GOOD PRACTICES

MAGMA programme: An Example of a Holistic Approach to the Integration of the Long-Term Unemployed in Austria

10/2025

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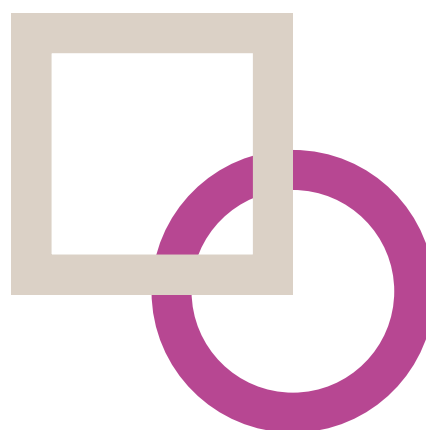
Introduction

The **MAGMA Job Guarantee Programme** implemented in Marienthal, Austria, is considered a good social policy practice because it addresses long-term unemployment not just with benefits, but with the meaningful integration of people into the labor market, enhancing their financial security, social participation and sense of purpose.

Unlike passive benefits, it offers a stable income, recognition and skills development opportunities, reducing the stigma of unemployment and inequalities, while at the same time returning benefits to society and the state.

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How is it applied?

The MAGMA programme (**Modellprojekt Arbeitsplatzgarantie Marienthal** = Marienthal Job Guarantee Programme) was launched in the fall of 2020 in Marienthal, a small town south of Vienna, with the aim of completely eliminating long-term unemployment due to the closure of local factories. On the initiative of the **Austrian Public Employment Service** and in collaboration with researchers from the Institute for **New Economic Thinking at the University of Oxford**, a mechanism was organized that would provide every long-term unemployed person with **a guaranteed job with decent pay, if they so desired**. The beneficiaries were all those who had exceeded 12 months of unemployment or were at risk of reaching that point (9-12 months) and were residents of Marienthal and the wider area of the Gramatneusiedl municipality.

The program initially began with the **preparation of the beneficiaries**. It lasted about eight weeks and included **individual sessions with job counselors, psychological and social support, and skills training**. The aim was to record each participant's needs and interests, address barriers such as health or lack of confidence, and design a personal plan.

It was not a formal "mandatory" training, but a flexible empowerment process.

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The second phase of the program involved their employment. At this stage, beneficiaries were helped to find a suitable job, either as subsidized work with pre-existing employers or in social enterprises implementing projects for the municipality (e.g. childcare, gardening, home renovations, etc.). Participants were also supported to create new jobs based on their skills, for the benefit of the community. **The overall goal of the program was not simply to "get" beneficiaries employed, but to do something that was recognized by the community as useful and meaningful.**

In this context, there were various **positions that combined professional employment with social benefit and personal development**. A typical example of such work was the employment of beneficiaries in a 250m2 public vegetable garden, which was granted by the Municipality and cultivated with herbs and vegetables that were freely available to the community (first available harvest in 2022).

Another example of employment with a significant social impact was the work of two participants in an organization that provides animal-based therapies for children with disorders such as autism or ADHD. The participants took care of the animals, the facilities and the garden, contributing substantially to the improvement of the center's services and allowing a greater number of children to be served.

Finally, a third specific example of personal development was the case of a beneficiary, who started with a paid internship in a funeral home, performing mainly office work. However, during her internship, the employer recognized her talent for painting, and so her internship turned into a permanent job. In her new job, in addition to office duties, she paints urns, creating a new business activity for the funeral home.

Regarding the employment of the participants, **they received at least the minimum collective wage**, with flexibility in hours and type of employment, full or part-time, so that people with health problems or family obligations could also participate. At the same time, employers received support to create suitable positions, while the state covered the cost where the market could not respond.
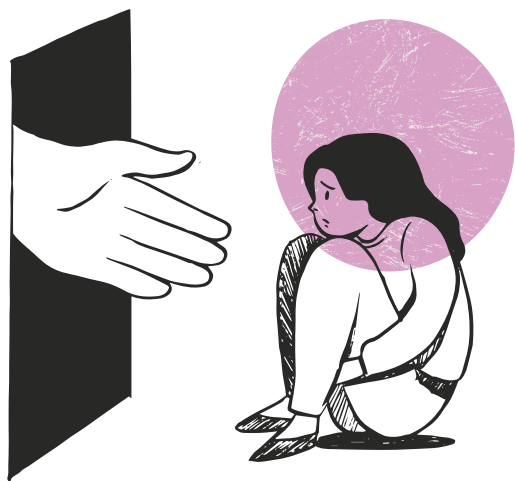
It is also worth mentioning that the program was voluntary. No one was forced to accept work, nor did they lose unemployment benefits if they did not participate. **This differentiated the approach from the more "punitive" systems that take place in a more positive logic of "if you want to work, there is a place for you".**

In Austria, the annual cost of unemployment benefits per person is around €30,000, not including the social and psychological impacts of long-term unemployment. In contrast, **the Marienthal pilot cost €29,841 per participant per year**, almost the same amount, but with the crucial difference that it **offered additional social and economic benefits**, both at the individual and community level, such as increased social participation, recognition and a sense of purpose, while strengthening workers' bargaining power and contributing to the redistribution of economic power.

The above was the **result of an evaluation**, which utilized various research tools to measure the effectiveness of the program. Specifically, the development of the region was compared with other similar ones that had not implemented the program, and indicators of income, financial security, mental health and social participation were monitored.

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The results showed positive impacts on both the economic and social well-being of the participants, without negative consequences on their health or preferences. **At the municipal level, a significant reduction in long-term unemployment was observed, without negative impacts on the employment of the remaining residents, an increase in the disposable income of the beneficiaries, a sense of recognition and social inclusion, and better psychological balance**. Furthermore, it is worth mentioning that the prospect of participation in the program, by people who were on the "waiting list" or were destined to participate in the future, already had a positive psychological and social impact.

Overall, the MAGMA project demonstrated that such policies can offer sustainable and socially fair solutions to combat long-term unemployment, while strengthening social cohesion and economic well-being.

Project summary

▷▷▷▷ **Scope**

Addressing long-term unemployment

▷▷▷▷ **Country / Region**

Austria, Marienthal

▷▷▷▷ **Where is it applied?**

In the MAGMA programme, those who had been unemployed for more than 12 months or were at risk of being long-term unemployed (9-12 months) and were residents of the area had the right to participate.

▷▷▷▷ **When did it applied?**

The MAGMA programme was implemented in the period 2020 – 2024.

▷▷▷▷ **Results**

The success of the program is demonstrated, among other things, by the announcement by the Austrian government in 2025 that it has committed €50 million in the new state budget to expand the job guarantee program, as a continuation of the pilot model. Specifically, it is reported that the Marienthal pilot program offered employment with decent wages and resulted in a significant improvement in the incomes, security, well-being and social inclusion of the participants, while supporters of the plan believe that, if scaled up, the job guarantee can be a social welfare tool that enhances integration and stability in the labor market.

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Furthermore, the pilot program attracted international attention and fed into policy reports from the European Union, the Organization for Economic Co-operation and Development (OECD), the UN and the International Labour Organization. It also served as the basis for the provision of €23 million from the European Commission's Social Fund+ (ESF+) for further pilot job guarantee schemes across Europe.

▷▷▷▷ **Other information**

More information about the MAGMA programme see here:
https://www.inet.ox.ac.uk/news/policy-brief-universal-job-guarantee-boosts-wellbeing-elimates-long-term-unemployment

▷▷▷▷ **Bibliography**

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