
- The treatment of “other” unemployment benefits: these are no longer included by the United States (where former federal employees and some other groups receive unemployment compensation which is not based on prior insurance contributions) and France. Again these are probably cases of incomplete reporting;
- Reporting of much lower expenditure for the same beneficiaries in the United Kingdom: the new data no longer include housing benefits and some other supplements paid to the basic amount of unemployment benefit;

29 This spending line (more recently entitled *TANF Work Activities*) includes both Federal welfare-to-work grants (or successor programmes), which States could/can claim as funding for clients’ participation in a list of allowable work activities (job creation, training, basic education, placement, job retention), and State “Maintenance of Effort” funding of work-related activities (recent data can be seen at: <http://clasp.org/publications/TANFSpending/2005/us.pdf>). States have been required to partly match Federal welfare-to-work grants with their own funds (\$1 for each \$2 of “formula grants”, in the late 1990s), and achieve participation targets (percentages of beneficiaries in allowable work activities, with waivers in cases of caseload decline), or suffer withholding of grants or other penalties. But in most years, States contributed only about a quarter of total spending on “work-related activities”. Information about work-related activities within separate state programs is not included because this component is not covered by the current federal reporting requirement (www.clasp.org/publications/work_participation_activities.pdf).

30 Insolvency (wage guarantee) and redundancy payments do not directly “act” in the labour market in the sense of encouraging entry to work or even exit from unemployment (cf. early retirement benefits for labour market reasons), but both the old OECD and the new Eurostat definition include them. LMP data include only payments from public funds, not severance payments direct from an employer to the laid-off worker.

- The inclusion of social assistance benefits in the Netherlands and, in cases where the beneficiary is unemployed, in Denmark;³¹
- Discrepancies in the data for UI benefits in the Netherlands and for “unemployment compensation” in Slovak Republic for unknown reasons;
- Reinterpretation of some active spending as passive spending in the Netherlands and Norway (see above);
- The inclusion of early retirement programmes not previously reported in Czech Republic and Poland (in Poland, “pre-retirement allowances” had been reported but not “pre-retirement benefits”); and the exclusion of much of the spending (cases where the transition was from employment to early retirement, rather than from unemployment to early retirement) previously reported by Denmark.³²

Quality of the long time-series estimates

31. As already noted, for most countries the conversion from the old to the new classification basis around the time of the switch itself (commonly 1998 or 2002) is not a critical source of data quality problems in the long time-series. However in Hungary and Japan, data matching at the level of individual programmes was not possible, because the old data had reported only category totals with no more detailed information on their coverage. Long time-series for Japan (but not Hungary, which had no year common to the old and new data) have been generated using ratio extrapolation methods applied to broadly-defined programmes or database categories, but this technique does not in any real sense apply the current definitions to the data for earlier years. Danish data are problematic because reported levels of expenditure per participant are much higher for some key measures in the new data, so any technique that aligns the old data onto the basis of the new data is hazardous.

32. Even in other cases, changes in definition or implementation remain a concern. Eurostat data for earlier years still partly conform to the reporting conventions extant at the time.³³ Within the current exercise, programmes in the old data that had no spending in the year of overlap (typically 1998 for Eurostat countries and 2002 for non-Eurostat countries), and thus were never subject to Eurostat scrutiny, may have been retained when a strict application of current standards might imply exclusion. Qualitative

31 Denmark’s treatment correctly implements the Eurostat (2006) guidelines, under which Category 8 includes compensation for loss of wage or salary when “a person is capable of working and available for work but is unable to find suitable employment”. The Dutch treatment includes social assistance in cases of inability to work due to caring responsibilities or disability, which is incorrect: in the OECD SOCX data (OECD, 2007c) only half of social assistance expenditure (the exact proportion is subject to revision) is treated as unemployment compensation.

32 Typically when a programme is not targeted even the spending on unemployed participants is excluded, e.g. when unemployed people attend (publicly-financed) evening classes that are open to all, this does not represent labour market programme expenditure. Some considerations (e.g. the fact that the benefits are paid by UI funds and payment rates are related to those for UI benefits) argue for treating Denmark’s early retirement benefits (when they are entered from unemployment) as a labour market programme: but the case is not clear-cut.

33 E.g. Eurostat data for Denmark include spending in Category 6 *Direct job creation* until 2000; data for Norway include NO-20 *Sheltered workshops (AMB) phase 3* (i.e. lifetime sheltered work) until 2000; data for Germany include spending in Category 5.2 *Rehabilitation* until 2005 when this spending was reallocated.

information to support exclusion may be difficult to obtain now for a programme that terminated in the early 1990s, for example.

33. Annex B shows key long-term trends in patterns of spending on labour market programmes in terms of unweighted averages for OECD EU countries and OECD non-EU countries from 1985 to 2005, based on the long time-series estimates. Despite some remaining caveats, the impact of statistical breaks as a determinant of the key trends in the data has been greatly reduced thanks to the detailed matching exercise described here.

34. In some cases, the long time-series suffer from statistical breaks unrelated to the splicing of the old data with the new. These can occur when a certain type of spending is not included for many years because appropriate data are not available and then – associated with a new survey instrument, or institutional reforms – data become available (or sometimes, cease to be available). Programmes that been brought into the long time-series at some point (without the missing data for earlier years having been replaced by estimated values), include unemployment insurance fund administration expenses in Denmark, regional and municipal labour market programme expenditure in Spain, the administration costs of non-employment benefits in the United Kingdom and (for the first time in Eurostat, 2008) programmes for social assistance recipients in Belgium and Luxembourg.

35. Other areas of concern about data quality include:

- **Misreporting of specific programmes.** For example, fiscal incentives for apprenticeships in Italy, the administration costs of non-employment benefits in United Kingdom, and social assistance benefits for the inactive in the Netherlands should probably not be included. Several programmes which were in the old data for France probably should still be included. Some estimated values, e.g. unemployment benefit administration costs in Ireland and Portugal, are excessively approximate. The allocation of “activation” programmes to categories is erratic.³⁴
- **Database run-down/start-up problems.** In some Eurostat countries, programmes that started shortly before 2002 were not reported to OECD in the 1985-2002 OECD data. At the same time, in several countries the coverage of Eurostat data was incomplete in 1998.³⁵ Even after the corrective measures documented here, there may be some dip in coverage around 1998-2000 in the long time-series for a few countries.
- **Income support paid to unemployed trainees.** European countries include most income support payments to participants in active measures (Categories 2 to 7) in the cost of the active measures. Non-Eurostat countries typically include training allowances but not UI payments to trainees (although UI payments to trainees are probably infrequent in some of these countries).
- **Social assistance benefits as active spending.** In countries with regional and municipal social assistance systems, social assistance beneficiaries are referred to regional and municipal job-

34 “Activation” programmes are sometimes allocated to the training category when their main content is intensive PES counselling or a mix of measures including subsidised employment, etc.

35 This occurred when (a) measures that were being phased out during the years 1998-2000 were not reported at all and (b) measures that existed in 1998 were included, but with nonzero spending first reported after 1998. In August 2008, Eurostat launched an exercise asking correspondents to verify the accuracy of the reported start/end year for interventions and the consistency of the historical time-series data, which will minimize issues of this kind.

creation or training measures. Many countries do not include these measures in their reporting, although there is a slow trend in this direction.³⁶

- **Social assistance benefits as passive spending.** Only Denmark and the Netherlands report regional and municipal social assistance benefits paid to the unemployed as unemployment compensation; but social assistance benefits in many other countries are in a significant proportion of cases subject to a requirement that the person be available for work and unable to find suitable employment, and therefore should be included.

6. Suggestions for future data collection work

36. The analysis of labour market programme data from two partly-independent sources has provided insights into issues of definition and coverage and an opportunity to generally review the data. Several recommendations for future work³⁷ can be proposed:

Programme detail

- Information should relate to programmes as defined at national level and not only aggregates for categories of the international data collection, which are not usable for many purposes (including the current data-reclassification exercise). This is one precondition for allowing users to assess the quality and meaning of the data, compare and combine LMP database information with other information (e.g. other studies of labour market policy, documents in the original language, etc.), or use the data to estimate totals data that have a different definition and coverage.³⁸

Qualitative information

- Basic features of each labour market programme should be documented. For OECD, this implies that qualitative information similar to that in the Eurostat database (published in Qualitative Reports) should be collected and published for non-Eurostat countries. This can be a second precondition for the data to be useable for many applications (see above). Until now, OECD has only gathered *ad hoc* qualitative information.³⁹

36 In the 2008 data collection (reference year 2006), Belgium added the measure BE-93 *CPAS Contract – Art.60 of the CPAS law (Fed)* for all years (with expenditure data from 2004), and Luxembourg added LU-34 *Temporary Compensated Appointment (Affectations temporaires indemnisées)*; however, both measures have existed for many years.

37 The improvements suggested here are unlikely to be implemented soon, but it remains useful to have ideas about what could and ideally should be done.

38 For example users may want to (a) add LMP data at the aggregate level to other lines in OECD social expenditure data (OECD, 2007c), in which case only a subset (excluding reductions in tax and social security contributions and double counts of early retirement benefits and unemployment benefits in Categories 2 to 7 as well as 8) is relevant. (b) calculate spending for a particular target group (e.g. youth and disabled: spending on these groups can to some extent be identified in Eurostat data using information on the ages of participants and programme descriptions); and (c) estimate data for the concept of “total” or “full” unemployment, which includes unemployed participants in programmes as well as the “openly” unemployed (this issue is outlined in Grubb, 2007a).

39 For some programmes good qualitative information (descriptions and background information) can be found on internet, but it should be collected more systematically.

Documentation of source and calculation method

- Eurostat Qualitative Reports in principle provide, for each measure, information about its aim, its target group, the type of action, its legal basis, etc. The source of data – usually cited as a particular ministry or other institution (e.g. the employment agency or a social security fund) - is listed in the annual data publication (Tables E.5 and E.6 in Eurostat, 2008). However in some cases the Eurostat data differ from anything that can be seen in the budget or annual report of the source institution (e.g. if Eurostat data relate only to unemployed participants for a training programme that also accepts employed participants; or if they relate only to “disadvantaged” participants in a more general programme of apprenticeship support). In such cases the method of calculation should be specified forestall user confusion, and because it is part of the *de facto* definition.⁴⁰ Also, in many countries the exact coverage of Category 8 data for unemployment benefits should be documented because of the potential for double counting with Categories 1 to 7.⁴¹

Data quality reviews

- Data quality should so far as possible be reviewed by national experts and/or the international organisations: currently quite a lot is done but also quite a lot is not done. Total expenditure on programmes in the LMP database should be compared with information in national budgets, and expenditure per participant should be compared across programmes and compared with scheduled rates of income support, training allowances and hiring subsidies. However considerable research time and expertise is needed to identify apparent discrepancies and their cause.

Revisions to historical data

- Revisions to the historical data should be kept to a minimum because there is always a risk of error, e.g. a programme may be added retrospectively to the data because it appears to be missing, but the national expert at the time may have omitted it because the spending was already included in another programme. Users, such as the OECD, should keep archives of historical versions of the database.
- Continuity issues in the current version of the historical data should be reviewed occasionally e.g. at approximately five-year intervals as part of a broader review of data quality.
- Changes that increase or decrease the coverage of the data reported for a particular programme should be documented, in some cases by reporting the added components as a separate programme.

40 E.g., data reported for the measure FR-22 *Exemptions and subsidies for recruitment of apprentices* include only a part of global expenditure on this measure, reflecting an operational definition of which of the participants are “disadvantaged”. Implementation of the relevant guideline is needed: “§161 Where actual expenditure is not available then an estimate should be provided and flagged accordingly using facilities available in the LMP software. If budget figures are used then the relevant figures should also be flagged as estimated. In both cases clarification should be provided in the Notes (formal) item of metadata (see §156).” (Eurostat, 2006).

41 Because of the risk of double-counting, Eurostat (2008) warns “Participants in category 8 should never be added to those in categories 2-7”. This highlights a risk that, in the expenditure data, the unemployment benefits paid to participants (or training allowances financed by the benefit fund) in Categories 2 to 7 may not be excluded in the amounts reported under Category 8.

Access to data for “neighbouring” programmes

37. The OECD (1985-2002) data already excluded some areas of spending that are managed by the labour ministry or the PES in particular countries, or are often viewed as labour market policy measures, e.g. “making work pay” measures available to all low-wage workers, and social security contribution concessions for particular age groups or regions. The new classification excludes further spending in the areas of old database Categories 2.b) *Training for employed adults*, 3.b) *Support for apprenticeship and related forms of general youth training* and 5.b) *Work for the disabled*. From the point of view of data comparability, these exclusions from 2.b) and 3.b) seem justified because the old data tended to cover these types of spending only when they were channelled through the labour ministry.⁴² But due to the somewhat restricted scope of the current data collection, a user who needs to see the full context, or examine policy from a particular point of view, may have to embark on a separate data collection (e.g. accessing budgets and annual reports of earlier years), duplicating much work that has already been done and at the same time encountering minor discrepancies where the data sets overlap.

38. Examples of applications where data with a wider scope are needed are:

- A review of youth employment policies should present tables showing total public support for apprenticeships (not only the spending in the LMP database, which relates to measures specifically developed to support the take-up of apprenticeship schemes by LMP target groups), and a review of disability policies should present tables showing total public spending on sheltered workshops (not excluding cases of lifetime sheltered work).
- An audit of the national PES or of the labour ministry should be aware of this institution’s responsibilities and its expenditures in all areas, not only those that are in the scope of the database.
- To construct a database for social expenditure, a user will need a comprehensive list of the programmes implemented by national labour ministries, including programmes that might be regarded as “social”.

In general, users may understand why a particular programme such as apprenticeship support is viewed as being outside the scope of the database, but still need data on it.⁴³

39. For such reasons, the detailed international LMP data would ideally be derived from a more comprehensive database. Another possible approach is to document the links between international data and national data sources such as the budget and annual reports and accounts of the PES, the UI fund, and the labour ministry.⁴⁴ National experts should prepare review articles covering a broader range of national

42 The collection of comprehensive statistics for public expenditure and participants in apprenticeships and training for employed adults - including the activities of education-ministry-financed colleges and industry-based levy/grant systems, etc. - would involve major additional collection costs and definitional issues.

43 Another example is that Swiss LMP data include the budgetary cost of transfers to the unemployment benefit systems of other countries: when temporary migrant workers in Switzerland lose their job, Switzerland transfers their UI rights to their home country. Arguably this expenditure line should be excluded from the Swiss total (the recipient countries might well include these UI payments in their own LMP data) but it should still be retained as a memorandum item. Similarly, the new data for Norway used to include programmes called *Sheltered workshops AMB* Phase 1, 2 and 3, but recent data exclude Phase 3; the old data including Phase 3 gave a better overview.

44 E.g. the international LMP data could cite national sources where the data for individual programmes can be seen in the broader context of the labour ministry’s overall budget.

programmes: this is done in a few countries in publications from the national statistical office, the national labour market and social observatory, or the parliamentary or congressional library, etc.⁴⁵

Definition and coverage of the LMP data

40. Apart from Category 1 (discussed above), other issues with the current system of categories are:

- Spending in Category 3 *Job rotation and sharing* is zero in most countries, so this category is not well used.
- Programmes in the old Category 3. *Youth measures* have been redistributed to other existing categories, mainly new Categories 2 and 4; and recently (starting with 2005 data) much spending on Category 5 has been similarly redistributed according to the type of action. Although policy analyses to some extent focus on particular types of action (e.g. wage subsidies), they often focus on target groups (e.g. disabled, youth, long-term unemployed) and there is a continuing need for data along these lines.
- Mixed or ambiguous programmes tend to be classified to Category 2 *Training* when - if the data cannot be actually split between categories - it would be more appropriate to allocate them to Categories 1, 4 or 6. According to Eurostat (2006) guidelines, programmes where the key content is full-time (or significant part-time) supervised job search are not “measures” and thus should be included in Category 1.
- National authorities may not allocate programmes correctly between Category 4 *Employment incentives* and Category 6 *Direct job creation*, and users will probably not understand that Category 4 *Employment Incentives* can represent public sector jobs.
- The biggest data revisions, outweighing in size the data revisions for active measures, concern Category 8. The inclusion/exclusion of social assistance benefits, or unemployment benefits when exceptionally work-availability requirements are not applied, also influences cross-country comparability. Definitional guidelines in this area merit more attention and follow-up in implementation.
- Many countries fail to fully report labour market measures financed and implemented by regions and municipalities (in most cases, targeted on social assistance beneficiaries). At the same time, resource constraints in national offices make it difficult to survey regional and municipal spending regularly and in a consistent way from year to year.

41. Given these issues, changes to enhance the quality of the data could include the following:

- Tighten guidelines for Category 2 *Training*, so that when mixed programmes are not split into components they are classified according to their main type of action.⁴⁶ Mixed programmes

45 For example Roguet (2008) provides a comprehensive review of the cost of employment programmes in France, detailing the large amounts spent on general reductions in social security contributions for low-wage jobs and to support reductions in working time, and reporting total spending on apprenticeships.

46 The guideline “All training measures should include some evidence of classroom teaching, or if in the workplace, supervision specifically for the purpose of instruction” (Eurostat, 2006) appears to allow allocation of a subsidised employment programme to the training category when only 1% of the time is spent in training.

whose main content is counselling/case management (Category 1), employment incentives (Category 4) or direct job creation (Category 6) should be allocated to those categories.

- Treat Category 3 *Job rotation and sharing* as a subset of Category 4.
- Within Category 4 *Employment incentives* and Category 6 *Direct job creation*, distinguish between subsidised employment in the public and private sectors. Clarify guidelines for reporting the labour costs of public sector employees (including employees of organisations dependent on public funding, such as public hospitals) as labour market programme (LMP) expenditure. Labour costs should be treated as LMP expenditure only when the hiring process was targeted. When some part of the labour costs of employees can be interpreted as expenditure on the supply of goods and services, employees should be treated as participants in Category 4 *Employment incentives* with only part of their total labour costs reported as LMP expenditure. If no part of the labour costs of employees can be interpreted as expenditure on the supply of goods and services, employees should be treated as participants in Category 6 *Direct job creation*.
- Further define the coverage of Category 8 *Out-of-work income maintenance and support*:
 - Subcategories 8.1 to 8.3 should include only benefits that are conditional on the recipient's current availability for work.⁴⁷
 - Disability or rehabilitation benefits, as well as social assistance benefits, might also be included when immediate availability for work is not required but participation in vocational rehabilitation with a focus on re-entry to the open labour market can be required and this is enforced at some minimum level of intensity.
 - Benefits that are counted in passive spending should be included in active spending when the recipients are participants in active measures (Categories 2 to 7). Conversely, disability, carers' or similar benefits that are not included in Category 8 should not be counted as active spending even if the recipient is participating in an active measure.
- Where active labour market programmes financed and managed by regional and municipal authorities are not currently included in the LMP data, central authorities should conduct surveys (e.g. based on a questionnaire, or analysis of the published budgets of the largest regions and a sample of smaller regions). Attention should be given to documenting not only the direct cost of service provision, but also stocks of participants and the income support (usually social assistance) they receive, to facilitate estimation of the income support paid to participants. If only occasional surveys are conducted, their findings could be published as a working paper or consultant's report to be cited in the LMP database along the lines "The data presented do not include regional and municipal expenditure on active labour market programmes. Based on survey information, this expenditure in 2005 totalled about 0.2% of GDP".

Coding of programmes

42. Individual programmes are currently classified by type of action (training, job creation, etc.), so this programme information is always explicit. Other programme characteristics that might be coded are:

47 The inclusion of social assistance benefits by Denmark in the new data, and the recent exclusion of certain insurance benefits by Belgium, follow this principle. Categories 8.4 *Redundancy*, 8.5 *Bankruptcy/insolvency* and 9 *Early retirement* are not conditional on beneficiaries' current availability for work, but are restricted to cases of involuntary layoff or unemployment at an earlier time.

- target group (%youth, %disabled, %long-term unemployed);
- (for employment incentives and direct job creation programmes), sector (%public, %private);
- type of direct recipient of programme expenditure (%transfers to individuals, %transfers to employers, %transfers to service providers);
- type of expenditure (%continued payment of unemployment benefit, %training subsistence allowance or similar, %regular wage/salary, %reduction in tax or social security contribution liabilities).

43. Eurostat collects data on or codes many of these items of information, and tabulates some aggregate statistics.⁴⁸ The use of this additional information needs to be encouraged and facilitated, which will support continuing attention to its existence and validity in the statistical production process.

7. Summary and conclusions

44. Data for 28 countries have been studied. In most countries it proved possible to match the old and new data at the level of individual programmes (or in a few cases, match the sum of several programmes in the old data with one or two programmes in the new data, or vice versa). Often instances where the old data omitted a relevant programme entirely or reported radically different expenditure were few and less than 10% of total active or total passive spending was subject to a need for ratio extrapolation, interpolation or a similar technique. In some countries, additional data sources were brought in or comparisons between the data sets allowed correction of breaks that already existed within either the old or the new data. The long time-series estimates are usually not heavily affected by statistical breaks at the time of the switch from old to new classification, and occasionally are more accurate than the shorter series previously published. However, a large unresolved statistical break exists for Hungary, and statistical breaks in Denmark and Japan have been resolved only in the sense that ratio extrapolation (splicing) has been applied. Data also have major weaknesses in a few other countries, e.g. in Poland from 1997 to 2004 missing values for Category 1 were filled by interpolation.

45. Many changes in the total amounts reported reflect differences in the classification system and scope of the new database as compared to the old one. These differences led to the exclusion of most spending previously reported in old Category 2.b) *Training for employed adults*, much of the spending previously reported in old Category 3.b) *Support of apprenticeship and related forms of general youth training*, and some spending (on sheltered workshops) previously reported in old Category 5 *Measures for the disabled*. These exclusions reduced reported total active spending usually by 0% to 20%, but exceptionally by 37% in Portugal. Within the active total, in a number of countries expenditure has been reallocated from old Category 3.a) *Measures for unemployed and disadvantaged youth* and in some cases from the old Category 5 *Measures for the disabled* into to the new Category 2 *Training*; similarly expenditure has been reallocated in several countries from old Category 5 *Measures for the disabled* and in a few from old Category 4.c) *Direct job creation (public or non-profit)* into the new Category 4 *Employment incentives*.

48 In Eurostat (2008), Table E.1 lists codes in the LMP questionnaire. Section B.2 tabulates LMP expenditures by type: for some programmes the type of expenditure is not specified, but this non-reporting problem has been reduced to quite low levels in recent years. Sections C.4 and C.5 list numbers of young (under 25) and female programme participants. A distinction between public and private sector subsidised employment is not made. Apart from the information on participants by age, programme target groups are described in free format, allowing entries such as “registered unemployed (disabled)” which are difficult to quantify or categorize.

46. Eurostat data generally include more programme lines than the old OECD data, but this is often due to the inclusion of rather small programmes and lesser stability in the structure of reporting programmes (when spending is regrouped under a different set of programme names, time-series data include the earlier as well as the current programmes), with limited impact on total active spending. The Czech Republic, Sweden and Switzerland each reported a very large active programme in the new data that had been omitted from the old data, but in Sweden the programme involved was temporary, and in Switzerland the programme had been reported in old data until 1996. Other large data revisions, usually implying a need to revise the old data series right back to 1985 in order to restore time-series consistency, took place in the area of reported passive spending. Revised national reporting decisions of this kind have had at least as much impact as the new classification system and scope *per se*. They involve both the coverage of programmes and their participants and the level of expenditure reported for the same group of participants.

47. This exercise, with its attention to definitions and detailed programme lines, has provided exceptional insights into the factors that influence reporting and the usability of the detailed data. Based on this Section 6 has outlined some changes that could enhance the quality and range of applications of the data.

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ANNEX A: COUNTRY NOTES ON THE ESTIMATION OF HISTORICAL DATA ACCORDING TO THE NEW CLASSIFICATION

1. Eurostat countries with data broadly matched between old and new classification data in Table A.1

48. OECD countries that joined the EU in 2004 – Czech Republic, Hungary, Slovak Republic and Poland – in principle reported to OECD under the old classification from their date of accession (2000 for Slovak Republic, 1995 or 1996 for the others), received an OECD request for new classification data starting with data year 2002, and were included in Eurostat publications starting with data year 2004. In practice these countries often reported data starting 1990-92 but with major gaps. The Czech Republic and (with difficulty) Poland and the Slovak Republic have been included in this section as countries where old data have been matched to recent new classification data.⁴⁹

49. The main themes in each country note are:

- A description of the match between the programmes in the old (usually 1985-2002) database and those in new (usually 1998-2005) database, with a focus on differences and discrepancies e.g. cases where reported expenditure differs for what appears to be the same programme, or a programme appears in one database without an obvious counterpart in the other.
- An interpretation of the likely reasons for differences and discrepancies.
- A description of the treatments applied to the programmes in the old database to generate an estimate for spending on according to the new scope and classification for the years of the old data. The treatments could include:
 - the allocation of old programmes to new categories or to no category (i.e. outside the scope of the new data)
 - adding “estimated” old programmes (e.g. an estimate for the amount of unemployment benefits paid to participants in training, when that is needed for comparability with the new data),
 - removing old programmes completely and substituting “estimated” old programmes for them.

50. Table A.1 provides a synopsis listing the programmes in the old database – either original or estimated as described – and their allocation to new database categories, with notes on how the old programmes match new programmes and, at the category total level, a comparison between total expenditure estimated using the old database and total expenditure as it appears in the new database for the same year. Thus expenditure for each new category is estimated as a sum of expenditure on different old

49 For Czech Republic, old classification data cover 1991-2002 and Eurostat data start in 2002, providing one year of data in common. For Hungary, old classification data cover 1992-2002, no new classification data were supplied to OECD, and Eurostat data start in 2003. Poland reported old classification data for 1990-2002 but with major gaps before 1992 and after 1996, and new classification data still with gaps for 2002 to 2005 and to Eurostat from 2005 onwards. Slovak Republic reported old classification data for 1991-2002 and new classification data for 2002-2004 to OECD; Eurostat received incomplete data for 2004 and more complete data for 2005.

programmes (either original old programmes or estimated old programmes), without necessarily estimating historical values for each programme that appears in the new database. For many countries, some comment on the quality of the match between old and new data is provided.

51. Some of the country notes also describe adjustments implemented in the new data. Most of these adjustments were changes to historical values aiming to improve the time-series consistency of the new data. Ongoing issues with the new data (e.g. cases where a particular measure appears to be incorrectly classified) have been noted, but usually without taking corrective action.

Austria

52. Few programmes in the old data have a direct counterpart in the new database: new Categories 1, 2, 5 and 6 now each have a number of programmes where the old database had only one to three. Even for programme names that appear to correspond, different expenditure is in several cases reported (e.g. apprenticeships, unemployment assistance), owing to changes in reporting (e.g. reporting part of the expenditure as a separate programme). However in terms of category totals in differences between the old and new data in 1998 were rather small.

53. Differences were nearly eliminated by applying the following treatments, as detailed in Annex Table A.1:

- a) The standard table for conversion between categories was applied, with the elimination from the database scope of 35m€ in 1998 of spending in old category 3.b) *Training for employed adults*.
- b) Two youth measures and one measure for the disabled were transferred to the new Category 2 *Training*.
- c) Most of the spending in old Category 4.b) *Support of unemployed persons starting enterprises* was transferred to Category 2 *Training*. (This probably consisted of training and counselling for unemployed people starting enterprises, not start-up incentives).
- d) Programme names and descriptions and data comparisons indicate that three small programmes for parents (AT-6 *Promotion of regional mobility and entry into employment - childcare allowance*, AT-22 *Support for reintegration after parental leave*, AT-27 *Childcare institutions*), one recruitment incentive (AT-30 *Bonus part of the incentive-disincentive system for elderly workers*) and two passive measures (AT-33 *Insolvency-bankruptcy compensation*, AT-4 *Benefits to facilitate transition into retirement - Pension advances*) were absent from the old database. Data for these programmes in 1985-1997 were estimated as a fixed proportion of known total active spending and known total passive spending respectively (programme AT-33, which is the largest programme estimated in this way, started in 1978; year-of-start information is not available for the other programmes).
- e) After the above treatments, the estimates based on old data still showed lower expenditure on training and high expenditure on unemployment benefits than the new data. This is probably due to an increased coverage of income-transfer programmes in the training category (precise names e.g. living allowance, unemployment benefit for training, training allowance, have varied through time). An estimated programme Additional UB/SSC during training (with adult and youth components) was added to Category 2 *Training*, at the same time subtracting the spending from Category 8 *Out-of-work income maintenance and support*.

- f) The measure AT-36 *Special unemployment assistance* (with zero spending after 2002) was excluded from the new data since it is not in old data and is targeted on people unable to take up work (it was a parental benefit; see *Eurostat Qualitative Report 2001*).

54. The most significant approximations related to points d) and e) above; in the estimates on the new basis for 1985-1997, about 8% of the expenditure on active programmes and 9% of the expenditure on passive programmes is estimated by applying fixed factors (the values observed in the years of data overlap, 1998-2002) to the original old-classification lines, an estimation method that is unlikely to be accurate.

Belgium

55. With a few exceptions, the match between the old classification data and the new classification data is very close, although in some cases one old classification programme is reported as many spending lines (separate lines for federal spending and spending by each region) in the new classification, and small amounts of spending appears to have been reported a year earlier in one data set or the other.

56. Differences between the two sources as regards spending in 1998-2002 were reconciled by the following statistical treatments, as detailed in Annex Table A.1:

- a) The standard table for conversion between categories was applied, with the elimination from the database scope of 206m€ in 1998 of spending on *Promotion sociale et Insertion professionnelle* from the old Category 3.b) *Training for employed adults*.
- b) A small adjustment applied by Eurostat to the 1998-2005 data for Category 1 (correcting a double count in reported spending of VDAB, the PES of the Flemish region) has been applied by ratio extrapolation to the data for 1985 to 1997; VDAB was created in 1984 and its spending may have been relatively low in the early years, but definite evidence is lacking.
- c) Programmes from the old Category 3 *Youth Measures* were allocated in two cases to new Category 2 *Training* and in one case to new Category 4 *Employment incentives*.
- d) The programme *Emplois Services* with spending from 1999-2002 is not reported in Eurostat data but has been added to the new data here.⁵⁰
- e) *The Agences locales d'emploi (ALE)* programme (in new data, BE-21 *Local Employment Agencies*) which appeared in the old Category 4.a) *Subsidies to regular employment in the private sector* is now allocated to new Category 6 *Direct job creation*.⁵¹
- f) The old classification data did not include bankruptcy compensation prior to 2002: however appropriate historical data has been added from the OECD SOCX database (OECD, 2007c).

50 The 1999-2002 *Emplois Services* programme (unlike a French programme of the same name) was targeted on the long-term unemployed (e.g. « On constate que sur 7.109 projets soumis en 1999, 56% ont été approuvés et 21% ont été réévalués. Dès lors, 8.008 emplois ont été créés et ont permis la réinsertion de chômeurs de longue durée » www.dekamer.be/doc/CCRA/html/50/ac241F.html; and see ONem *Annuaire Statistique*). It was absorbed into the measure BE-61 *Activa (Fed)* in 2002, so there is a break in coverage if it is not included.

51 Under the ALE programme, the final user has tasks to be done and makes a payment for the unemployed person's work. In this sense, the programme provides subsidised work in the private sector. However, since the work is different from a regular job in a profit-making private-sector enterprise, it also seems realistic to regard ALE as a direct job creation scheme.

- g) The old classification data for *Indemnisation du chômage* matched the data reported by Eurostat until 2007, but in 2008 Eurostat revised the series back to 1998, excluding more than 25% of the spending previously reported for this line. This correction has been extended back to 1992 based on data supplied by national authorities and further back to 1985 by ratio extrapolation.⁵²

57. After these treatments, the match between old and new classification data at programme level in 1998 was close.

Czech Republic

58. Czech Republic reported data from 1991 to 2002 almost entirely in terms of category/subcategory aggregates without identifying individual programmes. However in 2002 the old category aggregates could be matched almost exactly with new classification data, which provide some detail on individual programmes. Apart from the exclusion of spending on old Category 3.b) *Training* for employed adults, the only other changes involved were:

- a) the exclusion of a small “Other” spending line that appeared in the old Category 1 *Public employment service and administration*, but has not been reported recently.
- b) the inclusion in principle in the old data of the measure CZ-16 *Contribution to the employer whose more than 50% of employees are disabled persons*; however spending is estimated as zero for years before 2002 because there is no clear evidence that the programme existed before then.⁵³
- c) the inclusion in the old data of the measure CZ-10 *Protection of employees due to insolvency of the employer* on an estimated basis for all years.⁵⁴
- d) the inclusion in the old data of the measures CZ-9 *Early retirement* on an estimated basis, only back to 1997 since according to Eurostat Qualitative Report the measure started in 1996.

59. Even though the old and new classification data match closely in most areas, the programmes that had to be added to old data on an estimated basis concern 668m CZK of active spending and 692m CZK of passive spending in 2002, which are about 15% of total active spending and 10% of total passive spending respectively.

Denmark

60. Denmark provided new classification data to Eurostat starting with reference year 1998⁵⁵ and ceased to provide old classification data to OECD after 2000, so three years of overlapping data were available.

52 The excluded expenditure relates to payments which are not conditional on availability for work, i.e. “bridge pension”, “career break” and payments to older people not seeking work. It would probably be possible to find data back to 1985 in contemporary publications, but this has not been done yet.

53 The Eurostat Qualitative Report states that the legal basis of measure CZ-16 is Law no. 1/1991 Col., but that might refer to the general authority of the Employment Act without implying that the measure started then.

54 OECD’s new classification data for 2002-4 list measure CZ-10 separately, clarifying that this spending was not included in data for the old programme *Unemployment compensation*.

55 With data for some of the programmes also in 1997.

61. There are many discrepancies between the old and new classification data, and by 2000 total active spending was 29% higher in the new classification data, and passive spending was 21% lower. In the case of passive expenditure, the reasons for the discrepancy are clear (the new data exclude early retirement benefits – *efterløn* - paid to people who entered them directly from employment) and historical data on the new basis could be generated by adding specific data lines to the old data set. In the case of active expenditure, the exact reasons are not known. In 1998, the old data approximately match the new data in the four smaller new Categories (1, 3, 5 and 7), but in the three large Categories 2 *Training*, 4 *Employment Incentives* and 6 *Direct Job Creation*, only one programme from the old data at first sight matches a programme in the new data (DK-16 *Training leave from unemployment*). Denmark's 1994 labour market policy reform and its follow-through aimed to treat unemployed social assistance clients similarly to UI clients and the programmes in the new data aggregate across these two target groups⁵⁶ even though they involve different the conceptual issues (in terms of defining programme expenditure).

62. Relationships between the old and new data sets were partly clarified by comparing them with a more detailed national set of data for the number of participants in the main training and subsidised employment programmes from 1995 to 2004⁵⁷. Based on names, participant numbers and Eurostat Qualitative reports, four training programmes in the national participant database were identified with five programmes in the old data set⁵⁸ and two programmes in the new data set, as shown in Figure A.1.

Figure A.1. **Match of education and training programmes in the Danish national participant database with programmes in the old and new international data sets**

Programmes in participant database	Programmes in old data	Programmes in new data
Education with training allowance	Education allowance (youth programme plus adult programme); AMU courses for the unemployed; Support of participants in AMU courses and other courses; Measures by regional labour market councils	DK-8 Education and training
Specially adapted educational activities, unemployment benefit		
Specially adapted educational activities, cash benefit		
Adult apprenticeship support (listed separately starting 2001)		DK-31 Adult apprenticeship support (listed separately starting 1998)

63. Similarly, a group of “job training” programmes in the national participant base was mapped to subsets of the old programmes and of the new programmes as shown in Figure A.2. The new data but not the old data distinguish between DK-6 *Job training*, DK-7 *Individual job training* and DK-11 *Pool jobs*. However, the new data aggregate across UI clients and social assistance clients, across public and private sector jobs, and across youth and adult programmes, dimensions that were used to distinguish programmes in the old database. The use of a new set of programmes was associated with large shifts of spending

56 Measures DK-6 *Job training*, DK-7 *Individual job training* and DK-8 *Education and training* are based jointly upon the Consolidation Act on Active Labour Market Policy (insured) of 1.2.99 and the Consolidation Act on Active Social Policy (not insured) of 29.9.99.

57 See www.statbank.dk/Statbank5a/SelectVarVal/Define.asp?MainTable=AB711&TabStrip=Select&PLanguage=1&FF=2.

58 Another old programme *Short courses* (not shown in Table A.2) represents AMU courses before 1994.

between database categories, in particular from training and direct job creation categories of the old database towards Category 4.1 *Recruitment incentives* in the new database.⁵⁹

Figure A.2. Match of job training programmes in the Danish national participant database with programmes in the old and new international data sets

Programme in participant database	Programme in old data	Programme in new data
Job training, unemployment benefit	Job training for UI clients (private plus public sector)	DK-6 Job training
Job training, social assistance	Municipal measures for social assistance clients (youths plus adults)	DK-6 Job training
Individual job training, unemployment benefit	Job training for UI clients (private plus public sector)	DK-7 Individual job training
Individual job training, social assistance	Municipal measures for social assistance clients (youths plus adults)	DK-7 Individual job training
Pool jobs	Job training for UI clients (private plus public sector)	DK-11 Pool jobs
Voluntary not paid activities	Municipal measures for social assistance clients (youths plus adults)	DK-10 Voluntary unpaid activities

64. The two tables above provided the basis for most of the reallocation of active spending towards new Categories 2, 4 and 6. However, in the area of education and training (Table A.2), total expenditure in the new database in the years of data overlap is about 20% higher than for the same group of programmes in the old database. Average expenditure per participant is DKK 242 000 (202% of the average for full-time UI recipients) in 1998 declining slowly to DKK 223 000 (165% of the average for full-time UI recipients) in 2004. In the area of “job training” (Figure A.2), total expenditure in the new data is about 60% higher than it was in the old data. This increase can be traced to very high levels of spending per participant reported for DK-6 Job training (DKK 239 000 per participant-year in 1998) and DK-11 Pool jobs (DKK 292 000 per participant-year in 1998). These amounts are 200% and 244% respectively of the average level of expenditure per full-time UI recipient.

65. The levels of expenditure per participant in the new data for measures DK-8, DK-6 and DK-11 appear to be inconsistent with information from other sources:

- Expenditure on measures DK-8 *Education and training*⁶⁰ and DK-11 *Pool jobs* consists 100% of “transfers to individuals”. The data therefore imply that the programme participants received income transfers averaging twice or more the average amount of full-time UI benefit. However, participants in DK-8 Education and training in principle received either 100% of the benefit they would have if still unemployed (for adults) or 50% of the maximum UI benefit amount (for people under the age of 25 years). Participants in DK-11 *Pool jobs* were paid a weekly wage equal to their unemployment benefit, with working hours adjusted in order to make the hourly wage in line with collective agreements (Madsen, 1999; Eurostat *Qualitative Report 2001*). So the amounts of “transfer to individuals” reported in the new data seem to be vastly higher than the levels implied by the operational rules of these measures.
- Expenditure on measure DK-6 *Job training* consists entirely of “transfers to employers”. However according to Madsen (1999), “Usually the employer is paid a subsidy of 46 DKK per

59 The national programme participant data show 20% to 30% of the “job training” measures were in the private sector in the case of UI clients, and 16% to 21% in the case of social assistance clients.

60 Except for 1998 when it was 86% of the total.

hour and then - in the private sector - pays the participant according to collective agreement” and according to Jensen (1999), “Job training consists of a temporary job with a wage subsidy of DKK 47.46 per hour for private employers and DKK 86 per hour for public employers”. These operational rules imply an average subsidy (in 1998) certainly not above DKK 147 000 per participant-year⁶¹ but the average expenditure actually reported in 1998 was 163% of this amount.

66. This suggests that the new data may overstate spending on active labour market programmes, as compared to the conceptual basis used previously in Denmark and used generally in the LMP database.⁶² The old data in the areas of Tables A.2 and A.3 were nevertheless used to estimate historical data on the conceptual basis of the new data, using national participant database information back to 1995 and ratio extrapolation techniques, to match the higher levels of expenditure per participant reported in the new database.⁶³

67. Some remaining issues were treated as follows (see also Table A.1):

- a) Two programmes in old Category 2.b), *AMU courses (employed)* and *Training leave (employed)*, were excluded from the scope of the new data.
- b) There is evidence that the large Category 2 measure DK-9 *Specially arranged activation* was not included in the old data.⁶⁴ This implied that a measure corresponding to Eurostat measure DK-9 could be added (without double counting at least within the “active” categories) to the old data on an estimated basis. Data for 1995-1997 were estimated using participant information from the national participant database.⁶⁵
- c) Expenditure on the Category 3 measure DK-14 *Sabbatical leave* was estimated using participant information back to 1994, the start year of this programme: participant numbers peaked in 1995 and then fell rapidly.

61 This calculation assumes the subsidy rates cited by Jensen (1999), with 75% of subsidised hours being in the public sector, and subsidies paid 37 hours per week and 52 weeks per year. Jensen (1999) also states that in job training “wages may not exceed DKK 86.31 per hour; i.e. DKK 3,193.47 per week”, so in the public sector the total wage is similar to the subsidy amount. Non-wage labour costs in Denmark are low (since social insurance is financed by income taxes, rather than employer contributions).

62 Possible explanations include (a) the subsidy was reported as expenditure by both central government and municipalities, and data do not eliminate double-counting; (b) the amounts reported were total costs (including non-wage costs, other overheads and supervision) of employing participants, as reported by their employers (municipalities or public hospitals, etc. financed by municipalities) (although this treatment would belie the classification of the measures as an “employment incentive”); (c) wages paid after the end of the subsidy period were interpreted as continuing expenditure on the programmes by the municipalities; or (d) expenditure data include participants not covered in the participant data.

63 This is an interim treatment. At the time of writing, the last data supplied to Eurostat related to 2004, but the Danish authorities expect to restart reporting on a partly-revised conceptual basis. Revised participant data (www.statistikbanken.dk/Statbank5a/SelectVarVal/Define.asp?Maintable=AB701&PLanguage=1) are now available starting with reference year 2004.

64 Participants in measure DK-9 *Specially arranged activation* are social assistance recipients, and the spending recorded consists entirely of transfers to individuals, i.e. social assistance payments. Eurostat allocated this measure in most earlier years (1999 to 2003) to Category 1. However the income support paid to “participants” in Category 1 should (if it is conditional on availability for work) be reported as unemployment compensation (old Category 6/new Category 8).

65 Measure DK-9 started in 1994 according to Eurostat Qualitative Reports.

- d) The data for old Category 5 were used directly to represent expenditure on the new Category 5 *Supported employment and rehabilitation* before 1998 without ratio extrapolation. Expenditure in the old data for 1998 was 14% lower than in the new data, so this treatment leaves a small statistical break in the long time-series estimates.
- e) Similarly the old data for Category 4.b) were used directly to represent expenditure on the new Category 7 before 1998, although expenditure in the old data for 1998 was again 14% lower than in the new data.

68. In the passive expenditure categories, after initial matching of the old and new programmes, two series were added on an estimated basis:

- a) New Category 8 includes the measure DK-2 *Social assistance (unemployment)*.⁶⁶ Given that this is a large spending item, historical values for it were estimated using external data for years 1986 onwards for the number of insured (UI recipient) and non-insured (social assistance recipient) unemployed (data taken from the OECD-NEI database; see OECD, 2003, Chapter 4).⁶⁷ Estimates were also added for the small item DK-25 *Wage earnings guarantee funds*.
- b) In Category 9 *Early retirement*, the old data reported a single programme. However Denmark's early retirement programme, managed by the UI funds, can be entered from employment as well as from unemployment. The new measure DK-24 *Early retirement pay, from unemployment* counts spending only in cases where early retirement benefit was entered from unemployment. This implements the principle that only targeted measures are within the scope of the database. To apply this treatment to the old data, spending in the old programme was split between *Transitional allowance* and *Efterløn* ("after-wage") using data on numbers of participants in these two components (from the OECD-NEI database, see above). Comparison with the Eurostat data then indicated that 57% of *Efterløn* benefits in 1998 were paid to formerly-employed recipients; a slightly lower share (44%) was "guesstimated" for 1986 and the share was interpolated linearly for intermediate years. Spending on early retirement benefits paid to formerly-employed recipients was then excluded.

69. After these treatments, the old data including additional estimated series matched the new data in 1998. However, estimation procedures and/or uncertainty about how the old programmes should be matched to the new ones affect most of the "active" spending and about 40% of the "passive" spending. Estimated values on the new classification basis for 1986-1997 should therefore be considered particularly uncertain in the case of Denmark.

70. Since 2002 OECD has included the administration costs of Denmark's UI funds (except for an estimated amount representing their administration of the early retirement measures that are outside the scope of the database) in the total for Category 1, so there is a statistical break here which can if desired be eliminated by excluding this spending line.

66 As noted elsewhere (e.g. Grubb, 2007a), this treatment of regionally or municipally-financed social assistance seems correct in principle, even though it is not followed by other countries.

67 The number of participants in measure DK-9, but not other active measures such as job training, was subtracted from the external data for the number of non-insured unemployed before this operation. Social assistance recipients participating in measure DK-9 are likely to have been included in the statistics for non-insured unemployed, in contrast to recipients participating in other measures e.g. job training.

Finland

71. No major issues arise in matching of old and new classification data. Most of the differences between the two sources have been reconciled by the following treatments, as detailed in Annex Table A.1:

- a) The standard table for conversion between categories was applied, with the elimination from the database scope of 25m€ of spending in 1998 in the old Category 2.b) programme *ESF: objective 4, including areas covered by O.6*, 20m€ from the old Category 3.b) programme *Summer jobs and training periods for students* (two programmes not targeted on the unemployed), and 45m€ in the old Category 4.c) programme *Public works to promote employment* (this programme was probably announced as an employment measure, but without hiring being strictly restricted to the unemployed).
- b) The administration costs of UI funds (a measure added to the new classification) were estimated for 1985-1996; OECD (1996, Table 5.2) reported that administration costs were 1.8% of benefit payouts for the paperworkers' fund in 1993, which suggests that an aggregate figure was not directly available at that time (Finland had 70 funds in total in 1990).
- c) Spending reported for particular programmes in new Categories 2.4 *Apprenticeship* and 5 *Supported employment and rehabilitation* is substantially lower in the new classification data than it is for the same programmes in the old data; this no doubt reflects the more restricted scope of the new classification. This is taken into account through a proportional adjustment to the spending reported for the programmes in question.
- d) The new classification data from Eurostat report much lower spending than the old data in Category 4 in 1998, but not later years. The data appear to be conceptually similar, and both suggest an increase in spending after 1997. The discrepancy might be one of timing, e.g. the old data perhaps report budgeted spending which increased a year or more before actual spending. If so, multiplicative splicing (*i.e.* multiplying the old data series by a factor to bring it into line with the new data in 1998) would be inappropriate: it was not done.

72. Estimated series (for UI fund administration costs and apprenticeship and sheltered work spending excluded in the new classification) total about 150m€ in 1998, *i.e.* 10% of total active spending. The discrepancy between two sets of data for Category 4 in 1998 is 100m€. Thus overall about 1/6 of total active spending (in terms of estimates on the new classification basis derived from the old data) is subject to some kind of estimation or guesswork. In the area of passive spending the old and new data sets match almost exactly.

France

73. France documents spending on individual labour market programmes in a precise way. The programmes reported in the new classification with one exception correspond to programmes reported in the old classification, although in some cases several old programmes correspond to fewer new ones or vice versa. Where there was a match at programme level, the spending data were the same exactly or to a good approximation with two exceptions among the nearly 100 programmes reported. However, several large programmes in the old data are wholly excluded in the new data, which therefore reports 9% lower total "active" spending and 13% lower total "passive" spending in 1998 than the old data.

74. Among the "active" categories, specific issues that arise in estimating data on the new basis from the old set of programmes are:

- a) Five programmes from old Category 2.b) *Training for employed adults*, and four programmes from old Category 4.a) *Subsidies to regular employment in the private sector*, were excluded as being outside the scope of the new classification. Exclusion is probably appropriate for some subsidised employment programmes because although they promote employment of various kinds they are not specifically targeted on participant characteristics.⁶⁸
- b) In new Category 1 *PES and administration*, the new data include a measure FR-57 *Guidance and monitoring services of AFPA*. Pre-1998 values were estimated and transferred from old Category 2 (where AFPA, which is the national vocational training authority, was classified in old data) to new Category 1: this involves only 2% of spending in Category 1.
- c) In new Category 2 *Training*, for measure FR-22 *Exemptions and subsidies for recruitment of apprentices* reported spending is about 8% lower than spending in the two old programmes to which it corresponds. This adjustment, which represents the exclusion of spending that is estimated to support non-disadvantaged participants, was applied to the old data for earlier years.
- d) Due to lower coverage of general administration and overhead costs in the new data – corresponding at least in part to the administration and overhead costs allocated to measure FR-57 (see above) – Category 2 expenditure in the new data is 2% lower than the old data reported for the same programmes, but since this is a small difference no further adjustment was applied.
- e) In new Category 4, the new data exclude a small programme *Congés de conversion pour les travailleurs de la sidérurgie et de la construction et réparation navale* (Retraining leave for workers in the iron and steel industry and shipyards), even though they include a general measure FR-33 *Retraining leave*. The old programme was excluded to improve the match between old and new data.
- f) The new data as reported by Eurostat also exclude the large programmes *Contrats de retour à l'emploi (CRE)* and *Contrat d'accès à l'emploi (prime + exo)*, *DOM* (the latter programme operated in France's overseas territories). The CRE was at one time one of France's biggest programmes: although it was closed to new entrants after 1995, it subsidised hiring on open-ended contracts, and expenditure remained significant until 2000. Exclusion of this programme from old data would heavily distort the historical record and it has instead been added to the new data.
- g) The new data also report much lower spending on FR-28 *Exemption from social charges* for recruitment of the 1st to 50th employee in ZRR and ZRU areas (*i.e.* rural and urban disadvantaged areas) than the old data did, probably because only spending on unemployed and related participants is now counted; a comparable old data series was estimated.
- h) In Category 5, the new data include the same the programmes as the old data, except for the programme⁶⁹ *Garantie de ressources (GRTH) en milieu ordinaire*. This programme appears to meet the criteria for inclusion since it pays (via the employer) a subsidy that brings the earnings

68 However, some programmes that are not *de facto* restricted to the unemployed and those at risk are still included, such as FR-27 *Exemption from social charges for recruitment of a first employee* which was nominally targeted on unemployed jobseekers, but was not in practice restricted (about half the participants were previously jobseekers and two-thirds of them were registered: Klein, 2002).

69 “Old programme” here refers to the inclusion of the programme old data set: the programme itself is still in operation.

of handicapped workers in the private sector up to at least a full-time minimum wage.⁷⁰ This measure continued until 2006 when it was replaced by *l'aide Agefiph à l'emploi en milieu ordinaire* (e.g. see **Error! Hyperlink reference not valid.**). GRTH has been removed from the old data to match the new data, although ideally it would instead be added to the new data.

- i) Programmes in new Categories 6 and 7 also match well with old programmes with only one (small) component needing to be estimated.

75. Within the two “passive” spending categories, several relatively large programmes are excluded from the new data. In Category 8, it is not clear why the old programme *Autres allocations de chômage total* (Other unemployment benefits - referring to special benefits or those not paid via Assedic/Unedic), with c.2bn€ of annual expenditure, is excluded. In Category 9, old data include substantial spending on the *Garantie de ressources* (60-65 ans) through to 2002 and the new data do not; the programme appears to qualify for inclusion⁷¹ although the programme was perhaps not effectively restricted to victims of involuntary layoff (an earlier programme *Garantie de ressources demission* was explicitly available even to job quitters).

76. In summary, it was possible to replicate the new coverage mainly by excluding particular lines, representing about 10% of spending previously reported, from the old data. Ratio estimation techniques were used for only about 250m€ of “active” spending, less than 2% of the total. There remain some doubts about whether the exclusion of programmes is always justified in terms of the defined scope of the new data.

Germany

77. In Germany, within Category 1 the new-classification data incorporate information reported under the old classification until 2002, so an issue of data splicing does not arise.⁷² Within other Categories, there is some evidence of statistical breaks in the old-classification data in 1998 (reported spending on “wage subsidy for the aged long-term unemployed” fell from 400m€ in 1997 to zero) and in 1999 (when the *Immediate Action Programme* against youth unemployment, reported to Eurostat, was not included in the OECD series). Differences between the two sources as regards spending in 1998 (but not necessarily 1999 to 2002 given the apparent omissions in the old data after 1998) were reconciled by the following treatments, detailed in Table A.1.2:

- a) The standard table for conversion between categories was applied, with the elimination from the database scope of two programmes from the old Category 3.b) *Training for employed adults* (which however had zero expenditure in 1998) and of the 2342m€ of spending in 1998 on the programme *Sheltered workshops* (outlays by the social authorities) from the old Category 5.b).

70 Category 5 includes subsidies that “support an ongoing facility to accommodate people with reduced working capacity in the workplace” (Eurostat, 2006). The French GRTH programme seems comparable in principle to, for example, the Danish measure DK-21 *Flex jobs*.

71 Category 9 includes early retirement benefits “due to unemployment or to job reduction caused by economic measures such as the restructuring of an industrial sector or of a business enterprise” (Eurostat, 2006).

72 The measure DE-27 *Independent measures* was allocated in Eurostat publications to Category 1 *Intensive counselling and job-search assistance* from 1998 to 2002, to Category 4 in 2003 and to Category 2 in 2004 and 2005 (in terms of reference year of the publication). On the basis of its content, OECD allocates it to Category 1 in the new data: it probably was included in the total for PES and administration reported to OECD until 2002.

- b) Two training programmes in the new classification, DE-6 *Measures to improve prospects of integration - training measures* and DE-31 *ESF Federal programme*, which did not appear in the old classification were given estimated values for years prior to 1998 (calculated as 1.2% and 1.4% of total known active spending respectively; zero before 1994 for the *ESF* programme).⁷³
- c) An additional old programme was created for inclusion in Category 4 *Employment incentives*, with data estimated as 75% of spending on the old programme *Measures for seriously disabled persons*. This improves the match with the new data, which have probably reclassified much disability spending as employment incentives. Category 4 spending estimated from old data remains lower than the actual level in new data in 1998, but underreporting probably only started in 1998 (see above) so further action would be inappropriate.
- d) In estimating new Category 5 *Integration of the disabled*, only 25% of the spending on the old programme *Measures for seriously disabled persons* was included (see above).
- e) Measure DE-29 *Integration assistance for new resettlers*, etc. was not included in the old data. Estimated values were added starting 1985, since information on this programme's real start date is lacking.⁷⁴

78. The estimates by proportional extrapolation (three estimates), the amount transferred from Category 5 to Category 2, and the possible statistical break (data omission) in old data, each involve amounts of 250-450m€ in 1998, so that overall only about 5% of total active spending is affected by possible statistical breaks or estimated using ratio extrapolation techniques.

79. It should be noted that until 2002 active spending by the Länder (regions) was not included in the new classification data. In 2003 this totalled about 3.3bn€, one-eighth of total active spending. Much of this spending e.g. DE-59 *Direct creation of additional jobs* (Länder) probably existed previously but was unreported, so that there is a statistical break in the new data here.

Greece

80. Greece ceased to report data to OECD after reference year 1998 which was also its first year of reporting to Eurostat, so the old and new classification data need to be matched for the year 1998 only. However, the old classification data had suffered reporting gaps and discontinuities before 1998; and the data reported to Eurostat for 1998 appear to have been incomplete, with many smaller measures being reported for the first time in 1999. In the circumstances, old programmes have been allocated to the new categories without any use of proportional adjustments in cases of data discrepancies.

81. In line with the standard table for conversion between categories programmes in the old Category 2.b) *Training for employed adults* were excluded. Programmes in old Category 3 *Youth measures* were allocated to new Category 2 *Training*, since the data match is clear for the only old programme that has nonzero spending in 1998. The old programme *Employment subsidies (employment for disabled)* was allocated to new Category 4 *Employment incentives* (this approximately matches, whereas an allocation to new Categories 5 and 6 would not, given that they had near-zero spending in 1998).

⁷³ OECD at a late stage received advice that the true start date was 1998 for DE-6 was 1998; some components of DE-31 probably started also in 1998 related to the introduction of the "Social Code III"; and DE-29 probably started in 1990 with a reform in 1993. At the time of writing, this information is not reflected in the estimates for years before 1998, *i.e.* there is some overstatement of spending.

⁷⁴ However, see the note above.

82. Within old Category 6/new Category 8, the old programme *Extra compensation* (1985-1998) appears to match a new programme GR-58 *Special seasonal assistance*, except that for the new programme spending is reported starting only in 1999. Given the general evidence that new programme data in 1998 were incomplete, the relevant 1998 value was added to the GR-58 data.

83. It should be noted that Category 1 data for Greece are believed to have followed the OECD definition which includes employment services, unemployment benefit administration and overhead costs of other labour market programmes (when these are not reported under the respective programmes) from 1985 to 1997,⁷⁵ but not after 1997. In 1998 the level of spending in Category 1 reported to OECD fell by more than 40%, but this was related to the reporting of a lower figure to Eurostat whose definition for this Category was (in 1998) much more restricted. Category 1 data in the new classification appear to have had varying coverage also after 1998, in practice omitting much of the cost of the main employment service body OAED. In the absence of information about its budget, OECD does not report total spending on “active” programmes for Greece.

Ireland

84. Ireland did not consistently respond to OECD requests for data under the old classification, and the 1985-2002 data series has gaps for the years 1992-1993 and 1997-2000. However, Ireland provided detailed information to Eurostat starting with the first (trial) reference year of its data collection, 1997. In general, the available information allowed individual programmes to be matched reliably between OECD 1996 data and Eurostat data for 1997 and later years.⁷⁶ In some cases, the data lines reported to OECD in 1996 could be matched directly with Eurostat data lines that first appeared in 2002 (see below).

85. Some issues arising in matching the OECD data 1985-1996 to the data for 1997 onwards were:

- a) Many programmes in the old data were excluded: several small programmes in old Category 2.b) *Training for employed adults*; three programmes in old Category 3.b) (apprenticeship); and two programmes in old Category 4.a) *Subsidies to regular employment in the private sector*. The Category 3.b) programmes were probably not targeted strictly on youth experiencing difficulty in entering apprenticeships through the usual channels, and the Category 4.a) programmes - the *DSW Students Summer Job Scheme* and *Development Agency Employment Grants* - were probably not strictly targeted on the unemployed. The excluded spending was 186m€ in 1996, about 20% of the total formerly reported as “active” spending by OECD.
- b) Within Category 1, the new data report no spending for 1997 and 1998 on the *Local Employment Service*, whereas spending on this programme was reported before 1997 and after 1998. Values for 1997 and 1998 were therefore added on an estimated basis. The old programme called *FAS - Local employment service – Other* was matched with the new programme IE-101 *FÁS - administration of LMP measures and staff pay (excl. training)*, and not with the new programme IE-35 *Local employment services*.⁷⁷

75 OECD (1988) notes that the data include the administrative expenses of the unemployment insurance system, which in Greece is managed by the public employment service body OAED.

76 The OECD data for 1994-96 are detailed. Data matching was also informed by data on active labour market programmes taken from the annual reports of FÁS, Ireland’s main PES body, which manages many of the active programmes.

77 The 1996 data reported spending on the Local Employment Service under a programme with the slightly different title of *FAS - Local employment service – PES*.

- c) Within Category 2, five programmes in the old data disappeared from the new data as from 1997, but reappeared with the same name in 2002. In the years 1997-2001, the corresponding spending was grouped differently and reported under different programme names.⁷⁸ Data continuity at the aggregate level is thought to be good, but the old programme *Basic Training for Disadvantaged Early School Leavers* (D/Education VEC) perhaps did not actually stop in 1997 as the matched data suggest, and the treatment of the salaries of training instructors employed by FÁS may have changed.⁷⁹ The new data for Category 2 *Training* also include, as described below, some expenditure that was formerly allocated to old Category 5 *Measures for the Disabled*.
- d) The new data for 1997 onwards report almost no spending in new Category 5 *Supported employment and rehabilitation*, whereas OECD data include 45m€ of spending on Category 5 *Measures for the Disabled* in 1996 and 37m€ of spending in 2000, which fell to 9m€ in 2001 reflecting the fact that the *National Rehabilitation Board* (NRB) was abolished in the course of 2000. Spending on the old programme *National Rehabilitation Board* (NRB) measures is reported in new data - after the transfer of responsibility to FÁS (the employment and training body) - in two lines: IE-22 *Counselling/guidance* in Category 1 (as from 2000) and IE-51 *Specialist Training Providers* in Category 2 as from 2003. However qualitative information states that IE-51 also started in 2000. To enhance data continuity, *National Rehabilitation Board* (NRB) measures were split on an estimated basis between the counselling/guidance function and the specialist training function for 1985-1997; spending corresponding to the NRB equivalent of IE-22 and the NRB equivalent of IE-51 in 1998 and 1999 were added to the new data on an estimated basis; and missing data for IE-51 in 2000 to 2002 were also added, using information from FÁS Annual Reports for 2001 and 2002.

86. Within the remaining categories, the old and new programmes that involve significant spending match satisfactorily.⁸⁰ In new Category 8 *Out-of-work income maintenance and support*, values for IE-49 *Redundancy Payments* and IE-50 *Insolvency Payments* were taken from the 2008 version (1998-2006 data) of Eurostat data; since these payments appear in old data only to 1996, values for 1997 were estimated by interpolation. An old measure called *DSW Equal Treatment Payments* (with spending reported mainly in 1995, some continuing into 1996) was retained, although its targeting criteria are not exactly known (it related to the alignment of contribution and benefit conditions between men and women).

78 The different programme names used in 1997-2001 were IR-20 *Industry Training*, IR-21 *Local Enterprises*, IR-24 *Re-integration Training* and IR-25 *Community Training*. For the years 2000 and 2001, footnotes in the Eurostat publication specify the composition of spending in terms of the programme names used pre-1997 and post-2001; e.g. IR-20 *Industry Training* in 2000 “Includes Specific Skills Training (80%), Traineeship (15%) and Job Training Scheme (5%)”. *Specific Skills Training* and *Job Training Scheme* were reported both to OECD 1991-1996 and to Eurostat starting in 2002.

79 OECD data before 1997 allocated FÁS training staff costs and corresponding capital and overhead costs to the training category, and Eurostat included the training staff costs in Category 2 from 1997 to 2003. Starting 2004 Eurostat transferred these costs to Category 1, whereas OECD added separate lines (IE-102 and IE-103) on an estimated basis and kept them in Category 2.

80 The old Category 4.a) programme *DSW SI Exemption* (i.e. social insurance contribution exemptions for employers) which reportedly had 2.5m€ spending in 1996 it matches with the new Subcategory 4.1 measure IE-5 *PRSI Exemption Scheme*, for which no spending is reported. Eurostat (2001) noted that “Total for Category 4 Employment Incentives is underestimated because of missing data for IRL-5 PRSI. The amount is not thought to be significant.” However based on the qualitative description and the reported participant numbers, it appears that this information related only to participants who are not in the BTWA scheme. In practice most PRSI participants are in the BTWA scheme, and the amount not reported has been quite significant (estimated at 18m€ in 1998: see DoF, 1998).

87. In order to enhance data continuity, missing values in the old data for 1992 and 1993 were estimated by interpolation between 1991 and 1994 values.

88. Values estimated or otherwise involving uncertainties for either 1996 or 1997 involve about 90m€ of spending (although half of the uncertainty concerns reallocations between categories), which is about 10% of total active spending.

Italy

89. In Italy a large number of programmes in the old data (with programme names in French or Italian) exactly match a programme in the new data for all five years 1998 to 2002, suggesting that reporting to Eurostat and OECD for these years was coordinated – or used exactly the same source - in contrast to the situation in most other Eurostat countries. Relatively few issues arose in matching the old and new data:

- a) Three programmes from old Category 3.b) *Training for employed adults* and one from 3.a) *measures for unemployed and disadvantaged youth* are excluded from the new data, no doubt because they are not strictly targeted on the unemployed.
- b) For Category 1, the old data reported no spending: the new data report some spending, but coverage was very limited before 2004 when line IT-121 *PES - staff expenditure* first appeared.
- c) In Category 2, data for the old programme *Formation des chômeurs adultes et des travailleurs menacés de perdre leur emploi* have been replaced with values 18% lower to match the corresponding programme in new data.
- d) In Category 7, measure IT-3d *Capitalisation of mobility allowances for the creation of new businesses or self-employment* in the new data was not present in the old data: estimated values (back to 1992, since this programme started in 1991) were added to the old data.

90. After these data treatments, total active and passive spending estimated on the new classification basis using old data differed by less than 2% from actual values in new data for years 1998 to 2000, so the new data could be extended back in time with no significant statistical break 1997 and 1998.

Luxembourg

91. Luxembourg reported data to OECD in 1985-1997 and to Eurostat starting in 1998, with no year of data overlap. However in both data sets most of the programmes can be identified as lines in the budget of the Fonds pour l'emploi (Employment Fund) and the annual reports of the labour ministry, the public employment service (ADEM) and the social affairs ministry. A recent OECD review (Grubb, 2007b) examined the Eurostat data in the light of this detailed national information, resulting in the addition of some programmes with data values for 2002 to 2005.

92. Some issues arising in matching the 1985-1997 data with the Eurostat data were:

- a) The old 1985-1997 data for Category 1 probably report the state budget line "Administration de l'emploi - Dépenses courantes" (employment administration, current spending). An actual value for the state budget line was available for 2001 onwards, and values for 1998 to 2000 were estimated by interpolation.
- b) As documented by Grubb (2007b), by 2002 the full cost of PES and administration activities was 77% higher than the state budget line. The main PES body (ADEM) benefits from seconded iron

and steel industry workers, central government computer services, rent-free premises for local employment agencies and a number of “consultants” on private sector contracts financed through the Fonds pour l’emploi (Employment Fund). Also, some smaller institutions deliver employment services. ADEM has always benefited from some forms of off-budget financing (such as the rent-free premises) but the spending on “consultants” dates mainly from 1998⁸¹. To bring the reporting of Category 1 onto an approximately consistent basis through time, spending in this Category additional to the state budget line was estimated as 39% of spending on this line for 1985 to 1997 and as 77% of spending on this line for 1998 to 2001.

- c) Three programmes in the old data are excluded in the new classification: *Formation des adultes occupés* from the old Category 2.b) *Training for employed adults*, *Aide à l'apprentissage et aux autres types de formation des jeunes à caractère general* (general apprenticeship training) from the old Category 3.b) and *Ateliers protégés* (Sheltered workshops) from the old Category 5.b) *Work for the disabled*. The old Category 5.b) programme *Dispositif spécial en faveur des handicapés dans la sidérurgie* (Special arrangements for the disabled in the coal and steel industry) which has had no spending since 1993 might also merit exclusion, but details are lacking and it was retained in the new Category 5.
- d) The programme *Emplois temporaires dans le secteur public* from old Category 3.a) *Measures for unemployed and disadvantaged youth* is allocated to new Category 2 *Training*, in line with the treatment of the two measures that it matches, LU-16 *Temporary auxiliaries division* (DAT) and LU-24 *Temporary auxiliary contract* (which replaced LU-16 after 1998).⁸²
- e) The programme *Réembauchage des personnes handicapées* from the old Category 5.b) *Measures for the disabled* is allocated to new Category 4 *Employment incentives*, in line with the treatment of the measure that it matches, LU-21 *Measures of professional (re)integration of disabled workers*.

93. After these adjustments, database coverage before 1998 is most respects consistent with the treatment in the new data. However at the time of writing the new data for LU-11 *Training for entering or re-entering the labour market*, LU-12 *Vocational retraining (workers)*, LU-34 *Temporary compensated appointment (Affectations temporaires indemnisées)* and LU-101 *Mesures spéciales* have missing values for 1998 and a few later years. These series would need to be completed (based on historical budget and participant data: Grubb, 2007b lists relevant participant data) to make coverage more fully consistent.

The Netherlands

94. For the Netherlands most programmes in the old data could be matched to programmes in the new data and vice versa, but with some significant exceptions and inconsistencies, which in several cases appear to be largely due to gaps, breaks or inconsistencies within the new data. Eurostat data appear to have relatively low coverage of active spending (and relatively high reported passive spending) in 1998, whereas by 2002 owing to the inclusion of new programmes this was no longer the case. The old data may have suffered the inverse phenomenon with, through failure to include new programmes, some underreporting of aggregate spending by 2002. Two further issues are that the new data allocate “integration” (individual case management) programmes to Category 1 in recent years but to Category 2 in earlier years, and they only report the item “unemployment benefit during training” in 2004 and 2005.

81 The first hirings of “consultants” took place in 1997 (Grubb, 2007).

82 The allocation of measures LU-16 and LU-24 to Category 2 Training is questionable - since the content is, as the names of the programmes indicate, mainly the creation of public sector temporary jobs for youths – and this categorization is applied to the old programmes only to enhance time-series consistency.

Perhaps more than in any other Eurostat country, for the Netherlands it was necessary to review and adjust the Eurostat data in order to achieve a clear interpretation and a good match between old and new data.

95. For the active programmes, some of the main issues arising are:

a) In Category 1

- although the new measure NL-1 PES - *Public employment services* matches the old programme *Public employment services/CWI (PES administration costs included)* in 1998, the new data show an implausible more-than-doubling of expenditure in 1999, which was entirely reversed in 2001. The Eurostat data for 1999 and 2000 were replaced by the old data.
- The Eurostat data allocate some general integration programmes (*Comprehensive reintegration* (Sluitende reïntegratie) starting 2000 and the “*Agenda for the future*” starting 2001) to Category 1. Measure NL-53.0 *Case-management municipalities (Agenda for the Future)* which reports spending in 2001 to 2003 has been transferred within the new data from Category 2 to Category 1, to match NL-53.1 which reports the same spending in 2004 and 2005). These programmes, in turn, are probably best interpreted as a continuation of the old programmes *Other trajectories*⁸³ (which was run down after 1998) and *Preventive Approach* (Sluitende Aanpak) (which ran from 1999 to 2002). These two old programmes were retained and added to the new data for Category 1. Spending on them totalled 589m€ over the years 1999 to 2002, which matches and replaces the 610m€ that was removed from NL-1 in 1999 and 2000 (see above).⁸⁴
- The old programme *Administration costs of other labour market measures* matches the new lines for the administration costs of passive measures WW, ABW and TW. Values for the administration costs of WRO (unemployment benefits for civil servants) were added to the old data on an estimated basis, in order to match the inclusion of this item in the new data.⁸⁵

After these manipulations, the Category 1 estimate based on old data agrees with the new data quite closely in each year 1998 to 2002.

- b) In Category 2, 1998 to 2003 estimates for NL-31 and NL-33 *Unemployment benefits during training* were added to the new data to match estimates for 2004 already included. The same estimates extended further back to 1985 were added to the old data.⁸⁶ Similarly, 1998 to 2000

83 The old programme *Other trajectories/BKWI* according to notes represented the cost of a so-called 'performance contribution' to the PES (including from 2002 BKWI, *Bureau Keteninformatisering Werk en Inkomen*).

84 The interpretation is that the excess spending in NL-1 in 1999 and 2000 was the budget allocation for the *Preventive approach (Sluitende Aanpak)* and the *Agenda for the Future*, and a timing discrepancy arises between different data sources because some of the budget allocation was in fact spent after 2000.

85 According to the new data, the administration costs of WRO benefits are 16% to 18% of the benefit amounts paid; possibly the numbers too high because costs of other activities of the ABP (*Algemeen Burgerlijk Pensioenfonds*) - such as management of its large pension investments - are included.

86 These estimates for *Unemployment benefits during training* are somewhat lower than those previously made by national authorities and the OECD Secretariat because several “integration” programmes are now allocated to Category 1 rather than Category 2 (income support paid to “participants” in Category 1 programmes is not counted as active spending, *i.e.* it remains in Category 8).

estimates for NL-51.2 [*Component*] *ESF-3 (for unemployed) - Training for unemployed/inactive* were added to the new data to match non-zero values first reported in 2001, and estimates on the same basis were added to the old data (these estimates replace the old programme *ESF-30/ESF-3*, which included training for employed adults). After these manipulations, the Category 2 total estimate based on old data agreed with the new data fairly well in 1998 and 1999. However there was still a large discrepancy in 2000 to 2002 because for these years the old data reported no spending on the programme *Jobseekers Employment Act - training & social activation (WIW-S&A)*, whereas the new data reported 300-400m€ annually on the matching programme, NL-38.3 [*Component*] *WIW - Jobseekers employment act - Activation & training*. There is fairly strong evidence for double counting between NL-38.3 and NL-41 *Comprehensive reintegration* in the Eurostat data; neither the data reported by OECD's correspondent nor the data reported by Eurostat's correspondent at the time include both measures simultaneously.⁸⁷ On the basis of this interpretation the NL-38.3 values for years 2000 to 2002 were replaced by zeros. After these manipulations, the Category 2 estimate based on the new data agrees with the old data quite closely in each year 1998 to 2002.⁸⁸

- c) In Category 4, the old and new data match except that the old programme *Experiments activating social benefits (EAU)* has no counterpart in the new data. This old programme plausibly was omitted from the new data because spending on it ceased in 1998. It has been added to the new data (which affects only the year 1998) to improve the match.
- d) In Category 5, old and new programmes approximately match. The new data for NL-59 *Act on the (re)integration in employment of the occupationally disabled (REA)* report relatively lower spending in 1998, perhaps because this was a new programme and in this case the new data report outturn spending rather than budgeted spending.
- e) In Category 6, the three old programmes with some significant spending in the years 1998-2002 approximately match the two new programmes.

96. In Category 8, the old programme *Risico-fondsen (vorstverlet)* (Frost-leave benefit for construction workers, financed by private insurance) is omitted because it does not appear in the new data. The relatively small new programme *TW - Supplementary benefits* has no match in the old data, but no data adjustments were made because reported spending is fairly low. For the main insurance benefit line, the old and new data match exactly in 2001; and for the main assistance benefit line, the old and new data match exactly in 1999 and 2002; but remarkably large discrepancies arise in other years. In 1998 spending on insurance benefits is much higher in the new data but by 2002 it is much lower, resulting in a significant discrepancy for reported total passive spending (especially in its time-trend - new data indicate a large fall from 1998 to 2002 and old data do not). No adjustments were operated to improve the data match: given evidence that some data have been reported erratically from year to year, the priority should be to check data in this area against time-series-consistent national data sources.

97. Overall, the long-time series for the Netherlands may now be quite accurate, but there is some risk that they are affected by an error in one of the following areas:

87 According to the old OECD data, the programme *Comprehensive reintegration* starting 2000 entirely replaced the programme *Jobseekers Employment Act - training & social activation (WIW-S&A)*. In Eurostat publications for the years 2000 to 2002 only the latter programme was included, so that again the total did not include both programmes.

88 Except that the old data do not include NL-50 *Practically-oriented training for unemployed (Praktijkscholing HVS)* with 96m€ of spending in 2002.

- Large integration programmes (e.g. “*Comprehensive integration*”) have been several times reallocated or differently split between Category 1 and Category 2.⁸⁹ This creates a risk of errors in these categories and perhaps also in Category 8, insofar as participants’ unemployment benefits are in principle treated as active spending if the measure is in Category 2 but not if it is in Category 1.
- A data discrepancy for NL-1 in 1999 and 2000 has been interpreted as representing spending on integration programmes (“*Other trajectories*” and *Sluitende Aanpak*): this is an inference rather than a documented fact.
- New data have been adjusted on the basis that the Eurostat data for 2000 to 2002 double-count expenditure between two measures (NL-38.3 and NL-41), which again is an inference rather than a documented fact.
- There is an unresolved discrepancy concerning the level of unemployment benefit spending particularly in 1998, suggesting a statistical break between 1997 and 1998 and possible data errors after 1998: data should be checked against alternative sources.

Norway

98. Most programmes could be matched between old and new data. The main active categories in the new data – *Training*, *Employment incentives* and *Direct job creation* - are dominated by programmes that were allocated to Category 5 *Measures for the disabled* in the old data. The main specific issues were:

- a) The large old data programme *Schooling* has been transferred from old Category 5.a) *Vocational rehabilitation* to new Category 2, where it matches measures NO-22 *Education in regular schools* in 1998 and 1999. An estimated series *Schooling – passive expenditure* is subtracted from the old data (and from the new data in 1998 and 1999) for transfer to Category 8 as explained below.
- b) New Category 4 *Employment incentives* includes the old programmes *Mobility support* (from old Category 1), *Wage subsidies (youth)* (from old Category 3) and *Wage subsidies (disabled)* (from old Category 5). No old data programme matches the new measure NO-13 *In-house rehabilitation (BIA)*. Values for this, estimated by ratio extrapolation, were added to the old data.
- c) The new Category 5 data include an old programme *Sheltered workshops* which matches new measures numbered NO-23, NO-24 and NO-20, *Sheltered workshops (AMB)*, phases 1 to 3 respectively.⁹⁰ A second old programme (Old Cat 5.a) *Other* included much more spending than the new data. Some of the excluded spending is probably represented by NO-13 *In-house rehabilitation (BIA)*. The amounts to be excluded from the old programme to match the coverage of the new data were estimated by ratio extrapolation.
- d) Two programmes in new Category 6 *Direct job creation* match programmes *Dir. job creation, self-empl and Other public sector jobs* from old Category 5.b) *Work for the disabled*. An

89 E.g. the Eurostat 2005 publication in contrast to the 2004 publication allocates several “reintegration” measures to Category 1, and the 2005 treatment is applied retrospectively to the online data.

90 In Eurostat data, spending on NO-20 *Sheltered workshops (AMB) phase 3* is zero after 2000. Phase 3 offers permanently adapted work, *i.e.* its participants are not expected to get a job in normal working life, and it is no longer reported in the Eurostat LMP database. Eurostat and OECD data appear to both (inconsistently) include AMB Phase 3 in 1998-2000 and exclude it by 2002, but a correction for this has been not applied.

estimated series *Dir. job creation, self-empl. - passive component* is subtracted from the old data (and from the new data in 1998 and 1999) for transfer to Category 8 as explained below.

- e) In Category 8, the old programme *Unemployment insurance* appears with the same name in the new data.⁹¹ The new data include a large programme NO-27 *Payments for occupational rehabilitation between measures* which appears for the first time in 2000. This programme matches shortfalls of spending in the new programmes NO-21 *Practice in regular places of work* and NO-22 *Education in regular schools* as compared to the counterpart programmes in the old data.⁹² Eurostat Qualitative Reports confirm that NO-21, NO-22 and NO-27 are closely related (all three are measures for the occupationally disabled under the same Act and started in 1994 (as is seen in the old data series). Probably the policy intention in 1994 was that the payment to occupationally disabled people would only be made during participation in an active measure (*i.e.* NO-21 or NO-22), but in practice 21% of the payments by 2000, rising to 37% by 2005, were made on a passive basis. Estimates for the passive components of NO-21 and NO-22 were subtracted from the active spending categories for the whole period 1994 to 2002 in old data, and for 1998 and 1999 in new data.⁹³ The passive components were at the same time added to Category 8. In the new data, the missing 1998 and 1999 values for NO-27 were replaced.

99. Aggregate “active” spending in 1998 in the revised new data is about 12% lower than it was in the original old data, mainly because some disability spending in the old data is now treated as being out of scope and some “active” disability spending is now treated as passive spending. The latter factor also makes aggregate “passive” spending in the revised new data in 1998 about 10% higher than it was in the original old data. But even after these revisions, total active spending in the long time-series in many years (1985 to 1987 and 1994 to 2002) exceeded total passive spending, which is an exceptional situation in international terms.

Poland

100. Poland reported labour market programme spending to OECD from 1990 to 2002 on the old classification basis and from 2002 to 2005 on the new classification basis. Eurostat has reported data from 2005 onwards. Most programmes can be easily matched between the OECD 1990 to 2002 data and the OECD 2002 to 2005 data, but this is less often the case when comparing the OECD 2002 to 2005 data with the Eurostat 2005 and 2006 data. For the analysis in Annex Table A.1, the two OECD data sets were first matched and combined into a set of programmes running continuously from 1990 to 2005 in principle (subject to various gaps in practice). This set of programmes was then matched with Eurostat data treating 2005 as the year of overlap.

101. The old data for 1985-2002 reported a single programme *Unemployment compensation* in old Category 6, but based on a comparison with 2002-2005 data it appeared that the amounts reported in 1985-2002 included some spending on *Pre-retirement benefits* (these are more generous than allowances but are restricted to people with 25 or 30 years of contribution record) and *Pre-retirement allowances*. The Polish

91 Comparison of the statistics suggests that the new data inconsistently include the old programme *UI for seamen, fishermen* in 1998 and 1999 but not 2000 or 2001. The new data also include two programmes that are not in the old data set, NO-17 *Special rehabilitation allowance* and NO-29 *Waiting benefit*. The amounts involved over the 1998-2002 period are small.

92 In other words, in the years 1998 to 2002 spending on three new measures NO-21, NO22 and NO-27 (which had zero values in 1998 and 1999) combined matches spending on two old programmes, *Schooling* and (in old Category 5) *Dir. job creation, self-empl.*

93 The passive share in these programmes for the occupationally disabled was assumed zero in 1994 and increasing linearly through to 2000.

authorities recently supplied a consistent set of data for these three variables from 1997 (the first year of spending on *Pre-retirement benefits* and *Pre-retirement allowances*) to 2005. These were incorporated into a “revised old data” set which was matched with the new data.

102. Although the old 1990-2002 OECD data report spending for a number of programmes on a continuous basis, they also suffer from gaps in two other areas:

- In 1990 and 1991, data for old Categories 1, 3, 4.b), 4.c), 5 and 7 are missing
- Data for Category 1 *Public employment services and administration* are missing after 1996 and data for Category 5 are missing after 2000.⁹⁴

103. Given the lack of old data for Category 1 after 1996 and for Category 5 after 2000, the data running from 1990 to 2005 were first matched with the new data for the year 2005 for Categories 2, 6, 7, 8 and 9 and Subcategory 4.1.⁹⁵ Two specific issues tackled were:

- a) In the new Category 7, the 2002-2005 data originally reported a very large jump in spending on the programme *Subsidies to start-ups* (from 66m PLN in 2004 to 406m PLN in 2005). Based on recent advice from the Polish authorities, in the “revised old data” set the figures for these years were re-entered as 88m PLN and 299m PLN respectively.⁹⁶ This was matched to PL-19 *Grant for the unemployed starting economic activity*, but some discrepancy remains (in the new data, spending on PL-19 in 2005 was 249m PLN).
- b) In the new Category 8, a value for PL-41 *Bankruptcy compensation* was added the new data.⁹⁷

104. With these manipulations, the old data was able to generate plausible estimates for new Categories 2, 4.1, 6, 7, 8 and 9, but these estimates still omitted a large proportion of total active spending. Categories 1 and 5 in 1996 represented 47% of total active spending in the old data; and Categories 1, 4.2 and 5 in 2005 represented 57% of total active spending in the new data.⁹⁸ Estimates were completed by

94 The OECD 2002-2005 data reported some spending in Category 5, but the amounts were several times smaller than the those reported to OECD for 2000 (685m PLN) or to Eurostat for 2005 (1577m PLN): so it was assumed that the data to 2000 could be matched with the new data and the 2002-2005 data could not. The new data represent expenditure by the State Fund for Rehabilitation of Disabled People. The 2002-2005 data probably come from a survey source, which covers only a part of the expenditure by the State Fund.

95 Subcategory 4.2 was not matched at this stage because the new measure PL-11 *Wages subsidies for disabled workers* in this subcategory matches an unknown fraction of the old programme *Sheltered workshops and workplaces - supplementary payment to wages*.

96 According to recent advice, the data on *Subsidies to start-ups* originally supplied to OECD were based on a survey that collects data on a cash (*i.e.* actual expenditure) basis. In 2002 and 2003 the survey data were close to budget data, but in 2004 the subsidy was switched from a loans to a grants basis and survey did not capture all spending on the new form of subsidy. Also, the datum originally supplied to OECD for 2005 also appear to include, inconsistently with earlier practice, spending on PL-20 *Refund of costs of equipment and additional equipment of the workplace for the placed unemployed person*. Given these issues, for 2004 and 2005 the data originally supplied were replaced with budget data.

97 Eurostat lists and describes the measure PL-41 *Bankruptcy compensation*, but provides no data for it.

98 Half of this 57% relates to a single measure PL-12 *Wage subsidies for disabled workers in sheltered work establishment*, which might now be considered mainly out of scope under the guideline excluding lifetime sheltered work.

calculating ratios of known values for Categories 1, 4.2, and 5 in old and new data⁹⁹ to the total for non-missing data (*i.e.* new Categories 2, 4.1, 6, 7) and interpolating or extrapolating missing values of the ratios over 1997 to 2004 for Category 1, and 1993 and 2001 to 2004 for Category 5.¹⁰⁰ This generates estimates for all spending categories although these are, naturally, particularly approximate for the interpolated years.

Portugal

105. Most programmes could be matched between old and new data, but with a number of small- to medium-size discrepancies. Issues were:

- a) In line with the standard procedure for conversion between categories, 16 programmes from old Category 2.b) *Training for employed adults* and two programmes from old Category 3.b) *Support of apprenticeship and related forms of general youth training* were excluded as being outside the scope of the new data (some other programmes in old Category 3.b) were not excluded). Eight of the excluded programmes had non-zero spending only before 1998, but the other exclusions represent about 37% of total active spending as reported in the old data for 1998.
- b) In Category 1, the new data include an OECD estimate of benefit administration costs as 3% of spending on unemployment benefits and a similar estimate was added to improve the old data match to the new data. The old data report marginally lower total spending on the PES (placement service) but no adjustment was made for this.
- c) In new Category 2 *Training*, the old programmes with significant spending generally match with new programmes in terms of both name and reported spending, but for two measures (PT-64 and PT-67 in the new data; see Annex Table A.1) the match of spending is quite poor. Since the two discrepancies partly offset each other, and since values for PT-67 in the new data vary erratically from year to year, ratio estimation was not performed.
- d) In new Category 4 *Employment Incentives*, the old programmes match new programmes by name. However both data sets report zero values in 1998 to 2000 for the old youth programme *Bonifications Cont. Sociales pour creation d'emplois (IGFSS)* which matches the new programmes PT-29 *Job creation for young people through exemptions or reductions from compulsory social security*.¹⁰¹ This programme reportedly started in 1986, with a revision to its legislative basis in 1996 (Eurostat Qualitative Report, 2001). The zero values have therefore been interpreted as missing data points. Values for 1998 to 2000 were estimated by linear interpolation

99 Taking into account that the estimated value for new Category 4.2 should not exceed spending on the old programme *Sheltered workshops and workplaces - supplementary payment to wages*, and that – in Polish data - old Category 5 corresponds to new Category 4.2 and new Category 5 together.

100 The OECD new classification data 2002-2005 did report data for new Category 5, but these covered only a small fraction of the spending now reported by Eurostat. The OECD 1993-2000 data, which included a wide range of disability programmes, seem more comparable with Eurostat's current coverage.

101 The new data report a relatively small nonzero value for PT-29 in 1998 (not 1999 or 2000) but this was replaced by the linear interpolated estimate. The new data include a related measure PT-37 *Exemption or reduction from social security contributions to promote recruitment of long-term unemployed*, which has a similar pattern of missing values, but since this was a much smaller programme no estimates were added for this.

between the nearest known values (*i.e.* the values for 1997 in the old data and for 2001 in the new data) and added to the new data.¹⁰²

- e) In new Categories 5, 6, 7 and 8, the old and new programmes appear to match approximately, with changes in names and fairly small changes in the exact level of spending.
- f) In new Category 9, the old programme *Retraite anticipée pour motifs liés au marché du travail* is probably the new programme PT-41 *Early retirement for the elderly unemployed*. Both data series show erratic movements,¹⁰³ but the 1998-2000 averages are similar.

106. Due to the accumulation of small to medium-sized discrepancies which did not appear to justify ratio extrapolation, in 1998 the old data after conversion to the new classification basis as described here estimate total active spending 6% lower than the value in the new data, so there is still some statistical break in the long time-series when it switches from using the old data after conversion in 1997 to using the new data in 1998.

Slovak Republic

107. From 1991 to 2002, the Slovak Republic supplied data according to the old classification with no detail below the level of categories and subcategories (e.g. 4.a, 4.b, 4.c). Data of this kind provide no direct information on what the reported spending covered. The Slovak Republic reported new classification data to OECD for 2002 to 2004 but still with no information on individual programmes content. Eurostat received data for 2004 and 2005 with some programme detail, but their coverage in 2004 is incomplete (reported active spending totalled 2.2 bn SKK in 2004 and 5.0bn SKK in 2005).

108. Against this background, first spending according to the new classification was estimated at the category/subcategory level only for 2002 to 2003, based on the OECD new classification data. The Eurostat data for 2004 were completed as follows:

- Category 1 was estimated by interpolation (as the average of 2003 and 2005 values).
- For Categories 2, 3, 6, 7, 8 and 9, the values reported by the alternative sources match with only small discrepancies: the higher value was taken in each case.
- For Category 4, Eurostat data report higher spending and for Category 5 OECD data report much higher spending. Since most of the Eurostat Category 4 spending relates to a “graduate practice” measure (not for a disability target group), this was interpreted in terms of incomplete reporting in the OECD data (rather than allocation of the measure to Category 5 in the OECD data) and again the higher value was taken in each case.

109. The 1991-2002 data were then converted to the new classification basis, and matched with the OECD new classification data for 2002, in the standard way. Some particular issues were:

102 The data would be consistent with the programme operation being suspended starting in January 1998 or January 1999 and restored starting January 2001, but the hypothesis of data non-reporting was judged more plausible.

103 There was a statistical break in the old data in 1995 when early retirement benefits paid in occupations with hard/harsh working conditions were excluded. Spending on the new measure PT-41 reportedly nearly doubled in 2001, and then fell by more than 90% in 2003. Such a rapid fall seems implausible: in other countries, early retirement pensions have typically been closed to new entrants - allowing persons already in receipt of them to continue through to regular retirement age.

- a) the old Category 3.a) *Measures for unemployed and disadvantaged youth* was allocated to new Category 4 *Employment incentives* (since this includes a large “graduate practice” measure in new data).
- b) the old Category 3.b) *Support of apprenticeship* and related forms of general youth training was allocated to new Category 2 *Training*.
- c) spending in the old Category 5.a) *Vocational rehabilitation* was excluded (since it appears to have no match in current Eurostat data) and 5.b) *Work for the disabled* was allocated to new Category 5 since, with this treatment, old and new data match in 2002.
- d) there is a relatively large discrepancy between the two sources as regards spending on new Category 8 *Out-of-work income maintenance and support*, but since the reason is unknown (it might be an error in just one year’s data), no proportional adjustment or splicing technique was applied.

110. Thus there remain doubts about whether back-extrapolation of the current data has been done on an appropriate basis. However, the comparability through time of the original data series was already doubtful (data show large swings, e.g. doubling/halving of expenditure in particular categories from year to year and some cases of discrepant reporting of the same category between the three series available for the years 2002 to 2004). The conversion of data to the new classification basis probably does not make things worse, but the estimates should be treated as uncertain, particularly at the level of the individual category data.

Spain

111. Old and new classification data for Spain both include, starting from 1999, many lines that represent spending by regions and municipalities.¹⁰⁴ To simplify the analysis, Table A.1 deviates from the procedure applied for other countries and lists only old the database programmes that have nonzero spending in 1998 or earlier years.

112. Differences between the two data sets as regards spending in 1998 were reconciled by the following treatments, as detailed in Table A.1:

- a) The standard table for conversion between categories was applied, with the elimination from the database scope of 527m€ of spending in 1998 in the old Category 2.b) *Training for employed adults*, and of 49m€ of spending from the old Category 3.b) *Support of apprenticeship* and related forms of general youth training.
- b) One programme in old Category 3 *Youth measures* was assigned to new Category 2 *Training*, and another to new Category 4 *Employment incentives*.
- c) The old programme *Bonification du quota de la sécurité sociale* (reductions in social security contributions) is split, on an estimated basis, between Categories 4 and 5 to match the treatment in new data.
- d) The estimate for new Category 5 based on old data remains below its actual level in new data in 1998 even after the transfer mentioned above. However, since all data for this period show erratic

104 Some of the regional and municipal spending was not reported to Eurostat and is added to the OECD version of the new classification data.

movements and for slightly later years (not shown in Table A.1) the estimate based on old data matches the new data quite well, no further adjustments were made.

- e) Spending on bankruptcy compensation for 1985 to 1997 was estimated as 5% of known passive spending. Spending on early retirement benefits 1989 to 1997 was estimated by interpolation since the old data reported this spending from 1985 to 1988.

113. During this analysis, the authors noticed large swings in the historical series for old Category 6 *Unemployment compensation*, including a 160% increase in expenditure between 1991 and 1993 (when Spain's unemployment rate increased much less: this was a time of recession but unemployment had been high since the 1980s). The series in the old LMP data were replaced by a corresponding series from OECD's SOCX database (OECD, 2007c). This series matches the old LMP data for years 1985-1988 and 1995-2002 (and the new data for 1998 onwards), but has quite different and more plausible values in the years 1991 and 1993.¹⁰⁵

114. In 1998 the estimated amount transferred from Category 4 to Category 5, and the discrepancy between Category 5 total estimated from old data and the value in new data, were both roughly 80m€, about 2.7% of total active spending. The estimated amount of bankruptcy compensation, 433m€, was about 5% of total passive spending.

115. As noted above, the new classification data include active spending financed by regions in 1999 but not 1998: the total involved in 1999 was about 900m€, which is about a fifth of total active spending in that year. This level of spending should not necessarily be extrapolated back to the mid-1980s to mid-1990s period before the PES was decentralised.¹⁰⁶ Without additional information on whether regional and municipal financing of programmes was significant, the time-series comparability of the data as between that period and recent years can only be limited.

Sweden

116. In Sweden the matches between old and new data at the level of individual programmes are generally clear. However, the new data include three lines for components of the *Adult Education Initiative* (AEI) which ran from 1997 to 2002, with student grants or unemployment benefits paid to AEI participants being counted as spending on active labour market programmes. Primarily for this reason, total active spending in the new data is 32% higher in 1998, and nearly 28% higher in 1999 and 2000, than was reported in the old data.

117. Overall, a considerable number of specific issues arose in matching the old and new data:

- a) In new Category 2, the old programme *Grants to enterprise training (e.g. for skill shortages)* matches the new measure SE-11 *On-the-job training*, based upon its description in Qualitative Report 2001. However the general programme supports training (a) to tackle skill shortages (b) to introduce new technology, and (c) for workers who would otherwise run an imminent risk being

105 The old data appear to shift spending between years: perhaps they represent outgoings from a benefit fund, which were reduced by borrowing to pay benefits at the start of the recession (1991), and increased when the loans were later repaid (in 1993).

106 The Autonomous Communities began setting up their own PES in 1996 and this process was expected to be completed in 2003 (Ruiz, 2003). However before 1996, regions and municipalities could have financed other types of employment programme; and after 2003, they may in principle still spend no more than the funds provided by central government, even if the data suggest that many regions input some funds of their own.

laid off. Spending reported for SE-11 is most years less than half that reported in the old data, no doubt because SE-11 includes only the “imminent risk” target group. To match the new data, two-thirds of the spending in the old programme was put out of scope (a change of about 100m SKR in 1998).

- b) New data for Category 2 *Training* include three adult education/training measures, the two large ones being part of the AEI.¹⁰⁷¹⁰⁸ Measure SE-39 *Adult education initiative* represents the transfer to education/training service providers¹⁰⁹ and SE-41.2 [*Component*] *Special training grant (UBS)* represents the main form of income support paid to participants, which was equivalent in amount to unemployment benefit. A smaller programme SE-32 *Study allowance for the unemployed (SVUXA)* paid a grant to adult students with relatively short previous education and previous work experience who are unemployed. These programmes have been added to the old data, including 1997 values available from Eurostat’s trial data collection. UBS payments to employed participants (cases with replacement by a long-term unemployed) were also added and allocated to new Category 3 *Job rotation and training*. Although these measures were phased out by 2003, in 1998 they involved over 10bn SKR (which was 0.5% of GDP, and more than half of reported Category 2 spending).
- c) Within the new Category 4, the programmes in the old Category 4.a) *Subsidies to regular employment in the private sector*, combined with one programme from old Category 3.a) *Measures for unemployed and disadvantaged youth* and one programme from old Category 5.b) *Work for the disabled*, match the programmes in the new data exactly in 2001 and 2002 but not exactly in 1998 to 2000. However in the new data the measure SE-35 *Work Experience* has zero spending in 1998 and 1999, and high spending in 2000 to 2002. This measure was programme *Work placement scheme* of the old data,¹¹⁰ which itself during 1999 replaced another old data programme called *Workplace introduction*. The Eurostat data appear to omit the *Work placement*

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- 107 Employed workers were eligible for the AEI if their employer agreed to hire a long-term unemployed person as a replacement (Stenberg, 2006); this type of expenditure is reported in the new data Category 3.
- 108 The case for including AEI (which was also called Knowledge Lift, KL) in the LMP data is not entirely clear, because “At the level of the individual, admission into KL was in principle unrestricted”. However a “special education support” (UBS) benefit was only paid to participants in AEI/KL who were entitled to UI payments at the date of entry into the program (Albrecht *et al.*, 2008). This condition for UBS - requiring no minimum duration of unemployment – implies weak targeting (e.g. temporary or daily workers who are only unemployed for a few days a year would be able to qualify). Empirically, for perhaps a third of its recipients, entry to UBS seems to have occurred without any immediately preceding unemployment status. (Stenberg, 2003, describes the processing of 55965 observations on individuals with UBS in the autumn of 1997. Stenberg implemented various exclusions, including the exclusion of 8067 individuals who had zero days of registered unemployment in 1997 before starting in AEI. The sample finally retained of 11349 individuals had characteristics - e.g. in terms of prior unemployment experience - very similar to participants in labour market training). Based on such information, it could also be appropriate to treat most AEI spending as untargeted (implying its exclusion from the scope of LMP expenditure data) or only partly targeted (implying exclusion just of the participants who did not enter UBS from unemployment).
- 109 Eurostat Qualitative Report 2001 lists as an eligibility criterion for measure SE-39 “Fulfilment of the criteria for receipt of unemployment benefit” so the SE-39 data appear to represent the cost of service provision only for UBS recipients: in Autumn 1997 there were 56000 UBS recipients for a total of 220000 AEI participants (Albrecht *et al.*, 2008).
- 110 Remarkably, the old programme *Work Experience* is the sum of the new programmes SE-7 *Municipal youth programme* and SE-31 *Youth guarantee*; and the old programme *Work Placement* is the same as the new programme SE-35 *Work experience*. This confusing inversion of programme names might be due to erratic translation of Swedish terms that are used a more consistent way - although this hypothesis has not been confirmed.

scheme that was being phased out and thus substantially underreport total Category 4 spending in 1998 and 1999. Based on this interpretation, a programme line *Work placement scheme and workplace introduction*, with nonzero values in 1998 and 1999 only, was added to the new data to improve continuity of coverage.

- d) One programme in the old Category 5 *Measures for the disabled* is allocated to new Category 4 *Employment incentives*, as mentioned above. Three more programmes from the old Category 5 match directly with programmes in the new Category 5 *Supported employment and rehabilitation*. However the old programme *Labour market institutes, subsistence allowances* matches only the “Transfers to individuals” subcomponent¹¹¹ of spending on SE-14 *Vocational rehabilitation*.¹¹² Spending reported for SE-14 by Eurostat does not have consistent coverage through time, since from 2001 the “Transfers to service providers” component (which can be seen in Eurostat’s annual data publications) of the total is no longer included. From 2003, Eurostat includes this component – which is described as “costs of psychologists and counsellors employed by the AMI (Arbestmarknadsinstitut)... rough estimates based on the number of placement/guidance officers employed at the PES (share of managers included) multiplied by their average wage cost per year” (see Eurostat, 2001) - in Category 1. At the same time, Eurostat appears to have retrospectively revised its 1998 to 2002 data for Category 1 to match its coverage in 2003, resulting in double counting of the “Transfers to service providers” component of SE-14.¹¹³ The data for SE-38 *Supported employment programme (SIUS)* (non-zero data only for 1998 to 2001) also appear to be included in the revised Eurostat Category 1 data.¹¹⁴ On the basis of this interpretation, the following actions steps were taken:
- e) A measure *Exclusion of transfers to disability service providers in SE-14 & SE-38* was added to the new data;
- f) The old programme *Labour market institutes, staff and adm* (where the last nonzero value was for 1995-6) was transferred from the old Category 5 to the old Category 1 (and thus, to the new Category 1). This corrects for a statistical break in the old data, so that in the long time-series the administrative costs of *Labour market institutes* (AMI) are allocated to Category 1 (rather than Category 5) consistently throughout the entire period from 1985-6 onwards.¹¹⁵
- g) In Category 6, two old programmes with nonzero spending in 1998 match new programmes, at least approximately. But two other old programmes, *Working life development* and *Direct job creation – other*, are not represented in the Eurostat data. However, *Working life development*

111 Data for the transfers to individuals component of spending on SE-14 and SE-38 were taken from the Eurostat’s annual publication *Labour market policy – Expenditure and participants*.

112 Programme SE-14 was allocated by Eurostat to Category 1 in 1998 to 2001, to Category 2 in 2002 to 2004 and to Category 5 in 2005.

113 The revised Eurostat data for Category 1 match the OECD data for Category 1 which, according to notes in the OECD data, include expenditure on the Labour market institutes (AMI) from 1997 onwards.

114 Spending reported for the programme SE-38 *Supported employment programme (SIUS)* in 1998 to 2001 was entirely of the type “transfers to service providers” (notes state that it “refers only to wage and travel costs for mentors/counsellors”).

115 From 1985-6 to 1990-91 the old programme *Labour market institutes, staff and adm* included spending on subsistence allowances estimated at half the total, so only half the old programme total was transferred to Category 1 for these years.

was a large direct job creation programme.¹¹⁶ These programmes – which were phased out by 2000 and by 2001 respectively - have therefore been added to the new data.

- h) In Category 8, the old programme *Bankruptcy wage guarantee* has exactly the same spending as new measure SE-30 in 1999-2002, but reports twice as much spending in 1998. Similar the old programme *Unemployment benefits* matches SE-16 *Unemployment insurance and Basic insurance* exactly in 2000-2002 but not in 1998 and 1999. The differences may reflect statistical revisions or data timing issues (e.g. accruals vs. cash flow basis), and the old data were used as is, *i.e.* without any steps to improve the match between old and new data in 1998.

118. Overall, several large changes have been made for Sweden, including the addition of Adult education initiative programmes to the old data and the addition of programmes that were being phased out but still had high spending in 1998 to the new data. After such these steps, the old and new data match closely without any use of ratio extrapolation techniques. Subject to the accuracy of the detailed interpretations described above, data accuracy and continuity in the long data series should be better than in the original old or new data.

United Kingdom

119. Data used to represent LMP expenditure in the United Kingdom in fact relate mainly to Great Britain.¹¹⁷ Data relate to fiscal years from April to March. Data on the old classification basis start before 1985 (fiscal 1982-3) and run through to fiscal 2002/3, and data on the new classification basis are available from Eurostat starting with fiscal 1998/9.

120. In 1998 the UK launched the first of its *New Deal* programmes, which focus on particular target groups (young people, long-term unemployed, disabled, etc.) and deliver a range of integrated actions (intensive counselling and offers of places on a variety of types of programmes). The new data reported on spending on these programmes in 1998/9, but as from 1999/2000 provide data with a breakdown (across new Categories 1, 2 4 and 6) that was not provided in the old data. New Deal spending in 1998/9 from the old data has therefore been broken down across categories on an estimated basis, and added to the new data. Since this breakdown has not been implemented in the old data, Annex Table A.1 shows discrepancies as regards New Deal expenditure at category level, but not at the level of the total for active measures.

121. Some further issues arising in matching the old to new data as detailed in Annex Table A.1 were, for the active programmes:

- a) Seven programmes from the old Category 2.b) *Training for employed adults*, six programmes from the old Category 3.b) *Support of apprenticeship* and related forms of general youth training

116 The Working life development programme (*Arbedslivsutveckling*, ALU) was very large. Descriptions of it suggest that it was within the scope of the LMP data e.g. “ALU participants were supposed to carry out tasks that would not otherwise be done, *i.e.* the intention was not to replace ‘normal’ vacancies with ALU placements... ALU was introduced in January 1993 for long-term unemployed person in receipt of earnings-related unemployment benefit and for KAS (basic unemployment benefit) recipients.” (Timonen, 2003). Calmfors *et al.* (2002) treat ALU as one programme in a general class called Work Experience Schemes (WES). ALU appears to be distinct from the Adult education initiative and it seems unlikely that ALU income support payments are already counted as unemployment benefits.

117 *I.e.* the data do not include programmes in Northern Ireland, which has about 3% of the UK’s total population. Recently (in 2008) Eurostat has obtained data for some Northern Ireland active programmes, but coverage remains incomplete.

and one programme from old Category 4.b) *Support of unemployed persons starting enterprises* were excluded. The Category 3.b) programmes promote(d) work-oriented education and initial training but without specific targeting on the unemployed; the Category 4.b) scheme promotes business start-ups, with preference for disadvantaged areas but without specific targeting on the unemployed. By far the largest of these programmes is *Work Based Training for Young*, which was included in the new data as measure UK-5 *Work Based Training for Young People* in Category 2.4 *Special support for apprenticeship* in Eurostat publications before 2008.¹¹⁸

- b) In Category 1, new data as published by Eurostat did not include the Careers Service in 1998/9 and 1999/2000, but did include its replacement UK-41 *Connexions Service* from 2000/1. To enhance time-series continuity, the Careers Service has been added to the new data for the first two years. With this change, in 1998/9 most large components of Category 1 match between the old and new data except that (a) the old data do not include the Category 1 components of the New Deal programmes (see above) and (b) in the five-year average comparison (1998/9 to 2002/3) the new data show higher spending because they include UK-41 *Jobcentre Plus - benefit administration* in the last two years.
- c) In the new Category 2, old and new programmes match except for New Deal for 18-24 year olds (as explained above). In Category 4, old and new data match except for New Deal for the over 25s (as explained above) and for spending previously reported in Category 5 *Measures for the Disabled* that is now included in Category 4. Similarly in Category 5, old and new data match except for the spending transferred to Category 4. In Category 6 the new data are different only because they include the *Voluntary sector & Environment Task Force* options of the New Deal. In Category 7 old and new data match after the exclusion of the *Business Start Up Scheme* (see above).

122. In Category 8 *Out-of-work income maintenance support*, the corresponding old data include Housing Benefit and Council Tax Benefit payments to the unemployed, which are not separately identified. From 1998/9 the old data also include a single "Total benefits for unemp" line which is open to doubts about its coverage (notably the inclusion or exclusion of the Redundancy Fund). The new data exclude Housing Benefit and Council Tax Benefit payments to the unemployed.¹¹⁹ The old data have therefore been replaced by a published data series which closely matches the new data in 1998/9 to 2005-6 and extends it back to 1990-91. Old data were used to extend this series back to 1982-3 on an estimated basis. The old data for Redundancy Fund benefits are excluded in order to match the treatment in new data, although the programme appears to merit inclusion under Category 8.4 *Redundancy compensation*.

123. Overall, within the total for active spending, old programme data to 1997/8 generate estimates for the new classification with little use of ratio estimation. The exclusion of old programmes on grounds that they are outside the scope concerns 4% of spending in 1998/9. Within the total for passive spending, old data for years before 1998/9 have been mainly replaced by published series which closely match the new data, except that from 1982-3 to 1990-91 old data were used with an estimated amount for *Housing Benefit* and *Council Tax Benefit* (about 20% of the category total) excluded.

118 Measure UK-5 is outside the scope of the database (see the main text discussion of Subcategory 2.4) in that it is targeted on young people who are not intending to stay on in full-time education at the age of 16, but is not targeted according to their employment or registration status (Eurostat Qualitative Report 2005).

119 The Eurostat database includes a note that the "previous figure included Housing Benefit and Council Tax Benefit payments which unemployed claimants are passported onto. These additional benefits are purely income related and not specifically related to JSA payments. Therefore have decided to exclude and cover actual JSA payments only."

124. Although the splicing of old with new data has not involved major problems, there is a large statistical break within the new Category 1 data between 2000/1 and 2001/2, when the line UK-41 *Jobcentre Plus – benefit administration* was added. A large proportion of this item is in principle outside the scope of Category 1 since it relates to the administration of non-employment benefits (*i.e.* lone parent, disability and other benefits) which themselves are outside the scope. But it is not clear whether UK-41 represents the administration of all benefits (unemployment benefits and non-employment benefits) or the administration of non-employment benefits only.¹²⁰ This is a significant issue for the United Kingdom where well over half of all active labour market programme spending is in Category 1.

2. Other countries (mainly non-Eurostat countries with the year 2002 common to the old and new classifications)

Australia

125. The old data end with fiscal year 2001/2 and the new data start with this year. The mapping of old programmes to the new categories is shown in Table A.2 (this follows the format of Table A.1 which is discussed above). The new data exclude several large spending items that were included in the old data:

- In the active categories, the *Adult Migrant English Program* (this programme supports the integration of migrants but with no particular targeting of unemployed migrants) and several apprenticeship programmes are now excluded.
- Among the passive programmes, *Widow Allowance* and *Special Benefit* are excluded from the new data because they are not conditional on availability for the labour market (and also are not programmes of early retirement for labour market reasons).¹²¹¹²²

126. These factors result in “active” spending in 2001/2 being about 18% lower, and “passive” spending being about 7% lower, in the new data.

127. The great majority of the remaining programmes in the old data match programmes in the new data. Two remaining issues are:

120 The old Category 1 data included an *Unemployment Benefit Officers* component (see Annex Table A1) which was about 40% of the Category total in 1997-8. The Unemployment Benefit Officers (although located in Employment Service offices for much of the period) were employees of the Department of Social Security, but possibly this component did not include all administration costs of unemployment benefits. Starting with 1998/9 data, this component was not reported: it appears to have been incorporated into a line called *Employment Service*. However in 2001/2, when a separate line UK-41 *Jobcentre Plus - benefit administration (estimate for passive function of Employment service, BA before 2002)* was first reported, no spending was transferred back out from the line *Employment Service* - suggesting that this line UK-9 *Jobcentre Plus - placement and advisory functions* may still have included the activities of the former Unemployment Benefit Officers. Activities on the ground continue to be restructured, with much of the benefit administration work now being handled via call centres.

121 The benefit (and not the pension) component of *Partner Allowance* is still included in the new data. This may seem anomalous because this benefit is not conditional on availability for the labour market; however, it is similar to dependent spouse or dependent child additions included in unemployment insurance benefits in a number of other countries.

122 Users should also note that the programme *Mature Age Allowance* (now phased out) merits classification in Category 9 *Early retirement* rather than Category 8. In line with European programmes of early retirement for labour market reasons, initial entry to this benefit was from unemployment but the continuing payments were not conditional on beneficiaries’ availability for work.

- The old and new data both include a line “State/Territory Expenditure” under many individual categories and subcategories. Old data have separate lines of this type in each of Categories 1, 2.a, 2.b, 3.a, 3.b, 4.a, 4.b, 4.c, 5.b and 6), and new data have similar lines in Categories 1.1, 1.3, 2.1, 2.2, 2.3, 2.4, 5.1, 6 and 8.4 (redundancy compensation). The standard system of mapping between old and new classification systems does not give a good match, e.g. state/territory expenditure in 2001/2 was reported as 17.1m for old Category 4.c) *Direct job creation* (public or non-profit) and as 40.0m AUD in new Category 6 *Direct job creation*; for the training categories (excluding apprenticeships and the training of employed adults) the old total is 53m AUD and the new total is 29m AUD. However, since reported state/territory spending varies erratically from year to year¹²³ there was not an adequate information base for applying proportional adjustments or splicing procedures. For years before 2001/2 a standard mapping of old data to the new classification system was applied with no further adjustments. The statistical breaks involved can be considered fairly minor, since in 2001/2 total state/territory spending (excluding apprenticeships and the training of employed adults) was about 150m AUD, 6% of total active spending.
- The new data report spending in 2001/2 of 22m AUD on *Green Corps* while the old data show no such programme in the same year. The Green Corps programme commenced in March 1997, (www.dest.gov.au/archive/iae/analysis/learning/1/corps.htm), under the Departments of Employment, Education and Youth (DEETYA) and later Education, Science and Training (DEST), and was transferred to DEWR in 2004 ([http://facs.gov.au/internet/facsinternet.nsf/VIA/budget2004-05/\\$File/paes05_07outcome1.rtf](http://facs.gov.au/internet/facsinternet.nsf/VIA/budget2004-05/$File/paes05_07outcome1.rtf)). Participation in Green Corps was not restricted to unemployed youths, but from July 1999 Green Corps was made an option that allowed unemployed people to meet their Mutual Obligation requirements (www.aph.gov.au/Library/Pubs/budget/1999-2000/1999-2000budget2.htm), and this made it function as a labour market programme in many cases. In order to maintain data continuity, the data have been extended back to 1996/7 using budget values of 4m AUD in 1996-97, 16m in 1997-98, and 22m in 1998/9 (see Hansard, Consideration of Estimates Monday 23 September 1996) and 21.4m AUD in 1999/2000 and 21.5m in 2000/1 (source: correspondence with DEEWR in 2008).¹²⁴

128. The issues above involve unresolved discrepancies of 20m or 25m AUD (about less than 1% of total active spending) in two categories, and an estimate of similar size for *Green Corps* in a few years; these statistical breaks or uncertainties are relatively insignificant (compared to other sources of time-series variation in the data).

129. Within the old database, some data revisions were implemented in the area of passive benefits. The 1993/4 data for unemployment benefits (Newstart Allowance and Job Search Allowance, NSA and JSA)¹²⁵ and Mature Age Allowance (MAA) were revised on the basis of data in Bond and Wang (2001): this paper reports expenditure on MAA of AUD 77.8m, which is plausible given that MAA was introduced

123 E.g. State/territory spending on old Category 4.c) *Direct job creation* was 61m AUD in 1999-00, but zero the year before and 22m AUD the year after.

124 The new database reports that Green Corps expenditure in 2001/2 was 22m AUD; a lower figure was reported in FACS Annual Report 2001/2 probably because the youth affairs function was transferred to FACS in November 2001.

125 Some more minor revisions to NSA and JSA data were also made so that benefit data for the years 1992/3 to 1996/7 are now consistent with Bond and Wang data. It is preferable not to combine data lines from different sources because it can lead to double-counting or zero-counting of some spending i.e. when a particular subcomponent of spending is allocated (without documentation) to one line in one source, and to another line in another source.

in March 1994. Bond and Wang's data for expenditure on Partner Allowance in 1995/96 and 1996/97 were used to estimate the component Partner Allowance (Benefit) by applying the relative proportions of Partner Allowance (Benefit) and Partner Allowance (Pension) recipients in 1997/8.

Canada

130. In Canada the old data run to fiscal 2001/2 and the new data start 2002/3, with no year in common. However, nearly all programmes with nonzero spending in the new data years can be matched by name with programmes in the old data, so there is no underlying break in data continuity.

131. Prior to 2007, Canada reported to OECD in the new data a programme *Skills development and apprentices* which included the whole federal transfer to "transferred LMDA" provinces (*i.e.* those that have signed agreements to themselves directly manage the *Employment Benefits and Support Measures*). However Canada publishes (in the series *Employment Insurance Monitoring and Assessment Report*, EIMAR) a breakdown of Employment Benefits and Support Measures by type of programme (*Employment Assistance Services, Skills Loans & Grants & New Skills Development, Targeted Wage Subsidies, Self-Employment Assistance*) and by province. Based on this information, in 2007 the new data were revised by adding separate lines for "transferred LMDA" spending broken down across specific programmes, with effect retrospective to fiscal 2002/3.

132. Before data could be matched, the treatment of transferred LMDA spending in the old data was revised in a similar way. The old data included a programme *LMDA Provl/Territorial Employment Benefits & Support Measures*, for which spending started in 1997/8 and rose to nearly CAD 800m by 1999/2000. A comparison with data in EIMARs suggests that this programme included a small fraction of "transferred LMDA" spending in 1997/8, about half in 1998/9 and approximately the whole of this spending from 1999/2000 to 2001/2. The old data were revised by:

- splitting spending on the old programme *LMDA Provl/Territorial Employment Benefits & Support Measures* across the individual programmes.
- adding this component of spending to the national total lines for individual programmes (*Targeted Wage Subsidies, Self Employment Assistance*, etc.) until 1999/2000, and reporting separate "co-managed" and "transferred LMDA" subcomponents of each individual programme (in line with the treatment in the new data) in 2000/1 and 2001/2.

133. Following these revisions, programmes in the old data were allocated to the relevant new category, except for the programmes in old Category 2.b) *Training for employed adults* which are outside the scope. However matching by name left two programmes unaccounted for: *Regional Bilateral Agreements* in old Category 2.a). *Training for unemployed adults and those at risk* did not appear in the new data, and *Aboriginal Human Resources Development Agreement* which appears in the new data in "Category 10" (meaning "mixed active" spending) did not appear in the old data. Since these programmes are similar in name and are a near-exact match in terms of expenditure in 2001/2 and 2002/3 (2.5% of total labour market programme spending), they were assimilated.

Hungary

134. Hungary reported data under the old classification for years 1992 to 2002, but reported no data to OECD under the new classification for the years 2002 to 2004, and then supplied Eurostat with data for the years 2003 onwards; so there is a break in data between 2002 and 2003 with no year of overlap.

135. After applying the standard table for conversion between categories to the old data, estimated spending in new Categories 1 and 6 in 2002 was much higher than spending actually reported in 2003, while estimating spending in new Categories 2 and 4 in 2002 was much lower than actual spending in 2003 (spending in Categories 3, 5, and is similar but at a low or zero level; spending in Category 8 is also similar). The old data provide no information about individual programmes below category/subcategory level, and the new data show only one programme in Category 6 (where the discrepancy is very large), so no matching is possible. Therefore data for 1992 to 2002 after applying the standard table for conversion are left in the file. Users should note that this leaves a very large statistical break in several components, which probably do not fully offset each other in aggregate data, between 2002 and 2003. The high spending on direct job creation reported for 2002 might be exaggerated (e.g. it might include spending on public works that are not strictly targeted on the unemployed, cf. the discussion of Finland above), but definite information on this point is lacking.

136. OECD interprets Eurostat Category 1 data for 2004 and 2005, but not for 2003, as conforming to the OECD definition (e.g. see OECD, 2007a, Table J). Category 1 data for 2003 have therefore been estimated by interpolation between the 2002 and 2004 values which are similar to each other, so no statistical break is apparent for this category.

Japan

137. In Japan, the old database from 1990-1 to 2002/3 reported only total spending in the main categories of the database, *i.e.* Public employment services and administration, labour market training, youth measures, subsidised employment, measures for the disabled and unemployment compensation. From 1990-1 to 1998/9, labour market training expenditure is identified as *Public vocational training* in Category 2.a) (this is significant because if it were in Category 2.b. *Training for employed adults* it would be excluded from the new classification). Apart from, this the old data provide almost no information about the nature and content of LMP spending.¹²⁶ The new data are similar in character to the old data *i.e.* data are reported only for the new categories although now with separate entries for Categories 2.1 and 2.2 and Categories 4.1 and 4.2.

138. One particular complication is that the old data from 1999/2000 onwards include Education and training grants¹²⁷ in the total for training but do not exclude them from the total for unemployment benefits. Information about the amount of spending involved is provided.

139. Given the nature of the data available, the old data were converted to new basis making the following assumptions:

- Spending on old Category 2 *Training* is assumed to be within the scope of the new data except for elements of spending in Category 2.b) *Training for employed adults* that were last reported in 1989-90. Training data are assumed to include Education and training grants starting in 1999/2000 (this was determined by inspection), whereas unemployment benefits are assumed to include them in all years.

126 From 1985-89 to 1989-90 the data provided were more detailed, but they apparently had quite different coverage. Expenditure on Category 1 *Public employment service and administration* rose from 100bn JPY in 1998/9 to 998bn JPY in 1999/2000, expenditure on Category 2.a) *Training for unemployed adults and those at risk* rose from 57bn. to 122bn and expenditure on Category 4 *Subsidised employment* fell from 452bn JPY to 245bn JPY. So the 1989-90 data cannot give reliable clues about the content of the data that was reported later.

127 *i.e.* income support payments to participants in the training programmes.

- Old category 3 *Youth measures*, which accounted for only 1.9% of total active spending in 2002/3, is mapped into new Category 2 *Training*.
- 5.5% of spending on old Category 4 *Subsidised employment* is in old Category 4.c) *Direct job creation* in 1989-90. This percentage assumed to decline linearly to become zero by 2002/3.
- Spending in old Category 4.b) *Support of unemployed persons starting enterprises* is assumed to be zero before 2002/3.¹²⁸

With these assumptions, the old data could be mapped to the new classification in a standard way. *Education and training grants* were estimated as a fixed proportion of new Category 2 and *Bankruptcy compensation* was estimated as a fixed proportion of new Category 8.

140. Some large discrepancies between the old and new data remained, with the ratio of spending in new data relative to the mapped old data in 2002/3 being 123% for Category 1, 94% for Category 2 (excluding Education and training grants), 38% for Category 4, 33% for Category 5 and 100% for Category 6.¹²⁹ To avoid a dramatic statistical break at 2002/3, these ratios were applied to the mapped old data in all years.

141. Users should keep in mind that no reliance should be placed upon the data for “active” spending categories in years before 2002/3 (the aggregate for “active” spending is however little changed by the application of the ratios different from 100%). Estimates for early years might be grossly in error because the 2002/3 ratio did not even approximately apply. It should also be kept in mind that only the recent statistical break has been treated and the evident statistical break in the old data between 1989-90 and 1990-91 remains uncorrected.

Korea

142. Although the OECD in 2005 requested data according to the new classification for 2002 and 2003 only, the Korean authorities at the time reallocated the programmes in the old database (about 30 in total) to the new classification for all years back to 1990, so no direct problem of matching or splicing arose. However, following some subsequent revisions, data on the current basis are only available for years back to 2000.

Mexico

143. The database for Mexico has only ever had five programmes (*National employment service*, SNE, *Servicio nacional de empleo*); *Seasonal Agricultural Workers Program Mexico-Canada* (PTAT); *Capacitación, Apoyos Económicos y en Especie*; *Programa Empleo Temporal*; and *Programa Opciones Productivas* (with data also reported for one measure outside the scope, *Multiple support service*

128 Spending in new Category 7 *Start-up incentives* is was very low in 2002/3 but quintupled the next year, suggesting that it was a new programme in 2002/3.

129 The discrepancy in Category 4 reflects the fact that in 2002/3 the old Category 4 total is 290 bn JPY, but the total for Categories 4, 6 and 7 (which replace old Category 4) in the new data is only 112bn JPY: however, not even a speculative explanation for this large difference can be advanced. The discrepancy in Category 5 might reflect the exclusion of lifetime sheltered work but this component is in any case very small.

programme to medium, small and micro-enterprises, CIMO). As in Korea, the new data file already contains data back to 1985.¹³⁰

New Zealand

144. The vast majority of individual programmes in the new classification data starting 2002 appeared also in the old classification data which end in 2002, occasionally with slightly different values reflecting data revisions. The main issues were:

- a) A number of programmes from old Category 3.b) *Training for employed adults* are excluded in the new classification. Due to the exclusion of the *Industry Training Fund* and *Modern Apprenticeships* which together had 107m NZD spending in 2002, total active spending in the new classification is nearly 20% lower than it was in the old classification.
- b) A few minor programmes: *Training in partnership with industry*; *In-Work Support*; and *Self-Employment Initiatives*, with spending of about 6m NZD, appear in the new data for 2002 but not the old data; no values were estimated for these programmes in 2001 or earlier years.
- c) The old data include a single total for *Unemployment Benefit and Emergency Unemployment Benefit* through to 2002. However, in 1998 Emergency Unemployment Benefits were replaced by Emergency Benefits, which can be paid on grounds of sickness, injury or disability or domestic circumstances (for example caring responsibilities) (www.workandincome.govt.nz/manuals-and-procedures/income_support/main_benefits/emergency_benefit/emergency_benefit-01.htm). Thus, the old data from 1998 to 2002 appear to have included *Emergency Benefits*. The new data report a total for *Unemployment Benefit* alone, which is 37m NZD lower in 2002. A deduction of 37m NZD has therefore been made to the old variable for the years 1999 to 2002, representing the exclusion of Emergency Benefit but not of the former Emergency Unemployment Benefit.

Switzerland

145. All but two programmes in the old database match programmes in the new database. Setting aside a couple of very small discrepancies (involving 2m CHF or less) the main issues are:

- a) The old Category 1 programme *Aides à la mobilité* matches the new Subcategory 4.1 programme *Contribution aux frais de déplacement quotidien et de séjour hebdomadaires*.
- b) The old Category 2 programme *Participation financière des cantons aux MMT* in the old data did not appear in the new data. The authorities (SECO) confirmed in recent correspondence that this programme continued in 2002 before ceasing in 2003, and it has been added to the new data set on this basis.¹³¹
- c) The old *Programmes d'occupation des chômeurs (PVB)* has the title *Programmes d'emplois temporaires* in the new data; within the new data, it was originally allocated to Category 2

130 Although it is not clear that the current file with data back to 1985 agrees with some of the older files held by OECD and an expert review could be desirable.

131 Federal legislation of 1996 required the cantons to provide 25 000 programme places. The requirement was reduced to 15 000 in 2000 and abolished with effect from 2003. Places created by cantonal authorities on their own initiative, which might take the form of preferential hiring (often of social assistance beneficiaries, rather than UI beneficiaries) into low-level public sector jobs, appear not to be reported.

Training but it has now been moved to Category 6, in line with its allocation to old Category 4.c) *Direct job creation*.¹³²

- d) The old programme *Ateliers protégés* (Sheltered workshops) approximately matches in name the new programme called *Emplois protégés* (Sheltered jobs). In the old data, spending on this measure was originally reported as “x” from 1997 onwards (which should mean “spending now included under another measure”), but in recent correspondence the authorities (SECO) have provided 1997-2002 data. These have now been added to the old data so that it matches the new data.

146. After adjustments to the old data (*i.e.* the addition of missing data for *Ateliers Protégés*) and new data (inclusion of data for *Participation financière des cantons aux MMT* in 2002), the old and new data sets match exactly in the active categories and match with only a small discrepancy in the passive categories.

147. Data quality is reasonable, but there are several areas of uncertainty related to the decentralized management of labour market programmes by the cantons. First some programmes are broad including elements of both training and job creation, so the attribution of spending across categories should be considered approximate. Second some of the included expenditure might be outside the strictly defined scope of the database; in particular, part of the spending on sheltered workshops and the cost of benefit funds transferred to other countries. Thirdly locally-financed social assistance benefits paid on grounds of unemployment and cantonal or municipal programmes for social assistance beneficiaries are not included in the data when there is no element of federal legislation or funding, probably because there is no centralized collection of the relevant data.

United States

148. The old data run to fiscal 2002/3 and the new data starts with 2001/2, so two years of overlapping data are available. With only two exceptions, all programmes in the old database match programmes in the new database and vice versa. The two exceptions and their treatment were:

- The *Young Offenders* programme which was in Category 3.a) *Measures for unemployed and disadvantaged youth* is not included in the new data (even though the main spending reported is in the overlap years 2001/2 and 2002/3). The largest element in this programme was “designed to reintegrate young offenders into the community by helping them: become productive, responsible, and law-abiding citizens; obtain and retain long-term employment; maintain a stable residence; and successfully address their substance abuse issues and mental health needs” (www.dol.gov/eta/regs/fedreg/notices/2001013822.htm); also included was a demonstration training programme which made grants to applicants “representing minority colleges and universities... for preparing eligible dislocated workers, incumbent workers and new entrants into the workforce that will alleviate skill shortages within the region which the applicant represents”

132 Although the measure *Programmes d'emplois temporaires* can finance traineeships with a significant element of formalised training, many references suggest that its primary content is job creation in the non-market sector. For example, « Les emplois temporaires consistent en un travail dans une administration fédérale, cantonale ou communale, dans une institution d'intérêt public fédérale, cantonale ou communale, dans une entreprise d'économie mixte ou de droit public fédéral ou dans des institutions sans but lucratif (art. 22 RMCC) » (www.portal-stat.admin.ch/soz-inventar-2002/fr/cantons/NE-4-1.html). In Geneva, according to a union submission « Sans les ETC [emplois temporaires cantonaux], on sait que de nombreux services entiers de l'État ou du secteur subventionné seraient hors d'état de fonctionner. » (www.cgas.ch/SPIP/spip.php?article320).

(www.doleta.gov/sga/sga/01-109sga.cfm). Although parts of this spending appear to fall within the scope of the database, it is omitted in line with the treatment in new data.

- The line *Unemployment Benefits* in the old data matches in name a line *Unemployment Insurance* in the new data, but spending in the new data in 2001/2 and 2002/3 is lower by USD 3bn to 4bn (about 7%). However, a comparison determined that a combination of the old data in 2000/1 with new data for 2001/2 onwards matches the series of figures cited in DOL Annual Reports,¹³³ so the default treatment (*i.e.* using the new data in the years of overlap) appears to provide a series that is comparable through time (assuming that figures cited in DOL Annual Reports are comparable through time).¹³⁴

149. However, there is an important discrepancy between old and new data in that the programme *TANF - employment related payments* was allocated to Category 6 *Unemployment compensation* in old data, whereas the new programme that matches it *TANF Work activities* is counted as an active measure allocated to “Category 10” (mixed active programmes). The three major federal grant/incentive programmes that ran up to 1996/7 - *Job Opportunities and Basic Skills Training (JOBS)*, *Food Stamp Employment* and *Training and Work activities under TANF*, which were previously reported under Category 1, have also been reallocated to “Category 10”.¹³⁵

133 In the Sections “Required Supplementary Stewardship Information”, see the amounts cited as “regular, extended and emergency benefit payment expense” in the year ended 30 September. For 2000/1 the figure refers to “regular and extended benefit payment expense”, but no emergency benefits were paid that year.

134 In principle, Unemployment Benefits expenses should exceed Unemployment Insurance expenses, due to the inclusion in the former of Federal Unemployment Compensation payments: the Federal government does not pay UI contributions, but does finance Unemployment Compensation payments to laid-off Federal government employees.

135 The new data leave the programme *Welfare-to-work grants*, which started in 1997-8 and terminated in 2002-3, in Category 1 since it is there in the new data; but this too should probably be reallocated to Category 10.

Table A.1. Programmes in 1985-2002 data & their correspondence with programmes in the new classification: AUSTRIA

Old Category	Programmes in the 1985-2002 database (or added to it on an estimated basis)	Expenditure (Millions euros)		Relationship to measures in the new data and (if relevant) estimation method for old data
		First year of overlap (1998)	All years of data overlap (1998-2002)	
New Category 0 (old measures outside the scope of the new data)				
2 b)	Training for employed adults	35	36	Not in new data: training for employed adults is outside the scope.
New Category 1 (approximates old 1)				
1	Employment authorities	232	258	Now represented by multiple activities new measures e.g. AT-16 Counselling for job seekers and enterprises/External labour market consultation and support.
1	Child care support	19	16	No longer appears in new data, but might be included under one of the new activities (see above).
	Total new Category 1 - estimated from old data	252	274	
	Total new Category 1 - value in new data	256	291	Category total in new data rises relative to old data up to 2002.
New Category 2 (approximates old 2.a with parts of 3)				
2 a)	Institutional training	239	336	In place of three old programmes 14 new measures are reported, several of them relating only to income support (living allowance, training allowances, unemployment benefit for training). Part of this line probably now appears in AT-12 Support for training in institutions.
2 a)	Enterprise training	6	1	ditto.
5 a)	Training and mobility support	39	63	ditto. Part of this line probably now appears in AT-35, Vocational training for the disabled.
3 a)	Measures for unemployed and disadvantaged youth	24	30	Expenditure may be included in the larger measure AT-18 [Component] Employment foundations - Training and guidance.
Est.	Additional UB/SSC during training (adult)	22	30	New data suspected to count more unemployment benefits (including social security contributions) paid to adult trainees as training expenditure: estimated as 9% of institutional training.
Est.	Training component of Support of unemployed persons starting enterprises measure, transfer into new Cat 2	12	21	Training of entrepreneurs, component transferred from old Category 4.c) measure (see below new Category 7).
3 b)	Support of apprenticeship and related forms of general youth training	52	45	Expenditure may be included in the larger measure AT-11 Promotion of apprenticeship training and vocational training.
Est.	Additional UB/SSC during training (youth)	21	18	New data probably count more unemployment benefit (including social security contributions) payments to youth trainees; estimated as 40% of the preceding line.
	Total new Category 2 - estimated from old data	415	544	
	Total new Category 2 - value in new data	413	567	
New category 4 (approximates old 4.a and part of 3)				
1	Mobility support	2	2	Matches AT-5 Promotion of regional mobility and entry into employment - travel allowance.
4 a)	Counter-cyclical subsidies	3	3	Assumed to be included in one of the measures under new Category 4.
4 a)	Winter supports (mainly building)	-	0	Values are non-zero in years prior to 1998.
4 a)	Subsidised recruitment of hard-to-place persons	53	83	Matches AT-15 Integration subsidy (BEB, BESEB, EB).
4 a)	Restructuring	2	10	Expenditure may be included in the larger measure AT-19 Promotion of investment and restructuring.
Est.	Promotion of regional mobility and entry into employment - childcare allowance	8	11	Continues back through time AT-6, estimated as 1.00% of known total active spending.
Est.	Support for reintegration after parental leave	1	2	Continues back through time AT-22, estimated as 0.15% of known total active spending.
Est.	Bonus/malus system and unemployment insurance	8	11	Continues back through time AT-30, estimated as 1.00% of known total active spending.
	Total new Category 4 - estimated from old data	79	121	
	Total new Category 4 - value in new data	83	128	
New category 5 (approximates old 5)				
5 b)	Long-term subsidies	57	53	May correspond approximately to AT-37 Support for employment of the disabled through the BSBS, and several smaller measures (AT-38 to AT-44), but the match is poor in some later years.
	Total new Category 5 - estimated from old data	57	53	
	Total new Category 5 - value in new data	52	63	
New category 6 (approximates old 4.c)				
4 c)	Direct job creation (public or non-profit)	61	73	Now represented by AT-14 Socio-economic enterprises (SÖB) and non-profit employment projects (GBP), and two smaller measures (AT-29, AT-48).
Est.	Childcare institutions	8	11	Continues back through time AT-27, estimated as 1.00% of known total active spending.
	Total new Category 6 - estimated from old data	70	83	
	Total new Category 6 - value in new data	71	82	
New category 7 (approximates old 4.b)				
4 b)	Support of unemployed persons starting enterprises	12	27	Except for the estimated subcomponent in the line below, this expenditure is reclassified as training (see below).
Est.	Training component of Support of unemployed persons starting enterprises measure, transfer away from new Cat 7	-12	-21	Calculated as difference between old programme Support of unemployed persons starting enterprises (see above) and new programme AT-17 Business start-up programme (GB).
	Total new Category 7 - estimated from old data	1	6	
	Total new Category 7 - value in new data	1	6	
New category 8 (approximates old 6)				
6	Unemployment benefits	963	973	Part of AT-1 Unemployment benefit.
6	Means-tested assistance	621	561	Part of AT-2 Unemployment assistance.
6	Social security contributions paid for the	681	670	Now part of AT-1 and AT-2 (see above).
Est.	Additional UB/SSC during training (adult + youth)	-42	-48	Estimated unemployment benefits paid to trainees (previously reported as unemployment benefits, now reported as training expenditure), see above.
6	Bad-weather compensation (for building)	40	38	Matches measure AT-21 Bad weather compensation.
Est.	Insolvency-bankruptcy compensation	253	251	Continues back through time AT-33, estimated as 10.71% of known total passive spending.
	Total new Category 8 - estimated from old data	2,515	2,444	
	Total new Category 8 - value in new data	2,521	2,402	
New category 9 (approximates old 7)				
7	Early retirement for labour market reasons	102	136	Matches AT-3 Transfer benefits to facilitate transition into retirement - Special support (SUG).
Est.	Pension advances	28	27	Continues back through time AT-4, estimated as 1.17% of known total passive spending.
	Total new Category 9 - estimated from old data	130	164	
	Total new Category 9 - value in new data	124	178	
Total "active" spending (Categories 1 to 7)				
	Old classification data	839	1,034	
	New classification - estimated from old data	873	1,081	
	New classification - value in new data	876	1,104	
Total "passive" spending (Categories 8 and 9)				
	Old classification data	2,406	2,378	
	New classification - estimated from old data	2,645	2,608	
	New classification - value in new data	2,645	2,580	

Table A.1. Programmes in 1985-2002 data & their correspondence with programmes in the new classification: BELGIUM

Old Category	Programmes in the 1985-2002 database (or added to it on an estimated basis) Programme name in old database	Expenditure (Millions euros)		Relationship to measures in the new data and (if relevant) estimation method for old data
		First year of overlap (1998)	All years of data overlap (1998-2002)	
New Category 0 (old mesures now outside the scope of the dataset)				
2 b)	Promotion sociale et Insertion professionnelle	206	238	Not in new data: training for employed adults is outside the scope.
New Category 1 (approximates old 1)				
1	Bureau de l'emploi	293	297	
1	Bureaux d'assurance-chômage	132	145	
1	Plan d'action individuel	40	55	
Est.	Bureau de l'emploi - correction of a double count	-24	-28	Eliminates double-counting in reported spending by VDAB (Flemish regional PES), revision implemented by Eurostat in 2008. The revision applied to 1997-2005 data and is extended here back to 1985 by ratio extrapolation (VDAB was created in 1984).
	Total new Category 1 - estimated from old data	440	470	Old and new Category totals are near-identical on average.
	Total new Category 1 - value in new data	423	469	
New Category 2 (approximates old 2.a with parts of 3)				
2 a)	Formation des chômeurs adultes et des travailleurs menacés de perdre leur emploi	361	411	New Category 2 is represented by two programmes in the old data (only one of which has nonzero spending in 1998) and by 21 programmes in the new data.
3 a)	Formation des jeunes chômeurs et des jeunes défavorisés	-	0	Old programme with nonzero values only before 1998 has no counterpart in new data.
	Total new Category 2 - estimated from old data	361	411	
	Total new Category 2 - value in new data	366	406	
New category 3 (parts of old 4)				
4 a)	Remplacement de trav en congé par des chômeurs (privé)	84	99	The two old programmes (differentiated between private and public sectors) when combined match BE-15 Career break and BE-32 Promoting reintegration of the unemployed through redistribution of work (Flemish region) combined.
4 c)	Remplacement de travailleurs en congé par des chômeurs	99	104	
	Total new Category 3 - estimated from old data	183	203	
	Total new Category 3 - value in new data	186	208	
New category 4 (approximates old 4.a and part of 3)				
3 a)	Plan d'embauche des jeunes	-	0	Old programme with nonzero values only before 1998.
3 a)	Convention de premier emploi	-	10	Matches BE-47 First job agreement (Fed).
4 a)	Anciens stagiaires	-	0	Old programme with nonzero values only before 1998.
4 a)	Jeunes et chômeurs de longue durée	-	0	Old programme with nonzero values only before 1998.
4 a)	Embauche d'un premier travailleur	-	0	Old programme with nonzero values only before 1998.
4 a)	Embauche de chômeurs dans les petites et moy. entreprises	10	15	Matches BE-17 Recruitment of unemployed persons in the context of economic expansion (RW, RBC).
4 a)	Plan +1	87	92	Matches BE-22 Plan +1, +2, +3 (Fed).
4 a)	Plan avantage à l'embauche	110	91	Matches BE-23 Recruitment benefits (Fed).
4 a)	Accords pour l'emploi	271	58	Matches BE-24 Employment agreements (Fed).
4 a)	Incitation au travail à temps partiel	120	148	Matches BE-39 Part-time workers receiving income guarantee allowance (Fed).
4 a)	Emplois services	0	39	Programme not originally in the new data but has been added to it (it was replaced in 2002 by BE-61 Activa (Fed), which is in the new data).
4 a)	Activa	-	14	Matches BE-61 Activa (Fed).
4 a)	Autres mesures	6	4	Matches BE-35 Traineeships for young people (Fed) (with some other very small measures).
	Total new Category 4 - estimated from old data	604	471	
	Total new Category 4 - value in new data	604	468	
		0	3	
New category 5 (approximates old 5)				
5 a)	Réadaptation et formation	44	37	The two old programmes (differentiated between rehaillitation and work) together match the new programme BE-36 Work and rehabilitation for disabled persons (RF, RW, RBC) (prior to its replacement by multiple subprogrammes in 2005).
5 b)	Travail	224	258	See above.
	Total new Category 5 - estimated from old data	268	295	
	Total new Category 5 - value in new data	268	295	
New category 6 (approximates old 4.c)				
4 c)	Programmes d'emplois temporaires	330	295	Matches BE-14 Third working circuit (RF, RW, RBC) (near-exact except in 2001, c.50m€ discrepancy).
4 c)	Subventions à l'emploi permanent dans le secteur pu	547	575	Nearly matches BE-18 Subsidised contractors (RF, RW, RBC, CG).
4 a)	Agences locales d'emploi (ALE)	107	128	Matches BE-21 Local employment agencies (Fed) (including administration costs, which Eurostat has omitted from publications since 2005).
4 c)	Autres mesures	73	121	Approximate match with BE-19 Promoting employment in the non-market sector - FBI (Fed, RF, RW, RBC) and BE-27 Transition-to-work scheme (RF), combined (near-exact except in 2000, c.50m€ discrepancy).
	Total new Category 6 - estimated from old data	1,058	1,119	
	Total new Category 6 - value in new data	1,059	1,002	

Table A.1. Programmes in 1985-2002 data & their correspondence with programmes in the new classification: BELGIUM (cont'd)

Old Category	Programmes in the 1985-2002 database (or added to it on an estimated basis) Programme name in old database	Expenditure (Millions euros)		Relationship to measures in the new data and (if relevant) estimation method for old data
		First year of overlap (1998)	All years of data overlap (1998-2002)	
New category 7 (approximates old 4.b)				
	4 b) Aide aux chômeurs créateurs d'entreprises	5	7	Matches BE-19 Promoting employment in the non-market sector - FBI (Fed, RF, RW, RBC) and BE-27 Transition-to-work scheme (RF) combined (exact match).
New category 8 (approximates old 6)				
	6 Indemnisation du chômage	4,278	4,458	Matches BE-37.1 (Partial UB) and BE-37.2 (Full UB), components of Unemployment Benefit (Fed) until 1999.
Est.	Indemnisation du chômage (correction factor for time-series data consistency)	0	-87	Correction factor applied to old data for 2000-2002 offsetting the apparent inclusion of Bankruptcy compensation in the line above in these but not earlier years (see above).
Est.	Indemnisation du chômage - correction to exclude benefits paid to people who are not available for work.	-1,157	-1,436	Correction factor excludes benefits paid to people not available for work, a revision implemented by Eurostat in 2008. Values based on official data back to 1992 and estimated by ratio extrapolation back to 1985.
Est.	Bankruptcy compensation	129	136	Matches BE-37.5 (Bankruptcy compensation), component of Unemployment Benefit (Fed); old data are the sum of the lines Fonds de fermeture des entreprises : Chômage and Indemités de licenciement from the OECD-SOCX database.
	Total new Category 8 - estimated from old data	3,250	3,071	
	Total new Category 8 - value in new data	3,251	3,159	
New category 9 (approximates old 7)				
	7 Retraite anticipée pour motifs liés au marché du travail	1,252	1,210	Matches BE-38 Early retirement by collective agreement (Fed) (near-exact match).
	Total new Category 9 - estimated from old data	1,252	1,210	
	Total new Category 9 - value in new data	1,277	1,219	
Total "active" spending (Categories 1 to 7)				
	Old classification data	3,149	3,242	
	New classification - estimated from old data	2,919	2,976	
	New classification - value in new data	2,910	2,855	
Total "passive" spending (Categories 8 and 9)				
	Old classification data	5,530	5,668	
	New classification - estimated from old data	4,502	4,281	
	New classification - value in new data	4,528	4,377	

Table A.1. Programmes in 1985-2002 data & their correspondence with programmes in the new classification: CZECH REPUBLIC

Old Category	Programmes in the 1985-2002 database (or added to it on an estimated basis) Programme name in old database	Expenditure (Millions CZK) Year of overlap (1998)	Relationship to measures in the new data and (if relevant) estimation method for old data
New Category 0 (old measures outside the scope of the new data)			
2 b)	Training for employed adults	13	
1	Other	47	For this spending line of Category 1 in 1991-2002 data, no further description was provided, and it was not included in the new classification data reported directly to OECD for 2002-2004.
New Category 1 (approximates old 1)			
1	Employment service	1,651	Matches the sum of CZ-1 Employment brokerage, CZ-6 Vocational rehabilitation of persons with working limitations and CZ-14 Other services and overheads of the PES.
	Total new Category 1 - estimated from old data	1,699	
	Total new Category 1 - value in new data	1,651	
New Category 2 (approximates old 2.a with parts of 3)			
2 a)	Training for unemployed adults and those at risk (a)	357	Matches CZ-2 Retraining of the registered unemployed.
	Total new Category 2 - estimated from old data	357	
	Total new Category 2 - value in new data	358	
New Category 4 (approximates old 4.a with parts of 3)			
4 a)	Socially beneficial jobs in organizations	520	Matches CZ-7 PBWP - publicly beneficial working places.
3 a)	Measures for unemployed and disadvantaged youth (b)	348	Matches CZ- 9 Providing the working experience to graduates or obtaining the qualification by youngsters.
	Total new Category 4 - estimated from old data	868	
	Total new Category 4 - value in new data	870	
New Category 5 (approximates old 5)			
5 b)	Sheltered workshops and workplaces	178	Matches CZ-5 Contribution to employers for establishing and running sheltered workshops and working places.
Est.	Contribution to the employer whose more than 50% of employees are disabled persons	668	Eurostat Qualitative Report states that measure CZ-16, although its legal basis is Law no. 1/1991 Col., started in 2002, so values prior to 2002 are estimated as zero.
	Total new Category 5 - estimated from old data	845	
	Total new Category 5 - value in new data	842	
New Category 6 (approximates old 4.c)			
4 c)	Publicly beneficial work	714	Matches CZ-8 PBW - publicly beneficial works/Public works programme (VPP).
	Total new Category 6 - estimated from old data	714	
	Total new Category 6 - value in new data	714	
New Category 7 (approximates old 4.b)			
4 b)	Subsidies to start-ups	97	Matches CZ-13 Self employment - publicly beneficial working places (SVC SÚPM).
	Total new Category 7 - estimated from old data	97	
	Total new Category 7 - value in new data	96	
New Category 8 (approximates old 6)			
6	Unemployment compensation	6,210	Approximately matches CZ-3 Unemployment benefit for registered unemployed.
Est.	Protection of employees due to insolvency of the employer	223	Continues back through time measure CZ-10, estimated as 3.6% of the previous line.
	Total new Category 8 - estimated from old data	6,433	
	Total new Category 8 - value in new data	6,362	
New Category 9 (approximates old 7)			
Est.	Early retirement	469	Continues back through time measure CZ-9, estimated as 7% of total known passive spending.
	Total new Category 9 - estimated from old data	469	
	Total new Category 9 - value in new data	469	
Total "active" spending (Categories 1 to 7)			
	Old classification data	3,925	
	New classification - estimated from old data	4,580	
	New classification - value in new data	4,531	
Total "passive" spending (Categories 8 and 9)			
	Old classification data	6,210	
	New classification - estimated from old data	6,902	
	New classification - value in new data	6,831	

Table A.1. Programmes in 1985-2002 data & their correspondence with programmes in the new classification: DENMARK

Old Category	Programmes in the 1985-2002 database (or added to it on an estimated basis)	Expenditure (Millions DKR)		Relationship to measures in the new data and (if relevant) estimation method for old data
		First year of overlap (1998)	All years of data overlap (1998-2002)	
New Category 0 (old measures outside the scope of the new data)				
2 b)	AMU courses [employed]	2,049	1,701	
2 b)	Training leave [employed]	886	907	
2 a)	Education allowance (b)[unemployed adults and those at risk]	1,648	3,015	These six programmes are replaced by a value for DK-8 Education and training and DK-31 Adult apprenticeship support estimated by ratio extrapolation. See text for details.
2 a)	Measures by regional labour market councils	1,604	2,268	
2 a)	AMU courses[unemployed adults and those at risk]	1,130	845	
2 a)	Support of participants in AMU courses and other courses	919	609	
2 b)	Short courses (c)	-	-	
3 a)	Education allowance (b) [unemployed and disadvantaged youth]	76	94	
2 a)	Municipal measures for social assistance clients	1,197	1,231	These four measures are replaced by values for DK-9 Specially arranged activation, DK-6 Job training / wage subsidies, DK-7 Individual job training / practical work training in enterprises, DK-10 Voluntary unpaid activities and DK-11 Pool jobs, estimated using the old data and participant data. See text for details.
3 a)	Municipal job training for social assistance clients (e)	805	1,099	
4 a)	Job training for UI clients, private sector (f)	268	267	
4 c)	Job training for UI clients, public sector	2,449	2,232	
New Category 1 (approximates old 1)				
1	Local employment services	985	1,020	This line combined with the line below approximately matches DK-5 Public employment service combined with DK-17 Educational and vocational guidance.
1	Administration (a)	393	404	See above
	Total new Category 1 - estimated from old data	1,378	1,425	
	Total new Category 1 - value in new data	1,524	1,396	Sum of new data not including UI funds
New Category 2 (approximates old 2.a with parts of 3)				
2 a)	Educational offer (b)	?	-	Last spending in 1993
2 a)	Special courses	?	-	Last spending in 1987
Est.	DK-8 Education and training + DK-31 Adult apprenticeship support.	6,557	8,167	Estimated from old data, see text
Est.	DK-9 Specially arranged activation	449	665	Estimated from old data and participant data, see text
2 a)	Training leave [unemployed adults and those at risk]	1,773	818	Approximately matches DK-16 Training leave from unemployment
	Total new Category 2 - estimated from old data	8,779	9,650	
	Total new Category 2 - value in new data	8,628	9,589	
New Category 3 (part of old 4.a)				
Est.	DK-14 Sabbatical leave	36	16	Estimated using participant data, see text
	Total new Category 3 - value in new data	36	16	
New Category 4 (approximates old 4.a with parts of 3)				
1	Mobility support	-	2	Transferred from the old Category 1 owing to change in classification system
Est.	DK-6 Job training / wage subsidies	3,733	4,032	Estimated from old data and participant data, see text
Est.	DK-7 Individual job training / practical work training in enterprises	1,518	1,849	Estimated from old data and participant data, see text
	Total new Category 4 - estimated from old data	5,251	5,881	
	Total new Category 4 - value in new data	5,251	5,904	
New Category 5 (approximates old 5)				
5 a)	Rehabilitation [Vocational rehabilitation]	2,270	3,088	
5 a)	Training [Vocational rehabilitation]	588	627	
	Total new Category 5 - estimated from old data	2,858	3,715	
	Memo: new Cat 5 w/o flexjobs etc.	3,308	3,934	
	Total new Category 5 - value in new data	3,308	4,505	
New Category 6 (approximates old 4.c)				
3 a)	Introductory work experience courses (d)	-	-	Last spending in 1992
3 a)	Work experience (state programmes)	-	-	Last spending in 1991
Est.	DK-10 Voluntary unpaid activities	28	33	Estimated from old data and participant data, see text
Est.	DK-11 Pool jobs	1,830	1,332	Estimated from old data and participant data, see text
	Total new Category 6 - estimated from old data	1,858	1,365	
	Total new Category 6 - value in new data	1,858	1,365	
New Category 7 (approximates old 4.b)				
4 b)	Support of unemployed persons starting enterprises	421	214	
	Total new Category 7 - estimated from old data	421	214	
	Total new Category 7 - value in new data	491	251	
New Category 8 (approximates old 6)				
6	Unemployment compensation	19,574	18,152	Matches DK-1 Unemployment insurance (Full time, partial and part-time)
Est.	Social assistance (unemployment)	3,594	3,197	Estimates of DK-2 with pre-1998 values estimated using statistics for insured and non-insured registered unemployment
Est.	Wage earners guarantee fund	158	207	Estimate of DK-25 with pre-1998 values estimated as 0.8% of unemployment compensation
	Total new Category 8 - estimated from old data	23,326	21,557	
	Total new Category 8 - value in new data	23,327	21,566	New includes social assistance (and the wage guarantee fund, which is small).
New Category 9 (approximates old 7)				
7	Early retirement for labour market reasons	19,818	20,622	This old programme is equivalent to the sum of DK-3 Transitional allowance, DK-24 Early retirement pay, from unemployment and the estimated line below.
Est.	Early retirement pay, from employment	-	8,975	Estimate of early retirement pay, from employment, which is excluded from the scope of the new data
	Total new Category 9 - estimated from old data	10,842	10,477	
	Total new Category 9 - value in new data	10,842	10,478	
Total "active" spending (Categories 1 to 7)				
	Old classification data	19,461	20,440	
	New classification - estimated from old data	20,581	22,265	
	New classification - value in new data	21,272	24,094	
Total "passive" spending (Categories 8 and 9)				
	Old classification data	39,392	38,774	
	New classification - estimated from old data	34,169	32,033	
	New classification - value in new data	34,169	32,043	

Table A.1. Programmes in 1985-2002 data & their correspondence with programmes in the new classification: FINLAND

Old Category	Programmes in the 1985-2002 database (or added to it on an estimated basis) Programme name in old database	Expenditure (Millions euros)		Relationship to measures in the new data and (if relevant) estimation method for old data
		First year of overlap (1998)	All years of data overlap (1998-2002)	
New Category 0 (old measures outside the scope of the new data)				
2 b)	ESF: objective 4, including areas covered by O.6	25	40	Probably no targeted on the unemployed.
3 b)	Summer jobs and training periods for students	20	12	Probably no targeted on the unemployed.
4 c)	Public works to promote employment	46	23	The public works were probably announced as an employment measure, but without hiring being restricted to the unemployed.
New Category 1 (approximates old 1)				
1	Public employment services and administration (a)	147	158	
Est.	Unemployment insurance independent funds - administration cost (EST)	47	50	Known datum for 1997; estimated for 1985-1996 as 1.7% of wage-related benefits and 2.9% of total active spending (50/50 weight on each method of estimation).
	Total new Category 1 - estimated from old data	194	208	
	Total new Category 1 - value in new data	175	194	
New Category 2 (approximates old 2.a with parts of 3)				
2 a)	National programs	416	311	This line combined with the line below matches FI-6 Labour market training.
2 a)	ESF: workplace based training and alternating training for LTU (b)	69	89	See above.
3 a)	ESF: initiative workshops (b)	28	35	Match with new classification measures is not clear.
3 a)	Work introduction and practice	67	54	Matches FI-15 Trainee work (coaching for working life) with labour market support.
3 b)	ESF: apprenticeship (basic and retraining) (b)	25	37	This line combined with the line below corresponds in name to FI-7 Apprenticeship for the unemployed, but the spending reported is much higher.
3 b)	Support for apprenticeship and training	106	97	
Est.	Apprenticeship spending outside the scope of the new classification	-79	-81	Estimated as -60% (estimate based on 1997 data) of the sum of the two lines above.
	Total new Category 2 - estimated from old data	633	542	
	Total new Category 2 - value in new data	616	522	
New Category 3 (part of old 4.a)				
4 a)	Job alternation places (b)	35	52	Matches FI-15 Job rotation.
Est.	Part-time pay supplement	35	24	Continues back through time FI-13 with known datum for 1997 (first year of the permanent programme) and zeros assumed for 1994-1996 (experimental introduction).
	Total new Category 3 - estimated from old data	71	76	
	Total new Category 3 - value in new data	71	74	
New Category 4 (approximates old 4.a with parts of 3)				
4 a)	Subsidies to regular employment in the private sector	172	151	Approximately matches the sum of FI-10 Employment subsidy, private companies FI-35 Combined subsidy, except in 1998 when the new data are much lower.
3 a)	Recruitment subsidies	-	0	Old programme with nonzero spending in some earlier years.
5 b)	Employment subsidy	-	0	Old programme with nonzero spending in some earlier years.
	Total new Category 4 - estimated from old data	172	151	
	Total new Category 4 - value in new data	72	131	The new data report much lower spending for 1998. (see above).
New Category 5 (approximates old 5)				
5 b)	Sheltered work	61	57	Corresponds in name to FI-34 Sheltered work, but the spending reported is much higher.
Est.	Sheltered work spending outside the scope of the new classification	-34	-32	Estimated as -56% (estimate based on 1997 data) of the line above.
5 a)	Vocational rehabilitation	67	65	Matches FI-25 to 27 Rehabilitation activities of the social insurance institution, the employment pension scheme and the accident and traffic insurance.
	Total new Category 5 - estimated from old data	94	91	
	Total new Category 5 - value in new data	91	111	
New Category 6 (approximates old 4.c)				
4 c)	Temporary state jobs	102	64	Approximately matches FI-8 Temporary government employment, but with large discrepancies in 1999 and 2000.
4 c)	Grants to municipalities for temporary work	193	133	Approximately matches FI-9. Employment subsidy, municipalities, but with large discrepancies in 1999 and 2000.
	Total new Category 6 - estimated from old data	295	196	
	Total new Category 6 - value in new data	290	187	Most of the discrepancies in the two programme lines above cancel out when they are added.
New Category 7 (approximates old 4.b)				
4 b)	ESF: pathways to entrepreneurship (c)	13	24	This has no clear counterpart in new data: since the programme provided training for entrepreneurship targeted on the unemployed (www.entredu.com/kirjalisuus/325.pdf), it should be included in new Category 2 or 7 (Also mentioned by Temmes and Mekas (2000).
Est.	ESF: pathways to entrepreneurship (omission from new data)	-13	-24	Excludes the above programme in order to match new data.
4 b)	Start-up grant	25	16	Matches FI-11 Start-up grant, although some spending appears to be shifted between years.
	Total new Category 7 - estimated from old data	25	16	
	Total new Category 7 - value in new data	19	16	
New Category 8 (approximates old 6)				
6	Basic and wage-related benefits	1,693	1,441	Matches the sum of FI-1 Earnings-related unemployment allowance, FI-2 Basic unemployment allowance, FI-30 Earnings related adjusted unemployment allowance as partial unemployment benefit, FI-31 Earnings related adjusted unemployment allowance as part-time unemployment and part of FI-33 Adjusted basic unemployment allowance or labour market support as part-time unemployment benefit.
6	Passive labour market benefit	753	741	Matches FI-4 Labour market support (passive component) combined with part of FI-33 (see above).
6	Redundancy payments (Wage related benefit)	13	14	Matches FI-23 Redundancy payment.
6	Bankruptcy pay guarantee	12	16	Matches FI-28 Pay security.
	Total new Category 8 - estimated from old data	2,470	2,212	
	Total new Category 8 - value in new data	2,477	2,220	
New Category 9 (approximates old 7)				
7	Unemployment pension	500	620	Matches FI-3 Unemployment pension.
	Total new Category 9 - estimated from old data	500	620	
	Total new Category 9 - value in new data	501	622	
Total "active" spending (Categories 1 to 7)				
	Old classification data	1,619	1,416	
	New classification - estimated from old data	1,485	1,280	
	New classification - value in new data	1,335	1,235	The discrepancies relate mainly to Category 4 spending in 1998 (see comment above).
Total "passive" spending (Categories 8 and 9)				
	Old classification data	2,970	2,831	
	New classification - estimated from old data	2,970	2,831	
	New classification - value in new data	2,978	2,843	

Table A.1. Programmes in 1985-2002 data & their correspondence with programmes in the new classification: FRANCE

Old Category	Programmes in the 1985-2002 database (or added to it on an estimated basis)	Expenditure (Millions euros)		Relationship to measures in the new data and (if relevant) estimation method for old data
		First year of overlap (1998)	All years of data overlap (1998-2002)	
New Category 0 (old mesures outside the scope of the new data)				
2 b)	Formation des adultes occupés financée par l'état - FFPPS dont EDDF	90	89	These five old programmes in Category 2.b Training for employed adults are outside the scope of the new data.
2 b)	Formation des adultes occupés financée par l'état - autres	42	48	
2 b)	Formation des adultes occupés financée par l'état - FNE (subv. aux entreprises, CIF,...)	148	133	
2 b)	Formation des adultes occupés financée par l'état - Crédit d'impôt-formation	54	47	
2 b)	Formation des adultes occupés financée par les régions	131	103	
4 a)	Exo. DOM (loi Perben, art.4)	179	284	These four programmes are outside the scope (not targeted).
4 a)	Abattement pour les emplois à temps partiel	450	424	
4 a)	Aides liées à la réduction et à l'aménagement du temps	0	0	
4 a)	Exo. entreprise individuelle / trav. indépendants	51	13	
4 a)	Conv. promotion : actions expérimentales & d'info.	19	18	Not in new data (small programme) - Small and experimental programmes are not included in EU data; no data on participants. Excluded to match new data.
4 a)	Autres mesures d'exo. non compensées	10	6	Not in new data (small programme) - Small and experimental programmes are not included in EU data; no data on participants. Excluded to match new data.
New Category 1 (approximates old 1)				
1	ANPE (subvention de l'État)	803	1,013	Matches FR-42,FR-53, FR-54,FR-55,FR-56 (ANPE, general and subcomponents Personalised services, Job search workshops, Appraisal services, Support services).
1	APEC (cadres), et aides à la recherche d'emploi	65	76	Matches FR-43 Managerial employment agency (APEC).
3 a)	PAIO et missions locales	71	63	The three old programmes could match FR-44 Local centres, permanent reception, information and advisory services (PAIO).
3 a)	Sessions d'orientation, actions d'aide à la recherche d'emploi - DIJEN	39	41	
3 a)	Accompagnement CFI Jeunes et PAQUE	6	2	
3 a)	TRACE et autres dispositifs d'accompagnement	25	29	Matches FR-58 Pathway to jobs (TRACE) from 1999 on. TRACE begin in 4th quarter of 1998 so old classification may include some other (small) measures.
1	Administration des prestations de chômage et préretraite	1,219	1,372	Matches FR-73.
Est.	Guidance and monitoring services of AFPA	55	51	Values for measure FR-57 estimated as 5% of the old Category 2 programme "Fonctionnement - Financés par l'état", which includes AFPA.
	Total new Category 1 - estimated from old data	2,283	2,648	
	Total new Category 1 - value in new data	2,304	2,849	
New Category 2 (approximates old 2.a with parts of 3)				
3 a)	Jeunes volontaires	0	0	Ends in 1989 - Small amounts.
3 a)	Insertion des jeunes en difficulté	0	0	Ends 1993.
3 b)	Contrats emploi-formation	0	0	Ends 1987.
3 b)	Stages d'initiation à la vie professionnelle (SIVP)	0	0	Ends 1993.
3 b)	Contrat Jeune en entreprise	0	1	Not in new classification - only 2002 in old class (small).
2 a)	Rémunérations des stagiaires - Unedic (conventions de conversion et AFR/AREF)	834	849	The three old programmes broadly correspond to FR-17 Training allowance - unemployment insurance system (AFR), FR-18 Training allowance - public system, FR-19.1 Retraining agreements - training allowance, FR-10. Courses offered by the Association for Adult Vocational Training (AFPA) (allowances only).
2 a)	Rémunérations des stagiaires - Financé par l'État	1,116	900	
2 a)	Investissement - Financé par l'État	58	62	
2 a)	Fonctionnement - financés par l'État	1,097	1,028	Corresponds to FR-14 Courses for admission to enterprises, FR-15 Individual training-for-employment and integration courses (SIFE), FR-16 Group training-for-employment and integration courses (SIFE), FR-19.3 Retraining agreements - course costs, FR-10 Courses offered by the Association for Adult Vocational Training (AFPA) [course costs] and FR-11 Courses for specific groups (IRILL).
Est.	Guidance and monitoring services of AFPA (correction for share in 1)	-55	-51	Estimated: 5% of total "Fonctionnement - Financés par l'état" which includes AFPA.
2 a)	Rémunérations des stagiaires - Conseils régionaux (décentralisation de 1983)	142	142	These three old programmes match FR-13 Adult training courses organised by the regions.
2 a)	Investissement - Conseils régionaux (décentralisation de 1983)	33	30	
2 a)	Fonctionnement- financés par les conseils régionaux (décentralisation de 1983)	302	279	
2 a)	Formation des salariés lors des restructurations	12	8	Matches FR-20 FNE conventions on training and retraining.
3 b)	Jeunes - Stages des Régions (décentralisation de 1993)	659	642	The three old programmes broadly match FR-9 Courses for young job-seekers (State + regions) although in FR-9 "Transfers to individuals (training allowances) are incomplete in respect of individual measures because some allowances are paid through measures F-17 or F-18." (unpublished comment in EU-LMP Access database).
3 b)	Jeunes - Stages de formation alternée (16-25ans)	19	19	
3 b)	Jeunes - Actions de formation alternée (CFI Jeunes et programme PAQUE)	48	22	
3 b)	Exonération totale des cotisations sociales pendant l'apprentissage	728	729	The two old programmes combined exactly match "uncorrected" data (previously published by Eurostat) for FR-22 Exemptions and subsidies for recruitment of apprentices. EU data are calculated as 82% of the total to take in account exemptions for low skilled apprentices only. The correction excludes the remaining 8%.
3 b)	Prime à l'embauche d'apprentis	727	729	
Est.	Exonération des cotisations sociales et prime à l'embauche - corrections pour mesures non ciblées	-116	-117	
	Total new Category 2 - estimated from old data	5,604	5,271	
	Total new Category 2 - value in new data	5,487	5,110	

Table A.1. Programmes in 1985-2002 data & their correspondence with programmes in the new classification: FRANCE (cont'd)

Old Category	Programmes in the 1985-2002 database (or added to it on an estimated basis) Programme name in old database	Expenditure (Millions euros)		Relationship to measures in the new data and (if relevant) estimation method for old data
		First year of overlap (1998)	All years of data overlap (1998-2002)	
New Category 4 (approximates old 4.a with parts of 3)				
	3 b) Aide au premier emploi des jeunes	0	0	Not in new data: ends 1997.
	5 a) Préparation et Suite du Reclassement professionnel	8	3	Not in new data: ends 1999.
	3 b) Exonération à l'embauche de jeunes (Pactes, puis 25%)	-	0	Not in new data: ends 1989.
	3 b) Exonération jeunes sans qualification	7	1	Not in new data: ends 1995.
	4 a) Exonération 50 % et Contrat de Réinsertion en Alternance	0	0	Not in new data: ends 1990.
	4 a) Contrat pour l'emploi des bénéficiaires du RMI	0	0	Not in new data: ends 1996.
	4 a) Emplois d'initiative locale (EIL)	-	0	Not in new data: ends 1991.
	4 a) FRILE (Fonds régionalisé)	0	0	Not in new data: ends 1996.
	4 a) Contribution exceptionnelle Lorraine & Nord	0	0	Not in new data: ends 1989.
	4 a) Contrats de retour à l'emploi (CRE)	126	49	These three old programmes were terminated in July 1995 but still applicable to open-ended contracts; there was a large decrease in expenditure 2000-2002. Added to new classification data for 1998-2002.
	4 a) Contrat de retour à l'emploi (prime)	0	0	
	4 a) Contrat d'accès à l'emploi (prime + exo), DOM	102	49	
	3 b) Exonération de cotisations sociales pour les formations en alternance	211	359	The two old programmes match FR-24 Qualification contracts (alternance training) and FR-25 Orientation contracts (alternance training).
	3 b) Primes embauche de jeunes en alternance	77	44	
	4 a) Contrat initiative emploi (exonération)	656	662	The two old programmes match FR-26 Employment-initiative contract (CIE).
	4 a) Contrat initiative emploi (prime)	628	407	
	4 a) Exonération à l'embauche du 1er salarié	445	355	Matches FR-27 Exemption from social charges for recruitment of a first employee.
	4 a) Exonération dans les zones urbaines ZRU, rurales ZRR, franchises	215	305	Matches in name FR-28 Exemption from social charges for recruitment of the 1st to 50th employee in ZRR and ZRU areas, but spending in old data is many times higher than now reported.
Est. a)	Exonération dans les zones urbaines ZRU, rurales ZRR, franchises	-215	-305	Excluded in order to take Eurostat data instead.
Est.	Exemption from social charges for recruitment of the 1st to 50th employee in ZRR and ZRU areas	26	50	Data from FR-28 with an estimated value for 1997, the start year of this programme.
	4 a) Conventions de coopération (UNEDIC)	280	118	FR-29 Cooperation agreement (UNEDIC).
	4 a) Allocations Temporaires Dégressives	13	13	FR-32 Degressive temporary allowance.
	4 d) Entreprises d'insertion	37	96	The four old programmes broadly match FR-36 Economic integration enterprises and FR-37 Intermediary associations.
	4 d) Entreprises d'intérim d'insertion	7	9	
	4 d) Associations intermédiaires	3	53	
	4 d) Fonds départemental de soutien aux structures d'insertion	1	5	
	5 a) Actions de l'AGEFIPH aides à l'insertion	169	247	The three old programmes match FR-49 Aid granted by the Association for the vocational integration of the disabled (AGEFIPH).
	5 a) Actions de l'AGEFIPH primes à l'insertion	89	85	
	5 a) Actions de l'AGEFIPH accompagnement et fonctionnement	22	25	
	4 a) Contrats de qualification Adultes	-	3	FR-60 Adult qualification contracts.
	6 Congés de conversion (loi de 1985)	9	8	FR-33 Retraining leave.
	6 Congés de conversion pour les travailleurs de la sidérurgie et de la construction et réparation navale	13	6	Not in the new classification data.
Est.	Congés de conversion pour les travailleurs de la sidérurgie et de la construction et réparation navale	-13	-6	Excluded to match the new classification data.
	Total new Category 4 - estimated from old data	2,917	2,640	
	Total new Category 4 - value in new data	2,987	2,705	
		0	0	
New Category 5 (approximates old 5)				
	5 b) Garantie de ressources (GRTH) en Centres d'Aide par le Travail	658	727	The two old programmes match FR-47 Income guarantee for disabled workers (CAT).
	5 b) Garantie de ressources (GRTH) en Ateliers Protégés	109	124	
	5 b) Ateliers de travail protégé (fonctionnement)	22	27	The two old programmes match FR-48 Sheltered workshops for the disabled.
	5 b) Ateliers de travail protégé (équipement)	1	0	
	5 a) Conventions d'adaptation professionnelle	0	0	Ends 1992.
	5 b) Fonds de garantie pour les AP	0	0	Ends 1997.
	5 b) Primes d'équipement aux entreprises	1	1	Not in new classification - small.
	5 b) Programmes départementaux d'insertion	5	6	Not in new classification - small.
	5 b) Garantie de ressources (GRTH) en milieu ordinaire	32	34	Not in new classification.
Est.	Garantie de ressources (GRTH) en milieu ordinaire	-32	-34	Excluded to match new classification.
	5 b) Contrats de programme pluriannuels d'embauche	0	0	
	5 b) Subventions à l'installation et au reclassement	0	0	
	Total new Category 5 - estimated from old data	797	885	
	Total new Category 5 - value in new data	790	838	

Table A.1. Programmes in 1985-2002 data & their correspondence with programmes in the new classification: FRANCE (cont'd)

Old Category	Programmes in the 1985-2002 database (or added to it on an estimated basis) Programme name in old database	Expenditure (Millions euros)		Relationship to measures in the new data and (if relevant) estimation method for old data
		First year of overlap (1998)	All years of data overlap (1998-2002)	
New Category 6 (approximates old 4.c)				
	3 a) Travaux d'utilité collective (TUC)	0	0	Ends 1991.
	4 c) Programmes Locaux d'Insertion des Femmes	0	0	Ends 1991.
	4 c) Programme d'Insertion Locale (PIL)	0	0	Ends 1991.
	4 c) Compléments Locaux de Ressources (CLR)	0	0	Ends 1989.
	3 a) CES (bénéficiaires 16-25 ans)	546	364	The two old programmes match FR-39 Employment-solidarity contract (CES).
	4 c) Contrats emploi-solidarité (CES) (plus de 25 ans)	1,638	1,375	
	4 c) Contrats emplois consolidés	768	1,177	The old programme matches in name FR-40 Consolidated employment contract (CEC), but somewhat higher expenditure was reported in the old data.
Est.	Contrats emplois consolidés (component excluded in new)	-72	-47	The excluded component 1993-1997 is estimated as 9% of old programme spending.
	3 a) Contrat emploi de ville	68	24	FR-41 Town employment contract.
	3 a) Emplois Jeunes (Nouveaux services, nouveaux emplois)	1,019	2,557	FR-46 Youth employment contract.
	Total new Category 6 - estimated from old data	3,966	5,450	
	Total new Category 6 - value in new data	4,005	5,414	
New Category 7 (approximates old 4.b)				
	4 b) Fonds Départemental d'Initiative Jeunes	0	0	Ends 1994.
	4 b) Aide aux chômeurs créateurs d'entreprises (ACCRES)	0	0	Matches FR-38 Aid for the unemployed setting-up or rescuing a company.
	4 b) Encouragement au développement d'entreprises	0	23	Matches FR-59 Support for new business development.
	4 b) Chèque - conseil	7	8	Matches FR-38bis Consultancy cheque-book for business creation.
	Total new Category 7 - estimated from old data	7	31	
	Total new Category 7 - value in new data	11	31	
New Category 8 (approximates old 6)				
	6 Indemnités d'intempéries pour les travailleurs du BTP	68	50	Not in new classification.
Est.	Indemnités d'intempéries pour les travailleurs du BTP	-68	-50	Excludes the above programme in order to match new data.
	6 Autres allocation de chômage total (hors frais de gestion)	1,922	2,116	Not in new classification.
Est.	Autres allocation de chômage total (hors frais de gestion)	-1,922	-2,116	Excludes the above programme in order to match new data.
	6 Indemnités aux travailleurs portuaires pour chômage temporaire	0	0	Not in new classification.
Est.	Indemnités aux travailleurs portuaires pour chômage temporaire	0	0	Excludes the above programme in order to match new data.
	6 Autres aides à la reconversion et à l'accompagnement des restructurations	29	21	Not in new classification.
Est.	Autres aides à la reconversion et à l'accompagnement des restructurations	-29	-21	Excludes the above programme in order to match new data.
	6 Chômage total Allocations du régime de solidarité	2,455	2,452	Matches FR-3 Specific solidarity allowance (Solidarity scheme) with FR-72 Pension equivalent allowance (Solidarity scheme).
	6 Chômage total Allocations du régime d'assurance	14,715	16,088	FR-1 Single degressive allowance (Unemployment insurance system).
	6 Prestations de chômage partiel (FNC+FNE+UNEDIC)	44	35	FR-4 Partial unemployment.
	Total new Category 8 - estimated from old data	17,215	18,574	
	Total new Category 8 - value in new data	17,215	18,574	
New Category 9 (approximates old 7)				
	7 Allocations spéciales du FNE (v)	1,555	1,086	FR-6 FNE special redundancy allowance.
	7 Allocation de remplacement pour l'Emploi	1,188	1,322	FR-8 Job-substitution allowance.
	7 Contrats de solidarité préretraite progressive	427	387	FR-34 Phased early retirement.
	7 Cessation d'activité de certains travailleurs salariés (CATS)	0	13	FR-62 Early retirement for special groups of employees (CATS).
	7 Garantie de ressources (60-65 ans)	553	510	Not in new classification.
Est.	Garantie de ressources (60-65 ans)	-553	-510	Excludes the above programme in order to match new data.
	7 Autres (mesures sectorielles et pour étrangers)	520	317	Not in new classification.
Est.	Autres (mesures sectorielles et pour étrangers)	-520	-317	Excludes the above programme in order to match new data.
	Total new Category 9 - estimated from old data	3,170	2,808	
	Total new Category 9 - value in new data	3,167	2,725	
Total "active" spending (Categories 1 to 7)				
	Old classification data	17,147	18,532	
	New classification - estimated from old data	15,574	16,924	
	New classification - value in new data	15,585	16,986	
Total "passive" spending (Categories 8 and 9)				
	Old classification data	23,501	24,410	
	New classification - estimated from old data	20,385	21,382	
	New classification - value in new data	20,382	21,300	

Table A.1. Programmes in 1985-2002 data & their correspondence with programmes in the new classification: GERMANY

Old Category	Programmes in the 1985-2002 database (or added to it on an estimated basis) Programme name in old database	Expenditure (Millions euros)		Relationship to measures in the new data and (if relevant) estimation method for old data
		First year of overlap (1998)	All years of data overlap (1998-2002)	
Million euros				
New Category (old measures now outside the scope of the dataset)				
2 b)	Further training and retraining	-	0	Not in new data: training for employed adults is outside the scope.
2 b)	Subsistence allowance	-	0	ditto.
5 b)	Sheltered workshops (outlays by the social)	2,342	2,689	Not in new data: lifetime sheltered employment is outside the scope.
New Category 1 (approximates old 1)				
1	Central and local offices	4,321	4,565	New classification data for years before 2003 are based on old classification data (excluding Mobility support, etc. from the Category 1 total).
	Total new Category 1 - estimated from old data	4,321	4,565	
	Total new Category 1 - value in new data	4,346	4,674	
New Category 2 (approximates old 2.a with parts of 3)				
Est.	Measures to improve prospects of integration - training measures	259	261	Continues back through time DE-6, estimated as 1.2% of total known active spending.
3 a)	Preparatory measures	400	522	Matches DE-11 Support for vocational preparation training measures for young people.
2 a)	Further training	2,421	2,658	Further training plus subsistence allowance match DE-12 Support for further vocational training.
2 a)	Subsistence allowance for further tr. and retr.	3,973	4,069	See above.
3 a)	Measures for disadvantaged youth	738	834	Matches DE-19 Support for vocational training for those with learning difficulties/social disadvantage.
2 a)	German for resettlers	128	133	Matches DE-26 Language tuition for new resettlers, persons having right of asylum and quota refugees.
Est.	ESF Federal programme	303	305	Continues back through time DE-31, estimated as 1.4% of total known active spending, (nonzero values only from 1994 onwards).
3 b)	Apprentice allowance (except for preparatory measures, see above)	133	223	Matches DE-34 Vocational training allowance.
2 a)	Retraining	-	0	Old programme with nonzero values only before 1998 and no counterpart in new data.
2 a)	Introductory training in enterprises	-	0	Old programme with nonzero values only before 1998 and no counterpart in new data.
3 a)	Remedial education	-	0	Old programme with nonzero values only before 1998 and no counterpart in new data.
	Total new Category 2 - estimated from old data	8,355	9,004	
	Total new Category 2 - value in new data	8,369	9,592	New data are higher due to the inclusion of DE-27 Independent measures and JUMP (youth programme) components mainly in 1999-2002, and Länder spending from 2002 onwards.
New category 4 (approximates old 4.a and part of 3)				
1	Mobility support, etc.	26	75	Matches DE-7 Mobility allowances.
4 a)	Other measures for the long-term unemployed	450	342	Matches DE-25 Employment assistance scheme for long-term unemployed.
4 a)	Recruitment subsidies	-	0	Old programme with 42m€ spending in 1997, probably the component "job introduction subsidy" of DE-18 Integration subsidies (see QR 2001).
Est.	Estimated recruitment incentive component in measures for seriously disabled persons	399	390	Probably includes the component "integration subsidies for the hard-to-place" especially for LTU and severely or otherwise disabled of DE-18 Integration subsidies (see QR 2001). Spending transferred from old Category 5, see below for method of estimation.
4 a)	Wage subsidy for the aged long-term unemployed	-	0	Old programme with 400m€ spending in 1997, probably the component "Integration subsidies for older workers" of DE-18 Integration subsidies (see QR 2001).
	Total new Category 4 - estimated from old data	875	807	Old data do not include rapidly-growing lines in the new data.
	Total new Category 4 - value in new data	1,153	1,731	Old data may be wrong due to missing data after 1997 (suggested by a large fall between 1997 and 1998). In this case, a match with old data < new data in 1998 is acceptable. The higher spending level in the new data appears in DE-18 Integration subsidies and (after 1998) in DE-38.8 [Component] Immediate Action Programme against youth unemployment - Labour cost subsidies, mobility grants. From 2002, Länder spending.
New category 5 (approximates old 5)				
5 a)	Vocational rehabilitation (by the employment authorities)	2,041	2,425	Matches DE-13 Vocational rehabilitation (later renamed Promoting integration of the disabled into working life).
5 b)	Measures for seriously disabled persons	532	519	Suspected to include DE-23, for which reported spending is 75% lower.
Est.	Estimated recruitment incentive component in measures for seriously disabled persons	-399	-390	Estimated as 75% of the line above: spending transferred to new Category 4.
	Total new Category 5 - estimated from old data	2,174	2,555	
	Total new Category 5 - value in new data	2,175	2,655	
New category 6 (approximates old 4.c)				
4 c)	Support for job creation measures (ABMs)	3,798	3,356	Matches DE-21 Support for job-creation measures (ABMs).
4 c)	Productive wage cost subsidy: 249h AFG, structural adjustment measures	2,197	1,564	This and the following line combined match DE-22 Support for structural adjustment measures.
4 c)	Productive wage cost subsidy: 242s AFG	162	32	See above.
	Total new Category 6 - estimated from old data	6,156	4,952	
	Total new Category 6 - value in new data	6,148	5,328	New data are higher due to the inclusion of JUMP (youth) programme components mainly in 1999-2002, and Länder spending from 2002.
New category 7 (approximates old 4.b)				
4 b)	Support of unemployed persons starting enterprises	638	792	Matches DE-9 Bridging allowance.
	Total new Category 7 - estimated from old data	638	792	
	Total new Category 7 - value in new data	638	807	Includes Länder spending from 2002.

Table A.1. Programmes in 1985-2002 data & their correspondence with programmes in the new classification: GERMANY (cont'd)

Old Category	Programmes in the 1985-2002 database (or added to it on an estimated basis) Programme name in old database	Expenditure (Millions euros)		Relationship to measures in the new data and (if relevant) estimation method for old data
		First year of overlap (1998)	All years of data overlap (1998-2002)	
Million euros				
New category 8 (approximates old 6)				
6	Insurance	26 996	25 590	Matches DE-1 Unemployment benefit.
6	Assistance	15 563	14 368	Matches DE-3 Unemployment assistance.
6	Bankruptcy compensation	1 051	1 288	Matches DE-4 Bankruptcy compensation payment.
6	Short-time work compensation	335	401	Matches DE-14 Short-time working allowance.
4 a)	Winter building subsidies	187	167	Matches DE-15.1 [Component] Promotion of year-round employment in construction - Cost-increase winter allowance.
6	Bad-weather compensation for construction workers	54	98	Matches DE-15.2 [Component] Promotion of year-round employment in construction - Bad weather allowance from the 31st hour.
Est.	Integration assistance for new resettlers, persons having right of asylum and quota refugees	310	296	Continues back through time DE-29, estimated as 0.7% of total known passive spending.
	Total new Category 8 - estimated from old data	44 496	42 207	
	Total new Category 8 - value in new data	44 496	42 178	
New category 9 (approximates old 7)				
7	Full / part-time retirement	50	324	Matches DE-24 Support of part-time employment for older employees, which grew rapidly after 1998.
7	Transition grants (only eastern Germany)	36	10	This measure from the old database, which terminated in 2000, has been incorporated in the new classification data: spending level in the early 1990s was very substantial.
	Total new Category 9 - estimated from old data	85	334	
	Total new Category 9 - value in new data	86	334	
Total "active" spending (Categories 1 to 7)				
	Old classification data	24 487	24 997	
	New classification - estimated from old data	22 519	22 675	
	New classification - value in new data	22 830	24 789	
Total "passive" spending (Categories 8 and 9)				
	Old classification data	44 084	42 078	
	New classification - estimated from old data	44 581	42 541	
	New classification - value in new data	44 581	42 512	

Table A.1. Programmes in 1985-2002 data & their correspondence with programmes in the new classification: GREECE

Old Category	Programmes in the 1985-2002 database (or added to it on an estimated basis) Programme name in old database	Expenditure (Millions euros) Year of overlap (1998)	Relationship to measures in the new data and (if relevant) estimation method for old data
New Category 0 (old measures outside the scope of the new data)			
2 b)	Training for employed adults	75	
2 b)	Enterprise training	0	Programme in old data with nonzero values before 1998, outside the scope of new classification.
2 b)	LAEK training (employment fund)	0	As above.
2	Training for unemployed or employed adults	18	Old programme which was not classified to 2.a or 2.b, and with a nonzero value only in 1998.
New Category 1 (approximates old 1)			
1	Public employment services and administration	67	Old programme spending in 1998 is reportedly much lower than in 1994-1997, suggesting a statistical break (shift to more limited coverage in line with data reported under the Eurostat definition of this category).
	Total new Category 1 - estimated from old data	67	
	Total new Category 1 - value in new data	70	
New Category 2 (approximates old 2.a with parts of 3)			
3 b)	Training centres and work experience in enterprises	110	Matches GR-33 Continuous vocational training programs for the unemployed (Ministry of Labour - KEK).
2 a)	Labour market training	0	
2 a)	Training for unemployed adults and those at risk	126	Approximately matches the sum of other training programmes (about 20 in total of which 10 have nonzero spending in 1998).
2 a)	Training centres	0	
2 a)	For workers in enterprises in difficulty	-	
3 a)	Measures for unemployed and disadvantaged	0	
	Total new Category 2 - estimated from old data	237	
	Total new Category 2 - value in new data	231	
New Category 4 (approximates old 4.a with parts of 3)			
4 a)	Subsidies to regular employment in the private	51	
5 b)	Employment subsidies (employment for disabled)	1	Approximately matches in name several measures such as GR-45 Employment subsidies for special social groups (New Jobs, and New Entrepreneurs) than appear in new Category 4.
	Total new Category 4 - estimated from old data	52	
	Total new Category 4 - value in new data	66	
New Category 5 (approximates old 5)			
5 a)	Vocational rehabilitation	7	Old programme with no obvious match in new data, but its inclusion seems justified.
	Total new Category 5 - estimated from old data	7	
	Total new Category 5 - value in new data	0	
New Category 6 (approximates old 4.c)			
4 c)	Temporary community works	-	Old programme with nonzero values in earlier years.
	Total new Category 6 - estimated from old data	0	
	Total new Category 6 - value in new data	0	
New Category 7 (approximates old 4.b)			
4 b)	General	36	Might approximately match 8 new programmes, only one of which GR-10 Promotion of self-employment for new entrepreneurs and creation of new enterprises has nonzero spending in 1998 (with somewhat lower spending than the old programme).
4 b)	For workers in enterprises in difficulty	-	Old programme with nonzero values in earlier years.
	Total new Category 7 - estimated from old data	36	
	Total new Category 7 - value in new data	26	
New Category 8 (approximates old 6)			
6	Regular compensation	438	Matches GR-22 Unemployment benefit.
6	Extra compensation	56	Appears to match GR-58 Special seasonal assistance, for which zero spending was reported in new data in 1998, although the measure started in 1989 according to Eurostat Qualitative Report. The old data value for 1998 has been added to the new classification data.
	Total new Category 8 - estimated from old data	495	
	Total new Category 8 - value in new data	497	
Total "active" spending (Categories 1 to 7)			
	Old classification data	491	
	New classification - estimated from old data	399	
	New classification - value in new data	395	
Total "passive" spending (Categories 8 and 9)			
	Old classification data	495	
	New classification - estimated from old data	495	
	New classification - value in new data	497	

Table A.1. Programmes in 1985-2002 data & their correspondence with programmes in the new classification: IRELAND

Old Category	Programmes in the 1985-2002 database (or added to it on an estimated basis)	Expenditure (Millions euros)		Relationship to measures in the new data and (if relevant) estimation method for old data
		Last year of old data (1996)	First year of new data (1997)	
New Category 0 (old measures outside the scope of the new data)				
2 b)	FAS Training Support Scheme (TSS)	9		
2 b)	Development Agency Training Grants	22		
2 b)	Tourism Continuing Training (CERT & D/Educ.) (c)	5		
2 b)	Adult Agricultural Training (Teagasc) (d)	1		
3 b)	Statutory Apprenticeships (FAS) (g)	39		
3 b)	Tourism Initial Training (CERT & D/Educ.) (h)	16		
3 b)	Initial Agricultural Training (TEAGASC) (i)	16		
4 a)	DSW Students Summer Job Scheme	12		
4 a)	Development Agency Employment Grants	65		
New Category 1 (approximates old 1)				
Est.	NRB Counselling, Guidance & Placement	21		Includes NRB counselling/guidance on an estimated basis (transfer from Category 2, see below).
Est.	NRB Counselling/guidance (IE-22 for 1997-1999)		22	Estimated 1997-1999 values corresponding to IE-22 Counselling/guidance, matching the line above.
1	Department of Enterprise and Employment (DE&E) - Local Employment Service (LES)	2		
1	FAS - Local employment service - PES	16		
1	FAS - Local employment service - CERT	2		
Est.	Local employment services (IE-36 for 1997-98)		18	Estimated 1997-1998 values corresponding to IE-35 Local employment services, matching the sum of the four lines above.
1	FAS - Local employment service - Other	57	64	Matches IE-101 FAS - administration of LMP measures and staff pay (excl. training).
1	Department of Social Welfare (DSW) until 1997 - Administration of Unemployment Compensation	57	57	Matches IE-100 DSFA benefit administration.
1	Department of Enterprise and Employment (DE&E) - Other	2		No match in later data, but small.
1	Department of Social Welfare (DSW) until 1997- PES (BTW Mentoring)	1		No match in later data, but small.
	Total new Category 1 - estimated from old data	157		
	Total new Category 1 - value in new data		161	
New Category 2 (approximates old 2.a with parts of 3)				
2 a)	FAS Local Training Initiatives	6		Probably reported elsewhere in 1997; reappears later as IE-45 Local Training Initiative.
3 a)	FAS Community Youth Training Programme (CYTP)	16		Probably reported elsewhere in 1997; reappears later as IE-46 Community Training/Youth Training Programme.
5 a)	National Rehabilitation Board (NRB) Measures:	45		Old programme included both counselling/guidance and specialist training.
Est.	of which: Counselling/guidance	-21		Excludes the counselling/guidance component in the programme above on an estimated basis (transfer to Category 1, see above).
Est.	Specialist Training Providers (IE-51 for 1997-2002)		25	Estimated 1997-2002 values (2001 and 2002 taken for FAS Annual Reports) corresponding to IE-51 Specialist training providers, matching the sum of the two lines above.
2 a)	FAS Specific Skills Training (SST)	27		Reported elsewhere in 1997 (probably in IE-20 Industry training) but reappears later as IE-39 Specific Skills Training.
2 a)	FAS Job training scheme	6		Probably reported elsewhere in 1997; reappears later as IE-44 Job Training Scheme.
3 a)	FAS Training Workshops (e)	18	26	Possibly this plus the line below match to IE-24 Re-integration training.
3 a)	FAS Skills Foundation Programme	2		See above.
3 a)	Basic Training for Disadvantaged Early School	24		No match in later data; included, although it is not certain that this is correct.
2 a)	Vocational Training Opportunities Programme	27	31	Matches IE-35 VTOS (Vocational training opportunities scheme).
3 a)	FAS Linked Work Experience	1		Probably reported elsewhere in 1997; reappears later as IE-42 Linked Work Experience.
2 a)	FAS Return to Work (Alternance Training)	2		No match in later data.
2 a)	FAS Enterprise Training	2		No match in later data.
2 a)	Tourism Training for the Unemployed (CERT)	5		No match in later data.
2 a)	DSW Third Level Education Allowance	7		No match in later data; included, although it is not certain that this is correct.
3 a)	FAS Teamwork	1		No match in later data.
	Total new Category 2 - estimated from old data	167		
	Total new Category 2 - value in new data		205	Total in new data includes for 1997-2001 programmes not listed above (industry training, community training, ESF training), but these were replaced in 2002 by programmes that do match in name the old programmes.
New Category 4 (approximates old 4.a with parts of 3)				
4 a)	DSW Back to Work Allowance (BTW)	50	72	Matches IE-4 Back to work allowance.
4 a)	DSW SI Exemption Scheme	3		Matches IE-5 PRSI Exemption scheme, for which values 1997 to 2005 are all zero.
4 a)	DSW Part-Time Job Incentive Scheme	2		Matches IE-7 Part-time job incentive scheme.
4 a)	FAS JOBSTART (start 1996)	1		Matches IE-31 Jobstart.
	Total new Category 4 - estimated from old data	55		
	Total new Category 4 - value in new data		82	Total in new data includes programmes not listed above.
New Category 6 (approximates old 4.c)				
4 c)	FAS Community Employment (previously SES)	354	380	Matches IE-23 Community employment scheme.
4 c)	LES Pilot Whole-Time Job Option (Commenced in 1996)	1		No match in later data.
	Total new Category 6 - estimated from old data	354		
	Total new Category 6 - value in new data		380	

Table A.1. Programmes in 1985-2002 data & their correspondence with programmes in the new classification: IRELAND (cont'd)

Old Category	Programmes in the 1985-2002 database (or added to it on an estimated basis) Programme name in old database	Expenditure (Millions euros)		Relationship to measures in the new data and (if relevant) estimation method for old data
		Last year of old data (1996)	First year of new data (1997)	
New Category 7 (approximates old 4.b)				
4 b)	DSW Area Based Enterprise Allowance (until 1997 incl)	7		After 1997 this was replaced by IE-3 Back to work enterprise allowance (BWEA).
4 b)	FAS Community Enterprise Programme	3		
	Total new Category 7 - estimated from old data	10		
	Total new Category 7 - value in new data		26	Includes new programmes not listed above.
New Category 8 (approximates old 6)				
6	DSW / DSFA Unemployment Benefit (UB)	263	282	Matches IE-1 Unemployment benefit.
6	DSW / DSFA Unemployment Assistance (UA)	975	873	Matches IE-2 Unemployment assistance.
6	Redundancy Payments (DE&E))	19		Matches IE-49 Redundancy Payments and IE-50 Insolvency Payments from 1998 onwards.
Est.	Redundancy and Insolvency (IE-49 and IE-50, interpolated value for 1997)		20	Estimated by Interpolation between the 1996 value (19.3) and the 1998 value for IE-49 plus IE-50.
6	DSW Equal Treatment Payments	26		No match in later data; included, although it is not certain that this is correct.
	Total new Category 8 - estimated from old data	1,283		
	Total new Category 8 - value in new data		1,175	Total in new data includes programmes not listed above.
New Category 9 (approximates old 7)				
7	DSW / DSFA Pre-retirement allowance (PRETA)	74	75	Matches IE-12 Pre-retirement allowance.
	Total new Category 9 - estimated from old data	74		
	Total new Category 9 - value in new data		75	
Total "active" spending (Categories 1 to 7)				
	Old classification data	929		
	New classification - estimated from old data	743		
	New classification - value in new data		856	
Total "passive" spending (Categories 8 and 9)				
	Old classification data	1,357		
	New classification - estimated from old data	1,357		
	New classification - value in new data		1,250	

Table A.1. Programmes in 1985-2002 data & their correspondence with programmes in the new classification: ITALY

Old Category	Programmes in the 1985-2002 database (or added to it on an estimated basis) Programme name in old database	Expenditure (Millions euros)		Relationship to measures in the new data and (if relevant) estimation method for old data
		First year of overlap (1998)	All years of data overlap (1998-2002)	
New Category 0 (old mesures outside the scope of the new data)				
2 b)	Formation des adultes occupés	152	90	Excluded because out of scope of the new data.
2 b)	Formazione lavoratori occupati (L.53/2000)	-	6	Excluded because out of scope of the new data.
2 b)	Formazione continua ex L. 236/93	214	130	Excluded because out of scope of the new data.
2 a)	Formation des chômeurs adultes et des travailleurs menacés de perdre leur emploi	415	205	This programme is replaced by estimated values (see below) that match a new programme with spending about 20% lower (probably spending targeted on employed adults).
3 a)	Soutien à la création d'entreprise par les jeunes	147	116	Probably considered to be out of scope since programme name suggests it was not targeted on the unemployed.
New Category 1 (approximates old 1)				
1	Administration et services publics de l'emploi (*)	..	0	The old data have no information about this category.
	Total new Category 1- estimated from old data	..	0	
	Total new Category 1- value in new data	0	55	The new data provide some nonzero values from 2001 onwards.
New Category 2 (approximates old 2.a with parts of 3)				
3 b)	Crédits d'impôt pour les contrats de formation et d'emploi (b)	1 067	904	Matches IT-24 Training & work contracts.
3 b)	Crédits d'impôt pour les apprentis (b)	1 009	1 480	Matches IT-25 Apprenticeship exactly in 1998 and 1999; new values are somewhat lower in 2000 to 2002.
2 a)	Formazione per persone in cerca di prima occupazione	368	202	Matches IT-26 Training for first-time job seekers exactly in 2000 (no new data after 2000).
Est.	Formation des chômeurs adultes et des travailleurs menacés de perdre leur emploi	341	117	Estimated values replacing an old programme of the same name (see above), and which continue back in time the sum of new measures IT-27 Training for long-term unemployed or persons at risk of becoming long-term unemployed and IT-28 Training for workers at risk of unemployment.
2 a)	Formazione per persone svantaggiate	71	56	Matches IT-29 Training for disadvantaged people (no new data after 2000).
2 a)	Formazione per donne in difficoltà di inserimento	45	53	Matches IT-95 Training for disadvantaged women (FSE co-financed), but new data values are lower (now new data after 2000) .
	Total new Category 2- estimated from old data	2 902	2 875	
	Total new Category 2- value in new data	2 865	2 832	New data include many "ESF Cofinanced Actions 2000-2006" measures (IT-101 to IT-112) with spending that offsets the zero values in other measures after 2000 mentioned above.
New Category 3 (part of old 4.a)				
4 a)	Aides destinées aux entreprises pour les contrats de solidarité	15	11	Matches IT-8 [Component] Solidarity contracts - Expansive solidarity contracts.
	Total new Category 3- estimated from old data	15	11	
	Total new Category 3- value in new data	15	19	New data include another measure IT-91 Incentives to provide fixed-term jobs as replacement for workers on compulsory leave.
New Category 4 (approximates old 4.a with parts of 3)				
4 a)	Aides destinées aux entreprises pour l'embauche de travailleurs inscrits sur les listes de mobilité	385	441	Matches IT-3 Incentives for hiring those registered in mobility lists.
3 b)	Bourse d'emploi	190	47	Matches IT-22 Job grants.
4 a)	Aides destinées aux entreprises qui réembauchent des dirigeants	0	0	Matches IT-32 Reintegration of managers in SMEs.
4 a)	Aides destinées aux entreprises pour l'embauche des travailleurs en caisse d'indemnisation	4	5	Matches IT-35 Incentives for taking on employees in CIGS.
4 a)	Aides destinées aux entreprises pour l'embauche des chômeurs de longue durée	659	967	Matches IT-36 Incentives for taking on long-term unemployed.
4 a)	Sgravio totale triennale	..	548	Matches IT-51 Total triennial relief.
4 a)	Sgravio totale annuale	34	52	Matches IT-52 Total annual relief.
3 b)	Plan d'insertion professionnelle	..	29	Matches IT-53 Vocational integration schemes.
4 a)	Contributo per il collocamento di ex-LSU	..	16	Matches IT-55.2 [Component] Subsidies for the reinsertion of ex-LSU - Labour cost subsidies.
4 a)	Credito d'imposta ob.1	206	86	Matches IT-56 Tax relief for SMEs creating jobs in Objective 1 areas.
4 a)	Contrats d'apprentissage convertis en contrats à durée indéterminée	207	272	Matches IT-59 Conversion of temporary apprenticeship contracts into permanent ones.
4 a)	Contrats de formation convertis en contrats à durée indéterminée	7	19	Matches IT-60 Conversion of temporary training & work contracts into permanent ones.
4 a)	Contributo in forma capitaria per unità locali operanti nel Mezzogiorno	276	187	Matches IT-61 Subsidy for firms located in the Mezzogiorno.
4 a)	Aides destinées aux coopératives sociales pour l'embauche des catégories défavorisées	26	38	Matches IT-67 Exemption from social contributions for disadvantaged workers in social-operatives.
4 a)	Aides destinées aux entreprises pour l'embauche des travailleurs avec contrat de réinsertion	0	0	Very small programme not included in new data.
4 a)	Contratti di riallineamento	..	1	Very small programme not included in new data.
	Total new Category 4- estimated from old data	1 993	2 706	
	Total new Category 4- value in new data	1 973	3 084	Old data do not include the measure IT-57 Tax relief for job creation with 530m€ spending in 2001 and 1250m€ in 2002 .
New Category 6 (approximates old 4.c)				
4 c)	Travaux à utilité sociale (d)	669	637	Matches IT-11 Socially useful work (LSU) (except in 2000).
	Total new Category 6- estimated from old data	669	637	
	Total new Category 6- value in new data	669	615	
New Category 7 (approximates old 4.b)				
4 b)	"Prêts d'honneur"	50	204	Matches IT-19 Loans for one-person businesses.
4 b)	Sgravi a lavoratori <32 che avviano attività	-	133	Matches IT-65 Relief for workers under 32 starting their own business.
Est.	Capitalisation of mobility allowances for the creation of new businesses or self-employment	24	14	Continues back in time values of measure IT-3d, values estimated as 0.4% of total active spending back to 1992 (since this measure started in 1991).
	Total new Category 7- estimated from old data	75	350	
	Total new Category 7- value in new data	75	369	Old data do not include ESF Cofinanced Actions 2000-2006 - Incentives for self-employment with 75m€ spending in 2002.

Table A.1. Programmes in 1985-2002 data & their correspondence with programmes in the new classification: ITALY (cont'd)

Old Category	Programmes in the 1985-2002 database (or added to it on an estimated basis) Programme name in old database	Expenditure (Millions euros)		Relationship to measures in the new data and (if relevant) estimation method for old data
		First year of overlap (1998)	All years of data overlap (1998-2002)	
New Category 8 (approximates old 6)				
6	Cassa Integrazione Guadagni Ordinaria (Caisse d'indemnisation pour le chômage) (e)	466	466	These two programmes match IT-2 Wage compensation fund, IT-80 Ordinary Wage Compensation Fund and IT-81 Extraordinary Wage Compensation Fund exactly in 2001, fairly well in other years.
6	Cassa Integrazione Guadagni Straordinaria (e)	459	429	
6	Indennités de mobilité	1,151	1,247	Matches IT-3a Mobility allowance.
6	Indennités de chômage	4,236	4,210	Matches the sum of IT-68 to IT-78 inclusive (different types of unemployment benefit) exactly in 1999 and 2000, approximately in other years.
	Total new Category 8- estimated from old data	6,313	6,352	
	Total new Category 8- value in new data	6,176	6,477	Old data do not include IT-94 Special solidarity funds in credit industry, with 250m€ spending in 2002.
New Category 9 (approximates old 7)				
7	Retraite anticipée pour motifs liés au marché du travail (f)	1,887	1,350	Matches IT-16 Early retirement.
	Total new Category 9- estimated from old data	1,887	1,350	
	Total new Category 9- value in new data	1,887	1,350	
Total "active" spending (Categories 1 to 7)				
	Old classification data	6,217	6,933	
	New classification - estimated from old data	5,654	6,518	
	New classification - value in new data	5,596	6,917	
Total "passive" spending (Categories 8 and 9)				
	Old classification data	8,199	7,702	
	New classification - estimated from old data	8,199	7,702	
	New classification - value in new data	8,063	7,827	

Table A.1. Programmes in 1985-2002 data & their correspondence with programmes in the new classification: LUXEMBOURG

Old Category	Programmes in the 1985-2002 database (or added to it on an estimated basis) Programme name in old database	Expenditure (Millions euros)		Relationship to measures in the new data and (if relevant) estimation method for old data
		Last year of old data 1997	First year of new data 1998	
New Category 0 (old mesures outside the scope of the new data)				
2 b)	Formation des adultes occupés		0.5	
3 b)	Aide à l'apprentissage et aux autres types de formation des jeunes à caractère général		7.4	
5 b)	Ateliers protégés		2.9	
New Category 1 (approximates old 1)				
1	Administration et services publics de l'emploi		4.9	
Est.	Administration et services publics de l'emploi (additional costs 1985-1997)		1.9	
	Total new Category 1 - estimated from old data		6.8	
	Total new Category 1 - value in new data			9.6
New Category 2 (approximates old 2.a with parts of 3)				
3 a)	Emplois temporaires dans le secteur public		10.0	
2 a)	Formation des chômeurs adultes et des travailleurs menacés de perdre leur emploi		1.3	
3 a)	Formation professionnelle et orientation (a)		2.1	
	Total new Category 2 - estimated from old data		13.4	
	Total new Category 2 - value in new data			13.0
New category 4 (approximates old 4.a and part of 3)				
4 a)	Indemnités de réemploi (hors sidérurgie)		2.7	
5 b)	Réembauchage des personnes handicapées		3.0	
4 a)	chômeurs de longue durée		0.7	
4 a)	Mesures visant la sidérurgie (b)		3.8	
	Total new Category 4 - estimated from old data		10.2	
	Total new Category 4 - value in new data			8.2
New category 5 (approximates old 5)				
5 a)	Réadaptation professionnelle		0.2	
5 b)	Dispositif spécial en faveur des handicapés dans la sidérurgie		0.0	
	Total new Category 5 - estimated from old data		0.2	
	Total new Category 5 - value in new data			0.2
New category 6 (approximates old 4.c)				
4 a)	Travaux extraordinaires d'intérêt général (hors sidérurgie)		2.4	
4 c)	Création directe d'emplois (secteur public ou organisme sans but lucratif)		0.3	
	Total new Category 6 - estimated from old data		2.7	
	Total new Category 6 - value in new data			3.4
New category 7 (approximates old 4.b)				
4 b)	Aide aux chômeurs créateurs d'entreprises		0.1	
	Total new Category 7 - estimated from old data		0.1	
	Total new Category 7 - value in new data			0.1
New category 8 (approximates old 6)				
6	Chômage complet		47.8	
6	Chômage partiel		0.8	
6	Chômage dû à un accident et aux intempéries		4.6	
6	Salaire garanti en cas de faillite		5.2	
	Total new Category 8 - estimated from old data		58.4	
	Total new Category 8 - value in new data			51.9
New category 9 (approximates old 7)				
7	Sidérurgie		43.9	
7	Dispositif général		12.6	
	Total new Category 9 - estimated from old data		56.4	
	Total new Category 9 - value in new data			55.2
Total "active" spending (Categories 1 to 7)				
	Old classification data		42.5	
	New classification - estimated from old data		33.4	
	New classification - value in new data			34.5
Total "passive" spending (Categories 8 and 9)				
	Old classification data		114.8	
	New classification - estimated from old data		114.8	
	New classification - value in new data			107.1

Table A.1. Programmes in 1985-2002 data & their correspondence with programmes in the new classification: NETHERLANDS

Old Category	Programmes in the 1985-2002 database (or added to it on an estimated basis) Programme name in old database	Expenditure (Millions euros)		Relationship to measures in the new data and (if relevant) estimation method for old data
		First year of overlap (1998)	All years of data overlap (1998-2002)	
New Category 0 (old measures outside the scope of the new data)				
2 b)	Information technology training (ACSI, NIO)	-	0	Training for employed adults is out of scope.
2 b)	Support of training in small firms (SSW)	-	0	Ditto.
2 b)	ESF-4	32	24	Ditto.
2 b)	ESF-ADAPT	13	6	Ditto.
2 b)	Fiscal facility for job-related training	118	248	Ditto.
2 a)	Vocational training centres (CV)	94	93	This programme has no obvious match in new data, and data to continue it are lacking; the underlying spending might be included in new Category 1 with a need to transfer it to Category 2, but any interpretation remains speculative.
2 a)	ESF-30/ESF-3 (OCW-budget 'Life long learning' excluded)	184	207	This programme is replaced with another series in Category 2.
5 a)	ESF-Employment, Horizon	4	2	This programme probably should be in the scope of the database, but it is small and appears to be omitted from the new data.
2 a)	Unemployment benefits during training - compromise estimate	550	755	This programme is replaced with another series in Category 2.
6	Unemployment benefits during training - compromise estimate	-550	-755	This programme is replaced with another series in Category 8.
6	Risico-fondsen (vorstverlet)	156	63	Frost-leave benefit (for construction workers, financed by private insurance): this programme still exists, but old data cease in 1999 and the programme is not included in the new data.
2 a)	Comprehensive reintegration (Sluitende reïntegratie)	-	351	Old programme matches the sum of NL-41.1 and NL-41.2, components of Comprehensive reintegration (see below) and is split between them.
New Category 1 (approximates old 1)				
1	Public employment services/CWI (PES administration costs included)	280	312	Approximately matches NL-39 PES - Public Employment Services/CWI Centres for Work and Income in 1998, 2001 and 2002, but in 1999 and 2000. NL-39 reports much higher spending. The excess spending in the new data has been removed.
2 a)	Other trajectories/BKWI in 2002	140	85	This programme from old Category 2 has been retained and added to the new data.
2 a)	Preventive Approach (Sluitende Aanpak)	-	61	This programme from old Category 2 has been retained and added to the new data.
Est.	[Component] Comprehensive reintegration - Individual case-management - est	0	316	Values of NL-41.1 (a component of old programme Comprehensive reintegration, which is transferred from Category 2 to Category 1).
2 a)	Casemanagement/Agenda for the future	-	20	Matches NL-53 Case-management municipalities (Agenda for the Future). This has been transferred to Category 1 in new data, because it continues back in time NL-53.1 which is in Category 1.
1	Administration costs of other labour market measures	807	779	Matches NL-46.1-46.3 Administration of passive measures, WW, ABW, TW.
Est.	Administration costs of unemployment benefits for former civil servants (WRO) - est.	209	213	Estimated before 1998 as 15.9% of benefit spending (see below Wachtgeldregeling overheidspersoneel, WRO).
	Total new Category 1 - estimated from old data	1 436	1 785	
	Total new Category 1 - value in new data	1 412	1 788	
New Category 2 (approximates old 2.a with parts of 3)				
Est.	Unemployment benefits during training - ESTIMATE OECD (added to Cat.2)	263	261	Continues back in time the sum of NL-31 (WW) and NL-33 (WWB) Unemployment benefits during training; the same data have been added as an estimated series in the new data for 1998 to 2003 since NL-31 and NL-33 have first nonzero values in 2004. Estimated as 53% of training expenditure (excluding social security reductions) plus 1.3% of unemployment benefits.
2 a)	Jobseekers Employment Act - training & social activation (WIW-S&A)	177	73	Matches NL-38 .3 [Component] WIW - Jobseekers employment act - Activation & training.
2 a)	Industry-based (sectoral) training (BBSW, KVA, SVWW)	23	37	Matches NL-40 BBSW - Contribution scheme for sectoral training of the unemployed.
2 a)	ESF-EQUAL	-	13	Approximately matches NL-56 ESF Equal which however shows expenditure in 2002 and 2003 (rather than 2001 and 2002).
Est.	[Component] Comprehensive reintegration [part retained under training]	0	35	Values of NL-41.2 from the new data (a second component of old programme Comprehensive reintegration).
Est.	[Component] ESF-3 (for unemployed) - Training for unemployed/inactive	71	81	Continues back in time NL-51.2; the same data have been added as an estimated series in the new data for 1998 to 2000, since NL-51.2 has first nonzero value in 2001. Estimated as 38% of spending on the old programme ESF-30/ESF-3 (OCW-budget 'Life long learning' excluded).
2 a)	Reintegration budget Social Security Agencies (uvi's)	23	48	Matches NL-52 Reintegration budget UWV regarding WW-recipients, same data added in the new data for 1998 to 2000 since NL-52 has first nonzero value in 2001.
2 a)	Minority-targeted LMP	-	10	Matches NL-54 Minority-targeted LMP (Stimulation labour participation).
3 b)	Support of apprentices (BVJ/BVL/WVA-VO)	139	164	Matches NL-1.1 [Component] WVA - Act on reduction of employers tax and social security contributions - VO (apprentices).
2 a)	Framework regulation for training (KRS)	17	4	Small programme.
2 a)	PVBE, CBB, Women's voc. training institutes, Measures by municipalities	-	0	Four old programmes with nonzero spending only before 1998.
2 a)	Regional plans (PCG, BRP)	14	4	Small programme.
2 a)	Other (central PES office)	-	0	
2 a)	ESF-Employment, NOW	3	1	
2 a)	ESF-Employment, Integra	4	2	
3 b)	ESF-40 (Youth training)	-	0	
	Total new Category 2 - estimated from old data	733	733	
	Total new Category 2 - value in new data	691	731	

Table A.1. Programmes in 1985-2002 data & their correspondence with programmes in the new classification: NETHERLANDS (cont'd)

Old Category	Programmes in the 1985-2002 database (or added to it on an estimated basis) Programme name in old database	Expenditure (Millions euros)		Relationship to measures in the new data and (if relevant) estimation method for old data
		First year of overlap (1998)	All years of data overlap (1998-2002)	
New Category 4 (approximates old 4.a with parts of 3)				
4 a)	Reduction of employer's tax and social security contribution (WVA) for longterm unemployed (WVA-	169	191	Matches NL-1.2 [Component] WVA - Act on reduction of employers tax and social security contributions - VLW (LTU).
4 c)	Jobseekers Employment Act - work-experience positions (WIW-wep)	45	21	Matches NL-38.1 [Component] WIW - Jobseekers employment act - Work experience contracts, but old data report lower value in 1998, no value in 2000 to 2002.
4 a)	Job finders tax reduction (Toetrederskorting)	-	2	Matches NL-57 Job finders tax reduction.
4 a)	MOA, MLW, PALL, KRA, KRU	1	0	5 old programmes with very little spending after 1997.
4 a)	Experiments activating social benefits (EAU)	113	23	This programme has data for 1998 (not later) in old data, and does not appear at all in new data. This could be because EAU was in principle absorbed into WIW (see above) from the start of 1998.
	Total new Category 4 - estimated from old data	329	237	
	Total new Category 4 - value in new data	304	259	The EAU programme has been added to the new data (1998 only).
New Category 5 (approximates old 5)				
5 b)	Wage cost subsidy for the disabled (LKS)	-	0	1992 to 1997 programme, subsequently absorbed into REA (see below).
5 b)	Act on (Re)Integration in Employment of the occupationally Disabled (REA)	191	399	Approximately matches NL-59 Act on the (re)integration in employment of the occupationally disabled (REA), but spending on NL-59 is lower in 1998 and higher in later years.
5 b)	Wage cost subsidy for the disabled (LKS)	-	0	Non-zero values only before 1998.
5 b)	Work for the disabled (WSW)	1,661	1,852	Matches NL-6 WSW - Sheltered employment act approximately in 1998, exactly in later years.
	Total new Category 5 - estimated from old data	1,852	2,251	
	Total new Category 5 - value in new data	1,895	2,355	
New Category 6 (approximates old 4.c)				
3 b)	ESF-Employment, Youthstart	3	1	
4 c)	Extra jobs for longterm unemployed (EWLW) (Melkert jobs)	589	772	Matches NL-3 Regulation on I/D-jobs for long-term unemployed (former WI1/EWLW).
4 c)	Jobseekers Employment Act - jobs (WIW-jobs)	523	207	These two old programmes approximately match NL-38.2 [Component] WIW - Jobseekers employment act - Employment contracts & outplacement.
4 c)	Basic subsidy for WIW-jobs + WIW-work-experience positions	0	189	
4 c)	WVM, TPP, KRA, BP	-	0	Four old programmes with nonzero spending only before 1998.
4 c)	Regulation on Employment in Domestic Services (RSP)	2	5	Small programme not represented in new data.
	Total new Category 6 - estimated from old data	1,118	1,175	
	Total new Category 6 - value in new data	1,055	1,225	
New Category 8 (approximates old 6)				
6	AWf/Wgf [General unemployment fund/redundancy payment fund]	2,909	2,680	The sum of this old programme and IOAW, IOAZ, matches the sum of NL-31.0 WW - Unemployment insurance with NL-34 and NL-35 exactly in 2001. However the new sum is 130% of the old sum in 1998 falling to 87% in 2002.
6	IOAW	195	81	Matches NL-34 IOAW - Income provisions for older or partially disabled, formerly unemployed persons (no old data after 1999, no new data after 2001).
6	IOAZ	49	20	Matches NL-35 IOAZ - Income provisions for older or partially disabled, formerly self-employed persons (no old data after 1999, no new data after 2001).
6	Wwv	-	0	Phased out by 1998.
6	Wachtgeldregeling overheids personeel	1,311	1,251	Matches NL-61 Unemployment benefits former civil servants (WRO); values for 1998 and 1999 added to the new data.
6	Abw-Rww (for Abw-beneficiaries who have to accept work)	4,529	1,774	These two programmes match NL-33 Abw - National assistance benefit exactly in 1999 and 2002, but new data values are lower in 1998, 2000 and 2001. New data seem erratic (data on New Cronos differ from data in annual publications).
6	FWI (Fonds Werk en Inkomem) (p) [Abw IOAW & IOAZ]	0	2,595	
Est.	Unemployment benefits during training - ESTIMATE OECD	-263	-261	Benefit spending transferred to Category 2, with a matching treatment in new data (see above).
	Total new Category 8 - estimated from old data	8,729	8,140	
	Total new Category 8 - value in new data	9,443	8,389	The difference primarily reflects the relatively higher value of NL-31.0 in early years (see above).
Total "active" spending (Categories 1 to 7)				
	Old classification data	5,921	6,958	
	New classification - estimated from old data	5,468	6,181	
	New classification - value in new data	5,358	6,358	
Total "passive" spending (Categories 8 and 9)				
	Old classification data	8,598	7,710	The old classification total was lower due to the larger amount of unemployment benefits during training (transferred to Category 2).
	New classification - estimated from old data	8,729	8,140	
	New classification - value in new data	9,443	8,389	

Table A.1. Programmes in 1985-2002 data & their correspondence with programmes in the new classification: NORWAY

Old Category	Programmes in the 1985-2002 database (or added to it on an estimated basis) Programme name in old database	Expenditure (Millions NKR)		Relationship to measures in the new data and (if relevant) estimation method for old data
		First year of overlap (1998)	All years of data overlap (1998-2002)	
New Category 1 (approximates old 1)				
1	The employment agency (a)	1 659	1 768	Exactly matches NOR-26 "Services of the Public Employment Service (Aetat)".
1	Related social security administration (unemployment compensation)	-	0	Ends 1996.
1	Related social security administration (rehabilitation benefits)	-	0	Ends 1996.
	Total new Category 1- estimated from old data	1 659	1 768	
	Total new Category 1- estimated from new data	1 708	1 782	Includes NO-4 "Job clubs" which is not in old classification (measure started in 1995).
New Category 2 (approximates old 2.a with parts of 3)				
2 a)	Adult training centres	1 123	874	Matches on average NO-7 Labour market training (AMO).
5 a)	Schooling (until 1993 in the social security budget) (c)	3 320	4 641	Matches NO-22 Education in regular schools in 1998 and 1999 (from 2000 NO-22 falls sharply).
Est.	Schooling - passive expenditure (transferred to new Cat 8)	-500	-957	Matches the exclusion of passive expenditure from NO-22 from 2000 onwards (same values have been added to NO-22 in 1998 and 1999).
3 a)	Subsidised work experience	190	138	Matches NO-8 Traineeship-sponsorship scheme/Work experience in ordinary enterprises.
2 a)	Enterprise training grants	24	24	Matches NO-9 In-house training (BIO).
3 a)	Apprenticeships in the public sector	19	6	Matches NO-10 Apprentices in government agencies.
	Total new Category 2- estimated from old data	4 176	4 726	
	Total new Category 2- estimated from new data	4 138	4 788	
New Category 3 (part of old 4.a)				
4 a)	Training subsidies	144	34	Matches NO-12 "Temporary substitute places".
	Total new Category 3- estimated from old data	144	34	
	Total new Category 3- estimated from new data	144	34	
New Category 4 (approximates old 4.a with parts of 3)				
1	Mobility supports	20	15	Matches NO-5 "Mobility promoting grants".
4 a)	Wage subsidies (b)	174	124	These three old programmes match the sum of NO-6 Wage subsidies to employers and NO-28 Wage subsidies for the occupationally disabled (NO-6 includes NO-28 until 2000).
3 a)	Wage subsidies (youth)	43	42	
5 b)	Wage subsidies (disabled)	244	236	
Est.	In-house rehabilitation component of "Other" (spending transferred from Cat 5)	64	74	Values for NO-13 In-house rehabilitation (BIA), estimated as 6.8% of the old programme Category 5 Other.
	Total new Category 4- estimated from old data	545	491	
	Total new Category 4- estimated from new data	544	478	New classification includes NO-13 In-house rehabilitation (BIA).
New Category 5 (approximates old 5)				
5 b)	Sheltered workshops	778	798	Nearly matches the sum NO-20+NO-23+NO-24 Sheltered workshops (AMB). However old and new data both appear to include Sheltered workshops (AMB) phase 3 in 1998-2000 but exclude it in 2002 (unresolved break in statistical coverage).
5 a)	(Old Cat 5.a) Other	935	1 086	"Other" expenditure for the disabled is much higher than the sum of new data NO-15 "Preparatory job training (AFT)" (start 95), NO-18 "Integration subsidies", and NO-19 "Supported employment (AB)". On an estimated basis 6.8% of "Other" is transferred to new Category 4 and 70.2% treated as being outside the scope of the new classification data.
Est.	In-house rehabilitation component of "Other" (spending transferred to Cat 4)	-64	-74	
Est.	Component of "Other" now outside scope	-656	-762	
	Total new Category 5- estimated from old data	993	1 048	
	Total new Category 5- estimated from new data	1 026	1 096	
New Category 6 (approximates old 4.c)				
5 b)	Other public sector jobs	336	292	Approximately matches NO-14 Public sector employment for the occupationally disabled.
5 b)	(Old Cat 5.b) Dir. job creation, self-empl. (until 1993 social security measures)	901	1 028	Approximately matches NO-21 Work experience - Practice in regular places of work for the occupationally disabled.
Est.	(Old Cat 5.b) Dir. job creation, self-empl. - passive component (transferred to new Cat 8)	-72	-199	Matches the exclusion of passive expenditure from NO-21 from 2000 onwards (same values have been added to NO-21 in 1998 and 1999).
4 c)	Direct job creation (public or non-profit)	22	10	Probably matches NO-11 Temporary public employment (KAJA); there was a sharp fall between 97 and 98 in both old and new data.
	Total new Category 6- estimated from old data	1 187	1 130	
	Total new Category 6- estimated from new data	1 113	1 080	
New Category 7 (approximates old 4.b)				
4 b)	Support of unemployed persons starting enterprises	53	29	NO-25 "Start your own business".
	Total new Category 7- estimated from old data	53	29	
	Total new Category 7- estimated from new data	53	33	
New Category 8 (approximates old 6)				
6	Unemployment insurance	5 267	6 343	Matches NO-1 [2] [Component] Unemployment benefits - Unemployment insurance.
6	UI for seamen, fishermen	44	31	Seems to be included in NO-1 [2] [Component] Unemployment benefits - Unemployment insurance in 98 and 99 only.
6	Bankruptcy benefits	134	66	Matches NO-1 [5] [Component] Unemployment benefits - Bankruptcy compensation.
Est.	Payments for occupational rehabilitation between measures (transferred from NO-21 and NO-22)	571	1 156	Matches NO-27 Payments for occupational rehabilitation between measures values from 2000 (same values have been added to NO-27 in 1998 and 1999).
	Total new Category 8- estimated from old data	6 016	7 597	
	Total new Category 8- estimated from new data	6 111	7 693	Slightly higher because the new data includes small programmes NO-17 Special rehabilitation allowance and NO-29 Waiting benefit.
Total "active" spending (Categories 1 to 7)				
	Old classification data	9 985	11 143	
	New classification - estimated from old data	8 758	9 225	
	New classification - value in new data	8 727	9 291	
Total "passive" spending (Categories 8 and 9)				
	Old classification data	5 445	6 440	
	New classification - estimated from old data	6 016	7 597	
	New classification - value in new data	6 164	7 726	

Table A.1. Programmes in 1985-2002 data & their correspondence with programmes in the new classification: POLAND

Old Category	Programmes in the 1985-2002 database (or added to it on an estimated basis) Programme name in old database	Expenditure (Millions PLN) First year of overlap (2005)	Relationship to measures in the new data and (if relevant) estimation method for old data
New Category 1 (approximates old 1)			
Est.	Category 1/Public employment services and administration - est	671	Continues back in time the total value of new Category 1, based on interpolation between 1996 and 2005 of the ratios of Category 1 spending to non-missing active spending (see text).
New Category 2 (approximates old 2.a with parts of 3)			
2 a)	Training for unemployed adults and those at risk	182	Matches PL-21 Training, possibly including also the small measure PL-3 Vocational training organized by Local (powiat) Labour Office.
3 a)	Special measures for school-leavers	607	These two programmes together may approximately match the sum of three new measures
3 b)	Support of apprenticeship and related forms of general youth training	146	PL-16 Apprenticeship, PL-17 Vocational training in the workplace [start 2004] and PL-30 Scholarship for continuing education.
	Total new Category 2- estimated from old data	935	
	Total new Category 2- value in new data	984	
New Category 4 (approximates old 4.a with parts of 3)			
4 a)	Interventional jobs	194	Matches PL-15 Interventional jobs.
4 a)	Activation benefit	44	Matches PL-27 Activation allowances.
4 a)	Additional jobs	0	2004 was the last year of spending on this old programme.
Est.	Wage subsidies for disabled [not in SWE] - est	128	The minimum of (a) a value for PL-11 Wage subsidies for disabled workers estimated by ratio extrapolation and (b) spending on the old programme Sheltered workshops and workplaces - supplementary payment to wages.
	Total new Category 4- estimated from old data	366	
	Total new Category 4- value in new data	428	The new data total is higher because it includes PL-20 Refund of costs of equipment and additional equipment of the workplace for the placed unemployed person, a measure which started in 2004 and had 63m PLN spending in 2005.
New Category 5 (approximates old 5)			
Est.	New Category 5 - est	1 577	Continues back in time the total value of new Category 5, based on interpolation between 2000 and 2005 of the ratios of Category 5 spending to non-missing active spending (see text).
New Category 6 (approximates old 4.c)			
4 c)	Public works	294	Matches PL-18 Public works, although spending is somewhat lower in the new data.
	Total new Category 6- estimated from old data	294	
	Total new Category 6- value in new data	247	
New Category 7 (approximates old 4.b)			
5 b)	Enterprise startup support	0	Old measure with no reported spending after 2000.
4 b)	Subsidies to start-ups (old data revised 2004-2005)	299	May match PL-19 Grant for the unemployed starting economic activity, if some of the 2005 spending in old data (a sudden jump in spending over 2004) is reported in 2006 in the new data.
5 b)	Loans for starting up a business activity	15	Matches PL-5 Support for starting or running a business.
	Total new Category 7- estimated from old data	314	
	Total new Category 7- value in new data	265	See remark above about the measure PL-19
New Category 8 (approximates old 6)			
6	Unemployment insurance (old data revised 1997-2001)	2 998	Matches PL-35 Benefits for the unemployed. In the new data PL-35 is allocated to Category 8.1.2 Unemployment assistance (benefit entitlement requires 1 year of contributions, and benefit level and benefit duration depend on work record but not on former wage/salary).
6	wages compensation (FGSP)	128	Matches in name PL-41 Bankruptcy compensation, but the new data report zero spending on this measure.
	Total new Category 8- estimated from old data	3 125	
	Total new Category 8- value in new data	3 125	The old-series data for Wages compensation have been added to the new data to improve the match.
New Category 9 (approximates old 7)			
6	Other pre-retirement benefits (old data revised 1997-2005)	2 070	This old series is calculated as the difference between a total reported for Pre-retirement benefits in 2002-2004 data and Pre-retirement allowances in 2002-2005 data (see below). Matches PL-36 Pre-retirement benefits.
7	Pre-retirement allowances (old data revised 1997-2005)	3 359	Matches PL-37 Pre-retirement allowances.
7	Early retirement for labour market reasons	0	Old programme with nonzero spending only before 1997.
	Total new Category 9- estimated from old data	5 429	
	Total new Category 9- value in new data	5 429	
Total "active" spending (Categories 1 to 7)			
	Old classification data	..	
	New classification - estimated from old data	4 156	
	New classification - value in new data	4 171	
Total "passive" spending (Categories 8 and 9)			
	Old classification data - revised	8 554	This refers to the old data including pre-retirement benefits based on recent advice from Polish authorities
	Old classification data - before revision	6 484	The total that was in the old data before the recent advice from Polish authorities
	New classification - estimated from old data	8 554	Total in the revised old data, which go back to 1997 (the first year of spending on pre-retirement benefits and allowances)
	New classification - value in new data	8 554	Agrees with the revised old data

Table A.1. Programmes in 1985-2002 data & their correspondence with programmes in the new classification: PORTUGAL

Old Category	Programmes in the 1985-2002 database (or added to it on an estimated basis) Programme name in old database	Expenditure (Millions euros)		Relationship to measures in the new data and (if relevant) estimation method for old data
		First year of overlap (1998)	All years of data overlap (1998-2000)	
New Category 0 (old mesures outside the scope of the new data)				
2 b)	Formation de Professeurs (QCA0941120)	31	24	Not in new data: training for employed adults is outside the scope.
2 b)	Formation Continue (QCA942220)	44	37	ditto.
2 b)	Formation de Formateurs (QCA0942320)	10	8	ditto.
2 b)	Formation Dans L'Administration Publique (QCA0942410)	9	6	ditto.
2 b)	Formation Pour L'Agriculture (QCA0943100)	21	18	ditto.
2 b)	Formation Pour Les Pêches (QCA0943200)	0	0	ditto.
2 b)	Formations Pour L'Industrie (QCA0943300)	63	54	ditto.
2 b)	Formation Pour Le Tourisme (QCA0943400)	10	9	ditto.
2 b)	Formation En Cooperation (IEFP)	16	15	ditto.
2 b)	Formation Pour Les Travailleurs De la Santé (QCA0944100)	14	12	ditto.
2 b)	Aides aux centres de formation cooperatives	-	0	ditto.
2 b)	Aide aux autres types de formation professionnelle coopérative	-	0	ditto.
2 b)	Centres publics de formation	-	0	ditto.
2 b)	F.S.E.	-	0	ditto.
2 b)	Formations sectorielles (QCA-943160,250,350,440; 944100)	-	0	ditto.
2 b)	Autres (QCA-942320,410; IEFP)	-	0	ditto.
3 b)	Ecoles professionnelles (QCA-941130)	106	100	
	Total	325	282	
New Category 1 (approximates old 1)				
1	Formation des formateurs	-	0	Ends 1996 - Replaced by "Administration et service de l'emploi".
1	UNIVAs (unités d'insertion dans la vie active)	0	0	Ends 1996 - Replaced by "Administration et service de l'emploi".
1	Agents pour le développement	0	0	Ends 1996 - Replaced by "Administration et service de l'emploi".
1	Autres (information, clubs d'emploi, observatoire etc.,excl. organismes qui versent indemnités de chômage)	0	0	
1	Administration et services de l'emploi (total)	107	119	Nearly matches PT-95 Administration and public employment service.
1	Coûts administratifs du service d'emploi	0	0	Ends 1996 - Replaced by "Administration et service de l'emploi".
Est.	Administration of unemployment benefits (Social security)	24	27	Estimate of benefit administration cost (same as in new classification as 3% of spending of unemployment benefits).
	Total new Category 1- estimated from old data	131	146	
	Total new Category 1- value in new data	140	154	
New Category 2 (approximates old 2.a with parts of 3)				
3 b)	Mesures cofinancées par le F.S.E	-	0	Ends 1993.
2 a)	Formation au travail: patrimoine culturel	-	0	Ends 1993.
2 a)	Formation Pour Ex-Stagiaires (IEFP)	0	0	Ends 1995.
2 a)	Formation et Intégration d'Adultes	-	0	Ends 1993.
2 a)	Formation pour CLD (EFS)	-	0	Ends 1993.
2 a)	Evolutions Sectorielles Negatives (QCA0942240)	2	2	No clear match with new classification. Low spending.
3 a)	Travail et form. prof.pour les jeunes chômeurs sans qualifications	-	0	Ends 1993.
3 a)	F.S.E.	-	0	Ends 1993.
3 b)	Initiation professionnelle (QCA 942120)	47	35	Nearly matches PT-63 Initial training (excluding apprenticeship).
3 b)	Programme de Formation et Emploi pour jeunes	4	6	These two programmes combined match PT-9 Training/employment schemes for young people, specialists, managers and adults.
2 a)	Programme de Formation/Emploi Pour Adultes et Cadres Moyens et Supérieurs (IEFP)	5	5	
2 a)	Ecoles-Offices (IEFP)	15	19	Matches PT-20 Vocational training workshops programme.
2 a)	Formation de Chômeurs (QCA0942230)	44	43	Matches in name PT-64 Training for unemployed, but spending reported for PT-64 is about 1/4 lower.
2 a)	Formation D'Autres Catégories Défavorisées (QCA0944240)	10	11	Matches in name PT-67 Special training for disadvantaged groups, but spending reported for PT-67 is much higher in 1998 and 2000, lower in 1999.
3 b)	Stages d'Insertion Professionnelle (IEFP)	21	32	Matches PT-22 Practical vocational training.
3 a)	Apprentissage (QCA942110)	68	94	Matches PT-7 Apprenticeship training for young people.
	Total new Category 2- estimated from old data	217	246	The value in new data is higher in 1998 (but not 1999 and 2000) due to the values of PT-67 (see above).
	Total new Category 2- value in new data	241	250	
New Category 4 (approximates old 4.a with parts of 3)				
3 a)	Emplois temporaires	-	0	Ends 1989.
4 a)	Subventions à l'embauche	11	13	Matches PT-23 Subsidies for permanent employment contracts.
4 b)	Initiatives locales	18	21	Matches PT-24 Local employment initiatives - ILE.
3 b)	Bonifications Cont. Sociales pour creation d'emplois (IGFSS)	0	0	Matches in name PT-29 Job creation for young people through exemptions or reductions from compulsory social security contributions (and perhaps PT-37 which is similar but for the long-term unemployed), but the old and new data report zeros for the years 1998 to 2000.
Est. b)	Bonifications Cont. Sociales pour creation d'emplois (IGFSS)	95	120	1998-2000 values estimated by linear interpolation between the last old data value (1997) and the first new data value (2001); added to new data as well as old data.
5 b)	Bonifications contributions sociales (handicapés)	-	0	Very low spending, ended in 1993.
	Total new Category 4- estimated from old data	123	155	
	Total new Category 4- value in new data	128	164	New data by the year 2000 include 11m euros of spending in small disability programmes (PT-68 and PT-96.1) that did not figure in the old data.

Table A.1. Programmes in 1985-2002 data & their correspondence with programmes in the new classification: PORTUGAL (cont'd)

Old Category	Programmes in the 1985-2002 database (or added to it on an estimated basis) Programme name in old database	Expenditure (Millions euros)		Relationship to measures in the new data and (if relevant) estimation method for old data
		First year of overlap (1998)	All years of data overlap (1998-2000)	
New Category 5 (approximates old 5)				
5 b)	Emplois	7	2	Matches PT-33 Sheltered employment (ends 1998).
5 a)	Préparation et formation professionnelles	3	1	Matches PT-34 Vocational preparation schemes for disabled persons (ends 1998).
5 a)	Aide à l'intégration socio-professionnelle	x	0	Ends 1993.
5	Mesures en faveur des handicapés	0	15	PT-33 Sheltered employment (from 1999) + PT-34 Vocational preparation schemes for disabled persons (from 1999).
	Total new Category 5- estimated from old data	10	18	
	Total new Category 5- value in new data	7	17	
New Category 6 (approximates old 4.c)				
4 c)	Emplois temporaires	-	0	Ends 1990.
4 c)	Mesures en faveur des travailleurs saisonniers	48	53	Matches PT-4 Employment scheme for unemployed persons in need (see the mention of seasonal workers as an eligible group in Qualitative Reports 2001).
	Total new Category 6- estimated from old data	48	53	
	Total new Category 6- value in new data	57	58	
New Category 7 (approximates old 4.b)				
4 b)	Aides (notamment aides à la création d'entreprises artisanales)	-	0	Ends 1993.
4 b)	F.S.E.	-	0	Ends 1993.
4 b)	Other	9	12	
Est.	Utilisation des indemnités de chômage	26	9	Matches PT-25 Subsidies for creation of self-employed, but values in the old data were missing after 1993 and estimates have been added (for 1994-1996 by linear interpolation between the last old and first new values).
	Total new Category 7- estimated from old data	35	20	
	Total new Category 7- value in new data	31	19	
New Category 8 (approximates old 6)				
6	Indemnisation du chômage	654	718	Nearly matches PT-75 Unemployment subsidy and PT-76 Unemployment assistance.
	Total new Category 8- estimated from old data	654	718	
	Total new Category 8- value in new data	664	736	Sum of PT-75 and PT-76 slightly exceeds the old total.
New Category 9 (approximates old 7)				
7	Retraite anticipée pour motifs liés au marché du travail (b)	156	188	Approximately matches PT-41 Early retirement for the elderly unemployed. Old and new data both show erratic movements. PT-41 datum for 1999 is a copy of the value for 1998.
	Total new Category 9- estimated from old data	156	188	
	Total new Category 9- value in new data	188	190	
Total "active" spending (Categories 1 to 7)				
	Old classification data	746	765	
	New classification - estimated from old data	565	638	
	New classification - value in new data	603	662	
Total "passive" spending (Categories 8 and 9)				
	Old classification data	810	907	
	New classification - estimated from old data	810	907	
	New classification - value in new data	852	926	

Table A.1. Programmes in 1985-2002 data & their correspondence with programmes in the new classification: SLOVAK REPUBLIC

Old Category	Programmes in the 1985-2002 database (or added to it on an estimated basis) Programme name in old database	Expenditure (Millions SKK) First year of overlap (2002)	Relationship to measures in the new data and (if relevant) estimation method for old data
New Category 0 (old measures outside the scope of the new data)			
2 b)	Training for employed adults	5	
5 a)	Vocational rehabilitation	48	No spending on rehabilitation appears in recent Eurostat data, and exclusion of this subcategory gives a better match for New Category 5 data.
New Category 1 (approximates old 1)			
1	Public employment services and administration	1,699	
	Total new Category 1 - estimated from old data	1,699	
	Total new Category 1 - value in new data	1,828	
New Category 2 (approximates old 2.a with parts of 3)			
2 a)	Training for unemployed adults and those at risk	469	
3 b)	Support of apprenticeship and related forms of general youth training	-	The old data record participants, but no spending, in this subcategory.
	Total new Category 2 - estimated from old data	469	
	Total new Category 2 - value in new data	433	
New Category 4 (approximates old 4.a with parts of 3)			
3 a)	Measures for unemployed and disadvantaged youth	122	This may approximately match SK-7 Contribution for the graduate practice, which is allocated to Category 4 in recent Eurostat data.
4 a)	Subsidies to regular employment in the private sector	631	
	Total new Category 4 - estimated from old data	754	Although the value estimated from old data in 2002 far exceeds the value reported in new data, the value estimated from old data for 2001 is only 109m SKK.
	Total new Category 4 - value in new data	428	
New Category 5 (approximates old 5)			
5 b)	Work for the disabled	379	
	Total new Category 5 - estimated from old data	379	
	Total new Category 5 - value in new data	375	
New Category 6 (approximates old 4.c)			
4 c)	Direct job creation (public or non-profit)	1,023	
	Total new Category 6 - estimated from old data	1,023	
	Total new Category 6 - value in new data	903	
New Category 7 (approximates old 4.b)			
4 b)	Support of unemployed persons starting enterprises	636	
	Total new Category 7 - estimated from old data	636	
	Total new Category 7 - value in new data	631	
New Category 8 (approximates old 6)			
6	Unemployment compensation	5,213	
	Total new Category 8 - estimated from old data	5,213	
	Total new Category 8 - value in new data	3,938	The reason for the lower value in the new data is not known (national expert could be asked to provide a consistent time-series).
New Category 9 (approximates old 7)			
7	Early retirement for labour market reasons, b	94	
	Total new Category 9 - estimated from old data	94	
	Total new Category 9 - value in new data	0	The discrepancy between old and new data remains small as compared with peak spending levels in this Category, c.1700m SKK in 2000 and c.1400m SKK in 2005.
Total "active" spending (Categories 1 to 7)			
	Old classification data	5,012	
	New classification - estimated from old data	4,959	Discrepancy between old and new data arises in Category 4, see above.
	New classification - value in new data	4,598	
Total "passive" spending (Categories 8 and 9)			
	Old classification data	5,307	
	New classification - estimated from old data	5,307	
	New classification - value in new data	3,938	

Table A.1. Programmes in 1985-2002 data & their correspondence with programmes in the new classification: SPAIN

Old Category	Programmes in the 1985-2002 database (or added to it on an estimated basis)	Expenditure (Millions euros)		Relationship to measures in the new data and (if relevant) estimation method for old data
		First year of overlap (1998)	All years of data overlap (1998-2002)	
New Category 0 (old mesures outside the scope of the new data)				
2 b)	Formation des adultes occupés	527	620	Not in new data: training for employed adults is outside the scope.
3 b)	Aide à l'apprentissage et aux autres types de formation des jeunes à caractère général	49	20	Not in new data: general apprenticeship training is outside the scope.
6	Renta Activa de Inserción et autres dépenses (a)		50	(replaced by alternative series see below).
6	Prestations du chômage	5,224	5,883	From 1998 to 2000, matches ES-5 Contributory unemployment benefit combined with ES-4 Partial unemployment benefits (contributory) (replaced by alternative series see below).
Est.	Prestations du chômage (adjustment to exclude early retirement benefits)	0	0	Estimated series with nonzero values only before 1998: subtracts early retirement benefits that during 1989-1997 were incorrectly reported in the previous line. (replaced by alternative series see below).
6	Subventions du chômage	2,105	1,883	From 1998 to 2000, matches ES-6 Unemployment assistance (replaced by alternative series see below).
6	Aides aux travailleurs agricoles temporaires	826	912	Matches ES-7 Assistance for unemployed casual agricultural workers (replaced by alternative series see below).
New Category 1 (approximates old 1)				
1	Politique de l'emploi	171	148	Approximately matches (but in 1998, exceeds) ES-28 Managing placement, vocational guidance and retraining.
1	Formation technique et professionnelle	79	57	Matches ES-56 Administration of active measures.
1	Protection du chômage	102	110	Matches ES-57 Administration of benefits.
1	Escuelas-Taller y Casas de Oficios	2	4	Has no obvious match, but is a very small programme.
	Total new Category 1 - estimated from old data	354	555	
	Total new Category 1 - value in new data	323	505	
New Category 2 (approximates old 2.a with parts of 3)				
2 a)	Formation des adultes (plus de 25 ans)	87	40	This and the next two lines combined match ES-8 National plan for vocational training and integration (Plan FIP).
2 a)	Formation des jeunes (moins de 25 ans)	58	23	See above.
2 a)	Programmes FSE administrés par communautés autonomes	371	550	See above.
3 a)	Ecoles-ateliers et maison des métiers (Escuelas-Taller et Casas de Oficios)	317	301	Matches ES-9 Scheme for workshop schools and youth training centres (ET y CO).
	Total new Category 2 - estimated from old data	833	1,190	
	Total new Category 2 - value in new data	823	1,100	
New Category 3 (part of old 4.a)				
	Total new Category 3 - estimated from old data	0	0	
	Total new Category 3 - value in new data	4	21	Measure ES-17 Temporary work to replace workers during maternity leave, adoption and childcare: since this consists of exemption from social security contributions it was probably part of the old programme Bonification du quota de la sécurité sociale.
New Category 4 (approximates old 4.a and part of 3)				
3 a)	Permanent employment contracts for youth	6	1	Programme with no spending after 1998 and apparently not included in new data.
4 a)	Bonification du quota de la sécurité sociale	1,121	1,620	Approximately matched by three new programmes (ES-11, ES-12 and ES-15) combined.
Est.	Bonification du quota de la sécurité sociale (component allocated to Category 5)	-78	-154	Estimate for social security and tax reductions to be included in new Category 5 (see Category 5 for estimates).
4 a)	Subventions pour le recrutement de personnes de plus de 45 ans	2	0	Old programme with high spending in some earlier years, not included in new data.
4 a)	Autres programmes	2	0	Old programme with high spending in some earlier years, not included in new data.
	Total new Category 4 - estimated from old data	1,053	1,696	Estimated from old data spending is much lower in earlier years (484m€ in 1997).
	Total new Category 4 - value in new data	1,027	1,626	
New Category 5 (approximates old 5)				
5 b)	Promotion pour les créateurs d'entreprises et les centres spécialisés de l'emploi	91	135	Matches in name ES-3 Support for employment in special employment centres, but the old data report lower spending.
Est.	Promotion pour les créateurs d'entreprises et les centres spécialisés de l'emploi (SSC&taxes)	40	71	Support for participants in ES-3 via social security contribution and tax reductions which appeared in Category 4 in the old data (speculative interpretation). Estimated by ratio extrapolation (ratio such that the sum of the two lines matches ES-3 in 1998).
5 b)	Subventions en faveur de l'embauche à des emplois permanents	17	36	Matches in name ES-13 Open ended contracts for the disabled; spending approximately matches spending on its lump-sum payment subcomponent only.
Est.	Subventions en faveur de l'embauche à des emplois permanents (SSC&taxes)	39	83	Support for participants in ES-13 via social security contribution and tax reductions which appeared in Category 4 in the old data (speculative interpretation). The amount is estimated based on Eurostat data, according to which SSC&tax reductions account for about 70% of expenditure in ES-13.
	Total new Category 5 - estimated from old data	186	344	(1998-2002 total includes small programmes with zero spending in 1998, not listed above).
	Total new Category 5 - value in new data	263	354	See above. Estimate from old data nearly matches new data on average 1998 to 2002.
New Category 6 (approximates old 4.c)				
4 c)	Accords INEM-AAPP, ateliers d'apprentissage et bureaux de placement	412	513	In 1998, exactly matches ES-18 INEM-Public administration accords combined with ES-19 Promotion of agricultural employment in Andalucía, Extremadura and under-developed rural areas.
	Total new Category 6 - estimated from old data	412	523	
	Total new Category 6 - value in new data	410	722	

Table A.1. Programmes in 1985-2002 data & their correspondence with programmes in the new classification: SPAIN (cont'd)

Old Category	Programmes in the 1985-2002 database (or added to it on an estimated basis)	Expenditure (Millions euros)		Relationship to measures in the new data and (if relevant) estimation method for old data
		First year of overlap (1998)	All years of data overlap (1998-2002)	
New Category 7 (approximates old 4.b)				
4 b)	Capitalisation des prestations du chômage (plus reduced social security contributions)	93	110	Matches ES-20 Capitalisation of unemployment benefits.
4 b)	Autonomes	36	60	Matches ES-21 Promotion of self-employment.
4 b)	Coopératives	..	0	Matches in name ES-23 Promotion of employment in co-operatives, but nonzero spending is listed only for years before 1998.
4 b)	Initiatives locales	25	102	Approximately matches ES-24 Promotion of local employment initiatives combined with ES-139 Start up incentives a) CCAA.
	Total new Category 7 - estimated from old data	155	285	
	Total new Category 7 - value in new data	160	299	
New Category 8 (approximates old 6)				
Est.	INEM only except redundancy	8,260	8,841	Replaces old Category 6 data (four lines) with data from SOCX : see text.
Est.	Bankruptcy compensation	433	147	Continues back through time AT-33, estimated as 5% of known total passive spending.
	Total new Category 8 - estimated from old data	8,693	8,987	
	Total new Category 8 - value in new data	8,590	8,984	
New Category 9 (approximates old 7)				
7	Dans les entreprises en cours de restructuration	x	0	Matches in content ES-1 Employment promotion funds (early retirement), but data not separately listed after 1988.
7	Dans les autres entreprises en crise	x	0	Matches in content ES-2 Early retirement allowance, but data not separately listed after 1988.
Est.	Dans les entreprises en cours de restructuration et Dans les autres entreprises en crise (now ES-1, ES-2)	160	125	Match ES-1 Employment promotion funds and ES-2 Early retirement allowance. Estimate by interpolation of missing values after 1988.
	Total new Category 9 - estimated from old data	160	125	
	Total new Category 9 - value in new data	164	145	
Total "active" spending (Categories 1 to 7)				
	Old classification data	3,569	5,274	
	New classification - estimated from old data	2,993	4,593	
	New classification - value in new data	3,011	4,627	
Total "passive" spending (Categories 8 and 9)				
	Old classification data	8,155	8,727	
	New classification - estimated from old data	8,853	9,113	
	New classification - value in new data	8,753	9,129	

Table A.1. Programmes in 1985-2002 data & their correspondence with programmes in the new classification: SWEDEN

Old Category	Programmes in the 1985-2002 database (or added to it on an estimated basis) Programme name in old database	Expenditure (Millions euros)		Relationship to measures in the new data and (if relevant) estimation method for old data
		First year of overlap (1998)	All years of data overlap (1998-2002)	
2 b)	Projects with Employment training	-	73	Out of scope - For employed.
New Category 1 (approximates old 1)				
1	Unemployment insurance funds	955	1 040	Same in new class (100: Administration of UI funds, added by the OECD Secretariat).
1	The employment agency (a) (b)	4 424	4 491	Matches SE-19 General placement service, SE-20 Vocational guidance service and SE-56 Other services / activities.
1	Remuneration to service providers	-	90	Matches SE-42 Activity guarantee.
	Total new Category 1- estimated from old data	5 379	5 622	
	Total new Category 1- value in new data	5 379	5 651	
New Category 2 (approximates old 2.a with parts of 3)				
1	Activities within counselling, guidance and placement services	-	964	Matches SE-43. Allocated to Category 1 in the old classification and in older Eurostat publications. Examples of activities are information or appraisal of jobseeker's training and experience, individually and/or in groups. Job search activities, individually and/or in groups, study visits or short-term work placements, are other examples.
2 a)	Preparatory and Employment training, course costs	3 420	3 022	These two old data lines nearly match SE-1 Labour market training.
2 a)	Preparatory and Employment training, subsistence allowances	3 861	3 562	
2 a)	Computer centers	1 143	863	SE-6 Computer/activity centres.
2	Grants to enterprise training (e.g. for skill shortages)	225	160	Includes SE-11 On-the-job training (in scope) and bottleneck training (i.e. training for skilled jobs where there is a shortage of skilled personnel), introduction of new technology which are out of scope.
Est.	Estimated share of Grants to enterprise not targeted on employed at risk	-109	-104	Estimated share of 65% of the total grants to enterprise training not targeted at employed at risk (out of the scope of the database).
Est.	Study allowance for the unemployed (SVUXA)	681	928	SE-32 Study allowance for the unemployed (SVUXA) started in 1996. added in from 1997 on to match the new class. Expenditure in 1997 is available in the EU data.
3 a)	Schools' follow-up measures	-	0	Ends 1990-91.
3 a)	"Youth teams"	-	0	Ends 1989-90.
3 b)	Support of apprenticeship and related forms of general youth training	-	0	Ends 1992-93.
Est.	Adult education initiative	3 749	3 364	SE-39 was implemented in July 1997. Expenditure data are available in the EU database and included as estimates in old classification.
Est.	[Component] Special training grant (UBS) - Unemployed	5 979	3 495	SE-41 [Component] Special training grant (UBS) was introduced in 1997. Expenditure data are available in the EU database from 1997. For 1997 the shares of the components for unemployed (Cat 2 - 78%) and Employees with replacement (Cat 3 - 22%) were estimated on the basis of the 1998 breakdown.
	Total new Category 2- estimated from old data	18 949	16 254	
	Total new Category 2- value in new data	19 082	16 631	
New category 3				
Est.	[Component] Special training grant (UBS) - Employees with replacement	1 668	833	SE-41 was introduced in 1997. Expenditure are available in EU database from 1997 on. In 1997 estimated share of component for unemployed (cat 2 - 78%) and Employees with replacement (cat 3 - 22%) is made according to 1998 breakdown.
	Total new Category 3- estimated from old data	1 668	833	
	Total new Category 3- value in new data	1 668	860	
New Category 4 (approximates old 4.a with parts of 3)				
5 b)	Wage subsidies	5 409	5 571	Matches SE-12 Wage subsidies.
1	Mobility support	308	395	Matches SE-15 Mobility allowance, except in 2000. "This measure includes some payments for travelling to interview, which are normally considered under category 1" (EU QR).
4 a)	Individual hiring support (c) (new recruitment subsidies)	672	891	The three old programmes (although Recruitment subsidies and Training replacement have zero values after 1998), combined with spending incorrectly reported as Mobily support in 2000 (see above), match the sum of SE-33 Individual hiring support, SE-36 General recruitment incentive, SE-37 Extended recruitment incentive (for persons enrolled with the PES for 2 years), SE-44 Special recruitment incentive and SE-45 Extended recruitment incentive (for persons enrolled with the PES for 4 years) (match approximate in 1998 and 2000, close in 1999, exact in 2001 and 2002).
4 a)	Recruitment subsidies, etc. (d)	56	11	
4 a)	Training replacement	104	21	
4 a)	Work placement scheme	-	2 126	From 2000 on, Work placement scheme exactly matches SE-35 Work experience which has zero/missing values in 1998 and 1999. Variable SE-101 Work placement scheme and workplace introduction with 1998 and 1999 values has been added to the new data to ensure data continuity.
4 a)	Workplace introduction	1 805	424	
4 a)	Support of jobs in the textile and apparel industry	-	0	Ends 1990-91.
3 a)	Work experience	495	543	Matches SE-7 Municipal youth programme combined with SE-31 Youth guarantee.
	Total new Category 4- estimated from old data	8 849	9 982	
	Total new Category 4- value in new data	9 084	10 113	

Table A.1. Programmes in 1985-2002 data & their correspondence with programmes in the new classification: SWEDEN (cont'd)

Old Category	Programmes in the 1985-2002 database (or added to it on an estimated basis) Programme name in old database	Expenditure (Millions euros)		Relationship to measures in the new data and (if relevant) estimation method for old data
		First year of overlap (1998)	All years of data overlap (1998-2002)	
New Category 5 (approximates old 5)				
5 b)	Sheltered public employment	672	678	Matches SE-13 Public sheltered employment (OSA).
5 b)	Sheltered workshops	4,456	4,301	Matches SE-21 Samhall.
5 a)	Workplace adjustment grants	153	143	Matches SE-40 Workplace adjustment grants.
5 a)	Labour market institutes, staff and adm (b) (e)	0	0	Old programme finished in 1995-6.
5 a)	Labour market institutes, staff and adm, component transferred to Category 1	0	0	Transfers this old programme to Category 1 (except for a subsistence allowance component).
5 a)	Labour market institutes, subsistence allowances	567	572	Matches the sum of SE-14 Employability rehabilitation programme, SE-38 Supported employment programme (SIUS) and (measure added to the new data, see text) SE-102 Exclusion of transfers to disability service providers in SE-14 & SE-38.
	Total new Category 5- estimated from old data	5,848	5,694	
	Total new Category 5- value in new data	5,847	5,694	
New Category 6 (approximates old 4.c)				
4 c)	Temporary job creation	653	223	Matches SE-8 Resource work in 1999 and 2000, but considerably exceeds SE-8 in 1998.
4 c)	Public temporary work for older people	986	588	Matches SE-10 Temporary public employment for older unemployed (OTA).
4 c)	Special regional measures	-	0	Ends 1992-93.
4 c)	Measures for the part-time unemployed	-	0	Ends 1992-94.
4 c)	Other	1,000	573	Not originally in the new data, but has been added to it.
4 c)	Working life development	4,715	1,228	Not originally in the new data, but has been added to it.
	Total new Category 6- estimated from old data	7,354	2,612	
	Total new Category 6- value in new data	7,119	2,565	Discrepancy due to the 1998 value for SE-8.
New Category 7 (approximates old 4.b)				
4 b)	Support of unemployed persons starting enterprises	1,537	1,188	Matches SE-9 Start-up grants.
	Total new Category 7- estimated from old data	1,537	1,188	
	Total new Category 7- value in new data	1,537	1,188	
New Category 8 (approximates old 6)				
6	Bankruptcy wage guarantee	2,042	1,391	Matches SE-30 Wage guarantee exactly for 1999-2002 but not 1998.
6	Unemployment benefits	32,454	27,209	Matches SE-16 Unemployment insurance and Basic insurance.
	Total new Category 8- estimated from old data	34,496	28,600	
	Total new Category 8- value in new data	33,707	28,681	
New Category 9 (approximates old 7)				
7	Early retirement for labour market reasons	-	0	Ends 1994-95
7	Temporary retirement	2,203	1,266	Matches SE-29 Occasional resignation compensation.
	Total new Category 9- estimated from old data	2,203	1,266	
	Total new Category 9- value in new data	2,240	1,297	The new data include another small programme with zero values after 2000, SE-34 Change of generations.
Total "active" spending (Categories 1 to 7)				
	Old classification data	37,616	33,741	
	New classification - estimated from old data	49,584	42,184	
	New classification - value in new data	49,716	42,702	
Total "passive" spending (Categories 8 and 9)				
	Old classification data	36,699	29,866	
	New classification - estimated from old data	36,699	29,866	
	New classification - value in new data	35,947	29,978	

Table A.1. Programmes in 1985-2002 data & their correspondence with programmes in the new classification: UNITED KINGDOM

Old Category	Programmes in the 1985-2002 database (or added to it on an estimated basis)	Expenditure (Millions GBP)		Relationship to measures in the new data and (if relevant) estimation method for old data
		First year of overlap (1998)	All years of data overlap (1998-2002)	
General note				
Expenditure under the New Deal start from 1998 in the old classification and from 1999 in the new one. In the old classification only totals (New for 18-24, New 25+) are provided whereas there is a breakdown across cat 1, 2, 4 and 6 in the new classification. Data for 1998 in the new classification have been estimated by taking the total expenditure from the old classification, and calculating the different components with the same share as for 1999. In this table discrepancies remain in 1998 between the old and the new classification (not for the total active measures).				
New Category 0 (old measures outside the scope of the new data)				
2 b)	Open Learning & other	0	0	Not targeted on the unemployed.
2 b)	Job Training Programme	0	0	
2 b)	Career Development Loans	13	15	
2 b)	BEP/BGT/BET	0	0	
2 b)	Investors In People (h)	0	0	
2 b)	Local Competitiveness Budget	55	34	
2 b)	Workforce Development	0	22	
3 b)	Education/Business Links	17	24	Not in new classification. Probably not in the scope (not targeted).
3 b)	NAFE/Work Related Further Education (WRFE)	0	0	Ends 1994-95. Probably not in the scope (not targeted).
3 b)	Further Education Comp & Development Funds (k)	0	0	Ends 1998-99. Probably not in the scope (not targeted).
3 b)	Further Education Collaboration Fund	27	5	Not in new classification. Scope ?.
3 b)	Learning Partnership Fund	0	7	Not in new classification. Scope ?.
3 b)	Work Based Training For Young (i)	854	934	UK-5 Work-based training for young people (WBTP). This program is treated as being out of scope in data published from 2008 on.
4 b)	Business Start Up Scheme	14	12	Not in new classification. Probably not in the scope (not targeted on the unemployed); its initial focus on deprived regions might have justified inclusion but it was later extended (i.e. no longer targeted on deprived regions).
6	Total benefits for unemp	5 347	4 458	Old programme data from 1998-9, which included housing benefits and local tax rebate paid to the unemployed, replaced by alternative data.
6	UB(o)	x		Old programme data to 1997-8 for Unemployment Benefit/Jobseeker's Allowance - contribution, replaced by alternative data (see above).
6	Other (p)	x		Old programme data to 1997-8 for Supplementary benefits, Income Support and Jobseeker's Allowance - income based paid to the unemployed, including housing benefits and local tax rebate paid to the unemployed, replaced by alternative data (see above).
New Category 1 (approximates old 1)				
1	Employment Service	821	896	Matches UK-9 Job placing - Employment service placing and advisory functions.
1	New Deal for Partners	1	6	UK-10.
1	New Deal for lone parents	20	44	UK-11.
5 a)	New Deal for disabled people	5	15	UK-12.
1	Programmes for LTU (c)	39	52	UK-16 Work trials, UK-20 Jobfinder/Jobfinder Plus, UK-22 Programme centres (plus other jobsearch provision: Jobclub, Jobplan).
4 c)	Employment Zones	5	57	UK-35.
1	Connexions Service	0	151	UK-40 - starts 2000.
1	Careers service	205	134	Ends 2000-01; Eurostat data did not include Careers Service but did include the Connexions service which replaced it starting from 2000-1; old Careers Service data have been added to new data.
1	Placing & advisory (b)	0	0	Ends 1997-98.
1	Unemployment Benefits Officers	0	0	Ends 1997-98.
1	MSC/TEED Central Admin (e)	0	0	Ends 1994-95.
1	TEC/LEC Management Fees (e)	0	0	Ends 1997-98.
1	Other (f)	0	0	Ends 1997-98. Very small.
1	New Deal for 50 plus	0	51	Start 1999-2000. Split between 1 and 4 in new data from 1999 on. (see general note above).
	Total new Category 1- estimated from old data	1 096	1 407	In 1998-9, the higher value in new data reflects inclusion of New Deal components.
	Total new Category 1- value in new data	1 193	2 253	Data for UK-41 Jobcentre Plus - benefit administration (including estimates) are zero/missing for the first three years then about 1700m GBP/year in 2001-2 and 2002-3.
New Category 2 (approximates old 2.a with parts of 3)				
3 b)	Training for skills programme for action (TFSPA)	0	0	Ends 1983-84.
3 b)	Unified vocational preparation (UVP)	0	0	Ends 1983-84.
3 b)	Modern Apprenticeships	0	0	Ends 1996-97, included in Work based training for young from 1998 on.
3 b)	Compacts (j)	0	0	Ends 1996-97.
3 a)	New Deal for 18-24 year olds (cat 2.1, 4.1, 6)	252	319	The old programme includes UK-1.3 [Component] New Deal for 18-24 - Education and training option and further UK-1 components which are allocated to other categories in the new data (see the general note above).
2 a)	Training for Work (formerly Employment training)/ Work based training for adults since 97-98	332	276	UK-4 Work-based learning for adults (WBLA).
3 b)	Youth training scheme /Youth training (incl Training Credits)	0	0	Ends 1996-97.
2 a)	TOPS	0	0	Ends 1984-85.
2 a)	Job Training Scheme	0	0	Ends 1989-90.
2 a)	New Job Training Scheme	0	0	Ends 1988-89.
2 a)	WOTP	0	0	Ends 1988-89.
3 a)	CI	0	0	Ends 1990-91.
3 a)	Youth opportunity scheme (YOP)	0	0	Ends 1983-84.
3 a)	YWS/New workers scheme (NWS)	0	0	Ends 1988-89.
	Total new Category 2- estimated from old data	1 438	1 529	
	Total new Category 2- value in new data	1 245	1 293	New deal.

Table A.1. Programmes in 1985-2002 data & their correspondence with programmes in the new classification: UNTIED KINGDOM (cont'd)

Old Category	Programmes in the 1985-2002 database (or added to it on an estimated basis) Programme name in old database	Expenditure (Millions GBP)		Relationship to measures in the new data and (if relevant) estimation method for old data
		First year of overlap (1998)	All years of data overlap (1998-2002)	
New Category 4 (approximates old 4.a with parts of 3)				
4 a)	New Deal for the over 25s	34	140	The old programme includes UK-2.5 [Component] New Deal 25+ - Employment option and further UK-2 components allocated to other categories (see the general note above).
Est.	Access to work	20	24	Estimates values for UK-31. The rehabilitation program in the old classification includes JIS and Access to work (from 1994 on). Access to work is estimated as 60% of total rehabilitation from 1994.
Est.	Job introduction scheme (JIS)	1	1	Values for UK-32 estimated as 6 % before 1994 and 2 % from 1995 on of total rehabilitation.
5 b)	Jobs managed by voluntary bodies (for disabled)	26	26	The two lines match UK-33 [2] : [Component] Supported employment (including Remploy) - within the regular labour market (total for voluntary bodies and local authorities).
5 b)	Jobs managed by local authorities (for disabled)	34	33	
4 a)	Temporary short time working compensation	0	0	Ends 1984-85.
4 a)	SFES	0	0	1982-83 only.
4 a)	Jobstart	0	0	1987 to 1990.
4 a)	Workstart	0	0	1994-96 very small.
4 a)	Investors in People UK	2	2	Not in new classification - Very small.
	Total new Category 4- estimated from old data	117	226	
	Total new Category 4- value in new data	139	214	
New Category 5 (approximates old 5)				
5 a)	Rehabilitation	32	44	Matches UK-24 Employment rehabilitation (Work preparation), UK-31 Access to work and UK-32 Job introduction scheme (JIS).
Est.	0 Rehabilitation - correction to exclude a component reallocated to Category 4	-21	-35	Correction to take out UK-31 and UK-32 part (see Category 4).
5 b)	Employment (Remploy + jobs managed by local authorities and voluntary bodies)	0	0	Total UK-33.
Est. b)	Employment (Remploy + jobs managed by local authorities and voluntary bodies) - correction to exclude a component reallocated to Category 4.	0	0	Correction to exclude component in cat 4 before 1997-98 - With the correction matches UK-33 [1].
5 b)	Remploy	94	92	Matches UK-33.1 [Component] Supported employment (including Remploy).
	Total new Category 5- estimated from old data	106	101	
	Total new Category 5- value in new data	104	102	
New Category 6 (approximates old 4.c)				
4 c)	STEP/CEP/CP	0	0	Ends 1988-89.
4 c)	Voluntary Projects Programme	0	0	Ends 1988-89.
4 c)	Employment Action	0	0	1991 to 1993.
4 c)	Community Action (I)	0	0	Ends 1996-97.
4 c)	Project Work	10	2	Ends 1998-99.
	Total new Category 6- estimated from old data	10	2	
	Total new Category 6- value in new data	85	96	Includes New Deal.
New Category 7 (approximates old 4.b)				
3 a)	Youth enterprise initiative (YEI)	3	5	Matches UK-36 Youth enterprise initiative (YEI).
4 b)	Enterprise Allowance Scheme	0	0	Ends 1990-91.
	Total new Category 7- estimated from old data	3	5	
	Total new Category 7- value in new data	3	5	
New Category 8 (approximates old 6)				
Est.	Unemployment Benefit/JSA contribution based	474	474	Unemployment Benefit and Jobseeker's Allowance - contribution-based, data from www.dwp.gov.uk/asd/asd4/medium_term.asp.
Est.	Income Support for the Unemployed/JSA income based	3 083	2 511	Income Support for the Unemployed and Jobseeker's Allowance - income-based, data from www.dwp.gov.uk/asd/asd4/medium_term.asp, except 1982-3 to 1989-90 Income Support estimated as 70% of the old programme Other (see above).
6	Redundancy Fund (q)	x	0	Spending was included in "Total benefits for the unemployed" from 1998-99, but old data report values for all earlier years (over 400m GBP in some cases).
Est.	Redundancy Fund (exclusion in new data)	x	0	Excludes the above programme in order to match new data.
	Total new Category 8- estimated from old data	3 557	2 985	
	Total new Category 8- value in new data	3 506	2 980	
New Category 9 (approximates old 7)				
7	0 Job Release Scheme	0	0	Ends 1989-90.
	Total new Category 9- estimated from old data	0	0	
	Total new Category 9- value in new data	0	0	
Total "active" spending (Categories 1 to 7)				
	Old classification data	2 897	3 399	
	New classification - estimated from old data	1 915	2 336	
	New classification - value in new data	1 916	3 029	
Total "passive" spending (Categories 8 and 9)				
	Old classification data	5 347	4 458	
	New classification - estimated from old data	3 557	2 985	
	New classification - value in new data	3 506	2 980	

Table A.2. Programmes in the 1985-2002 data and their correspondence with programmes in the new classification: Australia and Switzerland
- AUSTRALIA

Old Category	Programmes in the 1985-2002 database (or added to it on an estimated basis) Programme name in old database	Expenditure (Millions ASD) First year of overlap (2001-02)	Relationship to measures in the new data and (if relevant) estimation method for old data
New Category 0 (old measures outside the scope of the new data)			
2 b)	Skills Training	-	Training for employed adults.
2 b)	Enterprise training	-	Training for employed adults.
2 b)	State/territory expenditure	1	Training for employed adults.
2 a)	Adult Migrant English Program (tuition costs)	96	Not targeted on the unemployed.
3 b)	[Cat 3.b] State/territory expenditure	122	Mainly general apprenticeship expenditure.
3 b)	Support for apprentices	377	Mainly general apprenticeship expenditure.
3 b)	Support for traineeships	x	Mainly general apprenticeship expenditure.
3 b)	Group training scheme	10	Mainly general apprenticeship expenditure.
3 b)	Group training expansion	-	Mainly general apprenticeship expenditure.
3 b)	Group Training New Apprenticeships Targeted Initiatives	3	Mainly general apprenticeship expenditure.
6	Widow Allowance	389	Not conditional on availability for work.
6	Special Benefit	120	Last-resort social assistance (may or may not be conditional on availability for work).
New Category 1 (approximates old 1)			
1	Placement and information services	x	
1	Job search assistance/Australian Job Search	5	Matches.
1	Job Matching	101	Matches.
1	Job Search Training	41	Matches.
1	Intensive Assistance / Intensive Support	605	Matches.
1	Project Contracting / Harvest Labour Services	2	Matches.
1	Personal Support Programme	3	Matches.
1	Community Support Program	17	Matches.
3 a)	Job placement employment and training	12	Matches.
1	Welfare Reform Pilots	1	Matches.
1	DFaCS JSA/NSA/MAA/YA/YTA administration	249	Approximately matches the new data line NSA administration.
1	DEWR Labour market policy and analysis	19	Matches.
1	DEWR Labour Market Programme management and delivery	299	Matches.
1	State/territory expenditure	57	Matches in name, but new data report lower spending.
1	CES administration and 16 other Cat 1 programmes with last spending reported before 2001-2	-	
	Total new Category 1 - estimated from old data	1,411	
	Total new Category 1 - value in new data	1,389	Lower, due to lower State/territory expenditure.
New Category 2 (approximates old 2.a with parts of 3)			
3 b)	New apprenticeships access programme	14	Matches.
2 a)	Language, Literacy and Numeracy Programme	28	Matches.
2 b)	Workplace literacy	12	Matches.
2 a)	Return to Work / Transition to Work	5	Matches.
2 a)	Jobs, Education and Training pre-vocational training	2	Matches.
2 a)	[Cat 2.a] State/territory expenditure	43	Replaced by three programmes of State/territory expenditure in Categories 2.1, 2.2 and 2.3, but the new data report lower spending.
3 a)	[Cat 3.a] State/territory expenditure	9	
2 a)	15 old Cat 2.a) programmes, 8 old Cat 3.a) programmes, 2 old Cat 3.b) programmes and 2 old Cat 5.a) programmes with last spending reported before 2001-2	-	
	Total new Category 2 - estimated from old data	113	
	Total new Category 2 - value in new data	90	Lower, due to lower State/territory expenditure.
New category 4 (approximates old 4.a and part of 3)			
4 a)	Measures for indigenous Australians (Aboriginals) (TAP/IEP)	43	Matches.
4 a)	[Cat 4.a] State/territory expenditure	13	Matches but new data report higher spending.
4 a)	Employment Access: job subsidies	-	Old programme with last nonzero spending before 2001-02.
5 a)	Disabled apprentice wage subsidy	-	Old programme with last nonzero spending before 2001-02.
	CHECKSUM	57	
	Total new Category 4 - estimated from old data	57	
	Total new Category 4 - value in new data	70	Higher, due to higher State/territory expenditure.

Table A.2. Programmes in the 1985-2002 data and their correspondence with programmes in the new classification: Australia and Switzerland – AUSTRALIA (cont'd)

Old Category	Programmes in the 1985-2002 database (or added to it on an estimated basis) Programme name in old database	Expenditure (Millions ASD) First year of overlap (2001-02)	Relationship to measures in the new data and (if relevant) estimation method for old data
New category 5 (approximates old 5)			
5 b)	Disability Services Program (g)	258	Reported in new data in three lines, Mixed 5.1 5.2 Disability Services Program; Disability Services Program (regular); ditto
5 b)	State/territory expenditure	1	Seems to be included in new Disability Services Program lines (in 2001-2, not later years).
5 a)	Rehabilitation (m)	104	Matches.
5 b)	Work for the disabled	-	Large old programme replaced by Disability Services Program after 1993-4.
5 b)	Intensive and flexible assistance for people with severe disabilities	x	Small old programme with last nonzero spending before 2001-2.
5 b)	Payments to voluntary work agencies	0	Small old programme with last nonzero spending before 2001-2.
	Total new Category 5 - estimated from old data	363	
	Total new Category 5 - value in new data	363	
New category 6 (approximates old 4.c)			
4 c)	Work for the Dole	98	Matches.
4 c)	Measures for Indigenous Australians (CDEP)	445	Matches.
4 c)	[Cat 4.c] State/territory expenditure	17	Matches in name, but new data report higher spending.
Est.	Green Corps (est.)	22	Was not included in old data, but functioned as a labour market programme from 1999 when spending reached significant levels. Values estimated from old budget statements, with interpolated
4 c)	Community Volunteer Program / Voluntary Work Initiative	2	Matches with a slightly lower value in new data.
4 c)	26 old Cat 6 programmes with last spending reported before 2001-2	0	
	Total new Category 6 - estimated from old data	584	
	Total new Category 6 - value in new data	606	Higher, due to higher State/territory expenditure.
New category 7 (approximates old 4.c)			
4 b)	New Enterprise Incentive Scheme	68	Matches.
4 b)	Measures for Indigenous Australians (BDP)	53	Matches.
4 b)	[Cat 4.b] State/territory expenditure	0	Not included in new data.
	Total new Category 7 - estimated from old data	121	
	Total new Category 7 - value in new data	121	
New category 8 (approximates old 6)			
6 0	Newstart Allowance	5 068	Matches (but new data marginally higher).
6 0	Youth Allowance (others)	509	Matches .
6 0	Youth Training Allowance	-	Old programme with last nonzero spending before 2001-2.
6 0	Mature Age Allowance	364	Matches.
6 0	Partner Allowance	362	Matches.
6 0	EESS / GEERS / SEESA	358	Matches.
6 0	[Old Cat 6] State/territory expenditure	0	Matches in name, but new data report higher spending.
6 0	Job Search Allowance	-	Old programme with last nonzero spending before 2001-2.
6 0	Unemployment benefits	-	Old programme with last nonzero spending before 2001-2.
6 0	Job-search allowance (for under 18 year olds)	-	Old programme with last nonzero spending before 2001-2.
	Total new Category 8 - estimated from old data	6 662	
	Total new Category 8 - value in new data	6 678	Higher, due to discrepancy for Newstart Allowance and higher figure for State/territory expenditure.
Total "active" spending (Categories 1 to 7 and 10)			
	Checksum for old classification data	3 236	
	Old classification data	3 236	
	New classification - estimated from old data	2 649	
	New classification - value in new data	2 640	
Total "passive" spending (Categories 8 and 9)			
	Checksum for old classification data	7 171	
	Old classification data	7 171	
	New classification - estimated from old data	6 662	
	New classification - value in new data	6 678	

Table A.2. Programmes in the 1985-2002 data & their correspondence with programmes in the new classification: Australia and Switzerland – SWITZERLAND

Programmes in the 1985-2002 database (or added to it on an estimated basis)		Expenditure (Millions CHF)	Relationship to measures in the new data and (if relevant) estimation method for old data
Old Category	Programme name in old database	Year of overlap 2002	
New Category 0 (old mesures outside the scope of the new data)			
2 b)	Formation des adultes occupés (IKSK: die Ausbildungsfinanzierung durch die Kantone Nr.11)	6	Outside scope of new data
New Category 1 (approximates old 1)			
1	Orientation professionnelle	3	Matches
1	Administration des allocations de chômage (b)	169	Matches
1	Logistique des mesures actives(les dépenses sont groupées dans "placement" à partir 2002)	x	Measure has data to 2001 only
1	Placement	317	Matches
	Total new Category 1 - estimated from old data	489	
	Total new Category 1 - value in new data	489	
New Category 2 (approximates old 2.a with parts of 3)			
2 a)	Coût des cours	195	These two lines together match the new line Mesures de formation
2 a)	Allocations de chômage versées pendant la période de formation	247	
2 a)	Entreprises d'entraînement	28	Matches
2 a)	Stages professionnels	7	Matches
2 a)	Participation financière des cantons aux MMT	45	This programme has been added to the new data, so that the new data match in 2002; it ceased after 2002.
3 a)	Semestres de motivation	39	Matches
2 a)	Programmes de formation en entreprise (allocation de formation+stage de formation)	8	Matches the sum of two new programmes, Semestres de motivation and Stage de formation
	Total new Category 2 - estimated from old data	569	
	Total new Category 2 - value in new data	568	
New category 4 (approximates old 4.a and part of 3)			
1	Aides à la mobilité	2	Matches the new programme Contribution aux frais de déplacement quotidien et de séjour hebdomadaires
4 a)	Subventions en faveur de l'insertion professionnelle	18	Matches the new programme Allocations d'initiation au travail
4 a)	Subventions en faveur de l'insertion professionnelle (gain intermédiaire)	169	Matches the new programme Gain intermédiaire
	Total new Category 4 - estimated from old data	188	
	Total new Category 4 - value in new data	188	Includes another new programme Contribution aux frais de déplacement quotidien et de séjour hebdomadaires
New category 5 (approximates old 5)			
5 a)	Rehabilitation centres	x	Last spending reported in 1996
5 a)	Formation	315	Matches the new programme Mesures professionnelles
5 a)	Day benefits	309	Matches the new programme Indemnités journalières
	Emplois protégés (correction of old data 1997-2002)	367	Matches the new programme Emplois protégés
5 b)	Ateliers protégés	x	[Zero spending was reported after 1996, the above line corrects this error]
	Total new Category 5 - estimated from old data	991	
	Total new Category 5 - value in new data	991	
New category 6 (approximates old 4.c)			
4 c)	Programmes d'occupation des chômeurs (PVB)	355	Matches the new programme Programmes d'emplois temporaires which originally was in Category 2 in the new data but has now been moved to Category 6
	Total new Category 6 - estimated from old data	355	
	Total new Category 6 - value in new data	355	
New category 7 (approximates old 4.c)			
4 b)	Aide aux chômeurs créateurs d'entreprises (EAI)	21	Matches new programme Encouragement d'une activité
	Total new Category 7 - estimated from old data	21	
	Total new Category 7 - value in new data	21	

Table A.2 Programmes in the 1985-2002 data & their correspondence with programmes in the new classification: Australia and Switzerland – SWITZERLAND

Programmes in the 1985-2002 database (or added to it on an estimated basis)		Expenditure (Millions CHF)	Relationship to measures in the new data and (if relevant) estimation method for old data
Old Category	Programme name in old database	Year of overlap 2002	
New category 8 (approximates old 6)			
6	Versements à d'autres pays	280	Matches the new programme Prestations de chômage complet non répartie entre 8.1.1. et 8.1.2.: Versements à d'autres pays (frontaliers).
6	Allocations de chômage (à l'exception de celles versées pendant la formation)	2,754	Matches the new programme Indemnités de chômage liées à l'âge
6	Indemnisation en cas de réduction du temps de travail	172	Matches new programme Indemnité en cas de réduction de l'horaire de travail which however has slightly higher spending
6	Indemnités en cas d'intempéries	25	New programme matches in name but has slightly higher spending
6	Indemnisation en cas de faillite	60	Matches the new programme Indemnité en cas d'insolvabilité
6	Cotisations de sécurité sociale versées pour les chômeurs (les montants sont inclus dans les "allocations de chômage" à partir de 2001)	x	Programme had data to 2000 only
	Total new Category 8 - estimated from old data	3,291	
	Total new Category 8 - value in new data	3,299	New data report slightly higher spending in two programmes
New category 9 (approximates old 7)			
7	Retraite anticipée pour motifs liés au marché du travail	-	Programme had data to 2000 only.
	Total new Category 9 - estimated from old data	0	
	Total new Category 9 - value in new data	0	
Total "active" spending (Categories 1 to 7 and 10)			
	Old classification data	2,252	These lines refer to the original old data, before the addition of Emplois protégés (correction of old data 1997-2002)
	New classification - estimated from old data	2,613	These two lines, as compared to the original old data, exclude Category 0 and include Emplois protégés (correction of old data 1997-2002)
	New classification - value in new data	2,613	
Total "passive" spending (Categories 8 and 9)			
	Old classification data	3,291	
	New classification - estimated from old data	3,291	
	New classification - value in new data	3,299	Slightly higher as explained under Category 8

ANNEX B: SOME TRENDS IN PATTERNS IN LABOUR MARKET PROGRAMME SPENDING

150. To illustrate the data available, this Annex provides a few charts for the level and structure of labour market programme spending from 1985 to 2005 in terms of unweighted averages for OECD EU countries and for other OECD countries.

151. In the EU countries for which long time-series estimates are available, Figure B.1 shows that passive spending as a percentage of GDP has moved cyclically (with troughs in 1990 and again in 2000) whereas cyclicality in active spending has been more muted. In 2000 and 2005, active spending as a percentage of GDP was higher than in 1985 or 1990, whereas passive spending was lower, so some shift from “passive” to “active” spending has been achieved.

152. In the non-EU countries shown in Figure B.1, total spending as a percentage of GDP is about half the level in the EU countries. By 2005 non-EU countries had fully recovered from the recession of the early 2000s (which was always not the case in EU countries), and passive spending as a percentage of GDP was at its lowest levels for many years, in contrast to active spending which was at about the same level as in 1985 or 1990: so here too the active share in total LMP spending reached an historically high level.

153. Figure B.2 shows the breakdown of active spending between the new active categories.

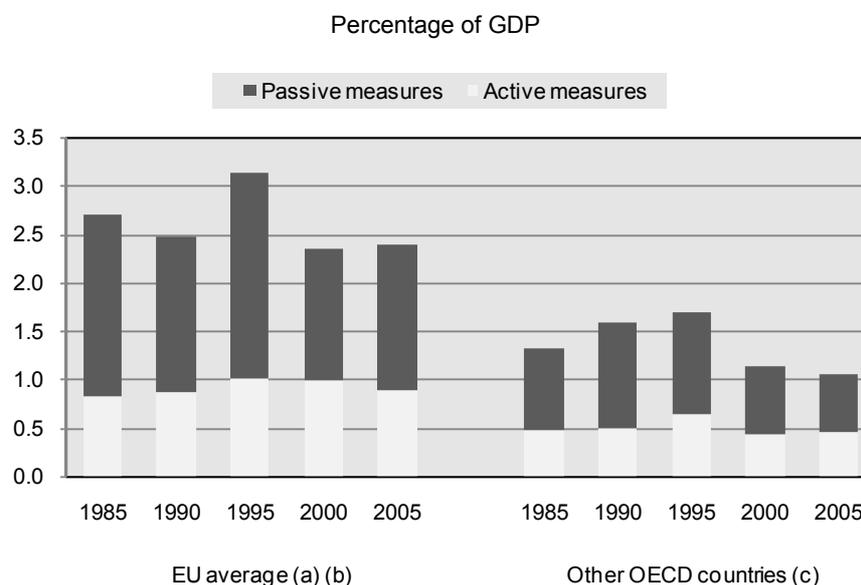
- The share of Category 1 *PES and administration* increased, according to these estimates, from 18.6% in 2000 to 24.2% in 2005. Probable factors here are inertia in the size of large organizations, at a time when other active spending was declining, and in specific countries the inclusion in Category 1 of new budgets for “integration” programmes or new responsibilities for social assistance and disability/rehabilitation beneficiary client groups.
- The share of Category 2 *Training* has changed little through the years.
- The share of Category 4 *Employment incentives* behaved slightly procyclically in 2000: the take-up of hiring subsidies may increase towards a cyclical peak, in contrast to most other forms of active labour market programme spending.
- Spending on Category 5 *Supported employment and rehabilitation* in 2005 was significantly higher than in 2000, plausibly as a reaction to growth in disability benefit reciprocity rates which suggests higher average “employability” of disability beneficiaries, and to lower unemployment, which encouraged a renewed focus on other groups that may be brought into employment. Although the disability programme share in 2005 remained lower than in 1985 or 1990, this could be partly a statistical artifact (not all elements of spending on lifetime sheltered work in the programmes of that era will have been excluded from the data in line with the current guidelines).
- Spending on Category 6 *Direct job creation*, after reaching a peak at 22.0% of the active total in 1995, declined sharply to reach only 11.4% of the total in 2005. Direct job creation measures are generally expanded in times of deep recession, and as labour shortages emerge the policy focus shifts towards running them down; real and large declines have occurred in countries such as

France and Ireland, but data reclassification also seems to play a role, e.g. Denmark in the past described its “job training” programmes as job creation but now does not.

154. Figure B2.2.A can be compared with Graph 1 in Medeiros (2006), which was based on a less detailed matching of the OECD and Eurostat databases. In those estimates, EU average spending on the PES fell sharply to 11.4% of the active total in 2000 (compared to 17.5% in 1995, and 21.7% in 2004) and total active spending as a percentage of GDP in 2000 was also lower than in 1995 or 2004, in marked contrast to the trends shown in Figure B.2.A. Category 4 *Employment incentives* was shown as nearly doubling from 8.9% of the active total in 1995 to 17.1% in 2000, a much sharper increase than is shown in Figure B.2.A. These features no doubt reflect the low coverage of Category 0/1 in the early years of Eurostat data, and the broader scope of the new Category 4 as compared to the old Category 4.a) *Subsidies to regular employment in the private sector*: in other words, they reflect changes in statistical definitions. This illustrates that line-by-line analysis (rather than working with category-level data) is in fact necessary to achieve even approximate comparability of these data through time.

155. Figure B.2.B (not to the same scale) shows a similar average for OECD non-EU countries. Again, spending on PES and administration has been less variable than the other components of active spending. Even more than in EU countries, spending patterns shifted towards Category 4 *Employment incentives* after 1995. Movements in Category 6 *Direct job creation* between recession and peak years were sharper for these countries, which may indicate better capacity for rapid policy change or may perhaps be associated with their lower unemployment rates (although these have been high at times in Australia and Canada). This is one of the factors behind a relatively sharp fall in total active spending as a percentage of GDP between 1995 and 2000 in the non-EU countries.

Figure B.1. Total spending on LMPs, including PES, 1985-2005

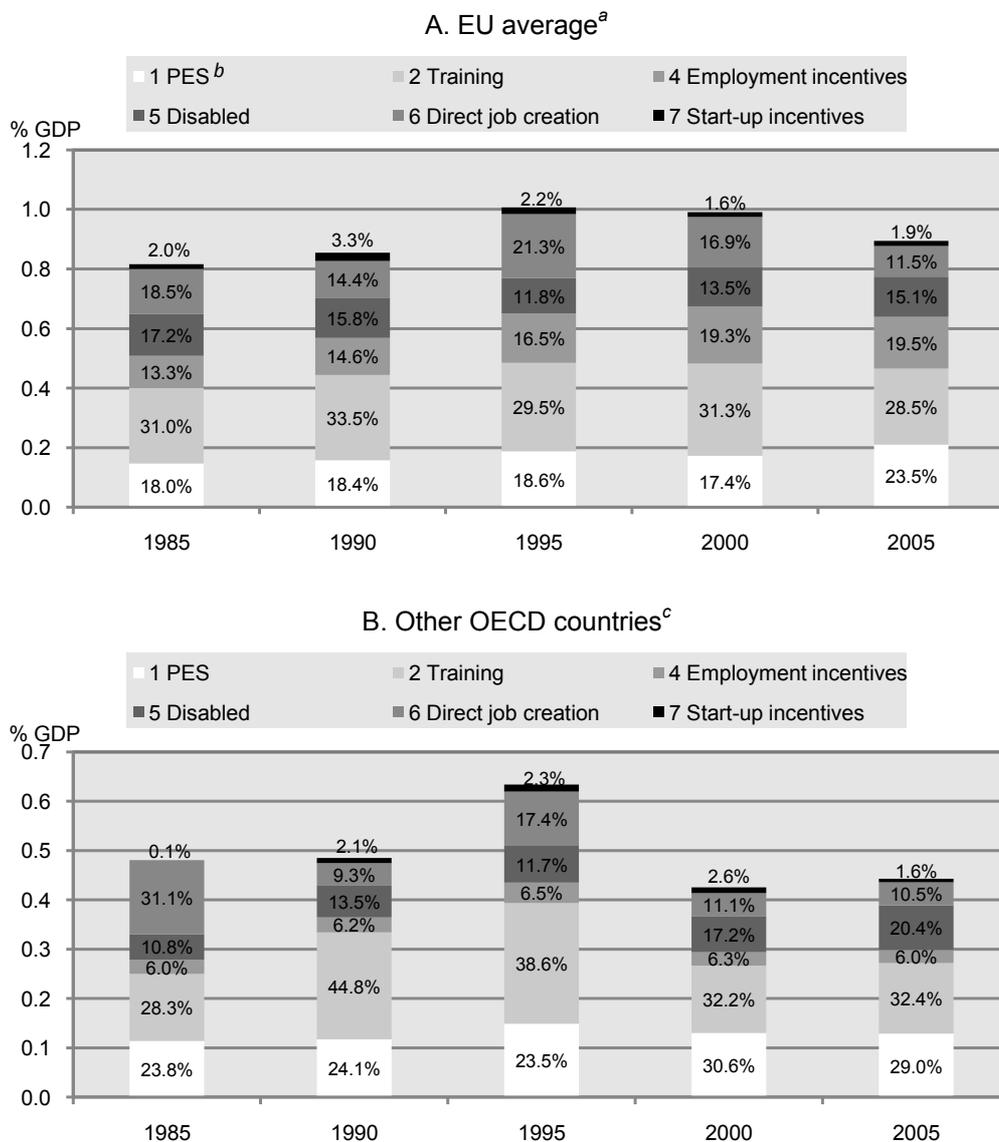


a) Unweighted average for OECD EU countries. Data exclude the Czech Republic, Hungary, Greece, Italy, Poland and the Slovak Republic.

b) The active totals are calculated for Denmark and the United Kingdom excluding from Category 1 in the years 2000 the data for benefit administration, which are affected by significant statistical breaks.

c) Unweighted average for Australia, Canada, New Zealand, Norway, Switzerland and the United States.

Figure B.2. Breakdown of active spending, including PES, 1985-2005



a) b) c) See notes to Figure B.1.

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