



Marienthal (MAGMA job guarantee program), Austria

An innovative direct employment program and experiment that provides a job tailored to the applicant's unique skill sets, experience, and aspirations

Summary

This program sought to end long-term unemployment in Gramatneusiedl, Austria (an industrial area formerly known as Marienthal and 25 km south of Vienna) with close experimental study during the planning and implementation phases. The program created jobs across fields in both market and nonmarket sectors and studied the social and economic impact of providing a guaranteed job compared to a synthetic control composed of similar economies in Austria (1).

Rationale

Eliminate long-term unemployment in the municipality, improve participants' economic and social situation. Unemployment can be addressed through direct job creation at costs similar to current social program schemes.

Defining Principles

Long term unemployment has a variety of negative social and economic consequences. Providing work can improve the lives of participants in more than just material ways. JG participants should shape the projects they will work on in their community.

Dates of Operation

October 2020 – March 2024 (2).

Number of Program Participants

68 (39 in the non-market sector, 29 in the market sector) as of December 2022 (3).

Criteria for Participation

Those over 18 years of age and long-term unemployed (12 months or more) or at risk of long-term unemployment (9-12 months) (4).

Pay and Benefits

At least minimum wage set by collective bargaining (EUR 1,500). EUR 29,841 in program expenditures per participant (as opposed to EUR 30,000 for unemployment) (5).

Financing

Budget of EUR 7.4 million (6).



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Implementation

The program was “developed by the Public Employment Service of Lower Austria and is operated by itworks, a private employment service provider specializing in active labour market measures,” (7). Employment subsidies and social enterprise.

Types of Work

Non-market jobs: furniture restoration and carpentry, park maintenance, tailoring, driving (8). Market-jobs: office work, sales, construction (9).

Notable Features

An experimental model including the creation of a synthetic control allows for in-depth data collection on the effect of implementing a JG. Individually tailored training (individual and group counseling, skills development, assistance with applications for health-related benefits). Participants receive at least as much as they had on unemployment (10). Anticipation of a guaranteed job can benefit people experiencing unemployment (11).

Program Website

<https://maxkasy.github.io/home/Marienthal/>



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Citations

- (1) Kasy, Maximilian, and Lehner, Lukas. (December 21, 2022). Employing the Unemployed of Marienthal: Evaluation of a Guaranteed Job Program. https://maxkasy.github.io/home/files/papers/Jobguarantee_marienthal.pdf
- (2) Kasy, Maximilian, and Lehner, Lukas. (December 21, 2022). Employing the Unemployed of Marienthal: Evaluation of a Guaranteed Job Program.
- (3) Kasy, Maximilian, and Lehner, Lukas. Online Appendix for: Employing the Unemployed of Marienthal: Evaluation of a Guaranteed Job Program. https://maxkasy.github.io/home/files/papers/Appendix_marienthal.pdf
- (4) Kasy, Maximilian, and Lehner, Lukas. (December 21, 2022). Employing the Unemployed of Marienthal: Evaluation of a Guaranteed Job Program.
- (5) Kasy, Maximilian, and Lehner, Lukas. (December 21, 2022). Employing the Unemployed of Marienthal: Evaluation of a Guaranteed Job Program.
- (6) Kasy, Maximilian, and Lehner, Lukas. (December 21, 2022). Employing the Unemployed of Marienthal: Evaluation of a Guaranteed Job Program.
- (7) Quinz, Hannah and Flecker, Jörg. (March 10, 2023). Marienthal Reversed: A job guarantee for long-term unemployed people. The OECD Forum Network. <https://www.oecd-forum.org/posts/marienthal-reversed-a-job-guarantee-for-long-term-unemployed-people>
- (8) Kasy, Maximilian, and Lehner, Lukas. Online Appendix for: Employing the Unemployed of Marienthal: Evaluation of a Guaranteed Job Program. pg. 21
- (9) Kasy, Maximilian, and Lehner, Lukas. Online Appendix for: Employing the Unemployed of Marienthal: Evaluation of a Guaranteed Job Program. pg. 21
- (10) Romeo, N. (December 10, 2022). What happens when jobs are guaranteed? The New Yorker. <https://www.newyorker.com/news/annals-of-inquiry/what-happens-when-jobs-are-guaranteed>
- (11) Kasy, Maximilian, and Lehner, Lukas. Online Appendix for: Employing the Unemployed of Marienthal: Evaluation of a Guaranteed Job Program.



For more information visit www.jobguarantee.org