

1-1-1990

Evaluation Criteria and Planning Guidelines for Employment Fund Programs in the Republic of Hungary

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Citation

O'Leary, Christopher J. 1990. "Evaluation Criteria and Planning Guidelines for Employment Fund Programs in the Republic of Hungary." Report prepared for the Ministry of Labor, Budapest, Hungary.

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Evaluation Criteria and Planning Guidelines
for Employment Fund Programs in the Republic of Hungary

Final Report

August, 1990

Prepared for:

The Ministry of Labor
Budapest, V.,
Roosevelt ter 7-8. H-1051
Hungary

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FORWARD

This report briefly discusses the products of work to develop a system for evaluation and planning of the Hungarian Employment Fund programs. This work was conducted by the W.E. Upjohn Institute for Employment Research for the Hungarian Ministry of Labor in the first half of 1990. The work is part of the Third Industrial Restructuring Project in Hungary which is supported by World Bank loans.

Appendices to this report contain the main products of the Institute work. The most important products are given in appendices D, E, and F which include A Guide to Micro Data for EF Program Effectiveness Criteria, Guidelines for Preparing a County Employment Fund Master Plan, and Guidelines for Preparing a County Employment Fund Annual Plan respectively.

The Institute wishes to acknowledge the support and assistance provided by the Hungarian Ministry of Labor, the county labor administrations in the Hungarian counties of Hajdu-Bihar and Somogy, the World Bank, and the U.S. Department of Labor. Appendix H to this report identifies by name most of the persons who provided input on this project. Worthy of special recognition is Dr. Gyula Pulay who provided guidance for the Institute effort in Hungary with the proper balance of energy, patience, and insight.

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I. Introduction

Project Objective

The objective of this project as stated in the original Terms of Reference (TOR) is:

To develop criteria for the Wage and Labor Office¹ (WLO) to evaluate the cost effectiveness of EF benefit programs and develop guidelines for an annual EF planning model to be utilized by county councils.

During the first investigative visit to Hungary in February, 1990, it became clear that an important corollary objective of the planning model was that it should foster decentralization in decision making about Employment Fund (EF) programs.

Scope of the Work

The scope of work as stated in the TOR was to:

(a) Assist the WLO and two counties identify specific criteria and guidelines for measuring the success of EF programs. These criteria should address indicators such as: funds expended per client by sub-category, program length prior to employment/reemployment, income earned by clients at the end of the program, and continuity of client employment.

(b) Assist the WLO develop an annual planning model for use by counties in defining how they will use the EF at the local level. These plans will define how counties will serve clients in the most cost effective manner, how the service will be monitored, and how benefits will be utilized by EF benefit sub-category.

(c) Assist two county councils develop annual EF plans for submittal to the WLO for approval prior to disbursement of EF funds.

Principles Guiding the Work

The following three principles guided the development of evaluation and planning procedures. First, methods should promote decentralization of decision making about use of specific EF programs. Second, the collection of EF programs should be considered a unified whole so that the programs would be combined in various ways to achieve the most cost effective system of local labor market support. And third, recommended evaluation and planning methods should be sensitive to custom and current practice so as to be readily accepted and quickly implemented.

¹ In May, 1990 the WLO was designated the new Ministry of Labor (MOL).

Manner in Which the Work was Completed

Work on the project was done in four stages. First, during a visit to Hungary in February, 1990 the consultant developed an understanding of the existing EF programs by conferences with ministry, county, and project site personnel. Upon return to the Upjohn Institute, a menu of evaluation criteria and a draft set of guidelines for preparing county EF plans were developed. During a second visit to Hungary in May, 1990 the proposed evaluation criteria and planning guidelines were refined in meetings with Ministry of Labor (MOL) staff. These draft planning materials were then reviewed for their practicality in work sessions with experts in Hajdu-Bihar and Somogy counties. The final report was prepared at the Upjohn Institute in consultation with senior staff members of the Institute.

Materials for Planning

After meeting with EF program managers at the federal and county level and visiting some project sites during the first visit to Hungary, development of the recommended planning guidelines began with a thorough examination of the rules governing EF programs as specified in various governmental decrees. English translations of the decrees in force when the evaluation and planning process was developed are included as Appendix A to this report. Next, existing procedures for monitoring, decision making, and planning were reviewed. The EF information and decision system used by the MOL is briefly summarized in Appendix B. The sources of information for program monitoring were then evaluated. Appendix C presents english translations of EF program registration forms. These are the basic source of information available on EF programs. Only forms which provide input to existing computerized data systems are included. These are employment exchange client registration and vacancy forms, and the unemployment compensation claim form.

The first item prepared for evaluation and planning was a document which recommends modification of the existing data system. This is presented in Appendix D is and entitled A Guide to Micro Data for EF Program Effectiveness Monitoring. It is the quality and breadth of the available data which makes evaluation possible and credible. The attached guide recommends a modest expansion of information in existing computerized data systems, provides a guide for systems yet to be developed, and suggests a structure which will minimize redundancy and storage requirements.

To foster decentralization and reduce redundancy, two complementary sets of planning guidelines were developed for use by counties preparing EF plans. These guidelines incorporate program effectiveness criteria for evaluation. The first set called Guidelines for Preparing a County Employment Fund Master Plan is attached to this report as Appendix E. It deals with general matters common to several EF programs including management, monitoring, and reporting. The master plan also addresses aspects of Hungarian labor law relevant to operation of EF programs. The

master plan defines the relationship between the county and the MOL. It is to be prepared only once and updated as circumstances change.

The second set of planning guidelines is called Guidelines for Preparing a County Employment Fund Annual Plan and is attached to this report as Appendix F. It begins by considering the current condition of the labor market and covers the details of management, monitoring, reporting, and financial planning for each program.

Remainder of the Final Report

The next section discusses the guide to expanding the existing EF program administrative data systems and the proposed effectiveness criteria. Section three explains the guidelines developed for preparing county EF master and annual plans. Section four describes plans which should be developed by MOL for internal EF planning, and lists the complete process for implementing planning and evaluation.

II. DATA SYSTEM AND EFFECTIVENESS CRITERIA

Data System

The data and monitoring systems which have evolved for EF programs guarantee payment of benefits, but do not presently yield adequate information for evaluating program effectiveness. An attempt has been made to specify how the existing data system may be enriched by adding a few items to the records kept on participants in each program. A separate document called A Guide to Micro Data for EF Program Effectiveness Monitoring is presented as Appendix D to this report. It specifies the format of required data. The primary key in the relational data system is the client identification number. Secondary keys include the district EE office number, retraining course identification number, and PSE project number.

Since the majority of EF benefit programs are entered following registration with the EE, basic demographic data need be collected only once--at the time of EE registration. An attempt should be made to completely register with EE all persons seeking services, no matter how casual the use of the EE. The demographic data on: age, sex, and education; and previous job information on: skill level, wages, hours, and industry type; allows examination of program results by group. It also aids the development of adjustable effectiveness standards, and may allow quasi-experimental net impact evaluations.

An attempt should be made to gather information on the reemployment job (or out of the labor force status) at the time a client leaves EF program services. Part of this could be gathered by extending use of the job referral slip.

To develop a follow-up data base, a simple mail questionnaire which is accompanied by a stamped return envelope, and a brief cover letter requesting the assistance of former EF program clients in evaluation, should be mailed to a random sample of program participants six months after their most recent EF program contact. The questionnaire should bear the client identification number and would solicit information on only seven or eight clearly defined objective items.

Effectiveness Criteria

The approach to monitoring the effectiveness of EF programs focuses on timely measures which can be readily implemented and will become a natural part of the management system. The process centers on what are called effectiveness criteria (EC). These measures will allow establishment of baseline effectiveness standards (ES).

To develop good EC the goals of EF programs must be clearly understood. Depending on county goals, certain of the EC will be more important than others.

There are two basic categories of programs funded by the EF. The first category is entitlement programs including: Unemployment Compensation (UC), Small Business Start-up Loans (SBL), and Jobs for New Graduates (JNG). The second category are programs using discretionary funds, including: Retraining (RT), Public Service Employment (PSE), Early Retirement Subsidy (ERS), and Job Creation Investments (JCI). Counties have more control over the cost effectiveness of discretionary programs, but the Ministry of Labor encourages counties to view the collection of EF programs as a group which may be used in various combinations to achieve EF goals.

Administrative costs are incurred in operating all programs, it would be useful to identify these costs for each program which receives EF money. This is particularly true for examining the cost effectiveness of entitlement programs like UC which emphasize income maintenance as much as return to work. To allocate administrative costs to the various programs, it is necessary to determine what proportion, on average, of total staff hours in EE offices is spent in administration and data processing for each EF program. This is called a time-use study.

The recommended EC are explained to the counties and listed in the Guidelines for Preparing a County Employment Fund Master Plan given in Appendix E. The counties are requested to report on the explicit EC in the Guidelines for Preparing a County Employment Fund Annual Plan given in Appendix F.

Values of the EC computed with 1989 county data for the twelve months of 1989 should be used to establish baseline national standards called effectiveness standards (ES). County performance on each program is compared to the ES annually. The ES should be updated annually to reflect national trends.

The Ministry of Labor may choose to designate certain groups for special attention in reemployment services (perhaps persons with eight or less years of schooling, persons not covered by unemployment compensation, the physically handicapped, and long term unemployed might be targeted for services). If this is done, methods for adjusting the ES by service to these target groups could be incorporated in the evaluation procedures.

III. COUNTY PLANNING MATERIALS

The County EF Master Plan

A County Employment Fund (EF) Master Plan serves as the long-term agreement between the Ministry of Labor and a county on basic matters of operations, management, and evaluation. Once there is agreement between a county and the Ministry of Labor on a Master Plan, it would be in effect indefinitely. However, it should be updated periodically as important details change.

The master plan fosters a unified view of EF programs and allows a minimum of redundancy in the annual plan which covers individual EF programs. The master plan establishes procedures for things which are relevant to several different EF programs. Since the master plan identifies goals for EF programs, the substance of the master plan should be determined before an attempt is made to finalize the content of the annual plan. That is to say, a clear statement of general EF goals must be made before specific short term targets can be specified for individual EF program activities.

The County EF Annual Plan

The EF Annual Plan serves as the official agreement between the County and the Ministry of Labor on how the specific EF programs will be operated in the coming year.

The annual plan gives the details concerning program management and monitoring. It also presents annual reports on program activity and effectiveness criteria. The annual plan establishes an activity forecast, sets county effectiveness targets, and provides a forecast of direct costs for each program.

The annual plan presents a unified financial plan which considers the benefit costs of entitlement programs and programs using discretionary funds, as well as administrative costs. This financial plan also includes a unified budget estimate and a funding request for the coming year.

The County Quarterly Reports

Counties should be required to file reports on activity in each EF funded program quarterly. These reports should be brief including only data on summary statistics as specified in the worksheets presented in Appendix G to this report. A brief narrative describing employment conditions in the county should also be included by counties in the quarterly report.

IV. MINISTRY OF LABOR IMPLEMENTATION OF THE PLANNING AND EVALUATION SYSTEM

The Ministry of Labor EF Master Plan

The Ministry of Labor EF Master Plan should start with a statement of the relevant decrees governing EF programs. Ministry EF program goals should then be clearly stated. The nature of the relationship between counties and district employment center offices should also be clearly stated. In addition to EF decrees the Ministry EF Master Plan should specify all labor laws to be explicitly observed by parties using EF money.

Just as for the county master plan, the Ministry's EF Master Plan must cover matters of operations, management, evaluation, and finance--including the procedures to be used for the annual budget allocation process. If the Ministry wishes the counties to consider the collection of EF programs as a unified set of services which should be used collectively to address program goals in a cost effective fashion, the Ministry must administer EF programs to the counties in a consistent and uniform way. The Ministry EF Master Plan should detail the processes for review of the County EF Master Plans and modifications, the County EF Annual Plans, and the County EF Quarterly Reports.

The importance of clearly specifying authority for EF program decisions, and the processes for review of EF materials from the counties cannot be overemphasized. For the county and district Employment Center offices to operate efficiently and consistently, they must receive efficient and consistent treatment in their interactions with the Ministry of Labor on EF matters.

The Ministry EF Master Plan should also specify procedures for making announcements to the county and district employment center offices about changes in legal statutes affecting the operation or funding of EF programs. Dates should be set for filing of reports and plans by the county and response from MOL. The calendar of these dates should be specified and the schedule should be strictly maintained.

The Ministry of Labor EF Annual Plan

The Ministry of Labor EF Annual Plan must cover three important matters. First, procedures for review of county annual plans. Second, revision of EF program Effectiveness Standards (ES). And third, development of the annual budget allocation.

The calendar for preparing and reviewing the county annual plans is established in the Ministry of Labor EF Master Plan, the details of the review process should be specified in the Ministry of Labor EF Annual Plan. This plan should also include a description of the procedures for reviewing compliance with ES, distributing any incentive money for outstanding performance, and revising ES for the coming year.

In the annual plans submitted by counties Section J presents a unified financial plan. These should be evaluated and used in preparing the EF annual financial plan which is the basis for budget requests from parliament and budget allocation among the counties.

Implementation of the Planning and Evaluation Process

Following are sequential steps in the unified evaluation and planning process recommended:

1. Starting from the EF decrees, the Ministry of Labor (MOL) specifies EF programs goals. These goals are included in the Ministry of Labor EF Master Plan, and are announced to the counties in the Guidelines for Preparing a County EF Master Plan.
2. After considering the EF decrees and MOL goals, counties set their EF program goals. The county goals for EF programs are stated in the County EF Master Plan, which also details the relationship between the county and the MOL on EF program matters.²
3. MOL in cooperation with the National Labor Market Center (NLMC) estimates the "Number of job seekers who actively use the EE" for the planning year for each county. The estimate on job seekers is the county basis for estimates of activity in other EF programs. These items are communicated to the counties in the Guidelines for Preparing a County EF Annual Plan.

² It is recommended that a conference or seminar be held with the planning representative from each county in attendance to review the Guidelines for Preparing a County EF Master Plan.

4. The County EF Annual Plan summarizes program activity and achievement of national program effectiveness standards and county program targets, and describes the management, monitoring, and planning procedures used in the county. Counties consider the NLMC estimate on the "Number of job seekers who actively use the EE," and other details of their economic situation and specify EC targets for each EF program for the coming year. Counties also prepare a financial forecast of the cost associated with planned activities. All of this is included in the County EF Annual Plan submitted to the MOL.
5. The EF planing department in the MOL reviews the annual plans and prepares a MOL EF Annual Plan which is the basis for the EF budget request from Parliament.
6. MOL reviews county performance on the previous year's Effectiveness Criteria (EC) and specifies Effectiveness Standards (ES) for the coming program year. The MOL informs the county about funding available for their entitlement and discretionary programs for the coming year.
7. The counties solicit retraining, PSE, and job creation investment proposals and prepare for the process of proposal review and project award.
8. The counties submit reports to MOL on program activity quarterly.

This sequence is appropriate for the first year of planning and evaluation under the new system. After county master plans are in place, only steps three through eight would be repeated annually. Any revisions to county EF master plans are to be agreed on by the MOL and the counties as circumstances change.

APPENDIX A - EMPLOYMENT FUND DECREES

Decree of the
Hungarian Council of Ministers on Unemployment Compensation

No. 114/1988 (XII.31.)

Entitlement to Unemployment Compensation

Article 1

1. A person is entitled to unemployment compensation
 - a. who had 18 months employment, cooperative membership with responsibility to work, or insured outworker employment (hereinafter collectively called: employment) in the three years before the termination of his/her employment. For persons who were insured outworker employees or cooperative members before the termination of employment or membership (hereinafter the termination of employment) not more than one year may have passed since his/her last employment, and
 - b. for persons whom the competent employment agency in his/her area of residence (hereinafter called Employment Exchange) cannot assure a suitable work place as specified in paragraph 3.

2. The period during which disability pension or disability pension due to accident was paid, may not be included in the three year period indicated in item 1, article b, if the entitlement to these benefits has ceased.

3. The job can be considered as suitable, if
 - a. it is appropriate to the education level of the eligible person, or to the qualification that can be gained during the offered training scheme, or it is suitable to the qualification level required by his/her last job,
 - b. it is suitable to his/her condition of health.
 - c. the expected income will reach the amount of the unemployment compensation mentioned in paragraph 3, item 3,
 - d. the round trip commuting time to and from the job (by public transportation) will not exceed three hours, or if it does exceed three hours, it will not be more than the time it took him/her to go round trip to his/her last job.

4. One is not entitled to unemployment compensation, if one
 - a. has employment,

- b. is entitled to old age pension, disability pension or disability pension due to accident,
- c. has his/her own income, or permanent earnings respectively, and the amount of it reaches current minimum wage level,
- d. is not willing to cooperate with the Employment Exchange,
- e. has entered into employment on the basis of an international convention.

Article 2

1. During the benefit period of unemployment compensation, the entitled person is obliged--with a view to gaining employment--to cooperate regularly with the Employment Exchange, respond to a letter of request from the Employment Exchange, to present himself at any job referred by the Employment Exchange, and to give information to the Employment Exchange about his/her other permanent earnings as in item 2, point b.

2. Unemployment compensation payment will cease if the entitled

- a. does not fulfill his/her obligations as stipulated in Item 1 for a reason attributable to him/her, does not undertake the job or retraining possibility offered to him/her by the Employment Exchange, or after entering into an employment relation fails due to his/her improper behavior,
- b. enters into work or other gainful employment or receives other income which will reach the current minimum wage,
- c. becomes entitled to old age pension, disability pension, or disability pension due to accident,
- d. accepts a retraining possibility, during which he/she will receive a training stipend and the amount of the payment will equal or exceed the amount of the current unemployment compensation,
- e. his/her employment is guaranteed again in the framework of his/her cooperative membership.

3. The payment of unemployment compensation should be suspended if the entitled

- a. gets maternity pay or allowance, or child care pay or allowance,
- b. is taken into custody, or will serve his/her imprisonment sentence,
- c. enters service as a regular soldier.

Article 3: Rate of Unemployment Compensation

1. The amount of the unemployment compensation will be determined on the basis of the average earnings of the entitled (his/her monthly salary, average dividends: hereinafter called together average earnings) taking into consideration the way he/she became unemployed.
2. The base for the unemployment compensation for one day is 1/30th of the entitled's monthly average earnings.
3. The amount of the unemployment compensation:
(Note in the Labor-book the section on cessation of employment)

	Unemployment compensation Amount as a Percentage of the Average Wage for <u>the Period of Payment</u>	
	<u>Unemployed for less than 180 days</u>	<u>Unemployed for 180 or more days</u>
a. Employment Ceased	70	60
b. Employee Gave Notice to End Employment	65	55
c. Quit Without Notice	60	50

4. The amount of the upper limit of the unemployment compensation--calculated before deduction of the personal income tax and contribution to the pension--is three times the current minimum wage. In the case of seasonal employment, the amount of the unemployment compensation is as in Item 3, with the base being the most current minimum wage.

Article 4: Payment Period of Unemployment Compensation

1. Unemployment compensation can be paid for up to 365 calendar days within a three year period.
2. The starting date of the payments of unemployment compensation is the day after the entitled presented himself/herself at the Employment Exchange.

Article 5

1. Entitlement to unemployment compensation is to be determined by the Employment Exchange on the basis of the application of the claimant.
2. An appeal contesting the decision of the Employment Exchange will be judged on by a special administrative agency of the labor department of the executive committee of the metropolitan council or county council.

3. If the appeal review authority refused the application for entitlement to unemployment compensation or if it ordered the end of payments, the final decision can be contested in court.

Article 6: Payment of Unemployment Compensation

1. Unemployment compensation is taxable as personal income and subject to a reduced 5% pension contribution tax.

2. Unemployment compensation is payable by the Employment Exchange, with remittance of deductions levied on it also being the responsibility of the Employment Exchange.

Article 7

1. Regarding social security, the recipient of unemployment compensation will be considered as insured, and the period of payment of the unemployment compensation will be considered as time of service. However, during the payment of unemployment compensation, a sickness benefit may not be paid.

2. The amount of the unemployment compensation will not be used as an income basis for the determination of social security services. In case the worker becomes unable to work after the cessation of the payment of the unemployment compensation, he/she will become entitled to sick pay according to the regulations of social security. The sum of the sick pay should be calculated on the basis of the monthly average wage which was used to determine the level of unemployment compensation.

3. The Employment Exchange is obliged to advise the Board of the Social Security Headquarters (local office) about the period of payment of the benefit within 15 days counted from the cessation of benefit payments.

Article 8: Miscellaneous Stipulations

1. The period of payment of unemployment compensation will be counted as a period of legal employment, which should be entered into the employment book as such, by the Employment Exchange.

2. To facilitate the opening of an unemployment compensation claim, the employer is obliged to give a Certificate of Employment upon demand of the employee or upon the request of the Employment Exchange. The Certificate of Employment will contain the particulars of the employee including his/her average wage and the periods he or she spent in employment.

3. The activities identified as seasonal employment are to be defined by the specialized Labor Department of the Executive Committee of the County (Capital) Council.

4. Neither personal insurance against unemployment, nor the unemployment allowance paid by a trade union, will affect the entitlement to or the amount of unemployment compensation.

Article 9

1. Unemployment compensation paid mistakenly can be reclaimed by the employment agency (Employment Exchange) within 60 days. After expiration of this period the mistakenly paid unemployment compensation can be reclaimed only if the recipient was aware of the impropriety of the payment or if it was the recipient who caused the faulty payment. Unemployment compensation cannot be reclaimed after three years (counted from the date of payment).
2. The Employment Exchange will make a decision considering repayment of any unemployment compensation mistakenly paid.

Article 10: Closing Provisions

1. This decree becomes effective January 1, 1989.
2. After this decree becomes effective, the following decrees will cease to be in effect:
 - a. Decree No. 28/1986 (VII.16) MT of the Council of Ministers and Decree No. 18/1988 (IV.1) LT modification and supplement of the above, on the extension of the period of notice and assistance for finding a job.
 - b. Decree No. 27/1986 (VII.16) MT, paragraphs 3 and 4, on certain questions regarding employment of workers and membership of members of economic organizations under liquidation procedure.
 - c. Decree No. 46/1987 (X.14) MT, the last item in paragraph 2 on certain employment dispositions.
 - d. Decree No. 52/1987 (X.15) MT, paragraph 1, articles b and c, on the establishment of the Employment Fund and on retirement before pension age for employment policy reasons.
 - e. Decree No. 11/1986 (VIII.21), ABMH (State Central Office for Wages and Labor) on assistance for finding a job.
3. The dispositions contained in Item 2 shall not affect the extension of the period of notice permitted before January 1, 1989 and the assistance for finding a job. When calculating the payment period of unemployment compensation, the extension of the period of notice and the period of payment assistance for finding a job after January 1, 1989 will be taken into account.
4. Decree No. 63/1981 (XII.15) MT, paragraph 1, item 1, on administrative decisions subject to revision before a court is to be supplemented by the following item 28: (it can be subject to revision by court)

"28. Eligibility decisions on applications for payment of unemployment compensation or decisions on the discontinuation of payments thereof."

5. Decree No. 14/1979 (IX.17) MT, paragraph 21, item A, Ministry of Justice enacting order of the -----Decree No. 18/1979 on the execution by court shall be replaced by the following disposition:

"Paragraph 21, item a: The deduction thereof from the unemployment compensation and the child care benefit will be governed by Vhr (Execution order) Paragraph 54."

Budapest, 29 December 1988

Niklos Nemeth
President of the Council of Ministers

Decree of the Council of Ministers
No.
on temporary unemployment compensation

Article 1

- (1) A person is eligible for unemployment compensation
- a) who received unemployment compensation on the basis of the decree of the Council of Ministers No. 114/1988 (XII.31.) earlier and was unable to establish an employment relation or membership with a working obligation (hereinafter together: a job) after expiration of the permitted disbursement period of unemployment compensation; or
 - b) who found a new job after disbursement of unemployment compensation but did not obtain eligibility for unemployment compensation yet after losing this job.
- (2) A person eligible under the definition of paragraph (1) can claim temporary unemployment compensation
- a) if the state employment agency cannot provide him appropriate job and
 - b) he cooperates regularly with the state employment agency to find a job during the term of disbursement of the temporary unemployment compensation.

Article 2

- (1) A person eligible for temporary unemployment compensation is obliged to cooperate with the state employment agency in finding a job, by answering its notifications, appearing at the recommended employers, and reporting on his other regular incomes during the term of disbursement of the compensation.
- (2) Regarding the claiming of temporary unemployment compensation, a job offered by the state employment agency can be considered appropriate
- if the required job qualifications are in accordance with the qualification of the eligible person, or with the qualification which can be achieved by offered training, or the qualification requirement of the last job held by the person concerned,
 - if it is in accordance with the health condition of the eligible person,
 - if the commuting time (with public transport) does not exceed 3 hours daily.

Article 3

- (1) A person is not eligible for temporary unemployment compensation
 - a) if he obtained eligibility for old age pension, or a disability or accident disability pension was established for him.
 - b) if he has personal earnings or other type of regular income and its monthly amount greater than or equal to the amount of the temporary unemployment compensation monthly.
- (2) Payment of temporary unemployment compensation must be stopped if the eligible person
 - a) establishes an employment relation or finds other earning activity and his earned income is greater than or equal to the temporary unemployment compensation.
 - b) obtains eligibility for old age pension, or a disability or accident disability pension was established for him.
 - c) accepts training which provides a subsidy not less than the temporary unemployment compensation.
 - d) has a cooperative membership and his earning activity is restored in this relation.
- (3) Payment of the temporary unemployment compensation will be suspended if the eligible person
 - a) does not meet the obligations stipulated under article 2 paragraph (1) for a reason he can be blamed for; does not accept the job or training offered by the employment agency or the employment relation fails to be established because of his behavior;
 - b) is the beneficiary of maternity/birth allowance or children care allowance or children care aid;
 - c) has been taken into imprisonment on suspicion or is in prison;
 - d) is in service of the regular army or mandatory civil service.

Article 4

- (1) The amount of the temporary unemployment compensation is 75% of the unemployment compensation disbursed after the 18th day. Its lower limit is 80% of the minimum salary calculated without deduction of personal income tax and pension tax or if the unemployment compensation was lower than this amount. Its upper limit is twice the minimum salary.

- (2) Starting date of disbursement of the temporary unemployment compensation is the calendar day after the finishing of disbursement of the unemployment compensation or the calendar day after registration by the eligible person for the allowance at the state employment agency.
- (3) The maximum term of disbursement of temporary unemployment compensation is 365 calendar days.

Article 5

- (1) Eligibility for temporary unemployment compensation is defined by a resolution of the state employment agency on application of the concerned person.
- (2) Any appeal against the employment agency submitted is to be judged by the specialized labor agency of the county (capital) council executive committee.
- (3) A final judgement on the appeal which denies eligibility for temporary unemployment compensation or imposes a stop on payment, can be contested in court.

Article 6

- (1) The temporary unemployment compensation is subject to personal income tax, and a 5% pension tax is also deducted.
- (2) Disbursement of the temporary unemployment compensation is to be arranged by the state employment agency monthly. Transfer of deducted amounts is to be arranged by the state employment agency monthly after benefit payments.
- (3) Rights and obligations defined in social security regulations which apply to people on unemployment compensation are also applicable to people receiving temporary unemployment compensation.
- (4) Duration of disbursement of temporary unemployment compensation is added into the lifetime employment period and must be registered in the labor book by the employment agency.
- (5) Any independent voluntary unemployment insurance income or aid paid by a trade union does not affect eligibility for temporary unemployment compensation or its amount.
- (6) Documented long distance travel expenses arising in connection with job search, will be reimbursed to the beneficiary of temporary unemployment compensation from the Employment Fund.
- (7) Temporary unemployment compensation is paid out of money held in the Employment Fund.

Article 7

- (1) Any temporary unemployment compensation paid out in error can be reclaimed by the employment agency within 60 days. After this deadline the temporary unemployment compensation paid out by mistake can be reclaimed if the beneficiary was aware of the mistake in connection with the payment or he caused the incorrect payment. Erroneously paid temporary unemployment compensation cannot be reclaimed after three years.
- (2) The state unemployment agency passes a resolution on repayment of the temporary unemployment compensation paid out by mistake.

Article 8

- (1) This decree comes into force on 1st January, 1990.
- (2) The article 1 paragraph (1) subparagraph 28 of the decree of the Council of Ministers No. 63/1981 (XII.15) on supervision of state authority resolutions by the courts is replaced by the following provision:

"28) A resolution regarding denial of application for unemployment compensation or temporary unemployment compensation due to eligibility rules, or a resolution stopping the payment.
- (3) Article 21/A of the enabling decree of the Ministry of Justice No. 14/1979 (IX.17) on law decree 18/1979 on judicial execution is replaced with the following provision:

"Article 21/A: Regarding the deduction from unemployment compensation, temporary unemployment compensation, and children care allowance the Vht. article 54 is applicable.

Order No. ____/1989
of the president of the State Wages and Labor Office
on some issues of retraining

On the basis of the authorization in Article 2 of Decree No. 143/1989 (XII.22) MT of the Council of Ministers on utilisation of the Employment Fund, and Article 25 of Decree No. 7/1988 (II.17) MT of the Council of Ministers on non-school vocational training, I order the following:

Article 1

Retraining should be supported from the Employment Fund for people:

- (1)
 - a) who are not employees or members of cooperatives with a work obligation (hereinafter: employment) and do not have any other income earning activities;
 - b) whose job is expected to cease within one year due to discontinuation or a general restructuring with a reduction in the workforce at the place of employment, and the employer notified the employee or the regional employment agency in writing;
 - c) who participate in public work.
- (2) A subsidy may be paid from the Employment Fund for persons who participate in retraining and otherwise could not become reemployed in regular work. Furthermore, the activities in Order No. 7/1989 (II.17.) MT Article 8, paragraphs (1)a/ and b/, semiskilled training with certificate and language training are also considered as retraining for purposes of this decree.
- (3) A further condition of the retraining subsidy beyond paragraphs a/ and b/ is that there must not exist in the employment agency vacancy listings, an appropriate job in line with the qualifications and health condition of the candidate, and in the commuting area of the candidate, when the employee enters into a contract with the employer or the employment agency to participate in retraining.
- (4) Within the scope of Article 1(1), for people below compulsory education age, retraining can be supported if the person has passed the elementary school leaving exam, and on the basis of a statement from the education authority of the municipal council his/her area of residence his/her education cannot be ensured, or if he/she left secondary schooling.
- (5) Retraining should be organized mainly in skills which are in short supply.

Article 2

The following can be paid out of the Employment Fund:

- a) retraining subsidy;
- b) cost compensation for tuition, transport, lodging and boarding.

Article 3

- (1) People defined in Article 1(1) are eligible for the retraining subsidy and cost compensation.
- (2) People listed in Article 1(2) may receive the retraining subsidy and total or partial cost compensation.

Article 4

For retraining purposes the documented costs described in Order of the Minister of Finance No. 5/1989.(I.15.)PM on establishing, accounting for, and bearing of vocational training costs, as well as the justified and documented transport and lodging costs, should be taken into account.

- (1) The rate of retraining subsidy will be the following:
 - a) For people under Article 1(1) paragraph a/ 75-90% of the nation wide average wages in that trade, in line with conditions of the county;
 - b) For people under Article 1(1) paragraph a/ and eligible also for unemployment aid the amount under paragraph (1)a/ or 110% of the unemployment grant, according to his choice;
 - c) For people under Article 1(1) paragraphs b/ and c/ and under (2) the average wage foregone during the time of retraining;
 - d) For people under Article 1(4) the amount of the allowance being 100% of the prevailing minimum wage.
- (2) If the person under Article 1(1) in working age receives disability pension or regular social or accident allowance, the retraining allowance may be added up to the amount of the retraining subsidy.
- (3) The retraining subsidy should be paid on a monthly basis, at the end of the month.
- (4) The amount paid as retraining subsidy should not be charged as labor cost by the employer.

Article 6

For purposes of the social security work history, the period of retraining subsidy disbursement is considered as time in employment.

Article 7

The retraining subsidy and cost compensation should be requested from the concerned regional (county or capital) labor authorities by the employer in the case retraining of the employed and by the employment agency in the case of retraining of the unemployed.

Article 8

- (1) The State Wages and Labor Office and the county labor authority should agree on the type of skills offered for retraining, and the costs and the scope of the people concerned under Article 1(2), on a quarterly basis by the 15th of the month before the quarter.
- (2) Within the framework of (1) the regionally concerned labor authority makes the necessary arrangements for initiation of retraining and disbursement of the retraining subsidy and cost compensation.

Article 9

- (1) If the retraining stops during the subsidy disbursement period because of circumstances related to the activities of the employer, the employer may be obliged to reimburse any subsidy and cost compensation received. However, in this case the subsidy and cost compensation paid to persons receiving retraining shall not be refunded.
- (2) If the retraining does not proceed in line with the agreement under Article 8(1), the subsidy and the cost compensation may be suspended.
- (3) If the retraining stops due to the fault of the trainee, he is not eligible to take part in another subsidised retraining course within 3 years and may be obliged to pay back the retraining costs.

Article 10

- (1) The Order will enter into force on 1 January 1990. At the same time the Order No. 15/1987 (XII.31.) ABMH on retraining subsidy is repealed.
- (2) Ongoing retraining at the time of issue of this Order will be governed by Order No. 15/1987 (XII.31.) ABMH.

Budapest, 27 December 1989.

Dr. L. Bukta
Vice President

Decree of the president
of the State Wages and Labor Office
No. 2/1990 (I.II.)

on public works supported by the Employment Fund

Article 1

If an organization providing services listed in the attachment (hereinafter: the employer) employs people who are unable to find jobs and it is not their fault and this employment is for meeting general demands of the inhabitants or the town (hereinafter: public works) the employer may apply for reimbursement of part of its expenses by the Employment Fund.

Article 2

An employee can be employed in public works temporarily if it is certified by the concerned employment agency that he/she is unable to find a job, it is not his/her fault and his/her employment cannot be ensured within 30 days.

Article 3

- (1) Salary and the related duties, expenses of the working and protective clothing, expenses of tools and means of work, commuting expenses besides additional expenses of the management arising for the employment of the additional staff can be settled among items of public work costs.
- (2) Maximum 70% of expenses of public works can be reimbursed from the Employment Fund.
- (3) Reimbursement of expenses of public works is to be accounted by an enterprise as a subsidy, and by a state owned employer as cash taken.

Article 4

- (1) The State Wages and Labor Office and the specialized labor agency acting on behalf of the executive committee of the county council (hereinafter: the specialized agency) agrees on the number of the persons to be employed and the amount of the subsidy to be granted to the employers in the area of the county.
- (2) On the basis of paragraph (1) the specialized agency agrees with the employer and disburses the subsidy to the employer after the work is done. Furthermore, the specialized agency informs the State Wages and Labor Office about the employment situation and utilization of the subsidy.

Article 5

If the employer receives alternative payment for the public work, this amount is to be accounted as sales and the VAT is to be charged according to regulations. In this case the employer should not apply for reimbursement from the Employment Fund.

This decree comes into force on 1st January, 1990.

Attachment

Service Activities
(National Statistic Office 1989)

304-11	Public interest planting of trees
304-21	Handling and looking after facilities in wooded areas
304-22	Forest management and facilities maintenance
405-11	Public railway traffic
405-22	Traffic of buses
405-25	Operation of public roads and bridges
405-31	Local rail traffic
609-21	Sewage
609-24	Rain water drainage system
609-29	Cleaning of drainage system
609-42	River control
609-43	Lake control
609-44	Water regulation
714-21	Public sanitary services
714-22	Local sanitary services
714-23	Establishment of parks, green area maintenance
714-25-02	Cemetery management and maintenance
715	Environment and nature protection
715-1	Handling of dangerous waste materials
818-21	Day shift social care
818-22	Social care service
819-11	Nursery education, preparation for school
819-81	Day shift care for elementary school pupils
820-13-01	Museum services
820-39-01	Care of historic buildings

STATE WAGES AND LABOR OFFICE
EMPLOYMENT POLICY AND REGIONS' DEPARTMENT

83-5/30th May, 1989

AGREEMENT

In order to organize public service employment in 1990 and to finance expenses arising in connection with public service employment, the Employment Policy and Regions' Department of the State Wages and Labor Office (SWLO) and the labor agency acting on behalf of the executive committee of the county (capital) council conclude this agreement as follows:

- 1) In order to finance public service employment, the State Wages and Labor Office makes HUF _____ thousand available for the county. This grant may be affected by regulations of the SWLO.

The guaranteed amount can be used to cover additional expenses arising in connection with public service employment up to 70% of the total cost.

- 2) The labor agency undertakes

- to organize public service employment for activities listed in the attachment to decree of SWLO No. 2/1990 (I.11.);
- the work organized is for the public interest of community residents;
- to ensure full time continuous employment of at least _____ people;
- to provide statistics on participation in public service employment and the total additional expenses associated with the work monthly, and detailed expense reports quarterly. (Article 3 para (2).)

- 3) The labor agency acknowledges, that

- in case of employing less than _____ people the HUF _____ thousand subsidy decreases proportionally, and this decrease will be settled after public service employment has concluded for the accounting year;
- if the 70% of the expenses arising in connection with the public service employment exceeds the HUF _____ thousand budget, the subsidy rises proportionally;
- if the number of people in public service employment activities listed in the attachment to the decree is less than the number specified in the budget request the HUF _____ thousand subsidy will be decreased.

.....19..... , Budapest

(Head of the Employment Policy Department)
(Dr. Ferenc Munkacsy, Department Head)

Decree
of the president of the State Wages and Labor Office
no. 1/1989(III.12)SWLO

on entrepreneurs loan for restarting persons and career starters

Article 1

(1) A person is eligible to claim entrepreneur's loan for restarting or career starting (hereinafter: the loan) at a financial institution disbursing such a loan (hereinafter: the financial institution):

a) who is on notice or has presented his intention to resign from a cooperative and the concerned regional employment agency could not ensure appropriate employment for him within one month after his application or the mandatory report of the employer stipulated by a separate regulation¹; or

b) who does not have any earning activity and the employment agency for his area cannot ensure appropriate employment within one month after his application and undertakes the obligation in writing that he becomes an entrepreneur for his main activity.

(2) The organization certifying the eligibility (article 3 para (1)) may disregard the one month waiting period on the basis of the work force situation.

(3) A person whose employment or work situation is disrupted because of dissolution of the employer or because of employment reductions causing serious difficulties in finding jobs in the region, is eligible to claim the loan immediately after getting the notice or announcement of the dissolution regardless if the concerned employment agency can offer appropriate employment to him.

(4) A person is not eligible to claim the loan

(a) who will be a part of the same venture which was his employer earlier;

(b) who did not repay a loan disbursed to him earlier;

(c) who had the reason for terminating the previous employment recorded as a "quit" in his employment book.

Article 2

(1) In application of article 1 a job is appropriate if

¹ Decree No. 2/1985 (II.1) SWLO article 7.

(a) it is in accordance with health conditions and education level of the applicant;

(b) the expected earning is not less than the earlier average earnings of the applicant provided he had earning activity in the previous two years;

(c) the commuting time (by public transport) does not exceed 3 hours.

(2) In application of this decree a person is an entrepreneur or considered to be entrepreneur if he/she is a:

(a) craftsman, private trader, a person operating a section of an economic unit under a contract according to a separate regulation² or a private person renting an industrial or service unit;

(b) farmer who is a private person producing foodstuffs, a flower and cultural plant gardener, a private person dealing with breeding animals for experiments or a pet breeder;

(c) member of legal entity belonging to an economic association of private persons;

(d) member of a specialized group of industrial or service cooperatives or specialized group of agricultural cooperatives;

(e) member of a small cooperative except for small agricultural cooperatives;

(f) member of a cooperative of craftsmen;

(g) member of an agricultural cooperative whose yearly income for the work done in the cooperative does not exceed HUF 60,000;

(h) personally contributing member of an economic association governed by law 6/1988 on economic associations including a person performing side service in a limited liability association.

(3) In respect of the content of article 1 para (1) subpara (b) an activity used to be performed by the applicant as a secondary activity or additional activity should not be considered as earning activity until the end of the sixth month after the expiration of the employment or membership.

Article 3

(1) Eligibility for claiming the loan is certified by the specialized labor agency of the county (capital) council executive committee in the county of employment or residence. At the same time, the executive

² Decree of the Council of Ministers 38/1980(IX.30) and Decree of the Council of Ministers 30/1981(IX.14.)

committee informs the applicant about the financial institutions where the loan can be claimed.

(2) The certificate is valid for two months and if the same conditions persist it will be extended.

(3) The loan can be claimed only at one financial institution.

Article 4

(1) County (capital) granting of eligibility for the loan does not force a financial institution to give a loan.

(2) The financial institution concludes the loan contract by its own credit appraisal procedure.

Article 5

(1) The loan should be used to cover expenses necessary for the venture including the payment of shares in cash.

(2) The maximum amount of the loan is HUF 300,000 for each person, with a limit of HUF 6 million per project for partnership ventures. The maximum term of the loan is 10 years.

(3) Personal collateral is not required for a loan application.

(4) The interest rate is determined by the financial institution. The entrepreneur may be exempted of paying it by provisions of article 6.

Article 6

(1) The entrepreneur is exempted from paying interest and other banking expenses on the loan for 4 years after the disbursement--the financial institution can settle them against the Employment Fund by a contract to be concluded with the State Wages and Labor Office--if the venture is his main job and if the organizational structure of the venture or its operation is new or the entrepreneur starts a completely new venture.

(2) If the loan is used by the entrepreneur for purposes other than stipulated in the loan contract, the interest and other banking expenses accruing since the loan was taken are to be paid by him.

Article 7

That financial institution which concludes a contract with the State Wages and Labor Office is eligible to settle the interest and other banking expenses of the loan with the Employment Fund.

Article 8

This decree comes into force on 15th March, 1989. At the same time decree No. 9/1988(IV.21)SWLO on several subjects regarding loans for restarting persons is invalidated. However, its provisions remain applicable in to cases of employees having certificates issued while it was in effect, or employees having extended notice period on the basis of a separate regulation.³

³ Decree of the Council of Ministers No. 28/1986(VII.16.)

Decree of the president
of State Wages and Labor Office
No. 7/1989

on young professionals employment
subsidized by the Employment Fund

Article 1

(1) A career starter who obtained his diploma at a high level educational institution in the day shift during the past one year, and does not have any earning activity as defined in paragraph (3) subparagraph (a), and the employment agency was not able to provide him an appropriate job within 30 days after his application, may apply for young professional employment at any county (capital) employment agency (hereinafter: the employment agency).

(2) In calculation of the one year term defined under paragraph (1) the following periods are disregarded:

- a) term of regular service as a soldier or mandatory civil service of the career starter,
- b) disbursement of child care fee or aid for him,
- c) term of illness with inability of work exceeding 30 days,
- d) term of his young professional employment under this regulation.

(3) In application of this decree an employer is appropriate if the job offered to the career starter

- a) is in accordance with his qualification, or requires high level qualification and can be performed with the qualifications of the career starter,
- b) is in accordance with his health condition and
- c) the commuting time (with public transport) does not exceed 3 hours.

Article 2

Upon application of the career starter, the employment agency is obliged to recommend an appropriate employer for employment of the young professional; if it is not available the employment agency is obliged to announce an invitation for application by potential employers without delay.

Article 3

(1) An employer may respond to the invitation by applying to hire the career starter if he can provide employment in a young professional position.

(2) The career starter is entitled to choose the employer from among the applicants to conclude an employment contract with.

(3) If there is no appropriate employer application the career starter may request announcement of invitation for application at any employment agency.

Article 4

(1) To conclude a contract under this program, the career starter and the employer sign a 6 month fixed term employment contract.

(2) On the basis of the employment contract the employment agency defines the subsidy to be disbursed by article 7 to the employer.

(3) An appeal can be submitted against the resolution of the employment agency which is to be judged by the specialized labor agency of the county (capital) council executive committee.

Article 5

(1) In the last month of the employment contract the young professional is obliged to cooperate with the employment agency to find a permanent job if the employer does not undertake to continue the employment without subsidy.

(2) The employer provides the young professional free time to contact the employment agency and the recommended new employers during the period defined under paragraph (1).

(3) If the employment agency cannot recommend an appropriate job for the young professional and the conditions of the young professional employment continue to exist it may extend the subsidy, or in case of acceptance of the application of another employer it defines a new subsidy.

Article 6

(1) The term of young professional employment should not exceed 18 months.

(2) If the employment of the young professional expires for a reason he can be blamed for or he fails to meet his obligation to cooperate, he cannot apply for another subsidized young professional employment position.

Article 7

(1) The employment agency refunds an amount equivalent to the base salary of the young professional to the employer from the Employment Fund for the duration of the young professional employment quarterly or in justified case monthly after the salary has been paid. The subsidy should not exceed the lower limit of salary defined for career starters with high level diploma plus 20%.

(2) The young professional employment is controlled by the employment agency. If it is determined that the employment of the young professional by the employer is not in concurrence with the legal regulations it stops the subsidy.

(3) The employment agency may settle the expenses of invitation of employers for application with the Employment Fund after a placement has been arranged.

(4) The specialized agency informs the State Wages and Labor Office on the disbursed amounts in a system established by the National Labor Market Center.

Article 8

(1) This decree comes into force on 15th September, 1989.

(2) Provisions of this decree are not applicable for young professional employment contracts concluded without Employment Fund subsidy.

Decree of the Council of Ministers
No. 5/1990 (I.18) MT

on early old age retirement

Article 1

- (1) When an employee (including people in employment relation, members in cooperatives, and external employees working at home) is a maximum of five years younger than retirement age (taking also the exemption by age into consideration) he/she may agree with his/her employer on early old age retirement with consent of the local business federation of the employees.
- (2) Other conditions of the early old age retirement:
 - a) a working women must have at least 25 years service, and a working man must have at least 30 years service, which is certified by the concerned social security organization beforehand,
 - b) the employee has been in the present employment relation for at least five years (with the exception of original employees of new establishments having a history of less than five years).
 - c) the employer undertakes to provide the amount of early retirement allowance (with annual increases, additional amounts, spouse allowance or special spouse allowance) to Pension Disbursement Authority in advance in every semester, by 31 January and 30 June, and transfer the necessary additions within 60 days after receipt of an amendment notice. The amount of early retirement allowances for a partial semester should be paid in by the next payment deadline together with the next due amount.
- (3) If the employee's eligibility for pension ceases during the early retirement period, the proportional advance payment amount will be returned by the social security.
- (4) The paid pension amount should be charged as a cost in case of enterprises and accounted as a saving at government financed institutions.
- (5) The employer has to notify the relevant social security authority on any early retirement agreement and declare assumption of the financial obligation under Para c. Article 1(2).

Article 2

- (1) Under Para c. Article 1(2) of the Employment Fund Decree, economic units wanting to implement major reductions and having zero or

negative profit in the previous year's balance sheet may ask for a subsidy of up to 50% of early retirement costs.

- (2) For purposes of Article 2(1) a major reduction has occurred if an economic unit by a single action reduces employment by at least 25% of the previous year's average staff or at least 500 people.

Article 3

In case of liquidation or discontinuation without legal successor the employer may request the Employment Fund to assume full financial responsibility under Para c. Article 1(2).

Article 4

- (1) In cases described under Articles 2 and 3 the requests should be sent to labor administration authorities of the county (capital) councils for the area in which the economic unit has operated.
- (2) The county (capital) labor administration authority deals with the requests after review of the provided data, taking into consideration the labor situation in the given area and the cost undertaking policy statement of the State Labor Authority.
- (3) The county (capital) labor administration authority notifies the relevant social security authority on early retirement decision.

Article 5

Establishment and disbursement of early retirement allowance shall be governed by social security regulations.

Article 6

This Decree will enter into force on 18 January 1990.

Decree of the Council of Ministers
No 143/1989 (XII.22.) MT

on Employment Fund and
its utilisation in the critical regions

Article 1

The Employment Fund should cover employment support or unemployment subsidies, cost compensations or other allowances defined in decrees of the Council of Ministers or orders of the president of the State Wages and Labor Office.

Article 2

- (1) The Employment Fund administration is the responsibility of the president of the State Wages and Labor Office. Annual plans should be established for utilisation of major parts of the Fund.
- (2) The annual utilisation plan of the Fund and the major shifts among supported aims are subject to previous comments of the National Reconciliation Board.

Article 3

In the critical employment regions additional subsidies may be disbursed from the Fund according Articles 6-10.

Article 4

- (1) A given region (a labor market area as defined by reasonable commuting distances) may be considered as critical if
 - a) at least 1000 jobs will be eliminated within one year, and as a consequence at least 25% of the employees in the region cannot be provided with appropriate jobs, or the number of people eligible for unemployment compensation is expected to reach 5% of the total active labor force in the region and
 - b) the expert committee established by the National Reconciliation Board finds that the use of additional allowances under Articles 6-10 is unavoidable in order to provide jobs to the affected employees.
- (2) A region can be declared critical by the National Reconciliation Board, after reconciliation talks, providing at the same time a proposal for the amount under Article 5(1).

Article 5

- (1) The amount of the additional subsidy fund to be apportioned from the Employment Fund for the critical employment region will be approved by the Council of Ministers.
- (2) In order to ensure the most efficient use of the subsidy fund the chairman of the county (capital) council will establish a local reconciliation board including representatives of the local interest groups of employers as well as employees, the councils and the concerned central government authorities.
- (3) The local reconciliation board will establish the detailed plans for use of the additional subsidies. If the proposed plan call for spending in excess of the subsidy fund, under Article 5(1) the chairman of the State Labor Authority may veto the decision through his representative or within 15 days in writing.
- (4) The local reconciliation board is eligible to comment on every major employment policy action related to the region and the county (capital) council authorities may delegate their decision rights to the local reconciliation board.

Article 6

The following may be disbursed as additional subsidy:

- a) state severance pay;
 - b) loan for moving;
 - c) grants supporting entrepreneurs;
 - d) early retirement costs above the limits defined in separate legislation;
 - e) payment of social security tax in case of reemployment.
- (2) The subsidies under paragraph (1) can only be paid to the employees (or to their new employers) whose job was eliminated due to discontinuation of jobs specified in the critical regions declaration.
 - (3) The additional subsidies should be disbursed by the relevant employment office. The general state administration rules should be followed.

Article 7

State Severance Pay

- (1) State severance pay (hereinafter: severance pay) may be paid to those employees who have been spent at least 10 years with the present employer, in jobs where there is exposure to radioactive material at least 5 years, and whose job is eliminated and the employer or the

relevant employment office cannot offer another appropriate job and who is not eligible for old age or disability retirement.

- (2) The job can be considered as appropriate if
 - a) it is in line with the eligible person's qualifications, his/her potential qualifications to be achieved by available training or the qualifications needed for the last job;
 - b) it is suitable for his/her health status;
 - c) the expected earnings with the possible extras achieve the previous average wage of the person;
 - d) the commuting time (to and from work, by public transport) is not more than 3 hours a day or if it is more, it does not exceed the commuting time of that employee in the previous job.
- (3) The severance payment should be established depending on the employment duration and the type of job (e.g. unfavourable working conditions). It cannot exceed 24 months at the previous average salary.
- (4) The severance pay is not subject to pension, social security taxes, other payments, related allowances, or charges.
- (5) The employee cannot receive any other allowance from the Employment Fund for three times the duration he receives his previous average wage paid as severance pay. Exceptions to this are interest subsidies paid for entrepreneurial loan restarters and juniors, retraining cost coverage, or participation in public employment if now suitable work is available.
- (6) The employee receiving extra payment under Order No. 5/1987. (VII.22.) IpM-EUM-PM may receive state severance pay only if he finally resigns from the previous payment.

Article 8

Loan for Moving

- (1) The loan for moving may be an interest free loan not exceeding FT 500,000 over employer's housing subsidy and housing loan under general conditions. This should be paid into the housing subsidy fund of the new employer.
- (2) Loan for moving may be given to employees whose job discontinues and the employer or the employment office cannot offer an appropriate job (see para 7(2)) and he entered into an employment outside the 3 hours commuting area and is willing to move.
- (3) For the loan support the regulations of housing subsidies should be used.

- (4) The loan support should be provided by the new employer according to the rules of housing subsidies except that the grace period cannot exceed 3 months, the loan should be repaid in equal monthly installments in a period not longer than 10 years, and the debt cannot be reduced or cancelled.
- (5) The amount repaid by the employee should be transferred by the employer to the Employment Fund at year end.

Article 9

Support for Becoming Entrepreneur

- (1) The additional allowance for supporting entrepreneurship may be provided to employees eligible for entrepreneurial loan of restarters and juniors. The extra allowance cannot exceed FT 200,000 per person and it is usually in kind.
- (2) The extra entrepreneurial support can be used only for the purposes of the proposed venture.
- (3) The rules of repayment of the extra allowance under para (1) - taking into account the changes in its value as well - should be set in the contract to be concluded between the County Employment Office and the beneficiary.

Article 10

Other Subsidies

- (1) In case of personal eligibility the costs of early retirement may be undertaken by the Employment Fund in excess of the regulated cases and ratio.
- (2) The social security tax may be undertaken by the Employment Fund for not more than one year in case of a person who was discharged because the previous job was eliminated and the relevant employment office could not locate a new job.

Article 11

- (1) This Decree will enter into force on 1 January 1990. At the same time the Decrees of the Council of Ministers No. 52/1987.1(X.15.)MT on Establishing the Employment Fund and early retirement for reemployment policy purposes and its amendment No. 32/1989(IV.15.) will be repealed.
- (2) The provisions of this decree may be used for employees whose employment ceased after 31 August 1989.

Employment Exchange Summary

No specific decree which specified the job service responsibilities of the Employment Exchange (EE) was available. The description comes from interviews with informed personnel. Some of the people interviewed were:

Pal Matyas, Employment Policy and Regions Department, WLO
Istvan Rozsavolgyi, County Labor Director, Somogy County
Iren Feld, County Labor Director, Hajdu-Bihar County
Susan Karpati, County EE Coordinator, Somogy County
Sandor Toth, County EE Coordinator, Hajdu-Bihar County

The employment exchange (EE) system has been in existence since the 1930s. It was originally an operation of the ministry of labor offering uniform services throughout the country. The system was more fully developed during the 1950s, beginning at this time the EE functioned as an authority rather than a service matching job seekers and vacancies with little input from either. People who registered were compelled to take the job offered to them. Unless a job referral was pursued another could not be had. Furthermore the EE was the only way to gain employment with some good employers, so the risk of a poor referral and job was often unavoidable.

There was a recommendation by the State Planning Committee in 1981 which resulted in a decree on the EE by the president of the SWLO in 1982. In 1985 a new decree on the EE was issued. The EE system was entirely funded by the county councils prior to October of 1989. Since that time, however, the WLO has shared in the cost of operating the EE system by funding approximately one-half of wage costs of workers at the EE offices.

Partly because of poor experience with referrals from the EE by employers the system experienced a demise in funding and operational efficiency until being revived in the early 1980s with a new philosophy. The revived EE came into force as a result of a 1985 state secretary decree. The emphasis now is one of service rather than authority, the objective being to assist agents in the labor market by providing information. The intention is to expand choices, not limit them. The rule that employment with certain employers could be obtained only through the employment exchange has been lifted. The new system, however, still requires employers to list all vacancies with the EE, and requires employers to report when vacancies are filled.

The WLO president has authority over the EE system which has a monopoly on labor market information. A new governmental decree allowing for private non-profit employment agencies to operate is expected in the near future. It is planned that the profit and fees of non-profit firms will be regulated, since the EE currently provides information free of charge and the government wishes to keep labor market information costs to job seekers minimal.

The clearinghouse for EE information is the National Labor Market Center (NLMC) in Budapest. The NLMC is a non-profit independent organization funded by the WLO. A small part of NLMC revenues also come from providing services such as detailed labor market information and forecasts to foreign corporations considering investment in Hungary. The NLMC performs a summary function in the labor market information system, it is not part of operations.

There exists a county EE office in the county seat of each of the 19 counties, and in Budapest. Each county EE is financed by the county council with some centrally determined goals being financed by the WLO. Each county EE also coordinates activities in EE offices in smaller towns within the county, the EE offices in smaller towns receive financing from the local council and the WLO. In Budapest there are five offices which serve all 22 districts of the city. There are separate offices for physical workers, intellectual workers, foreign nationals working in Budapest, counseling of pensioners, and administration.

When the system of EE offices is complete there will be a total of about 150 offices nation wide. Currently a system of microcomputers linked by transportation of floppy disks is operating in the chief city in each of the 20 administrative districts in Hungary and also in 59 smaller towns.

From 1980 to 1988 only nominal support (about 6% of total EE budget) was provided by the WLO. In 1989 there was more support given for the financing of the development of the microcomputer system. WLO provided 70% of the hardware and development costs (150 mFt), and 10% to 15% of the EE operational costs in the form of 50 mFt to improve the wages of EE employees.

A major objective of the NLMC for the EE system is to link all EE offices through a telecommunications system by modem. This is expected to be complete following the improvement of the telephone system in Hungary, expected to be complete by the end of 1992. Another goal is to have personal computers available to clients who may scan the job vacancy data base looking for jobs.

Job Creation Investments Summary

No specific decree which specified the features of the job creation investments project was available. The following concise description comes from interviews with informed personnel.

A business may apply to the labor director of the county council which administers the territory in which he operates, for a contribution to a new investment project which is under consideration and is expected to result in new jobs. Under this program the labor director will forward the application to the Ministry of Labor (MOL) for review. The MOL funds some of the projects using EF money providing up to 30% of the total investment cost.

The investment subsidy may not exceed HUF 500,000 per expected job created. If the employment impact does not meet or exceed expectations a (partial) refund may be requested by the MOL. There is also a limitation on the maximum grant which may be given for any single investment to create jobs.

APPENDIX B - THE EXISTING EF INFORMATION AND DECISION SYSTEM

The Existing EF Decision and Information System
March, 1990

1. Unemployment Compensation (UC)

The decision on eligibility is made at the local employment exchange (EE) office by a claims-taker. Information to determine eligibility and the level of UC payments is provided by the previous employer on a form issued to the claimant by the EE. The claimant carries the form to the previous employer who provides the necessary information on wages, the duration of employment, and the reason for separation. Some of this information comes directly from the claimant's employment book.

Information for monitoring, reimbursement of UC payments to counties, and payment of social security taxes is transferred as follows. All data from the application for UC is transferred from local EE offices to the county EE office on diskette for claimants determined to be eligible for UC. There are no records kept at any location on claimants found to be ineligible. Selected summary information is sent on diskette from the county EE to the National Labor Market Center (NLMC). The NLMC prepares yellow booklets monthly and quarterly which summarize UC activity. These booklets are distributed to the county labor administrators (CLA) and the wage and labor office (WLO). The WLO uses this summary data to pay the 43% social security tax. The worker's usual 10% social security contribution is reduced to 5% and is deducted from his UC benefit. The information is also used by the WLO to determine the amount of funds to transfer from the EF to the counties to reimburse for UC payments. The information is also used by the EF for planning and for release to political decision makers and the news media.

The WLO does not receive any information on UC claimants from the EE. The WLO pays the social security contribution on the basis of the total amount of UC paid.

2. Retraining Programs

The decision to fund expenses of retraining programs is made by the WLO using information provided by the CLA. A plan for a training program may be initiated by an enterprise or by an EE. Usually an EE plans programs for unemployed while an enterprise plans retraining for current workers who would become redundant within one year without retraining. The plan for retraining must specify five items: the number of trainees to be involved, the duration of training, the rate of wage support to be paid to trainees, the type of training, and the non-wage costs of training.

Under present arrangements WLO maintains information on the five items specified in the request for training program funding, for all programs funded. No information is maintained for programs not funded. The NLMC is working on a new computer program called KINGA which will formalize the

application for training funds. The program will pass information on the type of training, the possible training providers, training costs, and real and training program costs.

3. Small Business Start-up Loan

The decision on the loan is made at two or three levels. If the claimant is eligible the application must first be approved at the local EE office, then by the CLA, finally approval must be granted by one of the five banks in Hungary which offer the loan. The CLA may pass authority to approve applications to the EE.

The information flow is based on the application which is made at the local EE on a standard form which requires statement of the type of business to be started, and the loan amount requested. If bank approval is granted additional information on the amount granted, the repayment schedule, and interest and bank costs is entered on the form and added to the data flow. This information is returned to the CLA which provides the information to the NLMC which is developing a data system. A quarterly statement of interest and costs due is provided during the first four years of the loan by the bank to the CLA.

The program provides no special assistance or counseling to new entrepreneurs. The following data are periodically gathered: the address of the bank; the name, identification number, and home address of the borrower; the amount, the interest rate, and the duration of the loan; and the type of business.

4. Public Service Employment (PSE)

The decision on PSE funding is made by the Employment Policy Department in the WLO considering requests from the CLA. A PSE arrangement may initially be suggested by an employer to the CLA or the CLA may approach a likely PSE employer. The specific PSE projects to be undertaken are selected by the CLA. There is a standard form used to apply for PSE funding from the employment department of the WLO.

Monthly information on PSE costs and employment levels is passed from employers to the CLA which then passes it on to the WLO employment department. Quarterly more detailed information is passed between the three. The detailed information on specified costs is on the type and amount of costs by firms, by villages, and by number of people. The WLO provides information to political leaders, to planners preparing baseline plans for next years' operations, and to the NLMC who organize the information and provide it for future planning.

No information is regularly recorded on the duration of PSE work for individuals, or the number of PSE workers who are transferred to training or regular employment.

5. Early Retirement

If no subsidy from the EF is sought, the decision on early retirement is made privately between the employee and the employer. Prior to January 1, 1990 the permission of the president of the county council was required, and the CLA maintained ad hoc data on how many people were in early retirement not subsidized by the EF, now the CLA does not have this information. The WLO could obtain the information from social security data which is published monthly. The CLA could obtain information from the county social security office.

If a WLO subsidy for early retirement is sought by an employer, a request must be made to the CLA who will request approval from the WLO. There is not a standard procedure to request approval, the CLA will include documentation which seems to be appropriate. The initial WLO review is done by a four part committee which includes employment policy, personnel, finance, and a vice president. Final WLO decision is made by the president of the WLO.

The information is received by the WLO during the approval process and is used for planning and for public information.

There is no system for identifying which early retirees return to regular employment. There is no earnings limit beyond which a retiree's social security payments are reduced.

6. Young Professional Career Starter

The EE which serves the county of residence for a young career starter identifies appropriate unemployed individuals and offers them the service and wage subsidy.

Information on the establishment and termination of program participation is reported by the county EE to the NLMC. The WLO can get information on the program any time a staff member of WLO requests data from the NLMC.

The decision on placement is made by the new graduate from the opportunities developed by the EE. The amount of the wage subsidy is limited by statute, but set by the employer who must consider the prevailing wage for similar work by similarly trained career starters.

7. Job Creation Investment Subsidy

An enterprise initiates the application by contacting the CLA. In most areas the decision on funding a project is made by the county council's executive committee. Before the decision making the applications are reviewed by a committee of experts, which includes county council officers, and the representatives of area businesses and banks.

Following the local decision the CLA indicates support or non-support of the proposal, and forwards all applications to the WLO employment department. If the WLO employment department does not approve the application, WLO sends it directly to the committee of experts from the ministries and the unions (is the chamber of economics involved?). If the WLO employment department approves the application, it is sent to the State Development Institute who evaluates the proposal on technical, market, and cost criteria. After judging the proposal the State Development Institute sends all applications to the committee of experts from the ministries and the unions. Proposals which are approved by the committee of experts are sent to a committee of officials (deputy directors) from the ministries and unions for final approval.

In five areas investment decisions are made locally by a regional (tripartite) interest-coordination committee. The decision involves the investor, the CLA, and the Regional conciliation Forum--a group of local business and labor experts. An executive function is performed for these loans by the State Development Institute. The five areas include two which are designated critical unemployment regions: part of Baranya County, and Szabolcs-Szatmar County; and three mining and steel counties which have special World Bank arrangements for investment: Komarom, Nograd, and Borsod-Abauj-Zemplen.

Information on these projects is passed every six months from the CLA to the WLO on projects requiring national approval. On projects requiring local approval information is passed every six months from the State Development Institute to the WLO. The WLO uses the semi-annual information to monitor if the promised employment growth materializes. If it does not the WLO may request a partial refund of the investment subsidy.

8. Employment Exchange

Decisions are made at the local level on referrals to jobs, and registration of job vacancies. The information on job searchers and job vacancies is recorded on hard copy registration forms and later key entered into the micro computer automated data system developed by NLMC. Reports on EE activity are transported monthly to NLMC on diskette.

APPENDIX C - EF PROGRAM REGISTRATION FORMS

LAST/PRESENT JOB

20. Type of termination

Corresponding codes

21. Date of termination

19 / /

22. Major industry of the last/present employer

Corresponding codes

23. References

24. Special requests

JOB OFFERS

25. Dates of registration

Y	M	D	Y	M	D	Y	M	D	Y	M	D
19			19			19			19		
19			19			19			19		
19			19			19			19		
19			19			19			19		

26. Date of employment /reported back/

19 / /

27. Jobs offered

Employer	Date	Job name	Code	Cause of failure
	Y M D			
<input type="text"/>	19 <input type="text"/> <input type="text"/> <input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	19 <input type="text"/> <input type="text"/> <input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	19 <input type="text"/> <input type="text"/> <input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	19 <input type="text"/> <input type="text"/> <input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	19 <input type="text"/> <input type="text"/> <input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	19 <input type="text"/> <input type="text"/> <input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

28. Name of employment office _____

<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
----------------------	----------------------	----------------------	----------------------

29. Union membership

Employment Exchange Registration

Key to Corresponding Codes

Question

5. Economic Status

- | | |
|--------------------|--------------|
| 1. Employed | 5. Pensioner |
| 2. Unemployed | 6. Student |
| 3. Housekeeper | 7. Other |
| 4. Career Beginner | |

8. Qualification or Specialization

- | | |
|-----------------|-----------------|
| 1. Skilled | 5. Manager |
| 2. Semi-skilled | 6. Supervisor |
| 3. Unskilled | 7. Professional |
| 4. Top Manager | 8. Clerk |

9. Type of Contract

- | | |
|---------------|--------------|
| 1. Full Time | 5. Pensioner |
| 2. Part Time | 6. Student |
| 3. Home Work | 7. Other |
| 4. Child Care | |

10. Length of Contract

- | | |
|-------------------|---------------|
| 0. Indefinite | 2. Fixed |
| 1. Standard Fixed | 3. Occasional |

11. Work Pattern

- | | |
|--------------------------------|-------------------------|
| 0. Any Hours | 5. |
| 1. Permanent Morning | 6. Dual or Other |
| 2. Permanent Afternoon/Evening | 7. 12/24 or 24/48 |
| 3. Second Shift | 8. According to Conduct |
| 4. Third Shift | 9. Other |

12. Educational Attainment

- | | |
|---------------------------------|----------------------------|
| 1. Less than 8 years | 5. 4 year Voc. (Technikum) |
| 2. 8 years | 6. Univ. Prep. (Gimnazium) |
| 3. 3 year Voc (Szakmunkaskepzo) | 7. University (Foiskola) |
| 4. 2 year Voc (Szakkozepiskola) | 8. Other |

15. Accept commute?

- | | |
|-----------------|---------------------|
| 0. Any Hours | 2. Will not commute |
| 1. Will commute | 3. Willing to move |

16. Special difficulties in finding employment?

- | | |
|-------------------------|----------------------|
| 0. No problems | 5. Criminal Record |
| 1. Skill Mismatch | 6. Unskilled |
| 2. Health Reason | 7. Sloppy appearance |
| 3. Family Reason | 8. Other |
| 4. Frequent Job Changer | |

18. Employment Program Participant

- | | |
|------------------------------|----------------------------|
| 0. No programs | 2. Severance Payment |
| 1. Public Service Employment | 3. Extended Term of Notice |

19. Permission to make personal data public?

- | | |
|---------------------|------------------------|
| 0. Permission given | 1. Permission withheld |
|---------------------|------------------------|

20. Type of termination.

- | | |
|----------------------------|----------------------------------|
| 0. Not previously employed | 3. Released |
| 1. Employment ended | 4. Given notice of work stoppage |
| 2. Transferred | |

21. Major industry of the last/present employer

- | | |
|--------------------------------------|------------------------------|
| 1. Industry | 6. Water management |
| 2. Construction | 7. Services |
| 3. Agriculture | 8. Non-material services |
| 4. Transportation/Telecommunications | 9. Government administration |
| 5. Trade | |

Vacancy Record

Key to Corresponding Codes

Question

9. Handicapped

- | | |
|-----------------|---------------------|
| 0. Disqualified | 1. Not disqualified |
|-----------------|---------------------|

10. Minimum Work Experience

- | | |
|------------------|---------------------|
| 0. None Required | 3. 3 to 5 years |
| 1. 0 to 1 year | 4. 5 to 10 years |
| 2. 1 to 3 years | 5. 10 or more years |

11. Qualification or Specialization

- | | |
|-----------------|-----------------|
| 1. Skilled | 5. Manager |
| 2. Semi-skilled | 6. Supervisor |
| 3. Unskilled | 7. Professional |
| 4. Top Manager | 8. Clerk |

12. Type of Contract

- | | |
|---------------|--------------|
| 1. Full Time | 5. Pensioner |
| 2. Part Time | 6. Student |
| 3. Home Work | 7. Other |
| 4. Child Care | |

13. Length of Contract

- | | |
|-------------------|---------------|
| 0. Indefinite | 2. Fixed |
| 1. Standard Fixed | 3. Occasional |

14. Wage Type

- | | |
|----------------------|--------------------|
| 1. Performance Based | 3. Monthly |
| 2. Hourly | 4. Other, specify: |

15. Work Pattern

- | | |
|--------------------------------|-------------------------|
| 0. Any Hours | 5. |
| 1. Permanent Morning | 6. Dual or Other |
| 2. Permanent Afternoon/Evening | 7. 12/24 or 24/48 |
| 3. Second Shift | 8. According to Conduct |
| 4. Third Shift | 9. Other |

UNEMPLOYMENT COMPENSATION CLAIM FORM

1. Name: _____ Pers. ID No:

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

3. Place of Residence: _____ Postal Code:

--	--	--	--	--	--	--	--

FEATURES OF PREVIOUS JOB _____

8. Type of Contract:

Corresponding Codes

9. Qualifications or Specialization

Corresponding Codes

10. Occupational Groups: _____ Occupational Code:

--	--	--	--	--	--

UNEMPLOYMENT COMPENSATION _____

16. Date of Unemployment Compensation Claim: 19

--	--

 /

--	--

 /

--	--

Unemployment Compensation Claim Form

Key to Corresponding Codes

Question

8. Type of Contract

- | | |
|---------------|--------------|
| 1. Full Time | 5. Pensioner |
| 2. Part Time | 6. Student |
| 3. Home Work | 7. Other |
| 4. Child Care | |

9. Qualification or Specialization

- | | |
|-----------------|-----------------|
| 1. Skilled | 5. Manager |
| 2. Semi-skilled | 6. Supervisor |
| 3. Unskilled | 7. Professional |
| 4. Top Manager | 8. Clerk |

APPENDIX D - A GUIDE TO MICRO DATA FOR EF PROGRAM EFFECTIVENESS CRITERIA

A Guide to Micro Data for EF Program Effectiveness Criteria

August, 1990

Prepared for:

The Ministry of Labor
The National Labor Market Center
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Prepared by:

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Christopher J. O'Leary, Project Director

Introduction

This document specifies the minimum data required to compute the EF program effectiveness criteria which appear in the guidelines for county EF master and annual plans. New items to be added to the existing data systems are denoted by placing two asterisks (**) after the variable number. For the data sections where software has not yet been developed, the asterisks are placed beside the letter which labels the section.

Guide to Common and Unique Data Required for Monitoring EF Programs
 Letter indicates section of the data list where data is specified.

	EE	UC	RT	SBL	PSE	ERS	JNG	JCI
A. Background from EE	A	A	A	A	A	A	A	-
B. Reemployment Job Info.	B	B	B	-	B	B	B	-
C. Data from Follow-up Survey	C	C	C	L	C	C	C	M
Program Information	D	E	F	G	H	I	J	K
N. County EE Office Activity Data								
O. PSE Project Information								
P. Retraining Course Information								
Program Coordination	Q	Q	Q	Q	Q	Q	Q	R

- EE - Employment Exchange
- UC - Unemployment Compensation
- RT - Retraining
- SBL - Small Business Start-up Loan
- PSE - Public Service Employment
- ERS - Early Retirement Subsidy
- JNG - Jobs for New Graduates
- JCI - Job Creation Investments

A. Background from EE

1. Personal Identity Number
(11 digits, digit 1 = sex, digits 2 - 7 = date of birth,
digits 8 - 11 = individual identification number.)
2. EE Office Identification Number
(4 digits)
3. Date of most recent Employment Exchange (EE) Registration
(Six digits, yymmdd, year/month/day)
4. Date of most recent EE visit
(Six digits, yymmdd, year/month/day)
5. Level of Educational Attainment
(One digit: Under 8 years = 0, Only 8 years = 1,
Vocational 3 year = 2, Spec Voc 2 year = 3, Vocational 4
year = 4, Vocational 5 year = 5, Grammar High School =
6, College = 7, University = 8)
6. Economic Status
(1 = employed, 2 = unemployed, 3 = young experienced worker, 4 =
career starter, 5 = pensioner, 6 = student, 7 = other)
- 7.** Past military service? (Yes = 1, No = 0)
8. Previous Job Skill Group
(One digit: Skilled = 1, Semi-skilled = 2, Unskilled =
3, Top Manager = 4, Manager = 5, Supervisor = 6,
Professional = 7, Clerk = 8)
9. Previous Job Industry Group
(One digit: Industry = 1, Construction = 2, Agriculture-
Forestry = 3, Transport-Communicate = 4, Merchandising =
5, Water Management = 6, Services = 7, Non-Material
Services = 8, Government = 9)
10. Previous Job Termination Date
(Six digits, yymmdd, year/month/day)
- 11.**Previous Job Monthly Wage in Forints
(Up to 5 digits, i.e. maximum value is 99999)
- 12.**Average weekly hours on previous job
(Up to 3 digits, i.e. maximum 168)
- 13.**Total months worked on previous job (Up to 3 digits)
- 14.**Year first entered the labor force (year of first job)
(4 digits, e.g. 1968)
- 15.**Total years of work experience (Up to 2 digits)

B.** Reemployment Job Information

1. Personal Identity Number
(11 digits, digit 1 = sex, digits 2 - 7 = date of birth,
digits 8 - 11 = individual identification number.)
2. Has the client become employed in non-EF supported work since
registering with the EE?
(Yes = 1, No = 0)
3. Date of client's first non-EF supported job since registering with the
EE
(Six digits, yymmdd, year/month/day)
4. Skill Group of the first non-EF supported job since registering with
the EE
(One digit: Skilled = 1, Semi-skilled = 2, Unskilled =
3, Top Manager = 4, Manager = 5, Supervisor = 6,
Professional = 7, Clerk = 8)
5. Industry type of first non-EF supported job since registering with the
EE
(One digit: Industry = 1, Construction = 2, Agriculture-
Forestry = 3, Transport-Communicate = 4, Merchandising =
5, Water Management = 6, Services = 7, Non-Material
Services = 8, Government = 9)
6. Monthly Wage in Forints on first non-EF supported job since registering
with the EE
(Up to 5 digits, i.e. maximum value is 99999)
7. Average weekly hours on first non-EF supported job since registering
with the EE
(Up to 3 digits, i.e. maximum 168)
8. Address for follow-up survey to be mailed
(Use standard address format, if future address is uncertain this
address should be that of parents, other relative, or friend.)
9. Was the first non-EF supported job since registering with the EE
originally subsidized by Jobs for New Graduates?
(No = 0,
Yes, the first subsidized job became permanent = 1,
Yes, the second subsidized job became permanent = 2,
Yes, the third subsidized job became permanent = 3)

C.** Data from Follow-up Survey: (Administered six months after most recent EF program contact)

1. Personal Identity Number
(11 digits, digit 1 = sex, digits 2 - 7 = date of birth, digits 8 - 11 = individual identification number.)
2. Are you currently employed?
(Yes = 1, No = 0)
3. Was your current job originally subsidized by the Jobs for New Graduate Program (JNG)?
(Yes = 1, No = 0)
4. Date your current job began.
(Six digits, yymmdd, year/month/day)
5. Skill group of your current job.
(Skilled = 1, Semi-skilled = 2, Unskilled = 3, Top Manager = 4, Manager = 5, Supervisor = 6, Professional = 7, Clerk = 8)
6. Industry type of your current job.
(One digit: Industry = 1, Construction = 2, Agriculture-Forestry = 3, Transport-Communicate = 4, Merchandising = 5, Water Management = 6, Services = 7, Non-Material Services = 8, Government = 9)
7. Monthly wage of your current job.
(Up to 5 digits, i.e. maximum value is 99999)
8. Average hours per week on your current job
(Up to 3 digits, i.e. maximum 168)
9. Total number of months worked since last contact with an EF program.
(One digit)
10. Number of jobs held since last contact with an EF program.
(One digit)

D. Employment Exchange Program Information

1. Personal Identity Number
(11 digits, digit 1 = sex, digits 2 - 7 = date of birth,
digits 8 - 11 = individual identification number.)
2. Number of referrals to a job opening
(Up to 2 digits, i.e. maximum value is 99)
3. Number of placements into a job
(Up to 2 digits, i.e. maximum value is 99)
- 4.** Given career counseling?
(Yes = 1, No = 0)
- 5.** Evaluated by testing?
(Yes = 1, No = 0)

E. Unemployment Compensation Program Information

1. Personal Identity Number
(11 digits, digit 1 = sex, digits 2 - 7 = date of birth,
digits 8 - 11 = individual identification number.)
2. Date the current three year UC claim period began.
(Six digits, yymmdd, year/month/day)
3. Total forints received in UC during the current claim period.
(Data field should accept up to 6 digits)
4. Total days compensated in current claim period.
(Data field should accept up to 3 digits)
- 5.** Has there been a 30 day interruption in the series of unemployed days
compensated since the start of the current claim period?
(Yes = 1, No = 0)
- 6.** Date of the first interruption in the series of unemployed days
compensated since the start of the current claim period.
(Six digits, yymmdd, year/month/day)
7. Are UC payments currently being received?
(Yes = 1, No = 0)
8. Has the basic benefit entitlement been exhausted, i.e. has 365 days of
unemployment compensation been paid since the current 3 year claim
period began?
(Yes = 1, No = 0)

F.** Retraining Program Participant Program Information

(Asked of persons completing retraining courses in the last 12 months.)

1. Personal Identity Number
(11 digits, digit 1 = sex, digits 2 - 7 = date of birth, digits 8 - 11 = individual identification number.)
2. Employed during retraining, i.e. training at previous employer?
(Yes = 1, No = 0)
3. Eligible for UC during retraining?
(Yes = 1, No = 0)
4. Date entered retraining?
(Date in six digits, yymmdd, year/month/day)
5. Last date attended retraining?
(Date in six digits, yymmdd, year/month/day)
6. Skill level developed by training course
(One digit: Skilled = 1, Semi-skilled = 2, Unskilled = 3, Top Manager = 4, Manager = 5, Supervisor = 6, Professional = 7, Clerk = 8)
7. Completed retraining course?
(Yes = 1, No = 0)
8. Date completed training?
(Date in six digits, yymmdd, year/month/day)
9. Reentered employment?
(Yes = 1, No = 0)
10. Training course identification number.
(Format depends on existing system)

G.** Small Business Start-up Loan Program Information

(For applications filed with the county during the past twelve months.)

1. Personal Identity Number
(11 digits, digit 1 = sex, digits 2 - 7 = date of birth, digits 8 - 11 = individual identification number.)
2. Date of application for Loan with County.
(Six digits, yymmdd, year/month/day)
3. Application approval information.
(application denied by county = 0,
application approved by county = 1,
application approved by county but denied by bank = 2,
application approved by county and approved by bank = 3)
4. Date Loan approved by a bank
(Six digits, yymmdd, year/month/day)
5. Loan amount granted by a bank
(Up to 6 digits, i.e. maximum value is 400000)
6. Term of Loan (length of payback period) in Months
(Up to 3 digits, i.e. maximum value is 120)
7. Interest rate of the Loan
(Up to 4 digits, e.g. 1925 = 19.25%)
8. Rate of bank costs on the loan
(Up to 4 digits, e.g. 1925 = 19.25%)
9. Industry of Business
(Based on the two digit system of industry classifications)

H.** PSE Program Information

1. Personal Identity Number
(11 digits, digit 1 = sex, digits 2 - 7 = date of birth,
digits 8 - 11 = individual identification number.)
2. Date placed on PSE.
(Six digits, yymmdd, year/month/day)
3. Received UC prior to PSE work
(Yes = 1, No = 0)
4. Total days actually worked on PSE in previous reporting year.
(Up to 3 digits, i.e. maximum value is 365)
5. Total PSE wages in previous reporting year.
(Up to 5 digits, i.e. maximum value is 99999)
6. Total PSE non-wage cost of employment in previous reporting year.
(Up to 5 digits, i.e. maximum value is 99999)
7. Total scheduled PSE work days in previous reporting year.
(Up to 3 digits, i.e. maximum value is 365)
8. Skill level while engaged in PSE work.
(One digit: Skilled = 1, Semi-skilled = 2, Unskilled =
3, Top Manager = 4, Manager = 5, Supervisor = 6,
Professional = 7, Clerk = 8)
9. Type of PSE project activity.
(Up to 7 digits, using codes from eligible activities
specified in PSE decree maximum value 8203901)
10. PSE project identification number.
(Using EF system of PSE project codes.)

I.** Early Retirement Program Information

1. Personal Identity Number
(11 digits, digit 1 = sex, digits 2 - 7 = date of birth,
digits 8 - 11 = individual identification number.)
2. Date of early retirement.
(Six digits, yymmdd, year/month/day)
3. EF contribution to current monthly retirement benefit.
(Up to 5 digits, i.e. maximum value is 99999)
4. Current monthly retirement benefit.
(Up to 5 digits, i.e. maximum value is 99999)

J.** Jobs for New Graduates (JNG) Program Information

1. Personal Identity Number
(11 digits, digit 1 = sex, digits 2 - 7 = date of birth, digits 8 - 11 = individual identification number.)
2. Date of Placement on first subsidized job.
(Six digits, yymmdd, year/month/day)
3. College or University Number (from ministry of education list).
(Up to 3 digits)
4. Average weekly hours on the first subsidized job.
(Up to 3 digits, i.e. maximum value is 168)
5. Average monthly wage on the first subsidized job.
(Up to 5 digits, i.e. maximum value is 99999)
6. Average monthly EF subsidy paid for the first subsidized job.
(Up to 5 digits, i.e. maximum value is 99999)
7. Skill level while engaged on first subsidized job.
(One digit: Skilled = 1, Semi-skilled = 2, Unskilled = 3, Top Manager = 4, Manager = 5, Supervisor = 6, Professional = 7, Clerk = 8)
8. Type of industry first subsidized job is in.
(One digit: Industry = 1, Construction = 2, Agriculture-Forestry = 3, Transport-Communicate = 4, Merchandising = 5, Water Management = 6, Services = 7, Non-Material Services = 8, Government = 9)
9. Date of Placement on second subsidized job.
(Six digits, yymmdd, year/month/day)
10. Average weekly hours on the second subsidized job.
(Up to 3 digits, i.e. maximum value is 168)
11. Average monthly wage on the second subsidized job.
(Up to 5 digits, i.e. maximum value is 99999)
12. Average monthly EF subsidy paid for the second subsidized job.
(Up to 5 digits, i.e. maximum value is 99999)
13. Skill level while employed on second subsidized job.
(One digit: Skilled = 1, Semi-skilled = 2, Unskilled = 3, Top Manager = 4, Manager = 5, Supervisor = 6, Professional = 7, Clerk = 8)
14. Type of industry second subsidized job is in.
(Using Hungarian system of 1 digit industrial codes)

15. Date of Placement on third subsidized job.
(Six digits, yymmdd, year/month/day)
16. Average weekly hours on the third subsidized job.
(Up to 3 digits, i.e. maximum value is 168)
17. Average monthly wage on the third subsidized job.
(Up to 5 digits, i.e. maximum value is 99999)
18. Average monthly EF subsidy paid for the third subsidized job.
(Up to 5 digits, i.e. maximum value is 99999)
19. Skill level while employed on third subsidized job.
(One digit: Skilled = 1, Semi-skilled = 2, Unskilled = 3, Top Manager = 4, Manager = 5, Supervisor = 6, Professional = 7, Clerk = 8)
20. Type of industry third subsidized job is in.
(One digit: Industry = 1, Construction = 2, Agriculture-Forestry = 3, Transport-Communicate = 4, Merchandising = 5, Water Management = 6, Services = 7, Non-Material Services = 8, Government = 9)

K.**Job Creation Investments Background Information

1. Employer identification number (or business tax number)
(Number of digits according to Hungarian practice)
2. Date investment subsidy was paid.
(Six digits, yymmdd, year/month/day)
3. Total Forint value of investment subsidy.
(Up to 8 digits, i.e. maximum value is 99999999)
4. Total value of the investment project undertaken with partial subsidy from the fund for investment subsidy for job creation.
(Up to 9 digits, i.e. maximum value is 999999999)
5. Total company annual employment in calendar year before investment subsidy.
(Up to 6 digits, i.e. maximum value is 999999)
6. Total company annual payroll in calendar year before investment subsidy.
(Up to 9 digits, i.e. maximum value is 999999999)
7. Industry type of company subsidized.
(One digit: Industry = 1, Construction = 2, Agriculture-Forestry = 3, Transport-Communicate = 4, Merchandising = 5, Water Management = 6, Services = 7, Non-Material Services = 8, Government = 9)
8. Total number of jobs promised from investments
(Up to 4 digits, i.e. maximum value is 9999)

L.** Small Business Start-up Loan Information from Follow-up Survey

(Provided by loan recipients yearly for the term of the loan.)

1. Personal Identity Number
(11 digits, digit 1 = sex, digits 2 - 7 = date of birth, digits 8 - 11 = individual identification number.)
2. Is the business established using the loan still operating?
(Yes = 1, No = 0)
3. Excluding self, the number of employees currently on the payroll.
(Up to 4 digits)
4. Net business income for the most recently ended tax year.
(Up to 10 digits)
5. Business income tax payments for the most recently ended tax year.
(Up to 10 digits)

M.** Job Creation Investments Information from Follow-up Survey:

(Administered six months, one year, two years, three years, four years, and five years after data of grant)

1. Employer ID number
(Format depends on existing system)
2. Date of follow-up survey
(Six digits, yymmdd, year/month/day)
3. Total number of company employees in most recent calendar year.
(Up to 6 digits, i.e. maximum value is 999999)
4. Total value of company payroll in most recent calendar year.
(Up to 9 digits, i.e. maximum value is 999999999)
5. Employment on project subsidized by investment for job creation fund.
(Up to 5 digits, i.e. maximum value is 99999)
6. Total value of wages paid to employees on project subsidized by investment for job creation.
(Up to 8 digits, i.e. maximum value is 99999999)

N.** County EE Office Activity Data:

1. EE Office ID number
(4 digits)
2. Stock of vacancy listings on the first day of month
(Up to 6 digits, i.e. maximum value is 999999)
3. Stock of vacancy listings on final day of month
(Up to 6 digits, i.e. maximum value is 999999)
4. Total operating costs incurred by county EE offices during the month
(Up to 8 digits, i.e. maximum value is 99999999)
5. Total office staff hours worked in the county during the reporting month
(Up to 5 digits, i.e. maximum value is 99999)
6. Proportion of total office staff hours in the county devoted to administering each of the EF Programs:
 - a. Employment Exchange
 - b. Unemployment Compensation
 - c. Retraining
 - d. Public Service Employment
 - e. Small Business Start-up Loan
 - f. Jobs for New Graduates
 - g. Early Retirement Subsidy
 - h. Investments for Jobs
(Four digits for each of the eight fields, e.g. 1725 = .1725
= 17.25%, proportions for all programs must sum to one, i.e.
10000 = 1.0000 = 100.00%)

0. PSE Project Information
1. PSE project identification number.
(Format depends on existing system)
2. Duration of PSE project.
(Up to 3 digits)
3. PSE project total wage costs.
(Up to 7 digits)
4. PSE project total non-wage costs.
(Up to 7 digits)

P. Retraining Course Information

1. Training course identification number.
(Format depends on existing system)
2. Duration of complete training course in days.
(Up to 3 digits)
3. Training course total stipend costs.
(Up to 7 digits)
4. Training course total non-stipend costs.
(Up to 7 digits)

Q. Program Coordination Data

EF programs used by client since date of most recent EE registration.

1. Personal Identity Number
(11 digits, digit 1 = sex, digits 2 - 7 = date of birth,
digits 8 - 11 = individual identification number)
2. EE (Registered = 1, otherwise = 0)
3. UC (Eligible = 1, Ineligible = 2, otherwise = 0)
4. Retraining of Employed (Enrolled = 1, otherwise = 0)
5. Retraining of Unemployed (Enrolled = 1, otherwise = 0)
6. PSE (Participating = 1, otherwise = 0)
7. Small Business Start-up Loan (Applied = 1, Granted = 2, otherwise = 0)
8. Jobs for New Graduates (Participating = 1, otherwise = 0)
9. Early Retirement Subsidy (Participating = 1, otherwise = 0)
10. Investments for New Jobs (Placed on new job = 1, otherwise = 0)

R.** Investment Subsidy for Job Creation Program Coordination

EF Programs Currently or Recently Used by this Employer

1. Employer ID number (format depends on existing system)
2. EE (hire registrants = 1, otherwise = 0)
3. UC (laid off employees as claimants = 1, otherwise = 0)
4. Retraining of Employed (done within firm = 1, otherwise = 0)
5. Retraining of Unemployed (hired the retrained = 1, otherwise = 0)
6. PSE (undertook PSE projects = 1, otherwise = 0)
7. Small Business Start-up Loan (loan started business = 1, otherwise = 0)
8. Jobs for New Graduates (hired subsidized workers = 1, otherwise = 0)
9. Early Retirement Subsidy (used for layoffs = 1, otherwise = 0)
10. Investments for New Jobs (received subsidy = 1, otherwise = 0)

APPENDIX E - GUIDELINES FOR PREPARING A COUNTY EMPLOYMENT FUND MASTER PLAN

Guidelines for Preparing
A County Employment Fund Master Plan

August, 1990

Prepared for:

The Ministry of Labor
Budapest, V.,
Roosevelt ter 7-8. H-1051
Hungary

Prepared by:

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300 South Westnedge Avenue
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Christopher J. O'Leary, Project Director

Introduction

A County Employment Fund (EF) Master Plan serves as the long-term agreement between the Ministry of Labor and a county on basic matters of planning, management, and evaluation. It should be prepared in five sections corresponding to the five sections of these guidelines. Once there is agreement between a county and the Ministry of Labor on a Master Plan, it would be in effect indefinitely. However, it should be updated periodically as important details change.

The master plan fosters a unified view of EF programs and allows a minimum of redundancy in the annual plan which covers individual EF programs. The master plan establishes procedures for things which are relevant to several different EF programs. Since the master plan identifies goals for EF programs, the substance of the master plan should be determined before an attempt is made to finalize the content of the annual plan. That is to say, a clear statement of general EF goals must be made before specific short term targets can be specified for individual EF program activities.

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SECTION A - MASTER PLAN OVERVIEW, EF PROGRAM GOALS,
AND COUNTY IDENTIFICATION

A. MASTER PLAN OVERVIEW, EF PROGRAM GOALS, AND COUNTY IDENTIFICATION

1. Master Plan Overview

The county is to prepare an overview statement of the County EF Master Plan. The statement should mention the following points:

- a. The Master Plan serves as the long-term agreement on basic program planning and administrative matters between the Ministry of Labor and county.
- b. The Master Plan shall be prepared in five sections corresponding to the five sections of the guidelines.
- c. Once there is agreement between a county and the Ministry of Labor on a Master Plan, it is in effect indefinitely.
- d. The Master Plan should be updated periodically as important details change.

2. County Goals for EF Programs

The statement of goals specifies the general outcomes that the county wishes to achieve using EF programs. The county's goals should be consistent with those of the Ministry of Labor. Of great importance is the listing of goals in the order of priority, because this provides the basis for making choices in establishing annual targets for each program. Targets are the specific outcomes to be achieved during each planning period. In setting targets consideration must be given to both the goals of the EF programs and the economic conditions facing the county.

The Ministry of Labor goals for EF Programs, in order of priority, are:

- a. To promote return to regular work of persons who are unemployed.
- b. To provide persons with income support during periods of unemployment.
- c. To operate EF programs cost effectively.
- d. To coordinate EF programs, and their interaction with other human services programs available in counties and local areas, so as to maximize service to the unemployed.

- e. To provide for decentralization of decision making on the use of EF funds, with cost effectiveness encouraged through the regular monitoring of Effectiveness Criteria (EC).
- f. To emphasize service to special target groups including persons with less than eight years of schooling, persons ineligible for UC, physically disabled persons, and the long term unemployed.

3. County Identification

Provide complete information on each of the following:

- a. County Name and County Number: Use the name and number from APPENDIX A, Table A.1.
- b. Identification of Chief Elected Officials: List the name and office and address of the president and vice president of the county council, and any other relevant county officials.
- c. County EF Committee (CEFC) Identification: List the name, title, business address, and constituency of all members.
- d. Director of the County Employment Center (CEC): List the name and business address of the CEC Director. A schematic of the personnel structure of the CEC, including its relation to the CEFC, should be provided as Attachment A.1 to Section A of the master plan. An example is included as Figure A.1 in Appendix A.
- e. Authorized Signatures: Identify who is authorized to sign on behalf of the CEC Director, the County EF Committee, and the Chief Elected Officials.
- f. County EF Programs Contact Person: Identify a person in the CEC Director's office to contact to discuss the EF Master Plan contents.
- g. Information on District EE Offices: The names of areas served by each district EE office, the names of district EE office managers, the district EE office number, and the proportion of county EE registrations in each district office.

4. Geographic Description

List total land area of county. State the geographic boundaries of the area served by county EF programs. Discuss any labor market overlap which may exist with nearby counties. Describe any important geographic segmentation existing within the county.

5. Population Characteristics

Provide county data for the most recently available calendar year on the following variables:

total population
female population aged 15 to 55 years
male population aged 15 to 60 years
the economically active population
the proportion of the economically active population which is female
the distribution of educational attainment for the population 15 years of age and older using the nine EE education categories

Include similar data disaggregated by districts (areas served by district employment exchange offices) if it is available.

6. Special Instructions for Counties Sharing a Labor Market

If more than one county provides services within a given labor market served by the reporting county the EF Master Plan must describe special arrangements for coordinating services among counties.

APPENDIX A

Figure A.1

COUNTY LABOR SERVICE PERSONNEL STRUCTURES

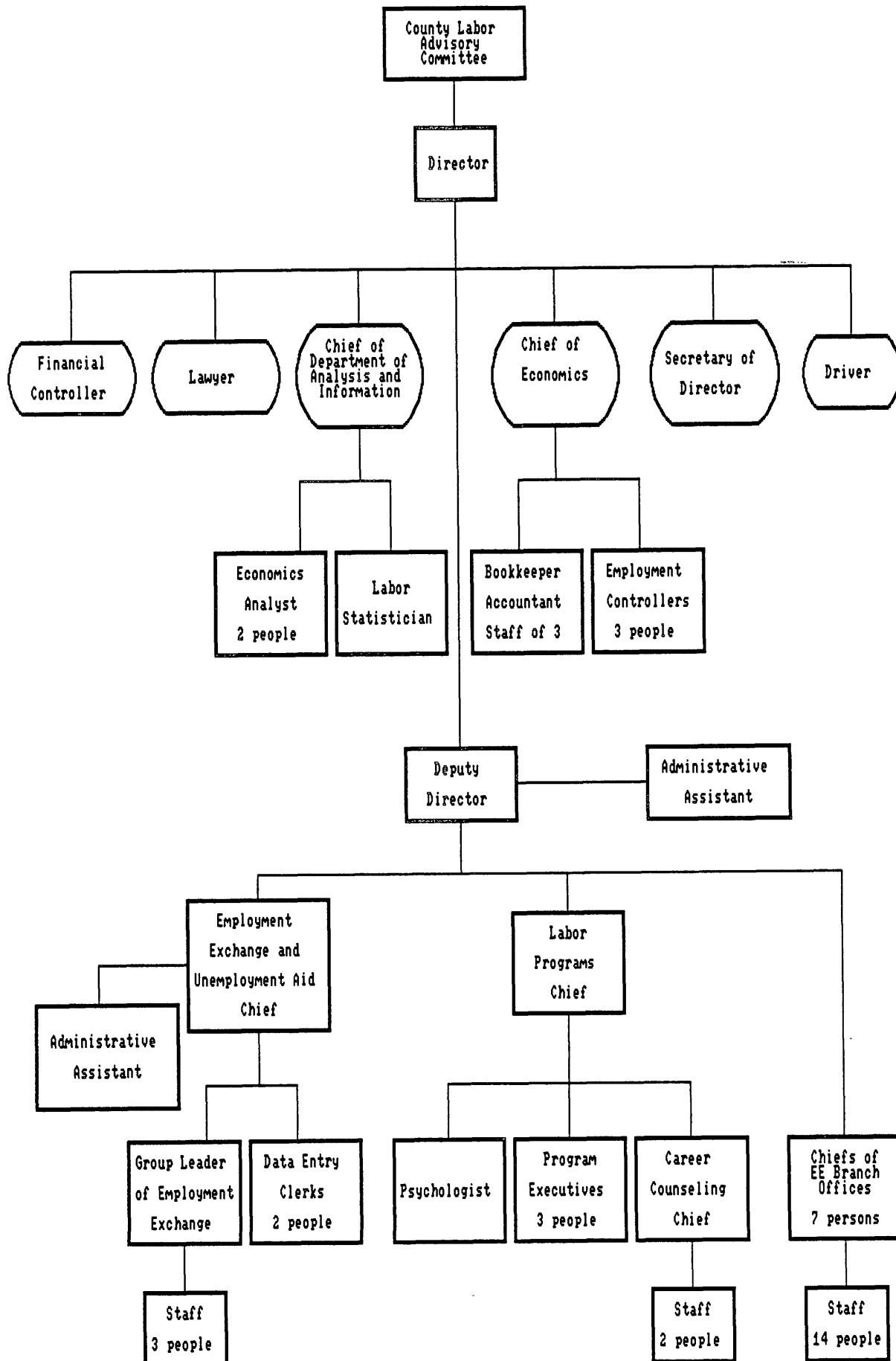


Table A.1 EF County Numbers

County ¹	Number
Budapest	01
Baranya	02
Bacs-Kiskun	03
Bekes	04
Borsod-Abauj-Zemplen	05
Csongrad	06
Fejer	07
Gyor-Sopron	08
Hajdu-Bihar	09
Heves	10
Komarom	11
Nograd	12
Pest	13
Somogy	14
Szabolcs-Szatmar	15
Szolnok	16
Tolna	17
Vas	18
Veszprem	19
Zala	20

¹ Throughout this document, administrative districts which include 19 counties and the capital city of Budapest are referred to as counties.

SECTION B. MANAGEMENT SYSTEM

B. MANAGEMENT SYSTEM

1. Management Information System

Provide descriptions of how the county handles each of the following informational matters for each EF program:

- a. Outreach and recruitment efforts to inform potential participants of the availability of programs. Include any agreements with other agencies to help identify potential participants.
- b. Participant eligibility determination and verification processes.
- c. Procedures for identifying and selecting program participants.
- d. Procedures for directing applicants to services. Include a flow chart which describes the process at employment exchange offices as Attachment B.1 to Section B of the EF Master Plan.
- e. Procedures for completing, processing, and maintaining participant records. Flow charts detailing steps for each program should be attached. (This documentation of procedures will be particularly useful for informing new office staff.)
- f. System for reporting participant data to the National Labor Market Center (Országos Munkaerőpiaci Központ - OMK).
- g. Participant tracking system to ensure duration limits are not exceeded where applicable, e.g. jobs for new graduates.
- h. Participant follow-up system. Include as attachments to this section copies of the brief mail surveys (7 to 8 questions each) which will be sent to random samples of recent program participants at various dates after their program experience. Also discuss procedures for recording responses to these surveys.
- i. Describe procedures for emphasizing service to targeted populations: less than 8 years of schooling, long term unemployed, physically disabled, and unemployed persons not covered by UC.

2. Financial Information System

Provide descriptions of how the county handles each of the following financial aspects of EF program management.

- a. Policies and procedures to adequately safeguard EF appropriations received from the Ministry of Labor.

- b. Procedures for determining reasonableness, allowability, and allocability of costs in accordance with principles defined by the Ministry of Labor.
- c. Procedures and records for maintaining internal cash control.
- d. Reporting procedures for providing accurate, current, and complete disclosure of the financial results of each grant in accordance with reporting requirements established by the Ministry of Labor.
- e. Procedures for effectively controlling and accounting for all project funds, property and other assets.
- f. Systematic methods to assure timely and appropriate resolution of audit findings and recommendations.
- g. Identify which fiscal system is being used, i.e. the county, local, school district, or other system.
- h. Identify who is responsible for record keeping including ledgers, check processing, and cash control.
- i. Describe the methodology used for charging shared costs.
- j. Describe the procedures used to prevent fraud and to recover fraudulent payments.
- k. Describe the procedures for preparing required reports.
- l. Describe the separate system of procedures for tracking expenditures related to hard to serve clients (less than 8 years schooling, long term unemployed, physically disabled, and persons not covered by UC).

3. Procedures for Soliciting Proposals for using EF Funds

Describe the procedures used to select contractors for retraining, public service employment, investments to create jobs, and wage subsidies for new graduates. At a minimum these guidelines should include:

- a. A description of the public notification process used to determine the availability of potential qualified service providers.
- b. A copy of the county Equal Employment Opportunity policy. An example is given in APPENDIX D as Figure D.1.
- c. A description of procedures used to afford special consideration to special target groups (the target groups include persons with eight or less years of schooling, those not covered by UC, persons with physical handicaps, and the long term unemployed);

- d. Procedures for soliciting proposals from both state and private enterprises to be service providers;
- e. A description of procedures which takes into account past performance of service providers (contractors) in EF funded activities;
- f. Procedures for evaluating the eligibility of establishments to serve as EF project contractors, e.g. proper facilities, licences, and adherence to labor law.

4. Fiscal and Participant Monitoring

Provide descriptions of the procedures the county has developed to implement program monitoring within county operations and at contractors. The descriptions should address the following points:

- a. The frequency at which contracts, activities, and worksites will be monitored.
- b. The participant, programmatic, and fiscal compliance requirements to be monitored (including effectiveness criteria discussed in Section C of these planning guidelines).
- c. Justification for the frequency of monitoring. This should be a function of things like funding level, number of participants, and contract complexity (contracts should be as simple as possible).
- d. The mechanisms established to ensure that appropriate corrective action will be initiated upon evidence of a possible violation of federal, state, or local requirements.
- e. The mechanisms established for documenting monitoring activities.

5. Grievance Procedures

Include a copy of the procedures the county has developed for handling complaints filed by program participants, and contractors.

6. Audit Procedures

Annual financial audits are to be done by county accounting staffs, the results of audits may be reviewed by the Ministry of Labor. Outline procedures for annual audit of county financial records for EF programs, financial records of all employment exchange offices in the county, and financial records of contractors which relate to EF programs.

- a. Identify the beginning and ending dates of the audit year.
- b. Identify the organizations to be audited.
- c. Identify the dates audits will be completed.
- d. Describe audit procedures for payment error and fraud detection.

7. Coordination with other Human Service Programs

The EF programs are being developed to promote employment and income security. In the counties there may exist other programs which provide human services which assist in achieving these goals. For example local school districts which provide adult remedial education, labor unions may offer retraining programs, or there may be family crisis counseling services.

To most effectively use EF money, EF programs should be coordinated with other human service programs in the counties. Two instruments are provided to identify programs for coordination. These should be completed and included in the Master Plan. Modifications and extensions of the coordination summary should be incorporated when circumstances change. The first instrument, the Coordination Summary Worksheet, included in APPENDIX B as Table B.1, helps in identifying agencies and programs to be coordinated. The second, the Program Coordination Detail, included in APPENDIX B as Table B.2 is used to document the ways programs are coordinated among agencies. Instructions for completing these worksheets are given here.

Instructions for APPENDIX B, Table B.1

COORDINATION SUMMARY WORKSHEET INSTRUCTIONS

- A. Program - Column A identifies programs for job retraining and related services which may be available in the county.
- B. Administering Agency - Column B identifies the federal, state or local administering agency.
- C. Availability of Program in the County - For each program listed in column A, indicate whether or not it is available in your county in column C.
- D. Coordination with Programs - For each program identified in column C as being available in the county, indicate whether EF programs administered by the county are coordinated with this program.

Instructions for APPENDIX B, Table B.2

PROGRAM COORDINATION DETAIL INSTRUCTIONS

A Coordination Detail form must be completed for each program identified in the Coordination Summary Worksheet (Column D) as being one that the county works with. Items included in the Coordination Detail are to include:

1. Name of County - Indicate county name.
2. Program - Identify the program listed in the Coordination Summary Worksheet.
3. Local Agency Administering the Program - Identify the local agency administering the program, the contact person and phone number.
4. Nature of Coordination - Indicate all the areas that describe the nature of the counties coordination with the program.
5. Type of Coordination - Indicate whether the coordination is through formal or informal agreement. If coordination is through a formal agreement, indicate whether it is financial, non-financial or both.

8. EF Annual Plan Overview

The EF Master plan shall include a statement which declares that the county will prepare an EF Annual Plan for the coming calendar year and submit it to the Ministry of Labor by (a specified date) _____ each year. While general matters governing management and monitoring are covered in the EF Master Plan, details unique to each EF program are specified in the EF Annual Plan. A separate set of instructions will be provided by the Ministry of Labor to guide preparation of the County EF Annual Plan.

The EF Annual Plan serves as the official County/Ministry of Labor agreement on how specific EF program targets will be met in the coming year. The plan also addresses coordination of EF programs. For each program, the annual plan covers management, finance, auditing, monitoring, and reporting.

The EF Annual Plan will have ten sections. The first is the overview of the plan. This will include a general narrative describing the plan, a statement of targets for EF programs, a plan for coordinating the delivery of EF programs to clients, current data on the county labor market, and a discussion of procedures for monitoring program cost effectiveness.

The next eight sections of the EF Annual Plan will discuss the eight programs which receive EF funding. These are: Unemployment Compensation, Retraining, Small Business Start-up Loans, Public Service Employment, Early

Retirement, Jobs for New Graduates, Job Creation Investments, and the Employment Exchange. Each of these sections of the Annual Plan will cover targets, management, financing, auditing, monitoring, and reporting.

The tenth and final section of the Annual Plan is the Agreement between the county and the Ministry of Labor on the plan. This section includes original signatures of all responsible parties to the agreement. It states that the Annual Plan was developed to address the economic circumstances existing in the county, and stipulates that the conditions for conduct detailed in the Master Plan will be respected.

9. The Annual Report to the Ministry of Labor

In reference to the annual report the master plan shall contain:

- a. A statement that the annual report shall be submitted by (specify a date) _____ of each year for the previous calendar year to:

EF Project Coordinator
Ministry of Labor
1051 Budapest
Roosevelt ter 7-8

- b. A description of the procedures established by the county for the preparation and submittal of the annual report.

The annual report shall include:

- a. A verbal description of activities conducted during the previous calendar year.
- b. Data on the demographic characteristics of individuals served by EF funded programs, including data on special target groups.
- c. Data on required summary statistics and effectiveness criteria for each EF funded program.
- d. An assessment and discussion of the extent to which activities exceeded or failed to meet relevant Effectiveness Standards (ES).

APPENDIX B

Table B.1

PROGRAM COORDINATION SUMMARY WORKSHEET
 _____ County

A. Program	B. Administering Agency	C. Is this program available?			D. Does the county coordinate EF with this program?	
		Yes	No	D/K	Yes	No
1. Adult Literacy Education						
2. Adult Secondary Education						
3. Programs for Physically Disabled						
4. Programs for Mentally Handicapped						
5. Programs for Resident Aliens						
6. Local Social Services						
7. Family Assistance Centers						
8. et cetera						

Table B.2

PROGRAM COORDINATION DETAIL

1. County: _____
2. Program: _____
3. Local agency administering program: _____
4. Contact person: _____
5. Telephone number: _____

6. Nature of Coordination (Check all appropriate categories)	7. Type of Coordination						
				Formal			Informal
	Yes	No	DK	Financial	Non-financial	Both	Agreement
a. Share Office Space							
b. Share Staff							
c. Staffs meet to share info.							
d. Staffs share info. by mail							
e. Staffs share info. by phone							
f. Do joint surveys							
g. Do joint planning							
h. et cetera							

SECTION C. MONITORING THE EFFECTIVENESS OF EF PROGRAMS

C. MONITORING THE EFFECTIVENESS OF EF PROGRAMS

1. General Comments

Monitoring the effectiveness of EF programs focuses on timely measures which can be readily implemented and will become a natural part of the management system. The process centers on what are called effectiveness criteria (EC). These measures will allow establishment of baseline effectiveness standards (ES) for monitoring.

Counties will be requested to report on EC activity as well as provide other summary statistics on program activity. This section of the guidelines for preparing a county employment fund master plan describes the principles behind the EC.

In preparing this section of the master plan counties should provide comment on their ability to comply with the data request embodied in these EC and summary statistics so that the MOL may design assistance.

Values of the EC computed with 1989 county data for the twelve months of 1989 will be used to establish baseline effectiveness standards (ES). County performance on each program will be compared to the ES annually. The ES will be updated annually to reflect national trends.

There are two basic categories of programs funded by the EF the first category is entitlement programs including: Unemployment Compensation (UC), Small Business Start-up Loans (SBL), and Jobs for New Graduates (JNG). The second category are programs using discretionary funds including: Retraining (RT), Public Service Employment (PSE), Early Retirement Subsidy (ERS), and Job Creation Investments (JCI). Counties have more control over the cost effectiveness of discretionary programs, but the Ministry of Labor encourages counties to view the collection of EF programs as a group which may be used in various combinations to achieve EF goals.

Administrative costs are incurred in operating all programs, it would be useful to identify these costs for each program which receives EF money. This is particularly true for examining the cost effectiveness of entitlement programs like UC which emphasize income maintenance as much as return to work. To allocate administrative costs to the various programs, it is necessary to determine what proportion, on average, of total staff hours in EE offices is spent in administration and data processing for each EF program. This is called a time-use study.

The EC listed below are suggested in part because of their simplicity. The data and monitoring systems which have evolved for EF programs guarantee payment of benefits, but do not presently yield adequate data for examining the cost effective use of program funds. If the data specified below are not currently gathered, procedures should be adopted to record it.

The review of EC and summary statistics proceeds as follows. In Section 2, basic data necessary for evaluating all employee programs is listed; this includes demographic information, information on the previous job, and information from a follow-up survey. To avoid redundancy, data used to evaluate all programs should be collected only once--much of it at the time of EE registration. Sections 3 through 10 separately consider each program which receives EF funding. For each program, program objectives and associated EC are presented. Summary Statistics and EC are listed for each program.

2. Demographic and Previous Job, Reemployment, and Follow-up Data

Since the majority of EF benefit programs are entered following registration with the EE, basic demographic data need to be collected only once--at the time of EE registration. Complete registration with EE should be required of all persons who receive financial payments from EF programs, other users of EE services should be encouraged to provide complete information.

The demographic data on: age, sex, and education; and previous job information on: skill level, wages, hours, and industry type; allows examination of program results by group. It also aids the development of adjustable effectiveness standards, and may allow quasi-experimental net impact evaluations. The following should be recorded for clients at the time of EE registration:

Demographic Data Required:

Personal identity number
EE office identification number
Date of most recent EE registration
Date of most recent EE visit
Level of educational attainment
Economic status
Past military service indicator

Previous Job Information

Previous job skill group
Previous job industry group
Previous job termination date
Previous job monthly wage in forints
Average weekly hours on previous job
Total months worked on previous job
Year first entered the labor force
Total years of work experience

An attempt should be made to gather the following information on the reemployment job at the time a client leaves EF program services. Part of this could be gathered by making additional use of the job referral slip.

Reemployment Job Information:

Has client become employed in non-EF supported work since registering with the EE? (Yes = 1, No = 0)

Date of client's first non-EF supported job since registering with the EE

Skill group of first non-EF supported job since registering with the EE

Industry type of first non-EF supported job since registering with the EE

Monthly wage in forints on first non-EF supported job since registering with the EE

Average weekly hours on first non-EF supported job since registering with the EE

Address for follow-up survey to be mailed

Was the first non-EF supported job since registering with the EE originally subsidized by Jobs for New Graduates?

A simple mail questionnaire which is accompanied by a stamped return envelope, and a brief cover letter requesting the assistance of former EF program clients in evaluation, should be mailed to a random sample of program participants six months after their most recent EF program contact. The questionnaire should bear the client identification number and solicit information on the following:

Data from a Follow-up Survey: (Administered six months after most recent EF program contact)

Are you currently employed? (Yes = 1, No = 0)

Was your current job originally subsidized by the Jobs for New Graduates program?

Date your current job began

Skill group of your current job

Industry type of your current job

Monthly wage of your current job

Average hours per week on your current job

Total number of months worked since last contact with an EF program

Number of jobs held since last contact with an EF program

3. Employment Exchange

Program Objective: Speedy placement of applicants in appropriate regular employment at minimum possible cost.

No data is regularly gathered on the full costs of operating employment exchanges. The Ministry of Labor only pays a fraction of the total costs. Some record should be kept and a system developed to allocate costs to services of different EF programs provided.

The record keeping on claims load is very incomplete. Complete EE registration should be requested of all clients seeking services, and should be required of all persons who receive EF benefits.

EE County Summary Statistics

Number of job seekers who actively used the EE
Number of referrals to job openings
Number of placements into jobs
Number of persons given career counseling
Number of persons evaluated by testing
Number of job vacancies available
Total EE expenses

EE Effectiveness Criteria

Cost per job seeker who
actively used the EE

Cost per job placement

Referrals to job openings per
placement into job

Job vacancies available per
placement into job

4. Unemployment Compensation

Program Objectives: Unemployment compensation is intended to provide income replacement so as to allow productive job search with minimal work disincentives. The usual hierarchy of objectives is: 1) adequate income replacement, 2) speedy return to appropriate work, 3) good reemployment wage, 4) minimum administrative cost.

"The purpose of unemployment compensation is to provide a legally regulated amount of money that allows a modest life subsistence to the unemployed."² It should also be recognized that payment of UC is likely to have a work disincentive effect. That is, payment of UC is likely to lengthen the duration of spells of unemployment. While part of the longer period between jobs may be spent in leisure, it is expected that some of the extra time would be used to conduct more effective job search, resulting in a better match of work skills with job openings. It is therefore an objective of the program to provide adequate benefits with the lowest possible work disincentive. Since UC is an entitlement program, the cost of administration should also be a focus of monitoring.

The effectiveness criteria of UC, concern the adequacy of benefit payments, the cost of administration, the work disincentive effect of UC, and the matching improvement effect of UC. This latter may be measured by comparing wages on the previous job to wages on the reemployment job.

When a claim for benefits is established, the basic entitlement is for 365 days over the next 3 years. To provide for exhaustees of the basic benefit, an extended entitlement was established for an additional 365 days by the council of ministers decree on temporary unemployment allowance. The first recipients of UC may exhaust the extended entitlement at the end of December 1990. It is likely that by that date a new unemployment insurance system will be in place. Effectively the system of unemployment benefits provides for compensation of unlimited duration. The compensation is paid, however, through a decreasing block schedule of replacement rates. The rate starts at one of three (70, 65, or 60 percent) for the first 180 days then falls by 10 percent for the next six months, the rate for the year of extended benefits is 75 percent of the most recent replacement rate.

Adequacy will obviously vary by replacement rate, it is possible that the duration and job matching effects will also be affected by the replacement rate. Effectiveness in achieving wage replacement adequacy depends on the definition of what is adequate. Evaluation of adequacy amounts to a study of the distribution of wage replacement rates.

UC County Summary Statistics

Number of UC recipients
Average daily UC paid
Average duration of UC paid in days
Number of UC recipients who exhausted benefits
Total UC administrative cost

² Measures of Employment Policy in Hungary, National Labor Market Center, 1989, p. 8.

UC Effectiveness Criteria

Administrative cost
per UC recipient

Average 30 day UC as a
proportion of previous
monthly wage

Average change in
monthly wage

Payment errors per
monthly UC payment

Number of payment errors per
months of UC paid

5. Retraining Allowance

Program Objectives: Retraining is intended to improve the skills of persons who are unemployed or whose jobs are at risk, so that they may obtain secure employment. The use of adequate and appropriate resources is necessary, but the courses should be operated efficiently. Also, retraining should be effective, that is it should improve return to work.

A retraining course may be composed of a single class or a series of classes and experience. Retraining may be given to employed or to unemployed people. Employed people may take retraining within an establishment in order to change jobs, or outside the establishment because of an expected layoff.

A natural EC for retraining is cost per person who participated in retraining. Other EC focus on the cost for persons who complete the course and persons who become reemployed. A measure of the quality of retraining output: the average wage at reemployment, will also be monitored.

Because retraining for different skills requires different lengths of time and different amounts of equipment and materials, EC for retraining can also be examined by course instead of being simply aggregated across all courses in the county.

Retraining County Summary Statistics

Number who participated in retraining
Number of employed who participated in retraining
Number who participated in retraining and were eligible for UC
Number who completed a retraining course
Number who completed a retraining course and reentered employment

Number who completed a retraining course and reentered employment at
skill level of retraining
Average Length of retraining courses completed
Total cost of stipends paid to trainees
Total course costs other than stipends paid to trainees

RT Effectiveness Criteria

Cost per person who participated in retraining
Cost per person who completed a retraining course
Cost per week of retraining per person who completed a retraining course
Cost per person who completed a retraining course and reentered employment
Average wage at employment

6. Small Business Start-up Loans

Program Objectives: To create a stable employment situation for the recipient of the loan, and perhaps new employment opportunities for others. To have the biggest possible employment effect for the dollars expended.

If the objective of the small business start-up loan (SBL) program were simply to give an opportunity to entrepreneurs who were otherwise unable to arrange financing, evaluation would be quite complex. Just as in the SBL program, in a simple entrepreneur program it is important to monitor the business survival rate, however a very high survival rate in a simple entrepreneur program means that many projects could have been successful without a subsidy. Indeed, among first time entrepreneurs business failure is probable, with the lasting value of the undertaking being the learning which took place during the attempt to start a business.

For the SBL program, which is directed to unemployed persons, the effectiveness criteria (EC) focus on four concepts: 1) the SBL approval process, 2) the business survival rate, 3) the cost to the EF, and 4) the social benefit.

SBL application approval rates are monitored for the county and the banks to identify variation across institutions and demographic groups. If nearly all SBL applications at banks are approved, perhaps the bank review process has become deficient because of the loan interest subsidy.

In granting certification to the application for the start-up loan, the county should require loan recipients to annually file a report on activity associated with the loan. These annual reports should be required to be filed for ten years, which is the maximum duration of loan which may be subsidized under the program. This would allow monitoring of the cumulative business survival rate for a ten year period.

Since the EF seeks to serve as many citizens in need as possible, the cost per loan currently being subsidized is basic monitoring information for ongoing planning.

In addition to following the business survival rate, the direct social benefits of the SBL program can be monitored by the jobs created per loan subsidized and the business income taxes returned to the government by the recipients of the loan interest subsidy.

Restarting Loan County Summary Statistics

Number of start-up loan applications with the county
Number of start-up loan applications approved by the county
Number of start-up loan applications approved by banks
Average loan amount granted by banks
Average rate of interest on loans granted by banks
Number of loans currently being subsidized
Total value of loans whose interest and bank costs are currently being subsidized by EF
Average rate of interest and bank costs on loans currently being subsidized by the EF
Number of start-up loans subsidized in the past 10 years
Number of active businesses among those started with loan subsidy in the past 10 years
Number of employees at businesses among those started with loan subsidy the past 10 years
Annual business taxes paid by businesses among those started with loan subsidy in the past 10 years

SBL Effectiveness Criteria

Proportion of applications approved by the county
Proportion of county approved applications given loans by banks
Cost of SBL subsidies over the past 10 years per business which is still operating
Yearly EF cost per loan currently being subsidized
Loan subsidies paid in the past 10 years per job created
Business income taxes per loan subsidized in the past 10 years

7. Public Service Employment

Program Objectives: Public Service Employment (PSE) is intended to provide work place experience and income support to PSE workers, and services to the community. The usual hierarchy of objectives is: 1) Maximize jobs created for a given budget, 2) Provide income to persons with none, 3) Provide work experience, 4) Provide services to the community, 5) Promote transition to regular employment.

PSE projects are established by the counties with Ministry of Labor consent. Usually PSE is considered to be the last resort in employment policy. That is, when no placement, compensation, wage subsidies, or retraining is available the last resort is placement on a job created through PSE. As defined in the decree on PSE, work must be on specified tasks for the public interest. For PSE to have a net impact in reducing unemployment, it is important that PSE jobs do not displace existing employment or potential employment growth. To examine the displacement issue a special study may be undertaken in the future.

PSE County Summary Statistics

Number of persons who worked on PSE
Number of PSE workers who received UC
Average monthly per worker PSE wage
Distribution of type of PSE projects operated
Number of PSE person months worked
Number of PSE workers who became reemployed in regular jobs
Total wage and non-wage PSE costs

PSE Effectiveness Criteria

Average program cost per
person month of PSE

Average program cost per
person who became reemployed
in a regular job

Average change in monthly wage
from pre to post PSE regular job

8. Retirement Subsidy

Program Objectives: To reduce the problem of unemployment by removing some of the unemployed from the labor force.

Under the program, retirement may occur up to five years before regular retirement age. The level of income support is determined by the schedule

of the social security system and may be paid by the most recent employer, the EF, or shared by the two.

The greatest unemployment reduction should be achieved at the minimum possible cost to the EF. Therefore, employers should be encouraged to participate by sharing the cost of early retirement and encouraged to select persons closest to retirement age for early retirement first. The EC to be monitored are therefore the average early retirement subsidy per person on early retirement, which is averaged across those with and those without employer contributions, and the average age of persons on early retirement.

Early Retirement County Summary Statistics

Number of persons on early retirement
Number of persons on early retirement who are subsidized by EF
Average monthly per person early retirement benefit
Total early retirement subsidies paid by EF
Proportion of persons on early retirement who have become reemployed

ERS Effectiveness Criterion

Average early retirement subsidy per person on early retirement
Proportion of total early retirement costs paid by the EF
Average age of persons on early retirement

9. Jobs for New Graduates

Program Objectives: To reduce unemployment by securing professional jobs for new graduates who are unemployed.

For monitoring program success, the most basic information to know is the proportion of JNG workers whose subsidized job became permanent. Secondly, the cost, or average JNG subsidy paid per worker whose subsidized job became permanent should be monitored. Also important is the gross cost or average monthly wage subsidy of JNG subsidized workers. Finally, in an entitlement program like JNG the administrative cost per JNG subsidized worker should be monitored.

Job for New Graduates Summary Statistics

Number of JNG subsidized workers
Average monthly wage subsidy of JNG subsidized workers
Number of JNG workers whose subsidized job became permanent
Total of JNG subsidies paid

Number of JNG workers in first subsidized job
Average monthly wage subsidy of JNG workers in first subsidized job
Number of JNG workers whose first subsidized job became permanent

Number of JNG workers in second subsidized job
Average monthly wage subsidy of JNG workers in second subsidized job
Number of JNG workers whose second subsidized job became permanent

Number of JNG workers in third subsidized job
Average monthly wage subsidy of JNG workers in third subsidized job
Number of JNG workers whose third subsidized job became permanent

Distribution of the Colleges and Universities from which JNG participants
were graduated

Average subsidy per JNG subsidized worker
Number of JNG subsidized workers
Total JNG administrative cost

JNG Effectiveness Criteria

Proportion of JNG workers
whose subsidized job
became permanent

Average JNG subsidy paid per
worker whose subsidized
job became permanent

Average monthly wage subsidy
of JNG subsidized workers

Administrative cost per
JNG subsidized worker

10. Subsidy of Investments for Job Creation

Program Objective: The maximum number of new jobs per forint paid in
investment subsidies.

Capital investment may be made in projects which once completed will
require various intensities of labor input. Projects which result in
activities which are said to be "labor intensive," naturally yield more jobs
per forint of subsidy. When providing subsidies for investments to create
jobs the natural objective is to contribute to projects which will yield the
most jobs per forint invested, so that the primary measure of cost
effectiveness is average subsidy per new job.

Frequently plans do not materialize. Records should be kept on the

planned as well as actual employment impact of investments. The expected subsidy per new job should be compared to the actual subsidy per new job.

The power of the subsidy in creating jobs depends on the leverage achieved by the investments. Therefore, another measure of cost effectiveness is the proportion of the total value of investment which is subsidized by the EF. The smaller the proportion subsidized, the greater the EF leverage in creating jobs.

In addition to the volume of jobs created by subsidies to investments, the durability of the jobs should be monitored. Recipients of subsidies should be required, as part of their agreement, to file reports on employment impacts each year for ten years.

Investment Subsidy for Job Creation Summary Statistics

- Total number of employers given an investment subsidy
- Total forint value of subsidies granted
- Total forint value of investments for new jobs
- Average company annual employment before subsidy
- Average company annual payroll before subsidy
- Total number of jobs promised from investments
- Total number of jobs actually created
- Average subsidy per employer subsidized
- Average investment project size per employer subsidized
- Total number of employers given an investment subsidy

JCI Effectiveness Criteria

- Average subsidy for Investment
per new job created
- Number of jobs created
per job promised
- Investment project value
per forint of subsidy

SECTION D - ASSURANCES, CERTIFICATIONS,
AND SPECIAL PROVISIONS

Instructions: The County Labor Administrator shall review and agree to the attached assurances and certifications. This section shall be returned without change and be incorporated as part of the County EF Master Plan.

D. ASSURANCES, CERTIFICATIONS AND SPECIAL PROVISIONS

1. General Assurances

The county assures and certifies that all administration of EF programs, all programs operated by the county with EF money, and all programs operated for the county with EF money will comply with and be granted only to establishments that comply with the following legal statutes:

- a. Statutes which prohibit discrimination because of age, race, sex, religion, national origin, or political affiliation.
- b. Statutes which require holding jobs for those on maternity leave or military service leave.
- c. Statutes which set quotas for hiring the physically handicapped.
- d. Youth employment standards laws.
- e. Minimum wage laws.
- f. Overtime compensation laws.
- g. Worker's disability laws.
- h. Occupational safety laws.

Further, the county assures that:

- i. Participation in programs operated using EF money shall be open to all persons legally entitled to work. This includes permanent resident aliens, ex-convicts, and parolees.
- j. Programs operated using EF money will be administered with safeguards against fraud and abuse.
- k. Appropriate labor market and demographic analyses have been used as the basis for planning programs to ensure that programs funded are appropriate to the needs of workers and employers in the county.

2. Requirements of Contract and Grant Recipients

The county shall ensure that contract and grant recipients maintain:

- a. Social security tax contributions for EF program participants.
- b. A record of each person's participation in EF funded activities. These records shall be kept for at least three years following completion of the plan period, plus time necessary for an audit.

3. Ministry of Labor Held Harmless

EF grant and contract recipients shall defend and indemnify the County, the Ministry of Labor, its officers, agents and employees from any and all claims and losses incurred by or resulting to any person, or enterprise who may be damaged or injured by the EF grant or contract recipient while engaged in EF funded activities. Notice shall be promptly submitted to the County and the Ministry of Labor of any action being brought against an EF grant or contract recipient. Indemnification shall include, but not be limited to, attorney's fees and administrative costs.

4. Fiscal Requirements

All EF program costs incurred by the county shall be in accordance with guidelines furnished by the Ministry of Labor. The county is liable for all costs found to be not allowable under EF program decrees.

5. Records and Reports

The county shall:

- a. Implement management, fiscal, and participant monitoring procedures adequate to report on achievement of Effectiveness Standards (ES) set by the Ministry of Labor. Guidelines provided in Section C.
- b. Maintain financial records adequate to assure a complete accounting of all EF funds distributed within the county.
- c. Provide access and the right to examine and audit all records, books, papers, computer disks, or documents related to EF programs to the Ministry of Labor or its designated investigators.
- d. Record all EF program costs incurred, and report these costs monthly to the Ministry of Labor in a manner and format prescribed by the Ministry of Labor. Guidelines provided in Section C.
- e. Retain all records pertinent to EF funded programs for a period of three years from the end of the plan period unless stated otherwise in particular statutes. If an audit or investigation is initiated prior to the end of a financial records retention period, the county shall keep the records until the litigation, audit findings, or claim has been resolved.
- f. Agree that all data reported on a monthly basis to Ministry of Labor shall be current, complete, and reflect all activity during the reporting period. Guidelines provided in Section C.

6. Participant Eligibility Determination and Verification

The county shall ensure that EF program services are provided only to eligible applicants.

7. Monitoring and Evaluation of EF Program Contractors

The county shall continuously monitor the performance of EF program contractors to guarantee compliance with EF program regulations. Guidelines provided in Section C.

8. Modifications/Revisions

The county shall:

a. Cooperate fully and promptly with the Ministry of Labor in replanning or modification of county EF plans, should circumstances require change.

b. Not implement modifications in the operation or monitoring of EF programs without written concurrence and approval by the Ministry of Labor.

9. Disputes and Grievances

The county shall develop a system for the handling of disputes/grievances in accordance with Ministry of Labor and EF program guidelines and regulations.

10. Equal Employment Opportunity

The county shall assure Equal Employment Opportunity (EEO) in accordance with federal, county, and local laws. This regards all EF program operations and all activities funded by EF money and includes, but is not limited to: recruitment, hiring, transfer, promotions, retraining, compensation, benefits, layoffs, placements and selection of contractors. The county should prepare a statement of EEO policy to be posted in county facilities and distributed to EF Program contractors. An example is given in APPENDIX D as Figure D.1.

11. Nepotism

The county shall establish local safeguards/policies to assure against favoritism by persons in an administrative capacity with regard to nepotism. Include a copy of this policy as Attachment D.2.

12. Authority

All authority not explicitly vested in the CEC Director, the County EF Committee, or the County Council President shall remain with the Ministry of Labor.

APPENDIX D

Figure D.1

EQUAL EMPLOYMENT OPPORTUNITY POLICY

(Name of County) Employment Center/Contractor

1. The County Employment Center Director (CEC Director) has an established policy of equal opportunity without regard to race, color, religion, national origin, political affiliation, age, sex or handicap. The CEC Director agrees to take steps necessary to correct any under-representation of minorities or women, and maintain a reasonably representative work force at all levels of employment.
2. The CEC Director has an established policy to provide equal opportunity to participate in and benefit from all programs, activities, and services without regard to race, color, religion, national origin, political affiliation, age, sex or handicap.
3. The CEC Director guarantees that all recruiting materials and advertisements will state that all applicants will receive equal consideration for employment without regard to race, color, religion, national origin, political affiliation, age, sex or handicap.
4. The CEC Director guarantees that all promotional materials and advertisements will state that all programs, activities, and services will be provided equally without regard to race, color, religion, national origin, political affiliation, age, sex or handicap.
5. The CEC Director guarantees to post in appropriate and conspicuous places this notice setting forth the policy on equal opportunity in EF programs.

Chief County Councilor

Date

County Employment Center Director

Date

Chairman of the County EF Committee

Date

SECTION E - COUNTY/MINISTRY OF LABOR AGREEMENT ON THE EF MASTER PLAN

Instructions: This section is simply a signature sheet and directions for completing it to formalize the agreement between the county and the Ministry of Labor on use of the EF.

1. County/Ministry of Labor Agreement on the EF Master Plan

COUNTY/MINISTRY OF LABOR AGREEMENT ON THE EF MASTER PLAN

This EF Master Plan serves as the long-term agreement on basic program planning, administration, and monitoring between the Ministry of Labor and the county. Preparation of an acceptable EF Master Plan is required by the President of the Ministry of Labor in his capacity as chief EF administrator as designated by Ministerial Decree No. 143/1989 (XII.22) MT. Failure to comply with an EF Master Plan accepted by the Ministry of Labor can result in loss of funding for county EF programs.

The signatories to this document attest that they have jointly participated in the development of the attached EF Master Plan and voluntarily agree to follow the procedures which it specifies.

Title: EF Master Plan

County Name: _____

County Number: _____

Effective Date of Plan: January 1, 1991

COUNTY SIGNATURES: County authorities responsible for appropriate use of EF program funds.

Chief County Councilor

Date

County Employment Center Director

Date

Chairman of the County EF Committee

Date

Ministry of Labor SIGNATURE: The President of the Ministry of Labor acknowledges acceptance of the attached EF Master Plan. The Ministry of Labor and _____ County hereby enter into agreement on procedures for administration, monitoring and evaluation of EF programs.

Minister of Labor

Date

2. County/Ministry of Labor EF Master Plan Agreement Instructions

COUNTY/MINISTRY OF LABOR EF MASTER PLAN AGREEMENT INSTRUCTIONS

General

All counties must prepare an EF Master Plan as a prerequisite to preparing an EF Annual Plan. Annual Plans are called for by Council of Ministers Decree No. 143/1989 (XII.22) MT, with responsibility of administration of EF programs vested in the President of the Ministry of Labor. The Ministry of Labor president will not authorize release of EF money to counties that have not received Ministry of Labor approval of their EF Master Plan.

Identifying Information

EF Title: Title of the EF document being submitted, in this case it is the EF Master Plan.

County Name: Enter the name of the county.

County Number: Enter the county (capital city) number from APPENDIX A, Table A.1. Throughout this document, administrative districts which include 19 counties and the capital city of Budapest will be referred to as counties. See the attached sheet for a listing of county numbers.

Effective Date of Plan: It is expected that all counties will have Ministry of Labor approved EF Master Plans in Place by January 1, 1991.

County Signatures

The county authorities responsible for appropriate use of EF program funds must sign and date the EF Master Plan Agreement in the spaces provided. The three authorities identified: the Chief County Councilor, the County Employment Center Director, and the Chairman of the County EF Committee, must each sign the agreement. If one person holds more than one position, the agreement should be signed in each appropriate space. If there are other persons with important county authority over EF programs, their names should be added, and they should sign and date the agreement.

Ministry of Labor Signature:

After Ministry of Labor review of the county EF Master Plan, the Minister of Labor will sign and return copies of approved plans. Inadequate plans will be returned unsigned with comprehensive suggestions for revision.

3. County/Ministry of Labor EF Master Plan Revision Agreement

COUNTY/MINISTRY OF LABOR AGREEMENT ON REVISION OF THE EF MASTER PLAN

The signatories to this document attest that they have jointly participated in the development of the attached revision of the EF Master Plan and voluntarily agree to follow the procedures which it specifies.

Title: EF Master Plan Revision

County Name: _____

County Number: _____

Effective Date of Plan Revision: _____

COUNTY SIGNATURES: County authorities responsible for appropriate use of EF program funds.

Chief County Councilor

Date

County Employment Center Director

Date

Chairman of the County EF Committee

Date

Ministry of Labor SIGNATURE: The President of the Ministry of Labor acknowledges acceptance of the attached EF Master Plan Revision.

Minister of Labor

Date

Attachments:

4. County/Ministry of Labor EF Master Plan Revision Instructions

COUNTY/Ministry of Labor EF MASTER PLAN REVISION INSTRUCTIONS

General

When significant changes occur in matters governed by the County EF Master Plan a formal revision of the plan should be done. The relevant sections should be rewritten and submitted to the Ministry of Labor for approval along with a signed County/Ministry of Labor Agreement on REVISION of the EF Master Plan. The Agreement on revision covers the same material as the original agreement.

Identifying Information

EF Title: Title of the EF document being submitted, in this case it is the EF Master Plan.

County Name: Enter the name of the county.

County Number: Enter the county (capital city) number from APPENDIX A, Table A.1. Throughout this document, administrative districts which include 19 counties and the capital city of Budapest will be referred to as counties. See the attached sheet for a listing of county numbers.

Effective Date of Plan: It is expected that all counties will have Ministry of Labor approved EF Master Plans in Place by January 1, 1991.

County Signatures

The county authorities responsible for appropriate use of EF program funds must sign and date the EF Master Plan Agreement in the spaces provided. The three authorities identified: the Chief County Councilor, the County Employment Center Director, and the Chairman of the County EF Committee, must each sign the agreement. If one person holds more than one position, the approval request should be signed in each appropriate space. If there are other persons with important county authority over EF programs, their names should be added, and they should sign and date the agreement.

Ministry of Labor Signature:

After Ministry of Labor review of the county EF Master Plan, the the Minister of Labor will sign and return copies of approved plans. Inadequate plans will be returned unsigned with comprehensive suggestions for revision.

Attachments:

Revised parts of the EF Master Plan submitted for approval, labeled by section and number.

APPENDIX F - GUIDELINES FOR PREPARING A COUNTY EMPLOYMENT FUND ANNUAL PLAN

Guidelines for Preparing
A County Employment Fund Annual Plan

August, 1990

Prepared for:

The Ministry of Labor
Budapest, V.,
Roosevelt ter 7-8. H-1051
Hungary

Prepared by:

The W.E. Upjohn Institute for Employment Research
300 South Westnedge Avenue
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Christopher J. O'Leary, Project Director

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SECTION A - ANNUAL PLAN OVERVIEW AND LABOR MARKET SUMMARY

A. Annual Plan Overview and Labor Market Summary

1. EF Annual Plan Overview

The county should prepare an overview which includes statements covering the following:

a. The EF Annual Plan serves as the official County/Ministry of Labor agreement on how the specific EF programs will be operated in the coming year.

b. For each EF program the annual plan gives details concerning:

- Program management
- Program monitoring
- Annual report on program activity
- Annual report on program effectiveness criteria
- Program activity forecast
- Program effectiveness targets for the coming year
- Program direct cost forecast

c. The annual plan presents a unified financial plan which considers the benefit costs of entitlement programs and programs using discretionary funds, as well as administrative costs. The financial plan will include a funding request for the coming year.

d. The final section of the annual plan is the formal agreement between the county and the Ministry of Labor on the annual plan.

2. Industrial Composition of Employment

List county employment totals for the most recently available calendar year by industry for the nine standard groups:

industry
construction
agriculture and forestry
transportation and telecommunications
merchandising (wholesale, retail, hotels, and restaurants)
water resource management
services (finance and personal services)
non-material services (education and medicine)
government administration and armed services

3. Industrial Composition of Unemployment

List county unemployment (using information about the previous job from the employment exchange registration) by industry for the nine standard groups:

industry
construction
agriculture and forestry
transportation and telecommunications
merchandising (wholesale, retail, hotels, and restaurants)
water resource management
services (finance and personal services)
non-material services (education and medicine)
government administration and armed services

4. Labor Market Conditions

List county data from EE records on the following. The word distribution means list the totals for each response category from the EE or vacancy registration form.

distribution of EE registrants by age
distribution of EE registrants by education
distribution of EE registrants by economic status
distribution of EE registrants by skill group
distribution of EE registrants by industry group
distribution of EE registrants by minimum salary acceptable
distribution of EE registrants by duration of EE registration
distribution of EE registrants by EF programs being used
distribution by income of EE registrants eligible for UC
number of EE registrants physically handicapped
number of EE registrants not covered by UC
distribution of vacancies by skill group
distribution of vacancies by industry group
distribution of vacancies by duration listed with EE

5. Labor Market Trends

Report actual data or estimates of the number of layoffs or new hires associated with announced establishment closings, expected closings, new openings, or expansions.

Given recent experience with establishment attrition, estimate the net impact on EE registrations and vacancy listings of the announced and expected establishment changes in staffing.

SECTION B - ANNUAL PLAN FOR THE EMPLOYMENT EXCHANGE

B. Annual Plan for the Employment Exchange (EE)

1. EE Management

Under this heading the county should provide information about the management structure at the county and district employment exchanges (EE).

- a. List the job title and business address of the county manager of EE and the district managers of EE.
- b. List the job title of the people who supervise the registration of job searchers with EE in each office in the county.
- c. Describe the procedures which have been developed to ensure timely and accurate information is recorded on EE registration and visit forms.
- d. List the job title of the people who supervise the registration of job vacancies with EE in each office in the county.
- e. What is the schedule for key entry of EE data into the computerized data system.

2. EE Monitoring

Describe the procedures used for gathering and summarizing quarterly information on EE activity. This should include descriptions of:

- a. Standard office procedures for recording and data entry of information on new registrations and subsequent visits by job searchers.
- b. Procedures for receiving, verifying, and updating vacancy data.
- c. Efforts to account for placements. For example, the reemployment date on the EE form may be completed using employer returned referral slips.

3. Annual Report on EE Activity

In this section counties are requested to give a description of the procedures used to prepare reports, and to present an annual summary of the quarterly reports previously submitted.

a. Describe the procedures for preparing reports to the MOL on EE activity. Also describe any measures taken to verify the accuracy of the data reported.

b. Include in this section a report on EE program summary statistics for the year, with demographic breakdowns. This is similar to the quarterly reports, but not simply an addition of figures presented in those reports. The format of Table B.1 given on the following page should be used to make this report. The data requested on activity from January 1 to December 31 in the reporting year are:

Number of job seekers who actively used the EE
Number of referrals to job openings
Number of placements into jobs
Number of persons given career counseling
Number of persons evaluated by testing

Also requested on this form is data on the:

Number of job vacancies available

with a breakdown by job skill required to fill the vacancy. For purposes of intercounty comparison the county must also provide information on:

Total EE operating expenses

Table B.1

Annual Report on Employment Exchange Activity
 Data for the Period January 1, 19__ to December 31, 19__

County Name County Number	Number of Job Seekers who Actively used the EE	Number of Referrals to Job Openings	Number of Placements into Jobs	Number of Persons Given Career Counseling	Number of Persons Evaluated by Testing	Number of Job Vacancies Available
Total						
Age						
15 - 19						
20 - 24						
25 - 39						
40 - 60						
Sex						
Male						
Female						
Economic Status						
Employed						
Unemployed						
Young Experienced						
Career Starter						
Pensioner						
Student						
Other						
Educational Attainment						
Less than 8						
8 years						
2 year Voc						
3 year Voc						
4 year Voc						
Univ. Prep.						
College						
University						
Previous Job Skill Group						
Skilled						
Semi-skilled						
Unskilled						
Top Manager						
Manager						
Supervisor						
Professional						
Clerk						
Physically Disabled						

4. Annual Report on EE Effectiveness Criteria

a. Comparison of Actual EC Values with National ES

Listed below in Table B.2 are the national values of Effectiveness Standards for the EE program Effectiveness Criteria. Report in this section year end values of EE effectiveness criteria for the county, compute the difference between the county value and the national standard, discuss reasons why this difference exists. Include in the discussion of the difference a comparison of the county and national demographics of the client population.

Table B.2 Comparison of Actual EC Values with National ES

Effectiveness Criteria	National ES (1)	Actual EC Value (2)	Difference (1 - 2)
Cost per job seeker who actively used the EE			
Cost per job placement			
Referrals to job openings per placement into job			
Job vacancies available per placement into job			

b. Comparison of Actual EC Values with County Targets

[To be included in guidelines for annual plans after the first year of planning.] Listed below in Table B.3 are the target values of Effectiveness Criteria set in last year's annual report. Report in this section year end values of EE effectiveness criteria for the county, compute the difference between the actual county value and the target value, and discuss reasons why this difference exists.

Table B.3 Comparison of Actual EC Values with County Targets

Effectiveness Criteria	County Target (1)	Actual EC Value (2)	Difference (1 - 2)
Cost per job seeker who actively used the EE			
Cost per job placement			
Referrals to job openings per placement into job			
Job vacancies available per placement into job			

5. EE Activity Forecast

a. The National Labor Market Center (NLMC) estimates that the Number of job seekers who actively use the EE in [county name] County at any time during the coming year will be [NLMC estimate]. The number of job seekers who actively use the EE in a given period of time is the number of people in the period who either registered with the EE, were referred to a job by the EE, or simply visited the EE to find out information in the period. Given the historical relationship between EE registrations and the use of other EF programs, the estimate of EE registrations provides a basis for EF planning.

b. Based on the recent experience with EE activity and the labor market conditions described in Section A, [county name] County may suggest an alternative estimate of the Number of job seekers who actively used the EE to use as a basis for planning.

c. Present estimates for EE program activity in the planning year using the following summary measures:

Number of job seekers who actively used the EE
Number of referrals to job openings
Number of placements into jobs
Number of persons given career counseling
Number of persons evaluated by testing

6. EE Effectiveness Targets for the Coming Year

Providing a brief rationale for each, specify Effectiveness Targets for the EE Effectiveness Criteria for the coming year:

Cost per job seeker who
actively used the EE

Cost per job placement

Referrals to job openings per
placement into job

Job vacancies available per
placement into job

7. EE Direct Cost Forecast

Given the Cost per job seeker who actively used the EE listed above, and program activity estimates for the planning year and targets for program services, estimate the funding requirements for EE operations and administration for the planning year. Use the following guide.

Multiply:

Expected (Number of job seekers who will actively use the EE)

times

Expected (Cost per job seeker who actively used the EE)

To yield:

Expected (EE operations and administration costs)

SECTION C - ANNUAL PLAN FOR UNEMPLOYMENT COMPENSATION

C. Annual Plan for Unemployment Compensation (UC)

1. UC Management

Under this heading the county should provide information about the existing management structure and staffing of management for the unemployment compensation (UC) operations at employment service offices in the county.

- a. List the job title and business address of the county manager of UC and the district managers of UC.
- b. List the job title of the people who supervise the registration of applicants for UC in each office in the county.
- c. Describe the procedures which have been developed to ensure compliance with UC eligibility rules.
- d. What measures are taken to ensure that UC eligibility is evaluated for all UC registrants?
- e. What is the schedule for key entry of UC data into the computerized data system?

2. UC Monitoring

Describe the organization and procedures used for gathering and summarizing quarterly information on UC activity. This should include descriptions of:

- a. The management structure of personnel responsible for monitoring UC program activity.
- b. Standard office procedures for recording information on new and continuing UC recipients.
- c. Procedures for monitoring compliance with UC eligibility criteria.
- d. Procedures for key entry of UC program information into computerized data base.
- e. The schedule for UC monitoring and data entry activities.

3. Annual Report on UC Activity

In this section counties are requested to give a description of the procedures used to prepare reports, and to present an annual summary of the monthly reports previously submitted.

a. Describe the procedures for preparing the monthly report to the National Labor Market Center (NLMC) on UC activity. Also describe any measures taken to verify the accuracy of the data reported.

b. Include in this section a report on UC program summary statistics for the year, with demographic breakdowns. This is similar to the monthly reports, but not simply an addition of figures presented in those reports. The format of Table C.1 given on the following page should be used to make this report. The data requested on activity from January 1 to December 31 in the reporting year are:

Number of UC recipients
Average daily UC paid
Average duration of UC paid in days
Number of UC recipients who exhausted benefits

Also required for intercounty comparison is data on:

Total UC administrative cost

Table C.1

Annual Report on Unemployment Compensation Activity
 Data for the Period January 1, 19__ to December 31, 19__

County Name County Number	Number of UC recipients	Average daily UC paid	Average duration of UC in days	Number of UC recipients who exhausted benefits		
Total						
Age						
15 - 19						
20 - 24						
25 - 39						
40 - 60						
Sex						
Male						
Female						
Economic Status						
Employed						
Unemployed						
Young Experienced						
Career Starter						
Pensioner						
Student						
Other						
Educational Attainment						
Less than 8						
8 years						
2 year Voc						
3 year Voc						
4 year Voc						
Univ. Prep.						
College						
University						
Previous Job Skill Group						
Skilled						
Semi-skilled						
Unskilled						
Top Manager						
Manager						
Supervisor						
Professional						
Clerk						
Physically Disabled						

4. Annual Report on UC Effectiveness Criteria

a. Comparison of Actual EC Values with National ES

Listed below in Table C.2 are the national values of Effectiveness Standards for the UC program Effectiveness Criteria. Report in this section year end values of UC effectiveness criteria for the county, compute the difference between the county value and the national standard, discuss reasons why this difference exists. Include in the discussion of the difference a comparison of the county and national demographics of the client population.

Table C.2 Comparison of Actual EC Values with National ES

Effectiveness Criteria	National ES (1)	Actual EC Value (2)	Difference (1 - 2)
Administrative cost per UC recipient			
Average 30 day UC as a proportion of previous monthly wage			
Average change in monthly wage			
Payment errors per monthly UC payment			
Number of payment errors per months of UC paid			

b. Comparison of Actual EC Values with County Targets

[To be included in guidelines for annual plans after the first year of planning.] Listed below in Table C.3 are the target values of Effectiveness Criteria established in last year's annual report. In this section report year end values of UC effectiveness criteria for the county, compute the difference between the actual county value and the target value, and discuss reasons why this difference exists.

Table C.3 Comparison of Actual EC Values with County Targets

Effectiveness Criteria	County Target (1)	Actual EC Value (2)	Difference (1 - 2)
Administrative cost per UC recipient			
Average 30 day UC as a proportion of previous monthly wage			
Average change in monthly wage			
Payment errors per monthly UC payment			
Number of payment errors per months of UC paid			

5. UC Activity Forecast

Based on the recent experience with UC activity and the NLMC estimate of EE registrations or the labor market conditions described in Section A, present estimates for program activity in the planning year using the following summary measures:

- Number of UC recipients
- Average daily UC paid
- Average duration of UC paid in days
- Number of UC recipients who exhausted benefits
- Total UC administrative cost

6. UC Effectiveness Targets for the Coming Year

Providing a brief rationale for each target, specify Effectiveness Targets for the UC Effectiveness Criteria for the coming year:

Administrative cost per UC recipient
Average 30 day UC as a proportion of previous monthly wage
Average change in monthly wage
Payment errors per monthly UC payment
Number of payment errors per months of UC paid

7. UC Direct Cost Forecast

Given the cost per client data listed above and, program activity estimates for the planning year and targets for program services, estimate the funding requirements for UC benefits for the planning year. Use the following guide.

Multiply:

Expected (Number UC recipients)

times

Expected (Average daily UC paid)

times

Expected (Average duration UC paid in days)

To yield:

Expected (UC benefit costs).

SECTION D - ANNUAL PLAN FOR RETRAINING PROGRAMS

D. Annual Plan for Retraining (RT)

1. RT Management

Under this heading the county should provide information about the existing management structure and staffing of management for EF funded Retraining (RT) activities in the county.

- a. List the job title and business address of the county manager of RT.
- b. List the job title of the people who supervise the selection of candidates for RT in each district in the county.
- c. Describe the procedures which have been developed to ensure compliance with RT eligibility rules for trainees.
- d. Describe the procedures used to select subjects, facilities, and providers of retraining courses for the unemployed.
- e. Describe the procedures used to select establishments to be given EF grants to conduct retraining of employees.

2. RT Monitoring

Describe the organization and procedures used for gathering and summarizing quarterly information on RT activity. This should include descriptions of:

- a. The management structure of personnel responsible for monitoring RT program activity.
- b. Standard office procedures for recording information on new and continuing RT courses and participants.
- c. Procedures for monitoring compliance with RT eligibility criteria.
- d. Procedures for gathering information on the circumstances of reemployment for RT course participants.
- e. Procedures for recording RT program information for evaluation.
- f. Procedures for monitoring the content and delivery of information in retraining courses.
- g. The schedule for monitoring RT courses and record keeping activity.

3. Annual Report on RT Activity

In this section counties are requested to give a description of the procedures used to prepare reports, and to present an annual summary of the quarterly reports previously submitted.

a. Describe the procedures for preparing the monthly report to the National Labor Market Center (NLMC) on RT activity. Also describe any measures taken to verify the accuracy of the data reported.

b. Include in this section a report on RT program summary statistics for the year, with demographic breakdowns. This is similar to the monthly reports, but not simply an addition of figures presented in those reports. The format of Table D.1 given on the next page should be used to make this report. The data requested on activity from January 1 to December 31 in the reporting year are:

Number who participated in retraining

Number of employed who participated in retraining

Number who participated in retraining and were eligible for UC

Number who completed a retraining course

Number who completed a retraining course and reentered employment

Number who completed a retraining course and reentered employment at skill level of retraining

Also to be reported in this section, for purposes of intercounty comparison by the Ministry of Labor is the following data for RT activity during the reporting year.

Average Length of retraining courses completed

Total cost of stipends paid to trainees

Total course costs other than stipends paid to trainees

Table D.1

Annual Report on Retraining Activity
Data for the Period January 1, 19__ to December 31, 19__

County Name County Number	Number who participated in retraining	Number of employed who participated in retraining	Number who participated in retraining and were eligible for UC	Number who completed a retraining course	Number who completed a retraining course and reentered employment	Number who completed a retraining course and reentered employment at skill level of retraining
Total						
Age						
15 - 19						
20 - 24						
25 - 39						
40 - 60						
Sex						
Male						
Female						
Economic Status						
Employed						
Unemployed						
Young Experienced						
Career Starter						
Pensioner						
Student						
Other						
Educational Attainment						
Less than 8						
8 years						
2 year Voc						
3 year Voc						
4 year Voc						
Univ. Prep.						
College						
University						
Previous Job Skill Group						
Skilled						
Semi-skilled						
Unskilled						
Top Manager						
Manager						
Supervisor						
Professional						
Clerk						
Physically Disabled						

4. Annual Report on RT Effectiveness Criteria

a. Comparison of Actual EC Values with National ES

Listed below in Table D.2 are the national values of Effectiveness Standards for the RT program Effectiveness Criteria. Report in this section year end values of RT effectiveness criteria for the county, compute the difference between the county value and the national standard, and discuss reasons why this difference exists. Include in the discussion of the difference a comparison of the county and national demographics of the client population.

Table D.2 Comparison of Actual EC Values with National ES

Effectiveness Criteria	National ES (1)	Actual EC Value (2)	Difference (1 - 2)
cost per person who participated in retraining			
cost per person who completed a retraining course			
cost per week of retraining per person who completed a retraining course			
cost per person who completed a retraining course and reentered employment			
average wage at employment			

b. Comparison of Actual EC Values with County Targets

[To be included in guidelines for annual plans after the first year of planning.] Listed below in Table D.3 are the target values of Effectiveness Criteria established in last year's annual report. In this section report year end values of RT effectiveness criteria for the county, compute the difference between the actual county value and the target value, and discuss reasons why this difference exists.

Table D.3 Comparison of Actual EC Values with County Targets

Effectiveness Criteria	County Target (1)	Actual EC Value (2)	Difference (1 - 2)
cost per person who participated in retraining			
cost per person who completed a retraining course			
cost per week of retraining per person who completed a retraining course			
cost per person who completed a retraining course and reentered employment			
average wage at employment			

5. RT Activity Forecast

Based on the recent experience with RT activity and the labor market conditions described in Section A, present estimates for program activity in the planning year using the following summary measures:

- Number who participated in retraining
- Number of employed who participated in retraining
- Number who participated in retraining and were eligible for UC
- Number who completed a retraining course
- Number who completed a retraining course and reentered employment
- Number who completed a retraining course and reentered employment at skill level of retraining
- Average Length of retraining courses completed
- Total cost of stipends paid to trainees
- Total course costs other than stipends paid to trainees

6. RT Effectiveness Targets for the Coming Year

Providing a brief rationale for each target, specify Effectiveness Targets for the RT Effectiveness Criteria for the coming year:

Cost per person who participated in retraining
Cost per person who completed a retraining course
Cost per week of retraining per person who completed a retraining course
Cost per person who completed a retraining course and reentered employment
Average wage at employment

7. RT Direct Cost Forecast

Given the cost per client data listed above and, program activity estimates for the planning year and targets for program services, estimate the total wage (wage payments to trainees) and non-wage costs of operating RT programs for the planning year. Use the following guide.

Multiply:

Expected (Number who participated in retraining)

times

Expected (Cost per person who participated in retraining)

Equals:

Expected (Total direct costs of retraining).

SECTION E - ANNUAL PLAN FOR SMALL BUSINESS START-UP LOAN

E. Annual Plan for Small Business Start-up Loans (SBL)

1. SBL Management

Under this heading the county should provide information about the existing management structure and staffing of management for EF funded Small Business Start-up Loan (SBL) activities in the county.

- a. List the job title and business address of the county manager of SBL.
- b. List the job title of the people who supervise the selection of candidates for SBL in each district in the county.
- c. Describe the procedures which have been developed to ensure compliance with SBL eligibility rules.
- d. Describe the procedures used by the county to review SBL applications.
- e. List the name and address of banks in the county that participate in the SBL program.
- f. Describe the procedures for banks granting an SBL to report information on the loan agreement to the county employment service.

2. SBL Monitoring

Describe the organization and procedures used for gathering and summarizing quarterly information on SBL activity. This should include descriptions of:

- a. The management structure of personnel responsible for monitoring SBL program activity.
- b. Procedures for receiving information from participating banks on new loans given and repayment or subsidy activity on previous loans.
- c. Standard office procedures for recording information on new and previous SBL recipients.
- d. Procedures for monitoring compliance with SBL eligibility criteria.
- e. Procedures for recording SBL program information for evaluation.
- f. The schedule for monitoring SBL recipients and record keeping activity.

3. Annual Report on SBL Activity

In this section counties are requested to give a description of the procedures used to prepare reports, and to present an annual summary of the quarterly reports previously submitted.

a. Describe the procedures for preparing the monthly report to the National Labor Market Center (NLMC) on SBL activity. Also describe any measures taken to verify the accuracy of the data reported.

b. Include in this section a report on SBL program summary statistics for the year, with demographic breakdowns. This is similar to the quarterly reports, but not simply an addition of figures presented in those reports. The format of Table E.1 given on the following page should be used to make this report. The data requested on activity from January 1 to December 31 in the reporting year are:

Number of start-up loan applications with the county
Number of start-up loan applications approved by the county
Number of start-up loan applications approved by banks
Average loan amount granted by banks
Average rate of interest on loans granted by banks
Number of loans currently being subsidized

Table E.1

Annual Report on Small Business Start-up Activity
 Data for the Period January 1, 19__ to December 31, 19__

County Name County Number	Number of start-up loan applications with the county	Number of start-up loan applications approved by the county	Number of start-up loan applications approved by banks	Average loan amount granted by banks	Average rate of interest on loans granted by banks	Number of loans currently being subsidized
Total						
Age						
15 - 19						
20 - 24						
25 - 39						
40 - 60						
Sex						
Male						
Female						
Economic Status						
Employed						
Unemployed						
Young Experienced						
Career Starter						
Pensioner						
Student						
Other						
Educational Attainment						
Less than 8						
8 years						
2 year Voc						
3 year Voc						
4 year Voc						
Univ. Prep.						
College						
University						
Previous Job Skill Group						
Skilled						
Semi-skilled						
Unskilled						
Top Manager						
Manager						
Supervisor						
Professional						
Clerk						
Physically Disabled						

The format of Table E.2 presented on the following page should be used to provide additional data with demographic breakdowns. It is reasonable to require loan subsidy recipients to provide information during the period of loan payback. The following concepts use up to ten years of information.

- Total value of loans whose interest and bank costs are currently being subsidized by EF
- Average rate of interest and bank costs on loans currently being subsidized by the EF
- Number of start-up loans subsidized in the past 10 years
- Number of active businesses among those started with loan subsidy in the past 10 years
- Number of employees at businesses among those started with loan subsidy the past 10 years
- Annual business taxes paid by businesses among those started with loan subsidy in the past 10 years

Table E.2

Annual Report on Small Business Start-up Activity
 Data for the Period January 1, 19__ to December 31, 19__

County Name County Number	Total value of loans whose interest and bank costs are currently being subsidized by the EF	Average rate of interest and bank costs on loans currently being subsi- dized by EF	Number of start-up loans subsidized in the past 10 years	Number of active businesses among those started with loan subsidy in the past 10 years	Number of employees at businesses among those started with loan subsidy in the past 10 years	Annual business income taxes paid by busi- nesses among those started with loan sub- sidy in the past 10 years
Total						
Age						
15 - 19						
20 - 24						
25 - 39						
40 - 60						
Sex						
Male						
Female						
Economic Status						
Employed						
Unemployed						
Young Experienced						
Career Starter						
Pensioner						
Student						
Other						
Educational Attainment						
Less than 8						
8 years						
2 year Voc						
3 year Voc						
4 year Voc						
Univ. Prep.						
College						
University						
Previous Job Skill Group						
Skilled						
Semi-skilled						
Unskilled						
Top Manager						
Manager						
Supervisor						
Professional						
Clerk						
Physically Disabled						

4. Annual Report on SBL Effectiveness Criteria

a. Comparison of Actual EC Values with National ES

Listed below in Table E.3 are the national values of Effectiveness Standards for the RT program Effectiveness Criteria. Report in this section year end values of RT effectiveness criteria for the county, compute the difference between the county value and the national standard, and discuss reasons why this difference exists. Include in the discussion of the difference a comparison of the county and national demographics of the client population.

Table E.3 Comparison of Actual EC Values with National ES

Effectiveness Criteria	National ES (1)	Actual EC Value (2)	Difference (1 - 2)
Proportion of applications approved by the county			
Proportion of county approved applications given loans by banks			
Cost of SBL subsidies over the past 10 years per business which is still operating			
Yearly EF cost per loan currently being subsidized			
Loan subsidies paid in the past 10 years per job created			
Business income taxes per loan subsidized in the past 10 years			

b. Comparison of Actual EC Values with County Targets

[To be included in guidelines for annual plans after the first year of planning.] Listed below in Table E.4 are the target values of Effectiveness Criteria established in last year's annual report. In this section report year end values of SBL effectiveness criteria for the county, compute the difference between the actual county value and the target value, and discuss reasons why this difference exists.

Table E.4 Comparison of Actual EC Values with County Targets

Effectiveness Criteria	County Target (1)	Actual EC Value (2)	Difference (1 - 2)
Proportion of applications approved by the county			
Proportion of county approved applications given loans by banks			
Cost of SBL subsidies over the past 10 years per business which is still operating			
Yearly EF cost per loan currently being subsidized			
Loan subsidies paid in the past 10 years per job created			
Business income taxes per loan subsidized in the past 10 years			

5. SBL Activity Forecast

Based on the recent experience with SBL activity and the labor market conditions described in Section A, present estimates for program activity in the planning year using the following summary measures:

Number of start-up loan applications with the county
Number of start-up loan applications approved by the county
Number of start-up loan applications approved by banks
Average loan amount granted by banks
Average rate of interest on loans granted by banks
Number of loans currently being subsidized
Total value of loans whose interest and bank costs are currently being subsidized by EF
Average rate of interest and bank costs on loans currently being subsidized by the EF
Number of start-up loans subsidized in the past 10 years
Number of active businesses among those started with loan subsidy in the past 10 years
Number of employees at businesses among those started with loan subsidy the past 10 years
Annual business taxes paid by businesses among those started with loan subsidy in the past 10 years

6. SBL Effectiveness Targets for the Coming Year

Providing a brief rationale for each target, specify Effectiveness Targets for the SBL Effectiveness Criteria for the coming year:

Proportion of applications approved by the county
Proportion of county approved applications given loans by banks
Cost of SBL subsidies over the past 10 years per business which is still operating
Yearly EF cost per loan currently being subsidized
Loan subsidies paid in the past 10 years per job created
Business income taxes per loan subsidized in the past 10 years

7. SBL Direct Cost Forecast

Given the cost per client data listed above and, program activity estimates for the planning year and targets for program services, estimate the funding requirements for SBL subsidies for the planning year. Use the following guide.

Multiply:

Expected (Total value of loans whose interest and bank costs are currently being subsidized by the EF)

times

Expected (Average rate of interest plus bank costs on loans currently being subsidized by the EF)

to yield:

Expected (Cost of SBL subsidies in the planning year).

SECTION F - ANNUAL PLAN FOR PUBLIC SERVICE EMPLOYMENT

F. Annual Plan for Public Service Employment (PSE)

1. PSE Management

Under this heading the county should provide information about the existing management structure and staffing of management for EF funded Public Service Employment (PSE) activities in the county.

- a. List the job title and business address of the county manager of PSE.
- b. List the job title of the people who supervise the selection of providers of PSE in each district in the county.
- c. Describe the procedures which have been developed to ensure compliance with PSE eligibility rules for companies and workers.
- d. Describe the procedures used by the county to review PSE provider applications.
- e. Describe the procedures for contractors doing PSE work to report project activity to the county employment service.

2. PSE Monitoring

Describe the organization and procedures used for gathering and summarizing quarterly information on PSE activity. This should include descriptions of:

- a. The management structure of personnel responsible for monitoring PSE program activity.
- b. Procedures for receiving information from contractors operating PSE work projects.
- c. Standard office procedures for recording information on new and continuing PSE projects.
- d. Procedures for monitoring compliance with PSE eligibility criteria.
- e. The schedule for monitoring PSE work sites, and record keeping activity of PSE contractors.

3. Annual Report on PSE Activity

In this section counties are requested to give a description of the procedures used to prepare reports, and to present an annual summary of the quarterly reports previously submitted.

a. Describe the procedures for preparing the monthly report to the National Labor Market Center (NLMC) on PSE activity. Also describe any measures taken to verify the accuracy of the data reported.

b. Include in this section a report on PSE program summary statistics for the year, with demographic breakdowns. This is similar to the quarterly reports, but not simply an addition of figures presented in those reports. The format of Table F.1 given on the following page should be used to make this report. The data requested on activity from January 1 to December 31 in the reporting year are:

Number of persons who worked on PSE
Number of PSE workers who recieved UC
Average monthly per worker PSE wage

Table F.1

Annual Report on Public Service Employment Activity
 Data for the Period January 1, 19__ to December 31, 19__

County Name County Number	Number of Persons Who Worked on PSE	Number of PSE Workers Who have Received UC	Average Monthly per worker PSE wage			
Total						
Age						
15 - 19						
20 - 24						
25 - 39						
40 - 60						
Sex						
Male						
Female						
Economic Status						
Employed						
Unemployed						
Young Experienced						
Career Starter						
Pensioner						
Student						
Other						
Educational Attainment						
Less than 8						
8 years						
2 year Voc						
3 year Voc						
4 year Voc						
Univ. Prep.						
College						
University						
Previous Job Skill Group						
Skilled						
Semi-skilled						
Unskilled						
Top Manager						
Manager						
Supervisor						
Professional						
Clerk						
Physically Disabled	-----					

A separate format is presented on the following page as Table F.2.
This format is to be used for reporting information on the:

Distribution of type of PSE projects operated

Also to be reported in this section, for purposes of intercounty comparison by the Ministry of Labor is the following data for PSE activity during the reporting year.

Number of PSE person months worked

Number of PSE workers who became reemployed in regular jobs

Total wage and non-wage PSE costs

Table F.2

Types of PSE Projects Undertaken
Data for the Period January 1, 19__ to December 31, 19__

Activity Number	PSE Eligible Activities	Number of PSE Projects Undertaken in Category	Number of Workers on Projects
304-11	Public interest planting of trees		
304-21	Maintaining public facilities in wooded areas		
304-22	Maintaining forests and their facilities for public use		
405-11	Public railway traffic		
405-22	Traffic of buses		
405-25	Operation of public roads and bridges		
405-31	Local rail traffic		
609-21	Sewage		
609-24	Rain water drainage system		
609-29	Cleaning of drainage system		
609-42	River control		
609-43	Lake control		
609-44	Water regulation		
714-21	Public sanitary services		
714-22	Local sanitary services		
714-23	Establishment of parks, green area management and maintenance		
714-25-02	Cemetery management and maintenance		
715	Environment and nature protection		
715-1	Handling of dangerous waste materials		
818-21	Dayshift social care		
818-22	Social care service		
819-11	Nursery education, preparation for school		
819-81	Dayshift care for elementary school pupils		
820-13-01	Museum services		
820-39-01	Care of historic buildings		

4. Annual Report on PSE Effectiveness Criteria

a. Comparison of Actual EC Values with National ES

Listed below in Table F.3 are the national values of Effectiveness Standards for the RT program Effectiveness Criteria. Report in this section year end values of RT effectiveness criteria for the county, compute the difference between the county value and the national standard, and discuss reasons why this difference exists. Include in the discussion of the difference a comparison of the county and national demographics of the client population.

Table F.3 Comparison of Actual EC Values with National ES

Effectiveness Criteria	National ES (1)	Actual EC Value (2)	Difference (1 - 2)
Average program cost per person month of PSE			
Average program cost per person who became reemployed in a regular job			
Average change in monthly wage from pre to post PSE regular job			

b. Comparison of Actual EC Values with County Targets

[To be included in guidelines for annual plans after the first year of planning.] Listed below Table F.4 are the target values of Effectiveness Criteria established in last year's annual report. In this section report year end values of PSE effectiveness criteria for the county, compute the difference between the actual county value and the target value, and discuss reasons why this difference exists.

Table F.4 Comparison of Actual EC Values with County Targets

Effectiveness Criteria	County Target (1)	Actual EC Value (2)	Difference (1 - 2)
Average program cost per person month of PSE			
Average program cost per person who became reemployed in a regular job			
Average change in monthly wage from pre to post PSE regular job			

5. PSE Activity Forecast

a. Based on the recent experience with PSE activity and the labor market conditions described in Section A, present estimates for program activity in the planning year using the following summary measures:

Number of persons who worked on PSE
Number of PSE workers who received UC
Average monthly per worker PSE wage
Number of PSE person months worked
Number of PSE workers who became reemployed in regular jobs
Total wage and non-wage PSE costs

6. PSE Effectiveness Targets for the Coming Year

Providing a brief rationale for each target, specify Effectiveness Targets for the PSE Effectiveness Criteria for the coming year:

Average program cost per
person month of PSE

Average program cost per
person who became reemployed
in a regular job

Average change in monthly wage
from pre to post PSE regular job

7. PSE Direct Cost Forecast

Given the cost per client data listed above and, program activity estimates for the planning year and targets for program services, estimate the funding requirements for PSE for the planning year. Use the following guide.

Multiply:

Expected (Average program cost per person month of PSE)

times

Expected (Number of PSE person months worked)

to yield:

Expected (Total direct costs of PSE)

SECTION G - ANNUAL PLAN FOR EARLY RETIREMENT SUBSIDY

G. Annual Plan for Early Retirement Subsidy (ERS)

1. ERS Management

Under this heading the county should provide information about the existing management structure and staffing of management for EF funded Early Retirement Subsidy (ERS) activities in the county.

- a. List the job title and business address of the county manager of ERS.
- b. List the job title of the people who supervise the review of ERS applications in each district in the county.
- c. Describe the procedures which have been developed to ensure compliance with ERS eligibility rules for companies and workers.
- d. Describe the procedures used by the county to review ERS applications.
- e. Describe the procedures for sharing of information on ERS beneficiaries between county social security system administrators and the county employment service administrators.

2. ERS Monitoring

Describe the organization and procedures used for gathering and summarizing quarterly information on ERS activity. This should include descriptions of:

- a. The management structure of personnel responsible for monitoring ERS program activity.
- b. Standard office procedures for recording information on new and continuing ERS beneficiaries.
- c. Procedures for monitoring compliance with ERS eligibility criteria.
- d. Procedures for conducting follow-up studies of ERS program beneficiaries.

3. Annual Report on ERS Activity

In this section counties are requested to give a description of the procedures used to prepare reports, and to present an annual summary of the quarterly reports previously submitted.

a. Describe the procedures for preparing reports to the National Labor Market Center (NLMC) on ERS activity. Also describe any measures taken to verify the accuracy of the data reported.

b. Include in this section a report on ERS program summary statistics for the year, with demographic breakdowns. This is similar to the quarterly reports, but not simply an addition of figures presented in those reports. The format of Table G.1 given on the following page should be used to make this report. The data requested on activity from January 1 to December 31 in the reporting year are:

Number of persons on early retirement
Number of persons on early retirement who are subsidized by EF
Average monthly per person early retirement benefit
Total early retirement subsidies paid by EF

Also requested in this section, for purposes of intercounty comparison by the Ministry of Labor, is data on the reemployment activity of ERS beneficiaries. If a follow up survey can be conducted, provide information on:

Proportion of persons on early retirement who have become reemployed

Table G.1

Annual Report on Early Retirement Activity
Data for the Period January 1, 19__ to December 31, 19__

County Name County Number	Number of persons on early retirement	Number of persons on early retirement who are subsidized by EF	Total early retirement subsidies paid by EF		
<hr/>					
Total					
<hr/>					
Female Total					
<hr/>					
Female Aged					
50					
51					
52					
53					
54					
<hr/>					
Male Total					
<hr/>					
Male Aged					
55					
56					
57					
58					
59					
<hr/>					
Educational Attainment					
Less than 8					
8 years					
2 year Voc					
3 year Voc					
4 year Voc					
Univ. Prep.					
College					
University					
<hr/>					
Previous Job Skill Group					
Skilled					
Semi-skilled					
Unskilled					
Top Manager					
Manager					
Supervisor					
Professional					
Clerk					
<hr/>					
Physically Disabled					
<hr/>					

4. Annual Report on ERS Effectiveness Criteria

a. Comparison of Actual EC Values with National ES

Listed below in Table G.2 is the national Effectiveness Standard for the ERS program Effectiveness Criterion. Report in this section year end values of the ERS effectiveness criterion for the county, compute the difference between the county value and the national standard, and discuss reasons why this difference exists. Include in the discussion of the difference a comparison of the county and national demographics of the client population.

Table G.2 Comparison of Actual EC Values with National ES

Effectiveness Criteria	National ES (1)	Actual EC Value (2)	Difference (1 - 2)
Average early retirement subsidy per person on early retirement			
Proportion of total early retirement costs paid by the EF			
Average age of persons on early retirement			

b. Comparison of Actual EC Values with County Targets

[To be included in guidelines for annual plans after the first year of planning.] Listed below in Table G.3 are the target values of Effectiveness Criteria established in last year's annual report. In this section report year end values of PSE effectiveness criteria for the county, compute the difference between the actual county value and the target value, and discuss reasons why this difference exists.

Table G.3 Comparison of Actual EC Values with County Targets

Effectiveness Criteria	County Target (1)	Actual EC Value (2)	Difference (1 - 2)
Average early retirement subsidy per person on early retirement			
Proportion of total early retirement costs paid by the EF			
Average age of persons on early retirement			

5. ERS Activity Forecast

a. Based on the recent experience with PSE activity and the labor market conditions described in Section A, present estimates for the beneficiary population in the planning year using the following summary measures:

Number of persons on early retirement
Number of persons on early retirement who are subsidized by EF
Average monthly per person early retirement benefit
Total early retirement subsidies paid by EF

6. ERS Effectiveness Targets for the Coming Year

Providing a brief rationale for the target, specify the Effectiveness Target for the ERS Effectiveness Criterion for the coming year:

Average early retirement
subsidy per person on
early retirement

Proportion of total early
retirement costs paid
by the EF

Average age of persons
on early retirement

7. ERS Direct Cost Forecast

Given the cost per client data listed above and, the beneficiary population estimates for the planning year and targets for program services, estimate the funding requirements for ERS payments for the planning year. Use the following guide.

Multiply:

Expected (Number of persons on early retirement)

times

Expected (Average early retirement subsidy per person on early retirement)

to yield:

Expected (Total early retirement subsidies paid by EF)

SECTION H - ANNUAL PLAN FOR JOBS FOR NEW GRADUATES

H. Annual Plan for Jobs for New Graduates (JNG)

1. JNG Management

Under this heading the county should provide information about the existing management structure and staffing of management for the EF funded Jobs for New Graduates (JNG) program activities in the county.

- a. List the job title and business address of the county manager of JNG.
- b. List the job title of the people who supervise the review of JNG applications in each district in the county.
- c. Describe the procedures which have been developed to ensure compliance with JNG eligibility rules for companies and workers.
- d. Describe the procedures used by the county to review JNG applications.
- e. Describe the procedures for receiving information on JNG program participants from subsidized employers.

2. JNG Monitoring

Describe the organization and procedures used for gathering and summarizing quarterly information on JNG activity. This should include descriptions of:

- a. The management structure of personnel responsible for monitoring JNG program activity.
- b. Standard office procedures for recording information on new and continuing JNG beneficiaries.
- c. Procedures for monitoring compliance with JNG eligibility criteria.
- d. Procedures for conducting follow-up studies of JNG program beneficiaries.

3. Annual Report on JNG Activity

In this section counties are requested to give a description of the procedures used to prepare reports, and to present an annual summary of the quarterly reports previously submitted.

a. Describe the procedures for preparing reports to the National Labor Market Center (NLMC) on JNG activity. Also describe any measures taken to verify the accuracy of the data reported.

b. Include in this section a report on JNG program summary statistics for the year, with demographic breakdowns. This is similar to the quarterly reports, but not simply an addition of figures presented in those reports. The format of Table H.1 given on the following pages should be used to make this report. The data requested on activity from January 1 to December 31 in the reporting year are:

Number of JNG subsidized workers

Average monthly wage subsidy of JNG subsidized workers

Number of JNG workers whose subsidized job became permanent

Total of JNG subsidies paid

Number of JNG workers on first subsidized job

Average monthly wage subsidy of JNG workers on first subsidized job

Number of JNG workers whose first subsidized job became permanent

Number of JNG workers on second subsidized job

Average monthly wage subsidy of JNG workers on second subsidized job

Number of JNG workers whose second subsidized job became permanent

Number of JNG workers on third subsidized job

Average monthly wage subsidy of JNG workers on third subsidized job

Number of JNG workers whose third subsidized job became permanent

Table H.1

Annual Report on Jobs for New Graduates Activity
Data for the Period January 1, 19__ to December 31, 19__

County Name County Number	Number of JNG subsidized workers	Average monthly wage subsidy of JNG workers	Number of JNG workers whose subsidized job became permanent	Total of JNG subsi- dies paid	Number of JNG workers on first subsidized job	Average monthly wage subsidy of JNG workers on first subsidized job	Number of JNG workers whose first JNG subsidized job became permanent
Total							
Age							
15 - 19							
20 - 24							
25 - 39							
40 - 60							
Sex							
Male							
Female							
Educational Attainment							
Less than 8							
8 years							
2 year Voc							
3 year Voc							
4 year Voc							
Univ. Prep.							
College							
University							
Previous Job Skill Group							
Skilled							
Semi-skilled							
Unskilled							
Top Manager							
Manager							
Supervisor							
Professional							
Clerk							
Industry Group							
Industry							
Construction							
Agriculture-Forestry							
Transport-Communicate							
Merchandising							
Water Management							
Services							
Non-Material Services							
Government							
Physically Disabled							

Table H.1 - Continued

Annual Report on Jobs for New Graduates Activity
 Data for the Period January 1, 19__ to December 31, 19__

County Name County Number	Number of JNG workers on second subsidized job	Average monthly wage subsidy of JNG workers on second subsidized job	Number of JNG workers whose second subsidized job became permanent	Number of JNG workers on third subsidized job	Average monthly wage subsidy of JNG workers on third subsidized job	Number of JNG workers whose third subsidized job became permanent
Total						
Age						
15 - 17						
18 - 20						
21 - 24						
25 - 40						
Sex						
Male						
Female						
Educational Attainment						
Less than 8						
8 years						
2 year Voc						
3 year Voc						
4 year Voc						
Univ. Prep.						
College						
University						
Previous Job Skill Group						
Skilled						
Semi-skilled						
Unskilled						
Top Manager						
Manager						
Supervisor						
Professional						
Clerk						
Industry Group						
Industry						
Construction						
Agriculture-Forestry						
Transport-Communicate						
Merchandising						
Water Management						
Services						
Non-Material Services						
Government						
Physically Disabled						

A special format is presented on the following page as Table H.2. This format is to be used for reporting information on the:

Distribution of the Colleges and Universities from which JNG participants were graduated

Table H.2

Distribution of Colleges and Universities of JNG Participants
Data for the Period January 1, 19__ to December 31, 19__

School Number	College or University Name	Number of JNG Subsidy Participants from School
Total		

Also requested in this section, for purposes of intercounty comparison by the Ministry of Labor and planning is:

Average subsidy per JNG subsidized worker
Number of JNG subsidized workers
Total JNG administrative cost

4. Annual Report on JNG Effectiveness Criteria

a. Comparison of Actual EC Values with National ES

Listed below in Table H.3 is the national Effectiveness Standard for the JNG program Effectiveness Criteria. Report in this section year end values of the JNG effectiveness criteria for the county, compute the difference between the county value and the national standard, and discuss reasons why this difference exists. Include in the discussion of the difference a comparison of the county and national demographics of the client population.

Table H.3 Comparison of Actual EC Values with National ES

Effectiveness Criteria	National ES (1)	Actual EC Value (2)	Difference (1 - 2)
Proportion of JNG workers whose subsidized job became permanent			
Average JNG subsidy paid per worker whose subsidized job became permanent			
Average monthly wage subsidy of JNG subsidized workers			
Administrative cost per JNG subsidized worker			

b. Comparison of Actual EC Values with County Targets

[To be included in guidelines for annual plans after the first year of planning.] Listed below in Table H.4 are the target values of Effectiveness Criteria established in last year's annual report. In this section report year end values of JNG effectiveness criteria for the county, compute the difference between the actual county value and the target value, and discuss reasons why this difference exists.

Table H.4 Comparison of Actual EC Values with County Targets

Effectiveness Criteria	County Target (1)	Actual EC Value (2)	Difference (1 - 2)
Proportion of JNG workers whose subsidized job became permanent			
Average JNG subsidy paid per worker whose subsidized job became permanent			
Average monthly wage subsidy of JNG subsidized workers			
Administrative cost per JNG subsidized worker			

5. JNG Activity Forecast

a. Based on the recent experience with JNG activity and the labor market conditions described in Section A, present estimates for the beneficiary population in the planning year using the following summary measures:

Average subsidy per JNG subsidized worker
Number of JNG subsidized workers
Total JNG administrative cost

6. JNG Effectiveness Targets for the Coming Year

Providing a brief rationale for each target, specify the Effectiveness Target for the JNG Effectiveness Criteria for the coming year:

Proportion of JNG workers
whose subsidized job
became permanent

Average JNG subsidy paid per
worker whose subsidized
job became permanent

Average monthly wage subsidy
of JNG subsidized workers

Administrative cost per
JNG subsidized worker

7. JNG Direct Cost Forecast

Given the cost per client data listed above and, the beneficiary population estimates for the planning year and targets for program services, estimate the funding requirements for JNG subsidies for the planning year. Use the following guide.

Multiply:

Expected (Number of JNG subsidized workers)

times

Expected (Average subsidy per JNG subsidized worker)

to yield:

Expected (JNG subsidy costs for the planning year).

SECTION I - ANNUAL PLAN FOR JOB CREATION INVESTMENT

I. Annual Plan for Job Creation Investment (JCI)

1. JCI Management

Under this heading the county should provide information about the existing management structure and staffing of management for the EF funded Jobs Creation Investments (JCI) program activities in the county.

- a. List the job title and business address of the county manager of JCI.
- b. List the job title of the people who supervise the review of JCI applications in each district in the county.
- c. Describe the procedures which have been developed to ensure compliance with JCI eligibility rules for companies.
- d. Describe the procedures used by the county to review JCI applications.

2. JCI Monitoring

Describe the organization and procedures used for gathering and summarizing quarterly information on JCI activity. This should include descriptions of:

- a. The management structure of personnel responsible for monitoring JCI program activity.
- b. Standard office procedures for recording information on new and continuing JCI subsidy recipients.
- c. Procedures for monitoring compliance with JCI eligibility criteria.
- d. Procedures for conducting follow-up studies of JCI grant recipients.

3. Annual Report on JCI Activity

In this section counties are requested to give a description of the procedures used to prepare reports, and to present an annual summary of the quarterly reports previously submitted.

a. Describe the procedures for preparing reports to the National Labor Market Center (NLMC) on JCI activity. Also describe any measures taken to verify the accuracy of the data reported.

b. Include in this section a report on JCI program summary statistics for the year, with a breakdown by industry type. This is similar to the quarterly reports, but not simply an addition of figures presented in those reports. The format of Table I.1 given on the following page should be used to make this report. The data requested on activity from January 1 to December 31 in the reporting year are:

Total number of employers given an investment subsidy
Total forint value of subsidies granted
Total forint value of investments for new jobs
Average company annual employment before subsidy
Average company annual payroll before subsidy
Total number of jobs promised from investments
Total number of jobs actually created

Also requested in this section, for purposes of intercounty comparison by the Ministry of Labor is:

Average subsidy per employer subsidized
Average investment project size per employer subsidized
Total number of employers given an investment subsidy

Table I.1

Annual Report on Job Creation Investments Activity
 Data for the Period January 1, 19__ to December 31, 19__

County Name County Number	Total number of employers given an investment subsidy	Total forint value of subsidies granted	Total forint value of invest- ments for new jobs	Average company annual employment before subsidy	Average company annual payroll before subsidy	Total number of jobs promised from investments	Total number of jobs actually created
Total							
Industry Group							
Industry							
Construction							
Agriculture-Forestry							
Transport-Communicate							
Merchandising							
Water Management							
Services							
Non-Material Services							
Government							

4. Annual Report on JCI Effectiveness Criteria

a. Comparison of Actual EC Values with National ES

Listed below in Table I.2 is the national Effectiveness Standard for the JCI program Effectiveness Criteria. Report in this section year end values of the JCI effectiveness criteria for the county, compute the difference between the county value and the national standard, and discuss reasons why this difference exists. Include in the discussion of the difference a comparison of the county and national demographics of the client population.

Table I.2 Comparison of Actual EC Values with National ES

Effectiveness Criteria	National ES (1)	Actual EC Value (2)	Difference (1 - 2)
Average subsidy for Investment per new job created			
Number of jobs created per job promised			
Investment project value per forint of subsidy			

b. Comparison of Actual EC Values with County Targets

[To be included in guidelines for annual plans after the first year of planning.] Listed below in Table I.3 are the target values of Effectiveness Criteria established in last year's annual report. In this section report year end values of JCI effectiveness criteria for the county, compute the difference between the actual county value and the target value, and discuss reasons why this difference exists.

Table I.3 Comparison of Actual EC Values with County Targets

Effectiveness Criteria	County Target (1)	Actual EC Value (2)	Difference (1 - 2)
Average subsidy for Investment per new job created			
Number of jobs created per job promised			
Investment project value per forint of subsidy			

5. JCI Activity Forecast

Based on the recent experience with JCI activity and the labor market conditions described in Section A, present estimates for the beneficiary population in the planning year using the following summary measures:

Total number of employers given an investment subsidy
Total forint value of subsidies granted
Total forint value of investments for new jobs
Average company annual employment before subsidy
Average company annual payroll before subsidy
Total number of jobs promised from investments
Total number of jobs actually created
Average subsidy per employer subsidized
Average investment project size per employer subsidized

6. JCI Effectiveness Targets for the Coming Year

Providing a brief rationale for each target, specify the Effectiveness Target for the JCI Effectiveness Criteria for the coming year:

Average subsidy for Investment per new job created
Number of jobs created per job promised
Investment project value per forint of subsidy

7. JCI Direct Cost Forecast

Given the cost per client data listed above and, the beneficiary population estimates for the planning year and targets for program services, estimate the funding requirements for JCI subsidies for the planning year. Use the following guide.

Multiply:

Expected (Total number of employers given an investment subsidy)

times

Expected (Average subsidy per employer subsidized)

Equals:

Expected (Total JCI subsidy payments in the planning year).

SECTION J - UNIFIED FINANCIAL PLAN FOR THE COMING YEAR

J. A Unified Financial Plan for the Coming Year

1. Principles of Financial Planning

The unified county EF financial plan is to be organized by cost category. The three important categories of cost are benefits, administration, and facilities operation. Benefit costs are projected for each benefit program on the basis of the expected client population, administrative costs are estimated on the basis of expected staffing, and facilities costs are forecast by considering operating costs at county and district offices used for administration and operations.

As mentioned in the guidelines for preparing a master plan, there are two general types of EF programs: entitlement and discretionary. Among entitlement programs the cost of administration per client served is a criteria of program effectiveness which is monitored regularly. However, for the purpose of financial planning administrative costs are considered only from the staffing perspective.

The entitlement programs are: Employment Exchange (EE), Unemployment Compensation (UC), Small Business Start-up Loans (SBL), and Jobs for New Graduates (JNG). If an applicant for services meets the qualification conditions for these programs, they will be granted benefits. The discretionary programs are Retraining (RT), Public Service Employment (PSE), Early Retirement Subsidy (ERS), and Job Creation Investments (JCI). Projects funded under these programs are selected individually. Funding is granted on the basis of availability of funding and the size of the population which could be effectively served. From the perspective of the EF system as a whole the entitlement programs have funding priority over the discretionary programs. If the demand for services of entitlement programs is very high it may require reduced funding for discretionary programs. However, if demand is low for entitlement programs there may be extra funds for retraining courses, PSE projects, and other discretionary labor market support initiatives.

Among the eight EF programs considered, only the EE has no explicit monetary benefit. Therefore, EE program costs are only estimated in the section of the financial plan which considers administrative costs via staffing levels. Naturally, the cost of operating the EE depends on the size of the client population, however the recommended approach recognizes the fact that when program activity increases, duties of the existing staff will likely be shifted from discretionary to entitlement programs.

2. Benefit Costs

In this section, report the size of the beneficiary group and the cost per beneficiary for each EF benefit program for the current reporting year, and then estimate the same quantities for the planning year. A suggested format is presented as Table J.1 at the end of Section J.

The figures on beneficiaries of each program for the reporting year should be the same as given in the previous sections where programs are

treated separately. The estimates of beneficiaries for the planning year should bear a proportionate relationship to the reporting year levels which reflects the expected change in employment exchange registrations as estimated by the National Labor Market Center (NLMC). If the labor market trends discussed in Section A of this annual plan suggest a different EE registration level for the planning year than that forecast by NLMC, for example because of local information on significant enterprise closings, a third pair of columns may be added to Table J.1 which reflect the local information.

The total actual and estimated benefit costs should be listed at the bottom of the table. Since the county and towns cost share with the Ministry of Labor on some programs, figures for the local contribution to these costs should also be given at the bottom of this table.

3. Administrative Personnel Costs

Attach to this section of the Annual Plan a chart (Figure J.1) which summarizes the personnel structure of staff employed in providing public employment services in the county. This is the same chart requested in the Master Plan section A.3.d.

Also prepare a statement with a format similar to Table J.2 at the end of Section J which lists for each type of staff person, the number employed, the monthly salary, and the total year wage costs. Notice that Table J.2 requires the 43% Social Security Tax be added to the total administrative wage bill. A disaggregation reflecting the sharing of personnel costs among the county, towns, and the Ministry of Labor is requested at the bottom of the personnel costs statement. These figures are to be presented for both the reporting year and the planning year. Estimates for the planning year should be based on the NLMC estimate of EE registrations in the county for the planning year. Just as for benefit estimates, another set of figures may be presented for personnel cost estimates if local information suggests EE registrations in the planning year will be substantially different from the NLMC estimate.

4. Facilities Costs

Report the expenses for each of the facilities used by employment service operations in the county. This should include figures for any rent paid for space used in county council buildings, and the full expenses for use of facilities which house the county employment exchange, the EE office in the county seat, and separate figures for each district operation. A disaggregation of the sharing of facilities costs among the county, towns, and the Ministry of Labor is requested at the bottom of the facilities costs statement. These figures are to be presented for both the reporting year and the planning year. The planning years estimates should be based on the NLMC estimate of EE registrations in the county for the planning year. Just as for benefit estimates, another set of figures may be presented if local

information suggests EE registrations in the planning year will be substantially different from the NLMC estimate.

5. Funding Request

The funding request from the Ministry of Labor (which is meant to include the sources the NLMC and the EF) is simply the sum of the entries on Tables J.1 - J.3 on the MOL line under the planning year column. This request is thereby based on estimated program activity which depends on expected EE registrations, and cost factors which depend on recent experience. If local information leads to a reasonable and documented argument for a planning year estimate of EE registrations different from the NLMC estimate, the funding request may be based on this figure. The source of the EE claims load estimate which is the basis for the funding request should be made clear in this section of the annual plan.

A decomposition of the cost categories into the expected sources of funding should be presented in this section of the annual plan. An example of this is given as Table J.4 at the end of this section.

Table J.1 Benefit Costs for Reporting and Planning Years by EF Program

Program	Reporting Year		Planning Year	
	Factors	Totals	Factors	Totals
Employment Exchange Registrants	_____		_____	
Unemployment Compensation				
Beneficiaries in Year	_____		_____	
Average Benefit Per Person	_____		_____	
UC Total		_____		_____
Retraining				
Trainees in Year	_____		_____	
Average Cost Per Trainee	_____		_____	
RT Total		_____		_____
Small Business Start-up Loan				
Loans Being Subsidized	_____		_____	
Avg. Annual Subsidy Per Loan	_____		_____	
SBL Total		_____		_____
Public Service Employment				
Workers in Year	_____		_____	
Average Cost Per Job	_____		_____	
PSE Total		_____		_____
Early Retirement Subsidy				
Beneficiaries in Year	_____		_____	
Average Subsidy Per Person	_____		_____	
ERS Total		_____		_____
Jobs for New Graduates				
Beneficiaries in Year	_____		_____	
Average Subsidy Per Person	_____		_____	
JNG Total		_____		_____
Job Creation Investments				
Number of Subsidies in Year	_____		_____	
Average Subsidy Size	_____		_____	
JCI Total		_____		_____
Grand Total of All Programs		_____		_____
Local Contributions				
PSE (County and Town)		_____		_____
ERT (Enterprises)		_____		_____
JCI (County and Town)		_____		_____
EF Share of All Benefit Programs		_____		_____

Table J.2

Administrative Personnel Costs for Reporting and Planning Years

Position	Reporting Year			Planning Year		
	Number	Monthly Salary	Annual Salary	Number	Monthly Salary	Annual Salary
Chief Labor Administrator						
Deputy Labor Administrator						
Financial Controller						
Lawyer						
Chief of Program Analysis						
Program Analysts						
Labor Statistician						
Chief Accountant						
Bookkeeper						
Administrative Assistant						
Administrative Clerical						
Driver						
Employment Exchange Director						
Labor Programs Director						
Data Entry Clerks						
Psychologist						
Programs Planner						
Career Counselor						
Branch Office Director						
Client Receptionist						
Client Services Specialist						
<hr/>						
Total Personnel Salaries						
Social Security Tax (43%)						
Total Personnel Costs						
<hr/>						
County Council Contribution						
Town Council Contribution						
Ministry of Labor Contribution						

Table J.3

Facilities Costs for Reporting and Planning Years by County Offices

	Reporting Year Expense	Planning Year Expense
Offices in County Council Buildings		
County Employment Exchange Office		
County Seat EE Office		
District 01 EE Office		
District 02 EE Office		
District 03 EE Office		
District 04 EE Office		
District 05 EE Office		
<hr/>		
Total Facilities Expenses		
<hr/>		
County Contribution		
Amount Paid by Towns		
Ministry of Labor Contribution		
<hr/>		

Table J.4

Funding Request Worksheet

	Total Expense	Locally Paid	EF Request
Benefit Costs	_____	_____	_____
Administration Costs	_____	_____	_____
Facilities Costs	_____	_____	_____
Totals	_____	_____	_____ _____

Locally Paid - To be paid by county council or local councils.

EF Request - Amount requested from Ministry of Labor which includes NLMC.

SECTION K - COUNTY/MINISTRY OF LABOR AGREEMENT ON THE EF ANNUAL PLAN

Instructions: This section is simply a signature sheet and directions for completing it to formalize the agreement between the county and the Ministry of Labor on use of the EF.

1. County/Ministry of Labor Agreement on the EF Annual Plan

COUNTY/MINISTRY OF LABOR AGREEMENT ON THE EF ANNUAL PLAN

This EF Annual Plan serves as the agreement on program planning, administration, and monitoring between the Ministry of Labor and the county for the coming calendar year. The Annual Plan was developed to address the existing economic circumstances. The general conditions governing the operation of EF programs are detailed in the Master Plan. These procedures will be respected.

The signatories to this document attest that they have jointly participated in the development of the attached EF Annual Plan and voluntarily agree to follow the procedures which it specifies.

Title: EF Annual Plan

County Name: _____

County Number: _____

Effective Date of Plan: January 1, 1991

COUNTY SIGNATURES: County authorities responsible for appropriate use of EF program funds.

_____	_____
Chief County Councilor	Date
_____	_____
County Employment Center Director	Date
_____	_____
Chairman of the County EF Committee	Date

Ministry of Labor SIGNATURE: The Minister of Labor acknowledges acceptance of the attached EF Annual Plan. The Ministry of Labor and _____ County hereby enter into agreement on the details of administration, monitoring and evaluation of EF programs during the planning year.

_____	_____
Minister of Labor	Date

2. County/Ministry of Labor EF Annual Plan Agreement Instructions

COUNTY/MINISTRY OF LABOR EF ANNUAL PLAN AGREEMENT INSTRUCTIONS

General

All counties must prepare an EF Annual Plan. Annual Plans are called for by Council of Ministers Decree No. 143/1989 (XII.22) MT, with responsibility of administration of EF programs vested in the President of the Ministry of Labor. The Ministry of Labor president will not authorize release of EF money to counties that have not received Ministry of Labor approval of their EF Annual Plan.

Identifying Information

EF Title: Title of the EF document being submitted, in this case it is the EF Annual Plan.

County Name: Enter the name of the county.

County Number: Enter the county number. Throughout this document, administrative districts which include 19 counties and the capital city of Budapest, are referred to as counties.

Effective Date of Plan: It is expected that all counties will have Ministry of Labor approved EF Annual Plans in Place by January 1, 1991.

County Signatures

The county authorities responsible for appropriate use of EF program funds must sign and date the EF Annual Plan Agreement in the spaces provided. The three authorities identified: the Chief County Councilor, the County Employment Center Director, and the Chairman of the County EF Committee, must each sign the agreement. If one person holds more than one position, the agreement should be signed in each appropriate space. If there are other persons with important county authority over EF programs, their names should be added, and they should sign and date the agreement.

Ministry of Labor Signature:

After Ministry of Labor review of the county EF Annual Plan, the Minister of Labor will sign and return copies of approved plans. Inadequate plans will be returned unsigned with comprehensive suggestions for revision.

3. County/Ministry of Labor EF Annual Plan Revision Agreement

COUNTY/MINISTRY OF LABOR AGREEMENT ON REVISION OF THE EF ANNUAL PLAN

The signatories to this document attest that they have jointly participated in the development of the attached revision of the EF Annual Plan and voluntarily agree to follow the procedures which it specifies.

Title: EF Annual Plan Revision

County Name: _____

County Number: _____

Effective Date of Plan Revision: _____

COUNTY SIGNATURES: County authorities responsible for appropriate use of EF program funds.

Chief County Councilor

Date

County Employment Center Director

Date

Chairman of the County EF Committee

Date

Ministry of Labor SIGNATURE: The Minister of Labor acknowledges acceptance of the attached EF Annual Plan Revision.

Minister of Labor

Date

Attachments:

4. County/Ministry of Labor EF Annual Plan Revision Instructions

COUNTY/Ministry of Labor EF ANNUAL PLAN REVISION INSTRUCTIONS

General

When significant changes occur in matters governed by the County EF Annual Plan a formal revision of the plan should be done. The relevant sections should be rewritten and submitted to the Ministry of Labor for approval along with a signed County/Ministry of Labor Agreement on REVISION of the EF Annual Plan. The Agreement on revision covers the same material as the original agreement.

Identifying Information

EF Title: Title of the EF document being submitted, in this case it is the EF Annual Plan.

County Name: Enter the name of the county.

County Number: Enter the county (capital city) number. Throughout this document, administrative districts which include 19 counties and the capital city of Budapest, will be referred to as counties. See the attached sheet for a listing of county numbers.

Effective Date of Plan: It is expected that all counties will have Ministry of Labor approved EF Annual Plans in Place by January 1, 1991.

County Signatures

The county authorities responsible for appropriate use of EF program funds must sign and date the EF Annual Plan Agreement in the spaces provided. The three authorities identified: the Chief County Councilor, the County Employment Center Director, and the Chairman of the County EF Committee, must each sign the agreement. If one person holds more than one position, the approval request should be signed in each appropriate space. If there are other persons with important county authority over EF programs, their names should be added, and they should sign and date the agreement.

Ministry of Labor Signature:

After Ministry of Labor review of the county EF Annual Plan, the the Minister of Labor will sign and return copies of approved plans. Inadequate plans will be returned unsigned with comprehensive suggestions for revision.

Attachments:

Revised parts of the EF Annual Plan submitted for approval, labeled by section and number.

APPENDIX G - COUNTY EF QUARTERLY REPORT WORKSHEETS

Table Q.1

Quarterly Report on Employment Exchange Activity
 Data for the _____ Quarter 19____

County Name County Number	Number of Job Seekers who Actively used the EE	Number of Referrals to Job Openings	Number of Placements into Jobs	Number of Persons Given Career Counseling	Number of Persons Evaluated by Testing	Number of Job Vacancies Available
Total						
Age						
15 - 19						
20 - 24						
25 - 39						
40 - 60						
Sex						
Male						
Female						
Economic Status						
Employed						
Unemployed						
Young Experienced						
Career Starter						
Pensioneer						
Student						
Other						
Educational Attainment						
Less than 8						
8 years						
2 year Voc						
3 year Voc						
4 year Voc						
Univ. Prep.						
College						
University						
Previous Job Skill Group						
Skilled						
Semi-skilled						
Unskilled						
Top Manager						
Manager						
Supervisor						
Professional						
Clerk						
Physically Disabled						

Table Q.2

Quarterly Report on Unemployment Compensation Activity
 Data for the _____ Quarter 19__

County Name County Number	Number of UC recipients	Average daily UC paid	Average duration of UC in days	Number of UC recipients who exhausted benefits		
Total						
Age						
15 - 19						
20 - 24						
25 - 39						
40 - 60						
Sex						
Male						
Female						
Economic Status						
Employed						
Unemployed						
Young Experienced						
Career Starter						
Pensioneer						
Student						
Other						
Educational Attainment						
Less than 8						
8 years						
2 year Voc						
3 year Voc						
4 year Voc						
Univ. Prep.						
College						
University						
Previous Job Skill Group						
Skilled						
Semi-skilled						
Unskilled						
Top Manager						
Manager						
Supervisor						
Professional						
Clerk						
Physically Disabled						

Table Q.3

Quarterly Report on Retraining Activity
Data for the _____ Quarter 19__

County Name County Number	Number who participated in retraining	Number of employed who participated in retraining	Number who participated in retraining and were eligible for UC	Number who completed a retraining course	Number who completed a retraining course and reentered employment	Number who completed a retraining course and reentered employment at skill level of retraining
Total						
Age						
15 - 19						
20 - 24						
25 - 39						
40 - 60						
Sex						
Male						
Female						
Economic Status						
Employed						
Unemployed						
Young Experienced						
Career Starter						
Pensioneer						
Student						
Other						
Educational Attainment						
Less than 8						
8 years						
2 year Voc						
3 year Voc						
4 year Voc						
Univ. Prep.						
College						
University						
Previous Job Skill Group						
Skilled						
Semi-skilled						
Unskilled						
Top Manager						
Manager						
Supervisor						
Professional						
Clerk						
Physically Disabled						

Table Q.4

Quarterly Report on Small Business Start-up Activity
 Data for the _____ Quarter 19__

County Name County Number	Number of start-up loan applications with the county	Number of start-up loan applications approved by the county	Number of start-up loan applications approved by banks	Average loan amount granted by banks	Average rate of interest on loans granted by banks	Number of loans currently being subsidized
Total						
Age						
15 - 19						
20 - 24						
25 - 39						
40 - 60						
Sex						
Male						
Female						
Economic Status						
Employed						
Unemployed						
Young Experienced						
Career Starter						
Pensioneer						
Student						
Other						
Educational Attainment						
Less than 8						
8 years						
2 year Voc						
3 year Voc						
4 year Voc						
Univ. Prep.						
College						
University						
Previous Job Skill Group						
Skilled						
Semi-skilled						
Unskilled						
Top Manager						
Manager						
Supervisor						
Professional						
Clerk						
Physically Disabled						

Table Q.5

Quarterly Report on Public Service Employment Activity
 Data for the _____ Quarter 19__

County Name County Number	Number of persons who worked on PSE	Number of PSE workers who have received UC	Average monthly per worker PSE wage			
Total						
Age						
15 - 19						
20 - 24						
25 - 39						
40 - 60						
Sex						
Male						
Female						
Economic Status						
Employed						
Unemployed						
Young Experienced						
Career Starter						
Pensioneer						
Student						
Other						
Educational Attainment						
Less than 8						
8 years						
2 year Voc						
3 year Voc						
4 year Voc						
Univ. Prep.						
College						
University						
Previous Job Skill Group						
Skilled						
Semi-skilled						
Unskilled						
Top Manager						
Manager						
Supervisor						
Professional						
Clerk						
Physically Disabled						

Table Q.6

Quarterly Report on Early Retirement Activity
 Data for the _____ Quarter 19__

County Name County Number	Number of persons on early retirement	Number of persons on early retirement who are subsidized by EF	Total early retirement subsidies paid by EF		
Total					
Female Total					
Female Aged 50					
51					
52					
53					
54					
Male Total					
Male Aged 55					
56					
57					
58					
59					
Educational Attainment					
Less than 8					
8 years					
2 year Voc					
3 year Voc					
4 year Voc					
Univ. Prep.					
College					
University					
Previous Job Skill Group					
Skilled					
Semi-skilled					
Unskilled					
Top Manager					
Manager					
Supervisor					
Professional					
Clerk					
Physically Disabled					

Table Q.7

Quarterly Report on Jobs for New Graduates Activity
 Data for the _____ Quarter 19__

County Name County Number	Number of JNG subsidized workers	Average monthly wage subsidy of JNG subsidized workers	Number of JNG workers whose subsidized job became permanent	Total of JNG subsi- dies paid	Number of JNG workers on first subsidized job	Average monthly wage subsidy of JNG workers on first subsidized job	Number of JNG workers whose first JNG subsidized job became permanent
Total							
Age							
15 - 19							
20 - 24							
25 - 39							
40 - 60							
Sex							
Male							
Female							
Educational Attainment							
Less than 8							
8 years							
2 year Voc							
3 year Voc							
4 year Voc							
Univ. Prep.							
College							
University							
Previous Job Skill Group							
Skilled							
Semi-skilled							
Unskilled							
Top Manager							
Manager							
Supervisor							
Professional							
Clerk							
Industry Group							
Industry							
Construction							
Agriculture-Forestry							
Transport-Communicate							
Merchandising							
Water Management							
Services							
Non-Material Services							
Government							
Physically Disabled							

Table Q.7 - Continued

Quarterly Report on Jobs for New Graduates Activity
 Data for the _____ Quarter 19__

County Name County Number	Number of JNG workers on second subsidized job	Average monthly wage subsidy of JNG workers on second subsidized job	Number of JNG workers whose second subsidized job became permanent	Number of JNG workers on third subsidized job	Average monthly wage subsidy of JNG workers on third subsidized job	Number of JNG workers whose third subsidized job became permanent
Total						
Age						
15 - 17						
18 - 20						
21 - 24						
25 - 40						
Sex						
Male						
Female						
Educational Attainment						
Less than 8						
8 years						
2 year Voc						
3 year Voc						
4 year Voc						
Univ. Prep.						
College						
University						
Previous Job Skill Group						
Skilled						
Semi-skilled						
Unskilled						
Top Manager						
Manager						
Supervisor						
Professional						
Clerk						
Industry Group						
Industry						
Construction						
Agriculture-Forestry						
Transport-Communicate						
Merchandising						
Water Management						
Services						
Non-Material Services						
Government						
Physically Disabled						

Table Q.8

Quarterly Report on Job Creation Investments Activity
 Data for the _____ Quarter 19__

County Name County Number	Total number of employers given an investment subsidy	Total forint value of subsidies granted	Total forint value of invest- ments for new jobs	Average company quarterly employment before subsidy	Average company quarterly payroll before subsidy	Total number of jobs promised from investments	Total number of jobs actually created
Total							
Industry Group							
Industry							
Construction							
Agriculture-Forestry							
Transport-Communicate							
Merchandising							
Water Management							
Services							
Non-Material Services							
Government							

APPENDIX H - CONTRIBUTING PERSONNEL

Contributing Personnel

Ministry of Labor

Gyula Pulay, Manager, Employment Fund sub-component

Maria Frey, Director, International Projects Program Office

Ilona Eros, International Projects Program Office

Erika Nagy, International Projects Program Office

Ferenc Munkacsy, Head, Employment Policy Department

Jozsef Bago, Employment Policy Department

Bela Varadi, Employment Policy Department

Gyula Nagy, Institute for Labor Research

Anna Matoricz, Director, National Labor Market Center

Sandor Szarvas, Deputy Director, National Labor Market Center

Gyorgy Tolnai, National Labor Market Center

Gyorgy Lazar, National Labor Market Center

Istvan Zlinszky, National Labor Market Center

Judit Braun, National Labor Market Center

Geza Kovacs, National Labor Market Center

Sandor Lampert, National Labor Market Center

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Istvan Sum, Retraining

Karoly Kendra, Head, Unemployment Compensation

Szabolcs Molnar, Head, Public Service Employment

Janos Deak, Head, Small Business Start-up Loan

Eva Molnar, Head, Early Retirement

Borbala Bollok, Head, Jobs for New Graduates

Agnes Kerkai, Critical Unemployment Regions

Somogy County

Istvan Rozsavolgyi, Chief County Labor Administrator

Susan Karpati, Director, County Employment Exchange

Hajdu-Bihar County

Iren Feld, Chief County Labor Administrator

Ferenc Dunai, Deputy Chief County Labor Administrator

Sandor Toth, Director, County Employment Exchange

Budapest University of Economics

Janos Timar, Professor, Labor Economics

Gyorgy Sziraczki, Professor, Labor Economics

Miskolc Regional Retraining Center

Endre Szabo, Director
Judit Toth, Assistant Director
Csaba Cupas, Program Director of Small Business Training
Frank Tracy, FAS, Dublin, Ireland, Chief Consultant

Others

Istvan Varfalvi, Chief County Councilor, Somogy County
Istvan Brandtmuller, Deputy Chief County Councilor, Somogy County
Janos Papp, Chief City Councilor, Kaposvar
Jozsef Varga, Manager, Kaposvar Electrical Equipment Works
Imre Bognar, Production Director, Kaposvar Electrical Works
Karoly Berecz, Owner, Solutions Computer Systems House, Kaposvar
D.E. Stenszky, Director, Debrecen Pharmaceutical Center
Miklos Christ, Assistant Director, Chamber of Economics, Kaposvar
Tibor Gaal, Head, Union of Agricultural, Forestry, and Water System Workers
Imre Janosi, President, Progress Shoe Manufacturing, Hajduboszormeny
Agnes Balla, Chief Administrator, Progress Shoe Manufacturing
Laszlo Torok, Accountant, Hungarian Shoe Manufacturing, Hajduboszormeny
Peter Kovacs, President, Bessenyei Agricultural Cooperative, Bakonszeg
Katalin Magyar, Chief Economist, Bessenyei Agricultural Cooperative
Lajos Szabo, Personnel Director, Alföldi Printing, Debrecen
Sandor Szatmari, Director, Berettyoujfalu Construction
Gyula Kenezy, Director, Debrecen General Hospital

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