

14 Profiles of workers and net effect of Belgian work integration social enterprises

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Overview

This contribution highlights the variety of profiles of the workers hired by Belgian WISEs, who thus have different relations to the labour market. By cross-analysing the data collected during the PERSE project with those from the Walloon regional placement office, a matching procedure could be designed that allows the net effect of WISEs to be worked out. After reading this chapter, the reader should:

- know what would have become of the beneficiaries of WISEs, had the WISEs not existed;
- be aware that Belgian WISEs have extremely heterogeneous clienteles;
- identify the different goals of Belgian WISEs.

Introduction

Work integration social enterprises (WISEs) contribute to (re)integrating individuals who have been excluded from the labour market for a long period of time. These enterprises are unique in that they are specifically intended for individuals whose labour market record is relatively unstable or who experience so-called 'unemployability' (i.e. difficulty in obtaining employment, owing to the deterioration of their skills following their extended absence from the labour market) but who also have a number of skill-related and social problems. Consequently, several objectives must be pursued simultaneously for this kind of person: helping them find a job, but also developing social capital, human capital and other abilities.

Given the numerous legislative differences among Belgian regions in the area of employment policy, we decided to focus our study on only one of Belgium's three regions, namely, the Walloon Region. We first describe the institutional setting in which WISEs in the Walloon Region operate.

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Next, we examine the socio-economic profiles of the workers who constituted the focus of our study, noting their diversity. We then analyse the labour market trajectories of these individuals, comparing them to the trajectories followed by their peers in a control group, not employed by WISEs. Last, we examine the contribution made by WISEs in terms of developing the human and social capital of their beneficiaries.

1 Public policy and integration social enterprises

The first social enterprises in Belgium were launched by civil society groups in the 1970s and 1980s¹; they questioned conventional social policies, which they considered too limited. These groups took root in various fields of social work, dealing with individuals whom society had marginalized. At the time of their emergence, these groups, as already stated, challenged public policies, and they remained relatively independent of the state. However, they also helped revitalize social policies in the fight against exclusion. This resulted in the emergence of a second generation of projects, based on co-operation and open to collaboration with other actors, especially governments.

Indeed, when these projects began to grow, during the first half of the 1980s, governments decided to recognize them and provide them with specific public schemes (see Box on p. 224). Legal recognition, in turn, led to a further increase in the number of projects (for an estimate of the number of accredited work integration social enterprises and of people employed in them in 2004, see Table 14.1). Other WISEs, mostly associations, became active though without applying for public accreditation. In addition, 'self-accreditation' (i.e. independent classification) and enterprise net-working practices developed alongside legal institutionalization. For some enterprises, 'self-accreditation' is the most important form of identification; for others, it is secondary, since they consider their legal framework more important.

Table 14.1 Estimate of the number of accredited WISEs and of people employed in them in 2004

	<i>EI</i> <i>Wallonia</i>	<i>ETA</i> <i>Wallonia</i>	<i>EFT</i> <i>Wallonia</i>
Number of social enterprises	46	59	72
Total number of employees in the target group	± 450 full-time equivalent	5,216 (2003)	2,491 (2002) (trainees)

Source: regional administrations and federations of social enterprises.

Accreditation of work integration social enterprises in Belgium

Aside from the *entreprises de travail adapté* (ETAs, accredited sheltered workshops in the Walloon Region and in the Region of Brussels-Capital) and the *beschutte werkplaatsen* (BWs, sheltered workshops in the Flemish Region), which were designed for on-the-job integration of individuals with disabilities, the field of work integration in Belgium also includes *entreprises de formation par le travail* (EFTs, accredited on-the-job training enterprises in the Walloon Region, which are named *ateliers de formation par le travail* – AFTs, accredited on-the-job training workshops – in Brussels). The distinguishing feature of these enterprises is their objective, i.e. to train a target population by providing them with a productive activity over a limited period of time. By contrast, the goal of the *entreprises d'insertion* (EIs, accredited integration enterprises in the Walloon Region and in Brussels) and *invoegbedrijven* (IBs, integration enterprises in the Flemish Region) is to create temporary or long-term employment for their target population through a productive activity. The subsidies for these jobs decrease gradually over four years. Finally, the *sociale werkplaatsen* (SWs, social workshops in the Flemish Region) aim to create long-term employment in a sheltered work environment for very unstable jobseekers with serious socio-professional disabilities.

Since WISEs have embarked on a long process of institutionalization, the question of their legal recognition should be studied within the context of evolving public policy. Since the end of the 1990s, the concept of the 'active social state' has been central in the field of labour policies. In this concept, the state is supposed not only to guarantee a sufficient level of income, but also to develop a policy mix that will encourage individuals to become more active, and especially to (re)enter the labour force. For their part, social beneficiaries must take advantage of the opportunities they are given. There are several risks linked to this type of policy: on the one hand, there is a risk of making marginalized individuals face the difficulties of job insecurity and work integration alone while, on the other hand, the responsibility of other socio-economic actors might be obscured. Another potential risk is that of sliding into a logic based exclusively on the social control and monitoring of marginalized groups, who are likely to become permanently dependent on integration services, notwithstanding the fact that the integration mechanisms are designed to be more or less temporary for those who use them (Liénard 2001). Since WISEs work within the framework of the active social state, they represent an instrument for implementing active employment policies. Consequently, their

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institutionalization has allowed public authorities to recognize their role in the labour force integration of persons who are at risk on the labour market. In the process, these enterprises have gained greater public visibility, legal recognition and, above all, more secure access to the public resources needed to pursue their objectives.

Working within the framework of the PERSE research, we focused our analysis on WISEs in the Walloon Region whose objective was to create jobs for workers who were at risk of exclusion from the labour market. The research sample consisted of ten enterprises to which the Walloon authorities had granted accreditation as 'integration enterprises' (see Box on p. 224) and five other social enterprises (four non-profit organizations and a co-operative), that had not applied for accreditation but were, in fact, WISEs in that their objective was to create employment for an unstable target population. We constituted a total sample of 103 workers using the methodology proposed by Loss and Borzaga (see Chapter 11 in this book). In 85 of the 103 cases, we were also able to interview the workers themselves.

In the Walloon Region, legal recognition of 'integration enterprises' (*entreprises d'insertion*, or EIs) dates back to 16 July 1998 (the legal framework was revised in 2004). The mission of EIs has been identified as job creation for 'particularly hard-to-place jobseekers' (defined as individuals who do not hold a certificate of upper secondary education and who are unemployed). Recognition by the regional government gives these enterprises access to public funding for an initial period and according to the number of disadvantaged workers hired. One of the things the 2004 revised version of the decree on EIs provides for is the subsidising of a social support worker to assist individuals in the integration process. Less productive workers are supposed to complete the training within four years; after this period, the workers can leave the enterprise or they can continue working in it, but they no longer receive subsidies. EIs must adopt the legal form of 'social purpose company' (*société à finalité sociale*, or SFS).² EIs must comply with all standards in effect in their respective sectors, including those dealing with wages.

Obviously, the enterprises that do not receive accreditation as EIs are not eligible for subsidies specifically intended for recipients of this accreditation, but they can apply for subsidies originating with other public policies, especially those linked to the 'second market programme' (see Chapter 17 in this book). These are longer-term subsidies that fund jobs in projects considered to have significant social value. These programmes for fighting unemployment are somehow 'halfway' between traditional social policies and employment policies, since the idea behind them is to finance, with public funds, the creation of jobs for the unemployed in areas of 'collective interest' ignored by both the market and traditional forms of public intervention.

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2 Workers in integration programmes: taking into account the differentiated effects of inequalities and tackling them

A single standard profile of workers in the WISEs surveyed did not emerge. WISEs in the Walloon Region, be they accredited or not, have extremely heterogeneous clienteles. However, statistical classification analysis³ allows us to define five main groups.

Category 1: Long-term unemployed workers with many years of experience (34 workers, of whom 23 were in accredited EIs) The average individual in this category, whether Belgian or European, is 38 years old, lives with his/her partner and has many years of work experience, which has facilitated the acquisition of significant work skills. In spite of these skills, this individual has lost his/her job and found it difficult to find another one. A possible hypothesis is that employers view his/her low level of formal training (often a lower secondary school diploma) unfavourably. Consequently, this person is relegated to the ranks of the 'chronically unemployed', a label that further handicaps his/her chances on the labour market. His/her prime motivation for entering a WISE is to maintain his/her social contacts (with his/her career behind him, his/her objective might not be of a purely 'professional' nature), especially since he/she tends to have social problems (drug dependence, domestic problems, homelessness, alcoholism, etc.).

Category 2: Qualified and experienced recipients of minimum social assistance benefit (17 workers, of whom 13 were in accredited EIs) This is the category with the greatest number of women. On average, the worker in this group is 43 years old, and is generally single and living alone. She has at least two years of work experience and a high-level diploma (a certificate of upper secondary education or even a higher education diploma). It is not surprising, therefore, that she belongs to the group of workers who, in the view of WISE managers, has the most stable profile (easily employable, very capable). However, something happened that made her lose her claims to unemployment benefits. Thus, the social assistance office referred her to the WISE so that she could, at least, regain her right to unemployment benefits thanks to a minimum period of work. Consequently, she views her own transfer to the WISE as temporary, since her ultimate objective is to find work in an ordinary establishment.

Category 3: Young, hard-to-employ trainees or students (21 workers, of whom 14 were in accredited EIs) The typical worker in this category is young (25 years old), Belgian, male, still lives with his parents and has had major learning difficulties (he generally has no more than an elementary school leaving certificate). Two paths of entry into the WISE are possible: he either followed a training programme in an on-the-job training enterprise (EFT)

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before entering the WISE or entered the enterprise directly after finishing his studies. According to the managers of these enterprises, he belongs to the category of workers with the least stable subjective profile (difficult to employ and unskilled) and lacks work experience (no more than six months). However, he has a desire to prove that he is worth more than his limited educational achievements would suggest and to increase his income.

Category 4: Foreign diploma holders without work experience (26 workers, of whom 14 were in accredited EIs) The average individual in this category is a single foreigner, fairly young (30 years old) and inexperienced. After obtaining a relatively advanced diploma (at least lower secondary school), he/she left his/her country. However, since his/her diploma is generally not recognized in Belgium, he/she had difficulty in finding a job. In addition, the fact that he/she is an immigrant (sometimes even a refugee) does not help his/her cause, especially since enterprise managers consider his/her skills inadequate. It therefore takes him/her at least a year to find a job, in spite of his/her desire to work (he/she arrives in the WISE after making an unsolicited application and expresses a desire to be useful to society).

Category 5: Working males (five workers, all in accredited EIs) The typical worker in this category is a male who has inadequate skills (holding only a primary or lower secondary school diploma) and finds work in a sheltered workshop (ETA). This enterprise allows him to acquire significant work experience that, over time, proves sufficient for working in another type of establishment, but not in a 'classic' enterprise. This is what leads him to the WISE.

WISEs in the Walloon Region, whether accredited or not, serve a very heterogeneous population. However, the decree on EIs provides for a form of integration based on the 'trampoline approach', providing workers with sufficient experience over a four-year period to facilitate their future entry into the ordinary labour market, or their stay in the WISE without subsidies; accredited enterprises (EIs) should thus hire workers with a similar profile – namely, workers close to entering the labour market. However, the experience of EIs reveals that the populations actually hired do not always have this profile and that the labour market requirements of the individuals using their services vary enormously. Indeed, the problem of these workers is not simply low 'employability'; they may have a variety of problems, such as a lack of skills, mental disabilities or social problems, all of which can have long-lasting effects on their productivity. The temporary nature of the subsidies can, therefore, lead to a phenomenon of skimming, i.e. there are incentives for the enterprises to hire only the workers most likely to be 'cost-effective' by the end of the project and/or to retain only those who have attained this level of 'cost-effectiveness' when the subsidized period ends.

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The non-accredited WISEs seem to hire individuals whose profile is somewhat more stable. This can be explained by the fact that these organizations combine the goal of on-the-job integration with that of creating social services. A strained relationship between these two goals (i.e. integration and production) may occasionally surface, and in order to ensure the quality of the service provided, an enterprise may be more selective in its hiring criteria.

3 Worker trajectories

Sixty-seven workers were still working in the WISEs surveyed at the time of the survey, but this figure is obviously influenced by the fact that the subsidized period had not yet ended, at least for accredited EIs. It is difficult to determine if working in this type of enterprise for a long time is a positive or negative sign. The goal of numerous enterprises is to keep their workers as long as possible; this occurs mainly when the latter succeed in adapting to the enterprise. Other enterprises favour a turnover of workers and their reintegration into the mainstream labour market as soon as they are ready. The situation of the 36 workers who had already left the WISE by the time of the survey is, of course, much easier to analyse. Either they found work, in which case we can consider them 'reintegrated', or they are inactive. We were able to collect data on the trajectories of 34 of these 36 workers. Only ten of them had found another job. It seems that the workers who were the most motivated (walk-in WISE applicants and those who no longer wanted to depend on the social welfare allowance) or who had improved their skills significantly found work more often than did the others. Thus, 76 per cent of the individuals were employed at the time of the survey, whereas 5 per cent were employed before entering the WISE. Surprisingly, we did not observe a significant difference between the different categories of workers (described above) in terms of continuing to work in the WISE or leaving it.

What would have happened to these people if they had not entered a WISE? In order to answer this question, we worked out the net result of WISEs, i.e. we measured the proportion of workers who had a job thanks to the WISE and its integration programme. In practice, the net result is equal to the gross result minus the 'deadweight' effect (the workers who would have found employment in any case). To obtain this net result, we adopted the exact matching method.⁴ The Public Employment Service provided us with the database used to constitute the control group (the database with the work trajectories and socio-economic characteristics of all individuals registered as jobseekers in the Walloon Region). The variables we used to carry out the matching were the following: age, sex, diploma obtained, length of work experience, nationality and status before entering the WISE (unemployment, minimum social assistance benefit or without status), including the seniority of this status (more or less than one

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year). This method allowed us to retain, on average, 15 'individual-matches' per subject in the study. Our approach had certain biases, as is always the case, but it is reasonable to think that these biases are not overly important and that, for the most part, they probably tend to cancel each other out.⁵

Thirty-two per cent of the workers in the control group had found a job at the time of the survey. Therefore, if the gross effect is 79 per cent,⁶ the net effect is 47 per cent, which means that among the workers in our sample, nearly one out of two was employed, in the WISE or in another enterprise, at the beginning of 2003, and would not have been so without the WISE. In the light of Belgian or European research assessing the net effect of active labour market policies, this is an impressive result (Martin and Grubb 2001; Calmfors *et al.* 2002). Cockx *et al.* (2004) have evaluated two types of Belgian active labour market policies. The net result, although calculated differently from ours, of the so-called 'Advantage to Employment Plan' programme (*Plan Avantage à l'Embauche*) is 37 per cent for men and 32 per cent for women, whereas the net result of the 'Guaranteed Income Benefit' programme (*Allocation Garantie de Revenu*) for women is 13 per cent.⁷ However, as both the method and the timing of an evaluation have a considerable effect on the results obtained, we must use these results cautiously.

We also computed the direct fiscal impact of hiring a disadvantaged worker in an accredited EI. The direct fiscal impact is the difference, as it affects the public sector, between the costs and benefits resulting from two distinct situations: that in which the person is hired by the EI, on the one hand, and that in which this same person would be without the EI (hired by another enterprise or in receipt of social assistance, unemployment benefits, etc.) on the other. The comparison carried out takes into account all the variations linked to fiscal and para-fiscal benefits (direct and indirect taxes, social contributions, etc.) and costs (social benefits, work subsidy, etc.). It appears that supporting the EI does not generate any cost for public bodies, on the contrary: the net benefit for public bodies is between €267.47 and €720.12 per worker and per month (Grégoire and Platteau 2005).

Thus, our data demonstrate that the employment rate achieved in our sample was remarkable (even though, admittedly, the subsidy period had not yet expired for a number of the workers, and this is likely to have influenced this figure upwards). However, some workers who had left the enterprise ended up inactive. As we have already pointed out, while a limited term of employment in a sheltered environment allows some groups of workers to re-enter the classic labour market, it is not enough for other groups. The highly unstable profiles of certain workers have a long-lasting effect on their productivity. This raises serious questions about the temporary nature of the subsidies, and leads to the conclusion that integration subsidies should be differentiated according to the population targeted,

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allowing some workers to keep their 'sheltered' work. However, Belgium has not yet taken this path: only WISEs that are not part of a specific public scheme (see Box above) are in a position to offer various types of work contracts (some temporary, of varying duration, and others permanent), and they accomplish this by using a wide array of active policies, available to them through sources other than subsidies specifically intended for EIs.

4 Beyond labour market integration

As far as income is concerned, among the workers who had already left the WISE at the time of the survey, 15 people (i.e. 68 per cent of those who were unemployed) were receiving unemployment benefit. By contrast, only 43 per cent of those who were unemployed when they began working at the WISE were eligible for unemployment benefit. If we include employed individuals – inside the WISE⁸ or elsewhere – for whom, presumably, income increased, the financial circumstances of the workers surveyed improved considerably.

Although the Walloon Region decree on EIs stresses re-entry into the labour force, the interviews with social entrepreneurs reveal that they value other objectives as well, such as developing the workers' human and social capital (by 'human capital', we mean the workers' skills relating to the labour market, whereas 'social capital' refers to a person's level of integration into a social network). The analysis of the available data reveals that the disadvantaged workers' skills improved significantly⁹ during their stay in the WISE. The improvement was greater for those individuals 'with the most unstable subjective profile'. This is not surprising, since these workers start with a lower level of skills and thus have more to learn. The skills of the workers who were still present in the WISE at the time of the study increased the most. This might suggest that only the least productive workers left the enterprise; however, this is hard to believe, since a significant proportion of them left with the prospect of a new job. But several other explanations are possible. On the one hand, the relationship between the worker and the enterprise may have ended unpleasantly. This would probably prompt the director to assess the worker negatively in the ex-post evaluation. On the other hand, it is likely that since the worker was no longer present in the enterprise, the manager might be inclined to underestimate his or her abilities. Regarding social capital, most social entrepreneurs also emphasized the need to increase it. The fact that social problems topped the list of 'weaknesses' experienced by individuals when they started working in the enterprise confirms this need. Social capital also tends to increase,¹⁰ though it does not seem to increase as much as human capital.

The workers displayed a high level of satisfaction with their experience within the WISE.¹¹ They felt that the development of social contacts

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in the social enterprise was more important than anything else – even the job, the training and the salary. Although two-thirds of the workers were working when the survey was conducted, only a minority of these workers cited as a positive element of their WISE experience the fact of having a job or being in more comfortable financial circumstances. In the absence of empirical evidence on the matter, we can put forward several possible hypotheses to explain this fact: (i) their uncertainty concerning the future; (ii) their comparatively low salary, despite the fact that the latter was much higher than the social allowances most workers relied on when they started; or (iii) the fact that they were very satisfied with the social integration, which made these other aspects seem less important by comparison.

The workers still working in the WISE at the time of the survey stressed the importance of social contacts, training and self-confidence. The workers unemployed at the time of the survey placed more emphasis on work experience, perhaps because this was precisely what they lacked. Not surprisingly, the jobless workers viewed their experience in the WISE negatively; most of them declared that they had experienced problems related to mental health (harassment, mental fatigue), relationship problems or a decline in household income compared to their previous situation. Indeed, the increased revenue following the transition from social beneficiary to wage earner sometimes fails to meet travel costs, children's day care, clothing and so on. In addition, their new status can lead to the worker's partner losing his/her revenue (the unemployment office might consider that his or her status has changed).

Thus, the data show that human capital and (to a lesser extent) social capital both increase significantly during the workers' term in the WISE. This result can be explained by the fact that social enterprises, in serving individuals who find themselves outside the pale of society, do not pursue only pure 'labour integration' goals; they also attempt to pursue several socio-professional integration objectives. There is actually a very high positive correlation between the fact that they are working (either in the WISE or elsewhere), their level of human capital and their level of social capital.

The decree on EIs stresses the objective of re-entry into the labour force. But, as already mentioned, social entrepreneurs also value other objectives, regarding the well-being of their beneficiaries, and it is important that the regional authorities take this into account as well. The 2004 revision of the decree on EIs, which deals with subsidies for social support workers assisting individuals in integration services, is undoubtedly a sign of the gradual inclusion of the social integration objective alongside the work integration objective.

Conclusion

We have noted a wide diversity of worker profiles – from very unstable or vulnerable profiles to the profiles of workers almost ready for the non-

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sheltered labour market. Labour market instability is often associated with a lack of skills; however, it can also relate to social problems and mental health problems. Nonetheless, the Walloon decree on EI only adopts one perspective: that of workers rapidly developing their employability in a non-sheltered work environment.

Sixty-seven of the 103 workers in our sample were still in the WISE two years after they started working there. These workers gave primary importance to the social contacts they established in the social enterprise, considering these contacts even more important than having a job or a salary. Thirty per cent of the workers who had left the social enterprise had found another job by the time the survey was conducted. As regards the workers who had then left the social enterprise, their level of motivation had an impact on their labour market integration. As regards the 'deadweight' effect, it appears that only 32 per cent of the workers in our sample would have been working if they had not had the opportunity to work in a WISE. Therefore, the analysis of the trajectories of the workers in our sample reveals that almost one out of two workers who was working in early 2003 would not have found work, had they not gone through the WISE programme. This is an impressive result in comparison with other active employment policies. It also appears that there is a net fiscal benefit for public bodies supporting EIs. Unsurprisingly, unemployed individuals were the least satisfied with their experience within the WISE.

Nevertheless, getting people back to work is not the sole objective of WISEs; they also try to improve their workers' human capital and social capital. Our data indicate that human capital, and to a lesser extent social capital, increased significantly while workers were in the WISE. The increase in human capital was greater among individuals who had weak skills upon entering the WISE, and the increase had a positive influence on their labour market entry when they left the social enterprise. We actually found that there was a very high positive correlation among the attainment of the three main goals identified: thus the workers with a job (in a WISE or in another enterprise) were those who were most successful in improving both their human capital and social capital.

This analysis of the trajectories of the beneficiaries of the WISEs highlights, therefore, the multiple-goal nature of WISEs regarding their beneficiaries. Moreover, it should be remembered that, as regards the objectives of WISEs, some WISEs provide goods and services of a collective nature (recycling, services for a disadvantaged population, etc.). These social enterprises thus have a twofold social objective: to integrate vulnerable individuals and to develop collective services. This multiple-goal nature brings into question the process of public institutionalization through the Walloon decree on EIs, which, strictly speaking, covers only the labour market integration of the beneficiaries.

Review questions

- Which outcomes could be evaluated either as positive or negative results of Belgian WISEs regarding the integration path of their participants?
- How could one explain the strained relationship between the goal of integration and the goal of production in some Belgian WISEs?
- How can one explain the fact that supporting a Belgian WISE does not generate any cost for public bodies?

Notes

- 1 Well before this period, several associations had already pioneered the development of social enterprises designed to create employment for unskilled persons.
- 2 The 'social purpose company' (*société à finalité sociale* or SFS, in French; *vennootschap met en sociaal oogmerk* or VSO, in Dutch) is not, strictly speaking, a new legal form; in fact, article 2 of the 'reparative law' enacted on 13 April 1995 stipulates that as of 1 July 1996, all types of business corporations (be they co-operatives, joint stock companies, limited liability companies, etc.) can adopt the 'social purpose company' label, provided they 'are not dedicated to the enrichment of their members', and their statutes comply with a series of conditions. Thus, SFS statutes must stipulate that 'the members seek little or no return on investment'. The articles must also define a 'profit allocation policy' in accordance with the enterprise's internal and external purposes'. In the event of liquidation, it must be stipulated that 'after the discharge of all the liabilities and the repayment of their investment to the members, the liquidation surplus shall be allocated in a manner as close as possible to the entity's social purpose'. If the company abandons its legal status as a social purpose company, 'the existing reserves may not be distributed in any form whatsoever'. These last two prescriptions are intended to protect the enterprise from any attempt to realize substantial capital gains. In addition, the social purpose company also introduces a certain type of democracy into the organization. Thus, its articles must provide for 'procedures allowing each employee to acquire the capacity of member within one year after his/her hiring by the enterprise'.
- 3 Using the following variables: age, gender, household situation, nationality, level of education, employment experience, former status, level of employability, capabilities and handicap in the job market.
- 4 The matching method works as follows: using a database made up of individuals not participating in the policy under consideration, we isolate those who most closely match those benefiting from the policy (using the variables at our disposal). Next, we compare the trajectories of the individuals selected in this way with those of the individuals being examined. The observed difference represents the policy effect. However, there are various methods for selecting individual-matches. Exact matching uses all variables, and only those individuals for whom the observation distance is considered nil are selected (thus, the two individuals are alike). In this way, we are certain that the individual-matches will be highly comparable to the individuals being examined. Nevertheless, the number of individual-matches is not the same for each observation, and this must be taken into account (Todd 1999).

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- 5 Possible biases include the following: (1) The use of quarterly data implies that the individuals in the control group who would have found a new job between the date of the entry of the subject observed in the WISE and the end of the quarter in question were not taken into account. However, we feel that the quarterly data are acceptable and that this bias is relatively harmless. (2) It is possible that the individuals selected for the control group themselves began working in the WISE during the period in question. Nonetheless, having taken into account a sufficient number of 'individual-matches', we believe that these cases should probably be merged with the others, especially since the WISEs do not, in general, hire many workers. (3) The Public Administration is not entirely certain of the path taken by many of the individuals, which forces us to make certain assumptions about them. Still, these assumptions seem reasonable and should not overly skew our results. (4) We are faced with a selection bias that we are unable to take into account: clearly, there are other variables, aside from the six taken into consideration (social problems, motivation, etc.), that influence both access to WISEs and individual trajectories.
- 6 Seventy-nine per cent and not 76 per cent, given that the sample that was suitable for a comparison with administrative data did not include all the workers of the surveyed sample.
- 7 Nevertheless, it has to be mentioned that the authors are cautious in their interpretation of these results.
- 8 Regarding the workers who are still active in the WISE, the gross monthly income increased from an average of €586 per month before joining the WISE to €1,357 in early 2003.
- 9 For the methodology used, see the chapter by Borzaga and Loss (Chapter 11 in this book). In our sample, human capital increased from an average value of 3.09 upon entering the WISE to 4.31 upon leaving (on a scale of 1 to 7).
- 10 Social capital showed, on average, a slight increase.
- 11 The average satisfaction level is 5.99 (on a scale of 1 to 7).

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