

REGIONAL SIMILARITIES AND DIFFERENCES IN ACTIVE LABOUR MARKET POLICY IN CZECHIA: SETTING THE THEORETICAL FRAMEWORK

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Abstract

The impacts of active labour market policy (ALMP) have been evaluated for quite a long time. However, we know little about the role of regional differences in the functioning and impacts of active labour market policy. We focused on evidence of differences and similarities in the functioning of active labour market policy in the Czech Republic, institutional factors that may explain similarities and differences in ALMP at the regional level and the role of the regional level on the outputs, outcomes and impacts of active labour market policy. We concluded that there are substantial regional differences, identified relevant differencing aspects and presented some potential explanations. We present a new theoretical framework for assessing regional differences based on the data.

Keywords: Active Labour Market Policy, Regional Differences, Governance, Czechia

<https://doi.org/10.11118/978-80-7701-082-5-0069>

JEL Code: J08, D02

Introduction

The impacts of active labour market policy (ALMP) have been evaluated for quite a long time. However, we know little about the role of regional differences in the functioning and impacts of active labour market policy. The question is relevant on three grounds. First, from a social problem perspective, there may be inequalities based on the regional basis. Spatial and financial accessibility of public employment services (PES) support and employment constitutes an opportunity structure (Sirovátka *et al.*, 2013). The relative spatial immobility of people supports regional inequalities (van Dijk and Edzes, 2016). Second, the topic is relevant to the methodological and empirical discussion of regional differences for different ALMP programmes. Third, targeting support to structurally deprived regions is a relevant formal policy strategy (Sirovátka *et al.* 2006; MLSA, 2013), yet we know little about the success of this strategy.

This article concentrated on the regional level (NUTS3) and local administrative units (LAU). Even though ALMP programmes are primarily national, regional strategies can influence their implementation due to local conditions (Vyhlídat *et al.*, 2021). Sirovátka *et al.* (2006) concluded that local PES strategies are important in shaping ALMP programmes and their effects. While a regional perspective is occasionally included in specific evaluation studies, these results are scattered among many documents. In addition, we lack the appropriate theory of why the regional differences in active labour market policy should be relevant. Three levels are of interest in our study:

- Differences and similarities in the functioning of active labour market policy in the Czech Republic.
- Existence of institutional factors that may explain similarities and differences in ALMP at the regional level.
- The role of the regional level on the outputs, outcomes and impacts of active labour market policy.

The rest of the paper is structured as follows. First, we present theoretical and methodological underpinnings for explaining regional differences. We concentrate on the regional differences evidenced in the scope, targeting and outcomes of ALMPs. We present a new theoretical framework for assessing regional differences based on the data.

Theoretical Part

Only a few ALMP evaluation studies directly address regional differences, and this dimension is usually not included in meta-evaluations. Card *et al.* (2018) concluded that ALMP programmes work better in recessionary markets. Altavilla and Caroleo (2013) researched whether the ALMP was used homogeneously in Italian regions. They found that regions have followed a common labour market strategy irrespective of

their economic structure peculiarities. They also identified some regional differences and concluded that the success of active policies depends on the regional labour market conditions, and ALMP programmes have delayed impacts. Biewen *et al.* (2007) found that training programmes had different effects in the western and eastern parts of Germany. Boeri and Burda (1996) identified macroeconomic impacts of Subsidised Workplaces and Public Works in the Czech Republic. Using macro-economic evaluation of Austrian programmes, Dauth *et al.* (2016) found that some ALMP programme types positively affected the matching function in subsequent periods. They concluded that the composition of programmes in the region is relevant for macroeconomic impacts. In addition, they noted the importance of spillover effects among participants and non-participants, potential cross-border regional similarities and spillover effects and potential effects of ALMP on migration of jobseekers.

Some authors assume the mode of governance may be a factor in explaining regional differences. Centralisation or decentralisation of ALMP relates to the identification of problems, policy design, funding, decision-making, coordination, adaptation, participation, the distribution of responsibilities and service delivery over various territorial levels (Martin and Grubb, 2001; OECD, 2003; Kotrusová *et al.*, 2019). Centralisation of policies used to be associated with the need for equal treatment of workers, i.e. coherent and uniform provision of services, which may be beneficial due to consistent implementation of strategies across regions (OECD, 2003). The benefits of decentralising policies are seen in providing tailored services, e.g., ready information, closer connection with local reality, and better adjustment to local circumstances (OECD, 2003; Brauer, 2021). Disadvantages of decentralisation are seen in the loss of central control and information asymmetry (OECD, 2003) and the fear of strengthening inequalities (Brauer, 2021). Reforms usually decentralise the part of policy implementation processes that concerns service delivery, transferring responsibility for delivery to private or nonprofit service providers (OECD, 2003). Public employment offices often serve the local demand of employers (Kotrusová *et al.*, 2019).

The most important event concerning (de)centralisation of ALMP in Czechia was the reform in 2011. Before the reform, ALMP policy was in the hands of local PES at the LAU level (Kotrusová *et al.*, 2020). Kulhavý and Sirovátka (2008) discussed the intentionally decentralised character of the Czech ALMP, including the development of Regional centres of methodical support. They noted a very high difference in the scope and implementation of programmes at the local level and criticised the low central governance of ALMP. Similarly, Horáková *et al.* (2010) noted differences in setting target groups and targeting. Hora *et al.* (2009) criticised the system for its weak central conceptual and methodical support, lack of coherence in measures and low organisational capacity of local PES to tackle all delegated functions.

Rákoczyová and Horáková (2014) addressed the reform of PES in 2011, leading to the re-centralisation of employment services to the General Work Office of PES¹. While the aim was, among others, to reduce problems accompanying different decision-making of local PES, local PES lost many competencies. The model after the reform can be characterised like an integrated model of decentralisation described by OECD (2003) and Brauer (2021): centrally framed, but PES workers have a relatively substantial local autonomy, enabling shaping service delivery. In the Czech Republic, the role of local partners seems weak – they are not directly involved, and the central role remains with PES (Kotrusová *et al.*, 2020). Sirovátka and Rákoczyová (2022) noted a missing governance framework for the cooperation of stakeholders. Kotrusová *et al.* (2020) found that PES workers missed appropriate partners in the NGO sector in some regions.

Although the main goals of ALMP are set at the national level, there are also regional Instructions of the CEO of the regional branch of employment office that concretise the strategy from the national level to incorporate local labour market conditions and the structure of the unemployed (Rákoczyová *et al.*, 2019; Vyhliđal *et al.*, 2021). These documents are important as they set specific design features and rules for allocating participants into programmes. Thus, regional instructions incorporate local conditions and available financial means (Kotrusová *et al.*, 2019). In addition, concrete work routines may differ regionally; some routines even differ at the KOP or individual levels (see Kotrusová *et al.*, 2019, p. 25). Local nets of cooperation (including counselling committees) are relevant for most active labour market policy measures. They include modes of cooperation between local and regional branches of PES and workers working with social assistance claimants (Kotrusová *et al.*, 2019). Regional differences may be in allocation mechanisms and individualisation of work (Hora *et al.*, 2022). During the COVID-19 crisis, PES workers accentuated the need for more decentralisation of decision-making due to the need to react swiftly to the new situations (Hora *et al.*, 2021). PES workers can be given more flexibility in using concrete measures, e.g. in projects (Hora *et al.*, 2021).

1 Reform was characterised by a) establishment of regional branches of the employment office, b) rise in the number of local PES branches, and c) reduction of the staff of PES (MPSV, 2013).

Methodology

We looked for information on regional differences and similarities in previously published studies concerning unemployment and related social problems and ALMP in the Czech Republic. The analysis covered studies published in the period 2000–2025. Most studies concentrated on assessing concrete measures (e.g. Training), only a few focused on the projects (e.g. Horáková *et al.*, 2010). Of the 36 studies in the original sample, 30 contained relevant information or data. Most studies worked with individualised administrative OKPráce data about all unemployed and labour market participants. Thus, the results of these studies are not available elsewhere. In the second step, we looked for the available aggregate data published for social problems and ALMPs in the Czech Republic.

We defined the following assessment criteria partially based on Sirovátka *et al.* (2003a): regional problems, ALMP scope and structure, targeting, quality and outcomes. These criteria were used to develop sub-chapters in the results section.

We base our analysis of regional differences in the Czech Republic on the regional division and corresponding statistical units. There are three levels:

- Regional level (kraj): There are 14 regions in the Czech Republic, including the capital of Prague.
- Local administrative unit level (okres): there are 76 LAU units (excluding Prague).
- Contact workplace (KOP) level: the lowest administrative unit of PES.

This approach corresponds with the structure of PES, including regional branches of the Public Employment Office and PES workplaces at the local level (KOP).

ALMP programmes in the Czech Republic are divided into three main programme types: Subsidised Workplaces, Training programmes and Public Works. A specific feature in the Czech Republic is regional projects (RIP), which are designed and implemented at the regional level. PES workers in some regions stated that these projects are more complex, generous, longer, and more adjusted to the needs of concrete regions than standard projects (Vyhlídal *et al.*, 2021; Hora *et al.*, 2021). Of other active labour market measures, Support for regional mobility directly relates to a spatial dimension of ALMP (see Hora *et al.*, 2022).

It is also necessary to discuss the limits of the presented study. The text is written as a case study of the Czech Republic; many features of the study are country-specific. We are interested in one particular issue that may influence ALMP policies, and its effect is difficult to disentangle (OECD, 2003). This article does not include job search assistance programmes, innovative activities and pilots because we do not have quantitative information on these measures. We cannot control for most instrumentation problems. For example, identified differences among regions may be caused by a different share of paired programme participants (Hora *et al.*, 2021). Next, there may be differences in how regional branches of PES administer specific data. Results on the local level may be case sensitive.

Regional Specificity and Social Problems

Van Dijk and Edzes (2016) defined the factors potentially influencing regional labour markets: sectoral structure, ageing of population, work relationships, spatial mobility, urban-rural divide, active labour market policy and globalisation. MLSA (2021) documented regional differences in employment, unemployment and sectoral structure. Kotrusová *et al.* (2019) noted the character of settlements, wage structure, share of people commuting to work and number of people of foreign origin. Sirovátka *et al.* (2003a) highlighted the role of creating workplaces and access to these workplaces for specific categories of the unemployed. Sirovátka *et al.* (2006) and MLSA (2020) commented on a higher share of long-term unemployed among people with low education in structurally deprived regions (Moravskoslezský, Ústecký, Karlovarský and Jihomoravský). We present the latest available social indicators in Tab. I. They confirm the structurally deprived character of the above-mentioned regions.

Hora and Sirovátka (2012) documented different chances of the unemployed to find work due to categories of professions (lowest for unqualified manual workers). Different chances of people from different regions finding work can be illustrated by data addressing the period of the start of the Great Economic Recession (Tab. II). Data confirms that there are four most problematic regions: Ústecký, Moravskoslezský, Karlovarský and Jihomoravský.

Many studies assume that some regions have a more problematic character. Structurally deprived localities can be characterised by an above-average number or share of unemployed, long-term unemployed and economically inactive, characterised by localised loss of work and specific industries, being geographically separated from new/available work offers, stigmatised/unattractive localities (Green, 1997). There are structurally deprived localities in less problematic regions (Kotrusová *et al.*, 2019). Specific character of regions can be characterised by a lack of local work and problematic transport from distant periphery localities (Feřtřová and Temelová, 2011; Kotrusová *et al.*, 2019; Rákoczyová *et al.*, 2019).

Some authors argue that specific social problems are also different, including specific structures of unemployed people (Kotrusová *et al.*, 2019), people having executions (Hora *et al.*, 2021), who are drug

I: Key social problem indicators for regions

	x	a	b	c	d	e	f	g	h	i	j
Praha	1 397,8	28,147	2.8	0.4	8,111	28.8	4,997	26.2	33.7	0	8,5
Středočeský	1 466,2	32,064	3.2	0.7	9,246	28.8	5,289	29.2	35.4	24	32,7
Jihočeský	653,2	14,268	3.2	1.3	3,616	25.3	2,685	27.5	35.4	23,3	32,7
Plzeňský	614,6	12,804	3	0.9	3,612	28.2	2,291	32.1	36.4	20,6	34,7
Karlovarský	293,1	9,274	4.5	2.1	3,356	36.2	2,794	45.4	35.7	13,3	29,5
Ústecký	808,3	33,533	6	3.2	13,491	40.2	10,761	47.7	34.4	13,6	34,0
Liberecký	449,4	13,036	4.1	2.6	4,004	30.7	2,826	35.2	35.5	15,0	39,9
Hradecký	555,9	12,259	3.3	1.3	3,249	26.5	2,612	29.8	35.3	24,4	37,1
Pardubický	530,4	11,040	3.1	0.9	2,860	25.9	2,443	28	35.2	25,9	36,9
Vysočina	517,6	10,707	3	1.6	3,290	30.7	1,430	21	37.1	34,4	38,3
Jihomoravský	1 229,3	36,378	4.4	2.2	12,917	35.5	5,332	25.6	35	17,3	25,4
Olomoucký	631,5	16,946	4	2.6	5,470	32.3	4,067	28.2	36.7	19,2	32,5
Zlínský	578,9	12,036	3	1.6	3,411	28.3	2,075	19.8	38.4	17,7	40,7
Moravskoslezský	1 182,6	44,164	5.4	3.8	18,266	41.4	14,432	32.7	40.1	6,3	33,7

Sources: a, b, c, d, e – MLSA (2025a), f – CZSO (2025a), g, h – MLSA (2025b), x, i (CZSO 2025b), j – CZSO (2025c).

Notes: x) population of regions (2024), a) number of unemployed (2024), b) average share of unemployed people (2024), c) number of unemployed for one vacant workplace (2024), d) number of long-term unemployed 12+ months (2024), e) share of long term-unemployed among unemployed (2024), f) average number of social assistance claimants (2023), g) share of unemployed with only elementary education (2024), h) share of unemployed 50+ years (2024), i) share of population living in settlements with less than 1000 people (2024), j) share of employees working in industry and mining (2023).

II: Presence of unemployed without ALMP in the PES register in 30-day intervals

Days/Regions	30	60	90	120	150	180	210	240	270	300	330	360
Praha	78.4	60.7	47.7	38.1	29.6	22.4	19.4	18.3	18	18.1	19	19.8
Středočeský	82.1	67.2	54.5	44.8	36	28.9	26.2	25.4	25.5	26.4	27.7	29.2
Jihočeský	83	67.5	52.2	41.5	32.3	26.2	24.1	23.4	23.4	24.1	25.6	27.3
Plzeňský	82.9	68.2	55.6	46	36.8	30.1	27.8	27.2	27.5	28.3	29.8	31.9
Karlovarský	85	71.2	59.8	51.2	43.7	38.4	37.6	38.1	39.2	41.1	42.6	44.5
Ústecký	87.1	76	67.6	61.4	55.7	52	50.8	50.8	51.1	51.7	53.4	54.9
Liberecký	85	72	60.6	51.5	41.7	35.2	32.8	32.5	32.9	33.8	35.7	37.2
Hradecký	83.5	68.6	54.5	43.3	32.8	25.4	23.3	22.9	23.2	24.1	25.5	27.4
Pardubický	85.6	72.1	59.6	50.1	40.6	34.4	32.3	32.2	32.7	33.3	35.2	37.6
Vysočina	87.6	75.4	61.7	50.6	40.8	34.6	32.8	33	33.3	34.3	36.5	38.7
Jihomoravský	85.6	72.7	59.9	50.9	42.8	37.2	35.6	35.7	36.4	37.7	39.8	42.1
Olomoucký	86.6	74.9	62.4	53.2	44.8	39.4	38.7	39	39.8	40.9	42.3	44
Zlínský	87.2	75.6	64.5	55.3	45.9	39.1	36.9	36.7	37.3	38.9	41.1	43.3
Moravskoslezský	86.6	75	64.6	57.1	49.9	45.1	44	44.5	45.5	46.8	49.2	51.3

Source: Hora and Sirovátka (2012), year 2009

addicts (Kotrusová *et al.*, 2019), in poverty or who are social assistance claimants and live in unstable housing (Jahoda *et al.*, 2008; Šimíková, 2012). Deprived regions (Ústecký, Moravskoslezský and Karlovarský regions) are those with a high share of people with only elementary education (Feřtřová and Temelová, 2011). Workplaces close to the home locality are primarily relevant for the less educated and less mobile economically active (Feřtřová and Temelová, 2011). Rákoczyová *et al.* (2025) found regional differences in the scope of sanctions used against the unemployed.

Scope and Mix of Active Labour Market Policy

The scale of the programmes is relevant in relation to impacts, multi-site programmes, and heterogeneity of programme impacts (Martin and Grubb, 2001). The ALMP scope was relatively small in the Czech Republic in 2003–2020 (Sirovátka *et al.*, 2004; Hora *et al.*, 2009; Hora *et al.*, 2021). One well-documented issue is a highly uneven number of participants among regions – traditionally, a low number of participants is, for example, in the capital city of Prague, and the highest numbers of participants are in structurally deprived regions (Sirovátka and Kulhavý, 2007; Hora *et al.*, 2009; Horáková *et al.*, 2010; Hora *et al.*, 2022, MLSA, 2024). Horáková *et al.* (2010) showed that these regional differences were present for national and grant programmes. Sirovátka *et al.* (2003a,b) and Kulhavý and Sirovátka (2008) confirmed that differences are maintained at the local units level. Data shows that the region's population and problematic character may be involved in deciding the number of participants (Hora *et al.*, 2009). The higher the regional unemployment rate, the lower the share of ALMP participants among the unemployed (Sirovátka and Kulhavý, 2007). However, except for Subsidised Workplaces and Public Works, the scope of ALMP was not dependent on the unemployment rate (Kulhavý and Sirovátka, 2008). Kulhavý and Sirovátka (2008) noted that the scope of Training and Subsidised Workplaces correlated with vacant workplaces. Sirovátka and Kulhavý (2007) and Kulhavý and Sirovátka (2008) argued that programmes of all ALMP types were accumulated in certain regions (Mathew effect). The scope of ALMP programmes is dependent on the budget for this type of policy, and this is uneven among regions² and often unknown in advance (Horáková *et al.*, 2010; Kotrusová *et al.*, 2019). Finance also influences programme entitlement criteria (Kotrusová *et al.*, 2019, p. 149). It is also relevant whether regional PES can spend the allocated financial means (Horáková *et al.*, 2010).

Next, we will discuss the mix of specific programme types. Sirovátka *et al.* (2006) and Sirovátka and Kulhavý (2007) documented different structures of used ALMP programmes among the regions and supposed that it was due to different strategies in allocating the unemployed to specific programmes. Sirovátka *et al.* (2004) and (2006) argued that job placement programmes were targeted at structurally deprived regions, but not training programmes. They assumed a relationship between the policy's scope, the region's character and its targeting to the long-term unemployed – the less deprived the region was, the higher the probability of long-term unemployed to partake in Training. Training programmes were more realised in regions with a better education structure (Sirovátka *et al.*, 2004). Dvoulitý and Hora (2020) found that programmes supporting self-employment were unevenly targeted among regions. Kulhavý and Sirovátka (2008) and Vyhlídal *et al.* (2021) mentioned that the scope of Public Works was highest in the problematic regions. They argued that the structure of the unemployed population, the character of settlement and transport are the most important factors for allocating the unemployed to this programme. Hora *et al.* (2022) found that half of the participants of support for regional mobility were from two regions: Moravskoslezský and Olomoucký, and in other regions, the use was minimal. Sixty per cent of participants lived in settlements smaller than 5,000 inhabitants. Kotrusová *et al.* (2019, pp. 178–179) showed substantial regional differences in shares of specific ALMP programme participants and finance. Hora *et al.* (2018) found that for Apprenticeships for Youths up to 30 Years, there were regional differences in the use of measures Subsidised Workplace. Hora *et al.* (2020) and MLSA (2024) identified that regions differ in the sub-types (fields) of training programmes. Similarly, the use of chosen and standard Training was uneven among the regions (Hora *et al.*, 2020). This issue was described as a part of a different programme mix among the regions. Hora and Suchanec (2024) assessed the impacts of training programmes during COVID-19. They found substantial differences in regional PES strategies and evidenced that these differences had high impacts on the scope and mix of ALMP.

We present data about the scope of the programmes of some regions in Tab. III. The data are shown as Z scores, indicating the relative position of regions in the scope of four main measures. The strategy of most regions was relatively stable. The scope of ALMP programmes depends on the regions' character, as most programmes are realised in larger and more problematic regions. Still, we can see differences and specificities, for example, comparing the scope of standard Training in Jihomoravský, Moravskoslezský and Ústecký regions or looking at the scope of chosen Training in Prague compared to the use of standard Training.

Hora *et al.* (2009) mentioned a national strategy defining the recommended proportion of specific programme types. In discussion with PES workers, Rákoczyová *et al.* (2021) found low accessibility of specific programmes. The programme's scope depends on implementation problems, including the competition process. Workers argued that training courses are ineffective because they are assigned by the regional branch of PES, which may not consider the local specifics of local labour markets. Financial means for specific measures were divided at the national level at the start of each period, and a strategy of local

² Concrete financial amounts suggest that most money is spent in structurally deprived regions (see Kotrusová *et al.*, 2019, p. 177).

III: Relative positions of regions from the perspective of programme scope

		2016	2017	2018	2019	2020
Praha	PW	-1.67	-1.60	-1.71	-1.49	-1.84
	SW	-1.14	-0.92	-1.19	-1.2	-1.06
	TS	-0,64	-0.76	-0.82	-0.67	-1.06
	TCH	1.94	0.90	0.76	0.9	1.39
Karlovarský	PW	-0.97	-0.73	-0.45	-0.87	-0.82
	SW	-0.88	-0.54	-0.61	-0.69	-0.3
	TS	-0.65	-0.79	-0.88	-0.56	-0.59
	TCH	-1.06	-1.18	-0.84	-1.10	-1.32
Ústecký	PW	1.88	2.06	1.88	1.97	2.31
	SW	1.90	2.1	2.3	2.39	2.94
	TS	-0.29	-0.16	-0.09	-0.35	-1.06
	TCH	0.64	0.99	0.9	0.2	0.24
Liberecký	PW	-0.21	-0.2	-0.17	-0.11	0.25
	SW	-0.48	-0.47	-0.33	-0.43	-0.33
	TS	-0.26	-0.61	-0.17	0.68	0.42
	TCH	-0.28	0.55	0.05	0.37	0.42
Jihomoravský	PW	0.75	0.79	0.40	0.29	0.46
	SW	0.95	1.07	0.91	1.23	0.7
	TS	0.54	0.56	2.03	1.01	1.28
	TCH	0.29	-0.04	-0.33	-0.66	-0.7
Moravskoslezský	PW	1.75	1.85	2	2.08	1.52
	SW	1.42	1.79	1.33	0.86	0.37
	TS	2.92	3.12	2.26	3.01	2.54
	TCH	1.19	1.39	1.98	1.07	1.03

Source: employment portal of PES (historical data). Note: PW – Public Works, SW – Subsidised Workplaces, TS – Standard Training, TCH – Chosen Training.

PES was structured despite different local needs (Rákoczyová *et al.*, 2021). In structurally most deprived regions, the ALMP capacity is relatively more limited than the problem's scope (Hora *et al.*, 2018). Despite the higher share of involved unemployed, effort was not high enough to reach similar shares as in the regions with a lower scope of the problem (see Vyhliđal *et al.* 2021).

Targeting of Active Labour Market Policy

Sirovátka *et al.* (2004) noted targeting local units with a higher share of unemployment and long-term unemployment. They also documented that training targeted long-term unemployed people in some regions. Sirovátka *et al.* (2003b) specified that people from small towns had the highest probability to partake in ALMPs; when controlled for other factors, people from the large towns had the lowest chance to participate, and people from the villages had the highest chance. Sirovátka *et al.* (2002) noted that Training programmes and Subsidised Workplaces were more targeted to people living in large towns, and the Public Works to people living in villages. Sirovátka *et al.* (2004) and (2006) showed high local area differences in targeting active labour market policy in gender, education, age and length of unemployment. Horáková *et al.* (2010) documented substantial regional differences in targeting ESF projects. Hora and Vyhliđal (2016) found regional differences in targeting all active labour market policy measures. Sirovátka and Rákoczyová (2022) noted that the national definition of target groups is too broad and allows for creaming off the best among entitled clients. Hora, Suchanec and Horáková (2023), in comparison of Standard Training with Chosen Training, found that the choice of concrete programme type (programme allocation) may, in the regions, lead to different profiles of programme participants.

IV: Targeting indices of specific sub-types of training programmes in regions

Region	All Training		Training for industry		Agriculture, gardening, security		Driving licences, transport		Economics and administrat.		Services		Computers		Self-employment		Other	
	S	C	S	C	S	C	S	C	S	C	S	C	S	C	S	C	S	C
Praha	0.5	1.6	0.2	0.8	0.4	0.5	0.2	0.9	0.6	3	0.6	1.2	0.8	2.3	0.1	0.9	1	4.9
Středočeský	1	0.6	0.3	0.9	1.1	0.7	2.4	0.5	0.6	0.8	1.3	0.6	1	0.5	0.4	0.7	0.9	0.4
Jihočeský	1.3	1	1.2	0.8	2.0	0.5	1.6	1.6	0	1.2	1.1	1	1.5	0.4	0.6	0.3	3.6	0.4
Pízeňský	1.2	0.7	0.8	1	0.5	0.6	2.9	0.7	1.5	0.4	0.8	0.7	1.5	0.4	0.9	0.7	0.2	0.5
Karlovarský	0.7	1.1	0.8	1.2	0.5	0.5	0.1	1.8	0.7	0.5	1.7	1.1	0.5	0.1	0	0	1.1	0.6
Ústecký	0.5	0.9	0.9	0.9	0.2	1.7	0.1	1.4	1.1	0.4	1	0.9	0	0.7	0	0.3	0.1	0.4
Liberecký	1.3	1.4	0.7	2.3	0.7	0.7	0.4	1.3	1.5	1	2.2	1.4	1.4	1.2	0.5	0.4	1.9	0.8
Královéhradecký	0.7	0.5	0.4	0.5	0.6	1.5	1.2	0.4	0.2	0.3	0.2	0.5	1.6	0.4	0	0	0	0.5
Pardubický	0.4	0.8	0.9	1.2	2.0	0.3	0.5	0.7	0	1.2	0	0.8	0	0.6	0	0.4	0.1	0.3
Vysočina	0.2	2.3	0.4	2	0.0	2.7	0	1.8	0.2	3.2	0.5	2.3	0.2	1.7	0	2.7	0.2	0.6
Jihomoravský	1	0.7	1.5	0.4	1.0	0.4	0.2	0.9	1.8	0.4	0.5	0.7	0.5	0.9	1.2	0.3	0.7	0.6
Olomoucký	0.1	1.1	0.1	1.2	0.0	2.3	0	1	0	1.2	0	1.1	0.1	1	0.1	6.9	0.4	0.7
Zlínský	2.4	1.1	1.5	1.2	1.6	1.8	2.7	1.2	2.9	0.6	1.9	1.1	2.8	1.1	5.7	0.6	1	0.4
Moravskoslezský	2	0.7	2.4	1	2.4	0.7	1.8	0.7	1.4	0.4	1.9	0.7	2.1	1.3	2.8	0.5	2	0.8

Source: Hora *et al.* (2020) – tables P14–P17. Adjusted. Note: S – standard Training, C – chosen training.

Sirovátka *et al.* (2003a) identified that in regions with a higher level of unemployment, training programmes were more targeted to younger and short-term unemployed. Vyhlídal *et al.* (2021) found average or higher targeting of Public Works in all regions except Prague. Hora *et al.* (2018) found a relationship between the scope of long-term unemployment in the concrete regions and the number of long-term unemployed participating in ALMP measures. However, the capacity can function in the opposite direction. With a lower scope of the problem, it is possible to target programmes to more problematic cases, and targeting indices in such unproblematic regions reached higher values. MLSA (2024) identified significant regional differences in the timing of training programmes. Tab. IV illustrates how different regions use Standard and Chosen Training differently. Training subtypes are probably open according to the needs of local employers. Programmes are regionally allocated differently in Standard and Chosen Training.

ALMP policy is shaped to compensate for the structural deprivation of regions and the disadvantaged character of some unemployed people. This strategy may also mean more support for the highly disadvantaged in structurally deprived regions (Horáková *et al.*, 2010).

Differences in the Quality of Measures

Kontrusová *et al.* (2019) noted regional differences in programme entitlement conditions and the regional setting of specific requirements for employers to be entitled to ALMP. In some cases, informal arrangements further specified aspects at the concrete local PES. Sirovátka *et al.* (2006) stated that parameters of Subsidised Workplaces were more generous in structurally deprived regions. Kulhavý and Sirovátka (2008) noted high regional differences in the quality of the programmes in the period before the re-centralisation reform. Horáková *et al.* (2010) identified regional differences in setting and fulfilling entitlement conditions for ESF projects. Rákoczyová *et al.* (2019) identified regional differences in entitlement conditions for Subsidised Workplaces, in that non-confrontational employment is a disqualifying condition for entitlement. They also noted different regional strategies for prioritising specific target groups and more generous conditions in the programmes involving them. Regional employment offices may set different criteria for entitlement to the programme or rules for repeated participation in Public Works programmes (Vyhlídal *et al.*, 2021). Regional differences in the length of the training programmes (Sirovátka *et al.*, 2006) may be caused by using different training programme sub-types. Hora *et al.* (2020) identified regional differences in training programmes' dropout (see Tab. V). Two regions with a high level of unemployment (Moravskoslezský and Karlovarský) had the highest failures in the programme (9+ per cent).

V: Regional differences in drop out of training programmes

	Success	Reason for dropout			Total (N)	
		Work or study	Health and family	Failure of misconduct		Unknown
Praha	63.7	9.6	17.9	3.9	4.8	560
Středočeský	68.8	8.4	15.1	5.1	2.6	919
Jihočeský	72	7.2	12.9	1.8	6.1	552
Plzeňský	61.2	10.7	19.2	4.3	4.5	552
Karlovarský	68.8	7.4	10.4	9.5	3.9	231
Ústecký	71.5	3	16.4	6.5	2.6	572
Liberecký	61.2	12.1	18.2	4.5	4	572
Královéhradecký	56.8	31.2	6	4.3	1.7	301
Pardubický	69.9	8	14.1	3.7	4.3	163
Vysočina	69.2	13.7	11.1	2.6	3.4	117
Jihomoravský	69.9	3.7	18.9	3.8	3.8	1,222
Olomoucký	77.6	8.6	3.4	3.4	6.9	58
Zlínský	52.7	25.4	14	5.7	2.1	1,317
Moravskoslezský	52.2	19.8	14.7	9.3	4.1	3,010
All regions	61.1	14	15.2	5.9	3.7	10,376

Source: Hora *et al.* (2020)

Outcomes and Impacts

Sirovátka *et al.* (2003b) noted that the effects of the programmes were highest for people living in the large towns. Sirovátka *et al.* (2006), Sirovátka and Kulhavý (2007) and Hora and Sirovátka (2012) documented regionally different outcomes of training programmes according to the economic situation of the regions (worse in deprived regions). Sirovátka *et al.* (2006) found that long-term unemployed people in structurally deprived local areas had a higher chance after training to return to the PES register. Hora *et al.* (2009) analysed the Moravskoslezský and Ústecký regions. They noted that programme participants in these regions had worse outcomes than participants in other regions, but better impacts when compared to their control groups.

Hora *et al.* (2018) presented regional differences in outcomes of all training programmes realised in 2014 (Tab. VI). They found differences in the share of placements after the Training. The more people were placed in Subsidised Workplaces after Training, the fewer people left for unsubsidised jobs. This finding is an important example of the influence of the ALMP strategy at the regional level. It also shows the potential temporality of impacts because the strategy changed in later periods. They found another relevant regional difference in the share of sanctioned people.

VI: Reasons for leaving the PES register for training participants (in per cent)

	Found work	Personal and family reasons	Sanctions	On one's own request, unknown	Subsidised Workplace	Stayed in the PES register	Total (N)
Praha	61.1	0.3	11.3	12.8	9	5.6	7,537
Středočeský	62.5	0.7	5.1	10.4	17.6	3.7	8,872
Jihočeský	54.2	0.5	9.3	7.1	26.5	2.4	6,583
Plzeňský	56.6	0.6	8.4	12.5	19	2.8	5,533
Karlovarský	53.9	0.8	10.8	9.7	18.8	6	3,663
Ústecký	49.6	0.8	8.1	9.9	24.4	7.3	7,810
Liberecký	53.2	0.6	6.8	12.4	22.2	4.8	5,384
Královéhradecký	59.7	0.8	7.1	8.7	21	2.8	4,655
Pardubický	61	0.6	8.3	8.8	19.4	2	4,411
Vysočina	55.2	0.7	5.3	7.4	26.5	4.9	5,025
Jihomoravský	56.7	1.2	7.8	9.3	17.7	7.4	9,809
Olomoucký	42.1	0.7	8.4	6.2	36.5	6.9	6,604
Zlínský	46.6	0.8	7.6	7.6	33.1	4.3	5,003
Moravskoslezský	55.2	0.9	8.7	7	21	7.1	10,904

Source: Hora *et al.* (2018)

Hora *et al.* (2022) presented regional differences in the impacts of training programs – hazards of finding work (Tab. VII). They found significant regional differences in the probability of finding unsubsidised work and the duration of the unemployment spell before finding work. Results of ALMP at the regional level depend on the regional scope and targeting of these programmes. Consequently, the estimated impacts at the regional level are more unstable.

Hora *et al.* (2018) presented results for Public Works. The main regional difference was in the share of people who returned to the PES register after the end of the subsidised period. Concerning Subsidised Workplaces, Sirovátka *et al.* (2006) and Hora *et al.* (2018) showed minimum regional differences in people who were in the PES register after the start of the programme. These results are influenced by the design of evidence in administrative data. Sirovátka *et al.* (2006) noted better impacts of Training and Subsidised Workplaces in two structurally deprived regions. Hora *et al.* (2022) presented the share of people who left for the Subsidised Workplace and later returned (Tab. VIII). The share of return was positive only when it was relatively high in the control group and low in the treatment group (Plzeňský, Liberecký and Jihomoravský regions).

VII: Impacts of training programmes in the Czech Republic (2016, 2019, 2020)

Regions	Standard Training 2016	Standard Training 2019	Standard Training 2020	Chosen Training 2019	Chosen Training 2020
Praha	1.25 (0.11)	1.71 (0.83)	1.62 (0.53)	1.29 (0.07)	1.28 (0.12)
Středočeský	1.11 (0.08)	1.36 (0.89)	1.23 (0.28)	1.18 (0.12)	1.21 (0.12)
Jihočeský	1.11 (0.09)	0.54 (0.10)	1.25 (0.20)	1.15 (0.12)	1.54 (0.26)
Plzeňský	1.07 (0.10)	1.72 (0.45)	1.43 (0.21)	1.22 (0.19)	1.29 (0.18)
Karlovarský	0.98 (0.16)	0.93 (0.39)	1.16 (0.38)	1.28 (0.20)	1.41 (0.43)
Ústecký	1.06 (0.10)	1.29 (0.23)	–	1.35 (0.11)	1.35 (0.19)
Liberecký	1.09 (0.11)	1.13 (0.11)	1.02 (0.14)	1.10 (0.12)	1.10 (0.16)
Královehradecký	1.29 (0.17)	1.25 (0.27)	1.43 (0.36)	1.35 (0.23)	1.34 (0.24)
Pardubický	1.52 (0.28)	1.10 (0.18)	1.12 (0.48)	0.96 (0.12)	1.08 (0.23)
Vysočina	1.55 (0.41)	2.07 (0.91)	0.93 (0.14)	0.96 (0.70)	1.09 (0.12)
Jihomoravský	1.10 (0.07)	0.92 (0.08)	1.28 (0.13)	1.01 (0.09)	1.21 (0.17)
Olomoucký	1.07 (0.35)	1.29 (0.21)	1.25 (0.32)	1.08 (0.11)	1.25 (0.26)
Zlínský	1.00 (0.06)	3.69 (3.07)	0.99 (0.20)	0.92 (0.09)	1.15 (0.15)
Moravskoslezský	1.22 (0.05)	1.32 (0.08)	1.57 (0.14)	1.40 (0.11)	1.26 (0.15)

Source: Hora *et al.* (2022)

VIII: Subsidised workplaces (returns to PES register)

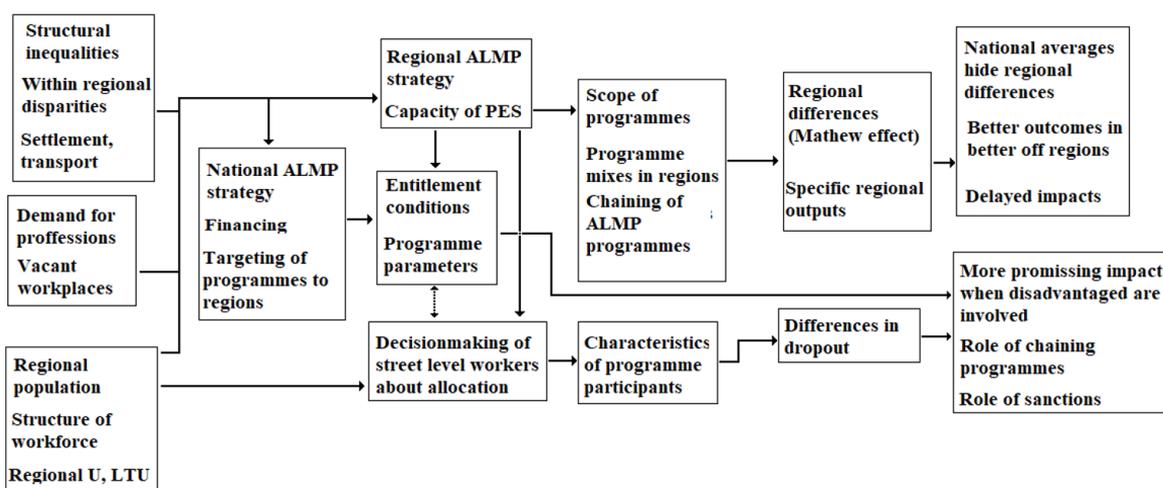
	Participants	Left	Returned	Share of return	SHR
Praha	25	25 (20)	12 (5)	48 (25)	1.92
Středočeský	211	211 (198)	79 (56)	37.4 (28.3)	1.32
Jihočeský	40	40 (34)	11 (9)	27.5 (26.5)	1.04
Plzeňský	45	44 (43)	12 (17)	27.3 (39.5)	0.69
Karlovarský	37	36 (36)	21 (15)	58.3 (41.7)	1.40
Ústecký	269	268 (229)	146 (82)	54.5 (35.8)	1.52
Liberecký	75	75 (70)	25 (27)	33.3 (38.6)	0.86
Královehradecký	71	71 (67)	39 (16)	54.9 (23.9)	2.30
Pardubický	67	67 (63)	24 (20)	35.8 (31.8)	1.13
Vysočina	62	62 (50)	23 (14)	37.1 (28)	1.32
Jihomoravský	267	266 (235)	72 (74)	27.1 (31.5)	0.86
Olomoucký	120	120 (109)	47 (22)	39.2 (20.2)	1.94
Zlínský	118	118 (111)	49 (18)	41.5 (16.2)	2.56
Moravskoslezský	197	196 (169)	81 (43)	41.3 (25.4)	1.62

Source: Hora *et al.* (2022)

Conclusion

In this article, we are concerned with regional and local differences in ALMP. The intention was to contribute to the theory of why regional differences in ALMP should be relevant. Our analysis proved the existence of relevant regional differences in problem, policy, and outcomes (Fig. 1).

Regional and local PES branches play with different cards when adjusting ALMP to local conditions. Regional differences are relevant because the underlying phenomena are present differently in the regions. Regional differences are based on circumstances, such as typical fields of employment. These may create different demands for work in the local labour markets, leading to different training uses. Regional differences also constitute very different chances for the unemployed to leave the PES register.



1: Theoretical framework for explaining regional differences

The money allocation to the structurally deprived regions was high, but not so high as to match the number of unemployed people in those regions. We found several examples of the role of regional strategy in the choice of policy mix³ and in the way PES workers implemented the concrete projects. For example, the mix of traditional and chosen Training was very different in the Zlínský region compared to other regions and Public Works were not realised in Prague. Impact analyses showed that programmes of Subsidised Workplaces may function very differently from Training programmes, and their analysis thus should be divided.

Previous studies documented that active labour market policy design can be regionally different in concrete parameters. When the parameters are set similarly, some programme types (e.g. Subsidised Workplaces) may reduce regional differences by design. Even when the design of programmes seems relatively uniform, they often bring different outcomes in regions, as documented in the cases of Subsidised Workplaces and drop out of Training.

The differences we documented result from different modes and the success of implementing ALMP in local conditions. Regionally created strategies allow for local specificity. However, Kotrusová *et al.* (2019) stated that PES workers inherently faced the dilemma between preference for a uniform approach and the potential of locally adjusted strategies. Rákoczyová *et al.* (2021) described problems related to the loss of local autonomy in allocating clients to the programmes and designing measures according to the needs of the local labour market. Local street-level PES workers thus must face the dilemma between best fulfilling the prescribed criteria and indicators and meeting the clients' perceived needs. The key issue is the solution to the employment of unqualified people, as these people are usually not included in training measures. We should also understand ALMP policy as a tool for tackling regional problems, including poverty. This strategy can be evident in cooperation between PES workers and workers of Social Assistance, and in prioritising Social Assistance claimants in the ALMP tools. This strategy was set nationally (see Kotrusová *et al.*, 2019).

Our findings may serve as a base for future macro-economic evaluation of ALMPs' impacts. All presented results come from aggregate statistics or from microeconomic evaluation studies. Macroeconomic studies may bring different results because different success criteria are used.

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³ Programme mix is the question of this or that – how to allocate money to effective activities. Whether they realise programme type A or B and allow following programme type A with programme type B for the same unemployed.

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