



## **WP2: The National Governance of Integrated Social Cohesion Policy**

### **France National Report**

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After the Second World War, employment policies in France were aimed at securing full employment. Facing major restructuring, the government tried to implement policies enabling people to deal with these changes. It is in this context that the unemployment insurance was created in 1958. At that time, the main concern of the State was to have an adequate workforce and thus, was not linked to potential economical crisis and its consequences in terms of employment.

However, unemployment increased at the end of the 70's and introduced a new kind of poverty. This poverty did not only reach people who were legitimately out of work, such as older or disabled people, but it also reached an increasing part of the potentially active population: the unemployed and those facing exclusion. To deal with this increasing unemployment, the government set up an intervention policy on the labour market and on the population. What kind of measures was implemented and how were they governed? What was the dynamic established at the end of the XXth century?

First of all, it is important to point out that, during the 70's and the 80's, most of the implemented reforms in this field were managed by the State (even though some exceptions should be noticed, such as the implementation of *Missions Locales* in 1982 (local employment offices targeting young people)). However, in 1982-1983 the first threshold of French decentralisation was crossed. It enabled territorial authorities to administrate themselves. These laws also made regions the local authority. The transfer of competences to communes, departments and regions was planned through the creation of competences blocks. These blocks were supposed to be managed by the most relevant authority. However, their distribution was not easy, as some competences are relevant to multiple authorities. This difficulty to divide them up resulted in the establishment of some common competences. These laws were implemented at the time when social issues faced many changes, notably in terms of the rise of a so-called “social exclusion”. This required partnerships between local authorities regarding some of these competences blocks (Lafore, 2003). Finally, these laws created a *fonction publique territoriale* (local public service). Thus, it reveals that in a context of territorialisation, employment issues are mainly still under the competence of the State.

An analysis of the measures which were put into effect at that time reveals two main kinds of policies: policies aimed at promoting employment as well as policies targeting the employment of specific groups (affirmative actions). Indeed, in the beginning, the need to foster employment for those who were the furthest away from work was the priority. This took the shape of specific support for young people, occupational trainings, redeployment etc. Then, long-term unemployment increased and the government realised that not only did it matter to support the unemployed, but also was it important to foster job opportunities (Berthet, Guilleton, 2005: 52). For example, pre-retirement was largely used in order to remove some groups from the active population.

Hence, to deal with the new challenges in the field of employment and social cohesion, the

focus was put on the rise of vulnerable categories within the active population, the concept of 'insertion'<sup>1</sup>, and on job creation.

Until 1988, social benefits were targeting people with special needs or inadequate resources. The benefit they received was aimed to compensate for their situation, and for the specificity that made them unable to work (age, health, etc.). The existing social benefits included: the lone parents allowance (*allocation de parent isolé API*), the disabled adult allowance (*allocation aux adultes handicaps AAH*), the specific solidarity allowance (*allocation de solidarité spécifique ASS*), the inclusion allowance (*allocation d'insertion*), the widowhood allowance (*allocation veuvage*), the minimum income for older people (*minimum vieillesse*) and finally the additional invalidity allowance (*allocation supplémentaire d'invalidité*). In 1988, the Prime Minister Michel Rocard presented the law establishing the minimum income scheme (*revenue minimum d'insertion RMI*), which promoted a universal benefit scheme over a principle of specialty (Barbier, 2006). Indeed, it aimed to abolish the gap between people able to work and those unable to work. The RMI also introduced an '*insertion contract*' which established an inclusion plan dealing notably with health and housing issues as well as employment and training. In the context of rising unemployment in the country in the 1990's, the RMI quickly became one of the main measures of the French welfare system.

During the 90's, measures aimed at fostering job creation were launched. These measures included a decrease of social contributions, which used to finance most of the social protection system, policies promoting part time jobs etc. The focus was thus put more on promoting job creation and less on activating the unemployed. In order to widen the financing of social protection, the government created a generalised social contribution in 1990 (*CSG – contribution sociale généralisée*).

Until 2000, the French government has not really tried to set up a punitive approach for the unemployed who were not actively seeking a job (even though unemployed were expected to). France acted as a last-resort employer in order to avoid even higher unemployment. However, even if subsidised jobs established during these years managed to enable a transition towards standard jobs, most beneficiaries stayed in the subsidised jobs or precarious ones. Nevertheless, activation seemed to be slowly implemented in employment and social cohesion policies. The overall analysis

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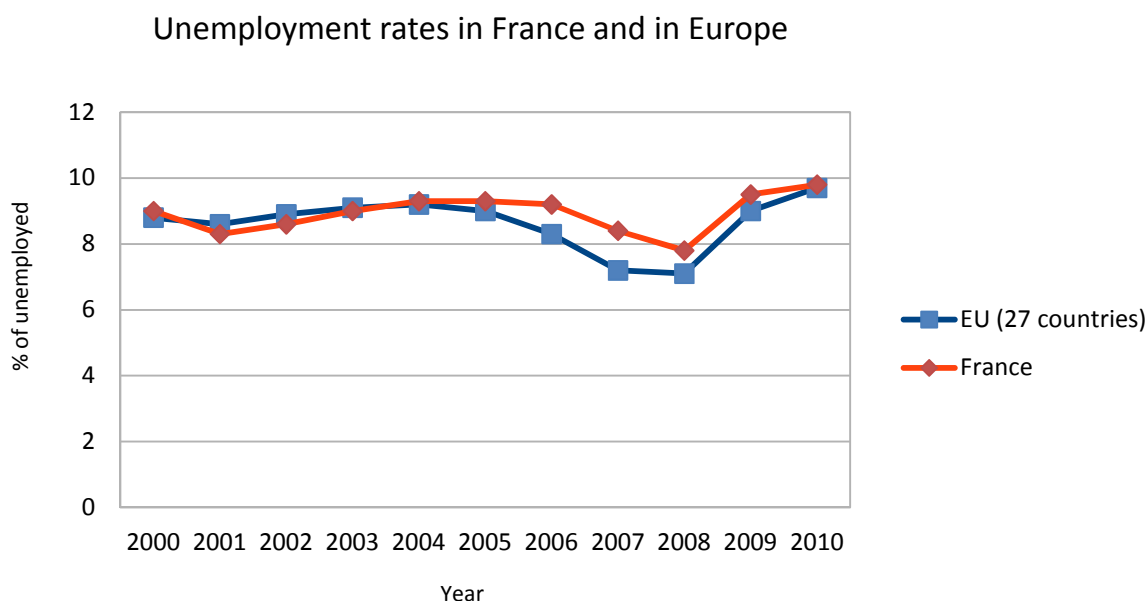
<sup>1</sup> Barbier explains that the concept of *insertion* is hard and complex to translate. He defines it as a “separate sector of public intervention, which gradually emerged as an ‘intermediate’ area between traditional social policy and traditional labour market programmes” (Barbier, 2000). According to him, programmes based on *insertion* can be seen as the beginning of a french activation (Barbier, 2006).

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brings to light a hybrid system caught between a universal and a liberal system (Barbier, 2006), also presented as a “Bimarckian / Beveridgean welfare mix” (Barbier, 2000). Even though most of the academics seem to agree that at this stage, the liberal system was more likely to take over the universal one.

The previous brief introduction on employment and social cohesion national policies before the XIXth century has already set up the context. It will help to understand the last decade and the current situation. This will be presented and analysed throughout this paper with a focus on the national multi level, multi stakeholder and multi dimensional approach.

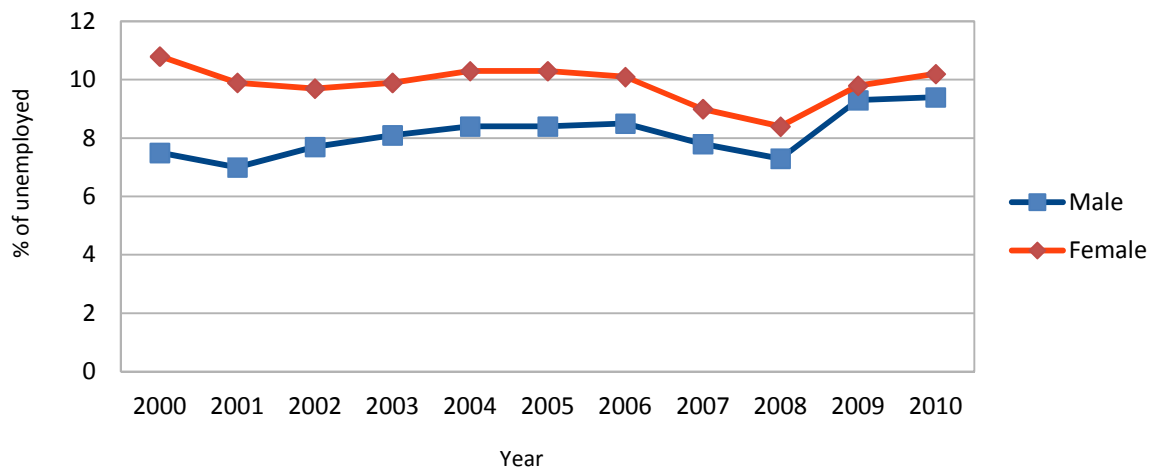
This period - from 2000 to present – was shaped by political changes, a fluctuating unemployment that has strongly increased over the last years (see below), several new employment policies and the current economic crisis.



*Source: Eurostat*

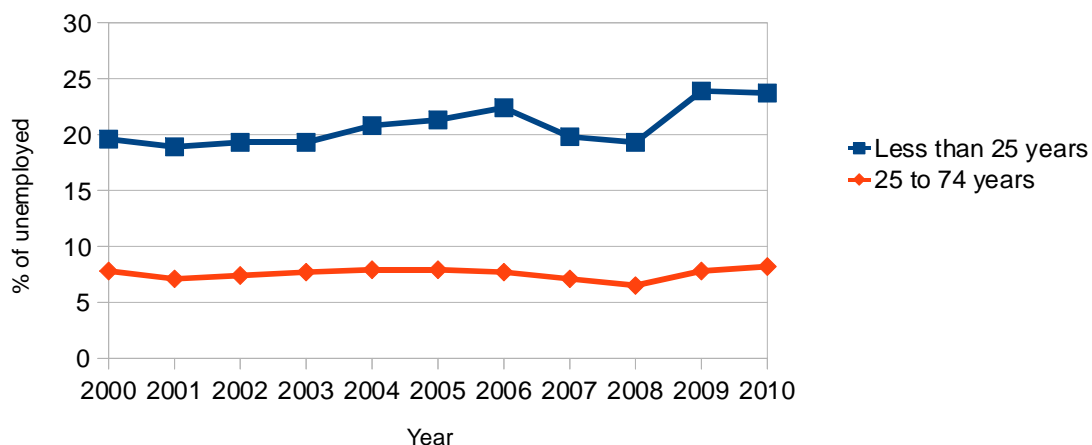
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### Unemployment Rate gender based



Source: Eurostat

### Unemployment rate young people



Source: Eurostat

We noticed that activation was introduced - although still weak - before the XXIst century. However, measures established at the end of the 90's reveal a clear will to foster it. What were the social cohesion and employment policies that were implemented during the last decade? How did France managed the new challenges and what kind of governance was and is promoted? These are the questions that will be addressed in the paper.

## **Institutional context and policy fields: Current main characteristics of employment in France**

The last decade has been notably shaped by the reinforcement of activation policies. However, even though incentives were promoted and the importance of actively seeking a job have been promoted, the way France deals with the need for a multi level, multi dimensional and multi stakeholder approach seem to be unsure. That is the main point that will be detailed in the following part. What are the levels, the policy fields and the actors at stake in terms of employment and social cohesion policies?

At first, it should be remembered that the unemployment rate in France has reached 9,9% in September 2011, but remains close to the 27 EU's countries average (9,7%). In France, youngsters clearly appear as a vulnerable category, as their unemployment rate has constantly remained above the European average during the last decade (see above figure). However, the adult unemployment situation shows no difference with France's European neighbours.

According to OECD statistics, the long-term unemployment rate remained stable (around 40%) during the last decade. The employment rate of 64% is also close to the OECD and EU's average. The average age of retirement (60) is clearly inferior to the EU's average (61,4 years). Finally, the part time workers' rate in France is under the European average rate whereas the short-term contract employee's rate is one point above the European rate.

### **A. Employment policies: main organizational characteristics**

Since WWII, the field of employment policy fall within the competence of the national state; but it relies on the contribution of a large number of organisations regarding its implementation. A recent parliamentary report<sup>2</sup> has identified no less than 85 different kinds of institutions dedicated to labour, employment and training policies. In sum, the governance of the employment policy is a complex and multi-stakeholders task.

The public authority in charge of employment policy is the labour, employment and health Ministry (actual minister Xavier Bertrand) and its public agencies. The main administrative units

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<sup>2</sup> Assemblée nationale, *Rapport d'information déposé par la Commission des affaires sociales en conclusion des travaux de la mission sur la flexicurité à la française* (rapporteur Pierre Morange), 28 avril 2010.

concerned are (NUTS1):

- The *Délégation générale à l'emploi et à la formation professionnelle* (DGEFP),
- The *Direction de l'animation, de la recherche, des études et de la statistique* (DARES)
- The *Direction de l'administration générale et de la modernisation des services* (DAGEMO).

The local administrative units in charge of implementing the employment policy are:

- At the regional level (NUTS2): the *Directions Régionales des Entreprises, de la Concurrence, de la Consommation, du Travail et de l'Emploi* (DIRRECTE)
- At the local level (NUTS3): the ministry's territorial.

Two main public agencies are contributing to the implementation of specific tasks: *Pôle emploi* and *Association pour la formation professionnelle des adultes* (AFPA public agency for professional training). *Pôle emploi* is in charge of career guidance, placement and payment of the job seekers, while the AFPA provides training courses and Prior Learning Assessment. Created by merging the former Agence nationale pour l'emploi (ANPE) and the unemployment insurance (UNEDIC), *Pôle Emploi* deals with adults (above 25). It outsources youngsters - aged between 16 and 25 - to the *mission locale* network, and the disabled to the *Cap emploi* network.

Concerning ALMP, the public expertise is provided by a series of public bodies such as:

- the *DARES*, the *Institut national des statistiques et des études économiques* (INSEE),
- the *Conseil d'Orientation pour l'Emploi* (COE), t
- the *Conseil d'analyse stratégique* (CAS),
- the *Centre d'études de l'emploi* (CEE),
- the *Centre d'études et de recherches sur les qualifications* (CEREQ)
- and the *Conseil de l'emploi, des revenus et de la cohésion sociale* (CERC).

The role of social partners regarding employment policies has increased during the last few years. The French government has fostered a stronger involvement of social partners in labour market reforms. This approach can be explained by the promotion of a new decision-making process based on the negotiation of national intersectoral agreement (ANI) prior to any legislative action. It has led to the signature of 5 ANI during the years 2008-2009, which have been immediately translated into French law. However, this negotiation process was strongly supervised by the French government who was eager to control the agenda. It regularly puts pressure on social



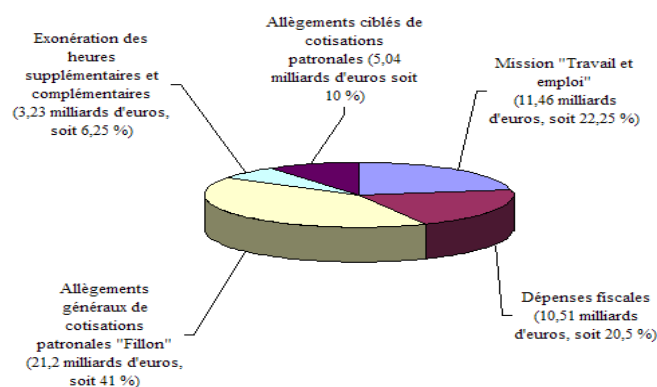
partners to come to an end. The government even threatened them to use the legislative way if the agenda was delayed.

In terms of territorialisation, a slow but constant process has been initiated during the last three decades after a period of strong centralism that characterizes the French planning era. The French employment policy relies on three major fields, each of them having its own relationship with territorialisation. The first one appeared during the 80's and has been revitalized by the 2008 crisis. Its main objective is to support industrial restructuring and intervenes on declining industrial districts. It does not support local development strategies, but aims at giving immediate answers to industrial zones facing massive firing-out plans. The second field - labour market intervention - is from far the most important in the French employment policy. It is mainly targeted on exposed individuals (youngsters, female workers, disabled workers, seniors), rather than on territories. The last branch of the national policy – employment promotion – has always been relatively weak and underfinanced, but is clearly territorialised, and operates in a bottom-up way by financing local development projects.

Giving more autonomy to local administrative officers also supports territorialisation. This policy (called '*déconcentration*' in France) is implemented by giving global funding to local officers, or by promoting project management methods (local diagnosis, local action plan, local governance).

The employment public policy's budget represents 18% of the national spending, and at least 1% of the GDP. The global employment policy reaches 51 billion Euros, including fiscal expenses and tax exoneration.

### Employment policy's budget



Source: Senate, PLF 2011, labour & employment mission

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Unemployment benefits represent about 62% of the former income while the duration of these benefits is of 382 days in 2008, which represents a decreasing average, compared to 2005. In order to get paid, job seekers are deemed to prove that they have been working at least 6 months during the last 22 months preceding their job loss.

During their period of unemployment, job seekers are offered different levels of service by *Pôle emploi* according to their situation and their estimated risk in terms of long-term unemployment. Four levels of service are proposed: free access, individualised coaching, reinforced placement and social backing. The level of service is defined by *Pôle emploi* in a two steps procedure: a statistical profiling test conducted by the job payment services and an interview with a guidance counsellor who corroborates - or not - the initial profiling.

To keep its unemployment benefits, the job seeker must show an active behaviour, which is verified every four months by *Pôle emploi* agents. He must prove the effectiveness of “positive and repeated acts” to find a job, sign on at his local job office, follow whatever training or coaching program is proposed to him, answer every *Pôle emploi*'s summoning, and finally accept every job globally compatible with his competencies and his geographical mobility. To enforce these procedures, a system of gradual disciplinary measures has been established. The number of disciplinary measures has tripled between 2005 and 2006.

A study conducted on the non-recourse to unemployment benefits shows that more than one third of the eligible beneficiaries do not get registered and paid.

## **Employment and Social Cohesion Reforms since 2000 in France**

Before presenting the current French system, it is of paramount importance to understand how we got here. Hence, the objective is now to identify the measures that were implemented during the last decade and to highlight the French governance of employment and social policies. First of all, what measures were established to foster activation? What were the reforms that affected employment and social cohesion issues since 2000? What are the policy fields that have been linked to employment policies? Who is in charge of these policies? These questions will enable us to draw a picture of the dynamic of the national governance of an integrated approach.

### **A. Towards a stronger activation?**

During the last decade, several changes have occurred regarding employment and social cohesion issues. Indeed, France has gone through several reforms aimed at establishing new dynamics towards greater activation. What kind of reforms was implemented and what kind of activation was therefore established?

#### **1. A major step towards activation: individualisation and contractualisation**

In 2000, in the context of growth and of job creation, a negotiation between social partners regarding the *UNEDIC* Agreement (in charge of the unemployment insurance) was organised. As a result, the unemployment insurance became more active and the unemployment benefit turned to a back-to-work benefit. Indeed, this benefit was paid provided that the unemployed signed the *PARE* – *plan d'aide au retour à l'emploi* (back-to-work support plan). Based on a mutual commitment, the main components of that plan were the non-digressive benefit, as well as the individualised action plan (*plan d'action personnalisé pour un nouveau départ - PAP ND*) defined and implemented by the national employment agency (*ANPE*).

Although back-to-work principles had already started to increase within the previous years, they were clearly strengthened by this reform. So far, even though the will to implement back-to-work measures was obvious, the implemented measures did not much rely on sanctions. The *PARE* reinforced these sanctions, which resulted in an increase of people losing their unemployment benefits.

This new plan brings to light an individualisation and a contractualisation of employment services. It promotes a new way of understanding unemployment through a change of its causes: if the unemployed doesn't find a job, it is not because of economical issues; the unemployed becomes

responsible for his situation as he is given all the resources he or she needs to find a job. This perspective reveals a change regarding who is responsible for employment issues: from the State to the individual.

Even though the *UNEDIC* reinforced its role through this measure, the government put the support of the unemployed under the competence of the French national employment agency. The *UNEDIC* financed the measure by financing staff for the national employment agency and financing support services and trainings. In sum, its role in terms of management – and, to some extent, regarding the definition of guidelines, increased. Regarding the *ANPE*, this reform reinforced its objectives and means (Conseil de l'emploi, des revenus et de la cohésion sociale, 2005: 9).

The *Revenu minimum d'activité RMA* (activity minimum income), created in 2003, reinforced activation policies at the beginning of the decade. Indeed, the RMA offered new minimum income to people who had been unemployed for at least two years, in the setting of the insertion contract established by the *RMI*. It enables an employer, who hires someone who fulfils these requirements for more than twenty hours at the minimum salary, to get the money the employee would have gotten with their traditional minimum income.

## **2. Attempts to implement a stronger activation**

France, at the beginning of this decade, was thereby trying to foster activation. However, this attempt also resulted in the creation of measures, which might not follow this trend.

In 2001, the *prime pour l'emploi - PPE* (Employment bonus) was established. This incentive measure aims at encouraging the unemployed to seek a job. The State gives a bonus to people with a low salary. If the amount of the tax credit is higher than the paid tax, it becomes a negative tax. Throughout the last decade, the amount of the *PPE* has increased. Even though this measure follows activation principles - as it aims to encourage the unemployed to seek a job - it is still debated whether it motivates unemployed or whether it is only seen as a bonus. A national report (Dares, 2008) reveals that the beneficiaries of the *PPE* do not take this measure as an incentive but as support measure. Therefore, the unemployed do not take it into account when seeking a job.

Before the XXIst century, the trend was to foster job creation by taking people out of work (through pre-retirement or at the end of the XXth century, thanks to working-time reduction). Thus, it was supposed to promote the integration of some vulnerable employment groups (young people, women, etc.). At the beginning of the XXIst century, this trend was reversed and people were kept

at work as long as possible. Pre-retirement was stopped and the number of years of contribution required to gain a full pension kept going up (Caune, Jacquot and Palier, 2011). Even if these measures do not reflect activation policies, they do point out a will to keep - or to get - all the working-age population at work. It also shows how the beginning of this new decade was shaped by important changes to the French employment policies.

### **3. Social Cohesion Law and Plan**

A social action plan was presented in 2004. This plan was scheduled for the period from 2005 to 2009. It tackles several issues: employment, housing and chance equality. The Social Cohesion Plan and the Social Cohesion Law - voted in 2005 - aimed to fight against unemployment and social exclusion.

The latter defined the Public Employment Service and tried to bring all the actors working on employment and social cohesion issues together. The definition distinguishes three levels of stakeholders: the first one – responsible for this public service - being the State services, the national employment agency (*ANPE*), the organisation in charge of professional training (*Afpa*) and the unemployment insurance fund (*UNEDIC*); the second – taking part in the public service - being local and regional authorities ; and the third being all the organisations (public or private) which can take part to this service (non-governmental organisations, temporary work agencies, etc.).

The Social Cohesion Plan implemented the *Maisons de l'emploi* in order to reinforce the coordination between different services at the local level and to host job seekers.

It also introduced the *dossier unique du demandeur d'emploi* (the single file of the unemployed) to make the communication easier between unemployment benefits and the institution in charge of supporting the unemployed in his or her job search.

These reforms changed both the sanctions for the unemployed who do not fulfil their contract and the way these sanctions are managed. Indeed, since 2005, different levels of sanctions appeared. Moreover, the authority in charge of sanctioning the unemployed changed. It was originally the local representatives of the Ministry of Employment (*DDTEFP*). The Social Cohesion Law enabled the national agency of employment and the *ASSEDIC* to take this decision even though the *DDTEFP* had to confirm it. Thereby, both the *ANPE* and the *ASSEDIC* became more involved in controlling the unemployed. “In sum, through successive adds, the current engineering would lead to having two placement and support organisations, the *ANPE* and the *UNEDIC*, as well as two paths to control the job search” (Conseil de l’emploi, des revenus et de la cohésion sociale, 2005: 30, author's translation).

#### **4. Towards a wider Public Employment Service?**

In 2008, the government decided to merge the *ANPE* with the unemployment insurance network “in order to provide job seekers with a single correspondent for registration, placement, benefits and support services” (French National Reform Programme 2008-2010, 40). This merge was initiated in order to facilitate procedures based on a national multi-purpose network, which aimed at “broadening the range of services provided to all users of the Public Employment Service” (cf. *infra*).

Established in 2008, the *Revenu de solidarité active RSA* (the active solidarity income) replaced the *RMI* and the single parent allowance. The *RSA* was set up to fight against possible inactivity traps. It aims to complete the income of the beneficiary, to “guarantee its recipients sufficient means for living, in order to combat poverty, encourage the exercise of or return to professional activity and assist in the social integration of recipients” (Law n°2008-1249 of December 1st 2008). It supplies an income provided an active search for a job or a vocational project (training) is being carried out. It clearly shows a major step towards activation and became an exemplary measure.

Subsidies contracts are of paramount importance in terms of employment policies in France. However, they consequently decreased since the beginning of the XXIst century and then increased slightly when the economic crisis emerged in 2008 (it went from 800 000 beneficiaries in 2000 to 265 000 in 2008 and to 338 000 at the end of 2010).

In 2008, the “unique insertion contract” was implemented to simplify the large range of subsidies contracts that used to exist. This contract can work on the - “*secteur marchand*” and the - “*secteur non marchand*”. The latter sector usually uses these contracts in the context of important unemployment to compensate for the large number of unemployed. The role of the State as employer of last resort is thereby still of paramount importance nowadays.

A recent study (Cour des Comptes, 2011) shows that short subsidies contracts are not as successful as vocational training or support in terms of “back-to-work” measure. They conclude that it is more of a social cohesion policy than an employment policy. This is because they keep people active for a certain time and thus may have a major impact on social integration.

#### **B. Central state versus a dynamic of decentralisation**

France as a central State is an idea that remained for a long time. It is not until 1982 – 1983

that a decentralisation dynamic was initiated by means of the Laws Defferre, previously presented.

The secondary steps toward a more decentralised state were the laws passed in 2003 and 2004, along with the Constitutional changes in 2003. Indeed, until 2003, the Constitution declared: “France is an indivisible, secular, democratic and social Republic”. In 2003, the concept of decentralised management was added to this quotation. Along with this change, the new Constitution acknowledged regions as local authorities.

The three laws passed simultaneously were dealing with three issues: the first one dealt with local authority experiments, the second one with local responsibilities, and the last one with financial autonomy.

Regarding the transfer of competences, it distributed responsibilities in the following way: it gave regions the responsibility of management of planning and policy, it transferred the responsibility of solidarity policies and management of infrastructures to departments, and finally, it gave communes responsibility for proximity policies.

Moreover, the minimum income (*RMI*) was decentralised in 2003 to departments<sup>3</sup>. Departments, thereby reinforced, are seen as the main actor regarding social issues. However, the social welfare system dealing with employment is still under the responsibility of the State. Indeed, the central authority still controls the overall employment strategy: “unlike social policies which have been broadly decentralised in France since 1982-83, the French central state remains fully responsible for active labour market policies (except for vocational training, mainly in hands of the regions), for labour relations and working conditions (labour inspectorate), for social and vocational integration of migrants and for equal opportunities policies” (European Centre for social welfare policy and research, 2006 : 19).

A new reform on local authorities was passed in 2010. It notably aims to simplify the way the country is divided. Indeed, regions and departments are supposed to become more closely aligned and major cities will have more responsibilities. Hence, in a way, this reform tends to avoid the multiplication of stakeholders. However, has not yet been implemented and is too current to be analysed.

### **C. Towards an integrated approach?**

The social cohesion plan presented earlier, set for the period of 2005-2009 by the French government, aimed to implement an integrated approach “seeking simultaneously to combat

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<sup>3</sup> In 2010, the new minimum income - the *RSA* - was extended to people under the age of 25. This extension is financed by the central State for two years.

problems in employment, housing and society more widely” (European Industrial Relations Observatory, 2004). It addresses several issues, which used to be treated in a segmented way, it was supposed to deploy “all the political 'levers' capable of breaking the current vicious circle and establishing a 'virtuous' one of success and cohesion” (cf. *infra*). The main measures of this plan were to do the following: “fight against unemployment”, promote “youth employment”, “combat exclusion, increase “housing”, and promote “equal opportunities at school and between regions” (cf. *infra*). This plan shows that the French government intends to promote a more integrated approach.

But to what extent is such an approach implemented? And how it is put into practise? Which fields are concerned?

In regards to this question, analysing the history of the Labour Ministry highlights some of the relations established between the field of employment and other fields. Indeed, since the 80's, the name of the ministry in charge of employment issues has often changed and included several other social issues. In 1981, its name changed to the Ministry of National Solidarity. Two years later, Social Affairs was added to that name. The name was then changed several times during the following years to the Employment Ministry, Labour Ministry and Social Affairs Ministry. In sum, social issues were often brought together with employment issues.

Through the Social Cohesion Plan, the link between social and employment issues is strongly reinforced and widened as it takes into account housing issues.

In 2007, the management of employment issues was transferred to the Ministry of Finances. Thus, even though social and employment had been brought together lasting previous years, these fields were now separated. However, this organisation did not last very long, and a Ministry of Labour, Employment and Health became responsible for these fields soon after. Thus, the Ministry in charge of employment and social issues went through several reorganisations, especially within recent years (two reorganisations in 2009). This explains why it is complicated to talk about a clear integrated approach. Indeed, even though social issues have clearly been brought together with employment issues, housing and local planning are sometimes included and are some other times assigned to another ministry. Hence, it appears that the government has not implemented a stable integrated approach but has tried to divide the responsibilities among the ever-changing ministries as they see fit.

Activation was thus reinforced throughout the last decade. However, even though an integrated approach has been implemented around social and employment issues, its key lines keep changing. This brings to light a difficulty to integrate different fields with one another. In terms of governance, decentralisation was also reinforced during this period. However, although territorialisation was important regarding many social issues, employment issues are still mainly



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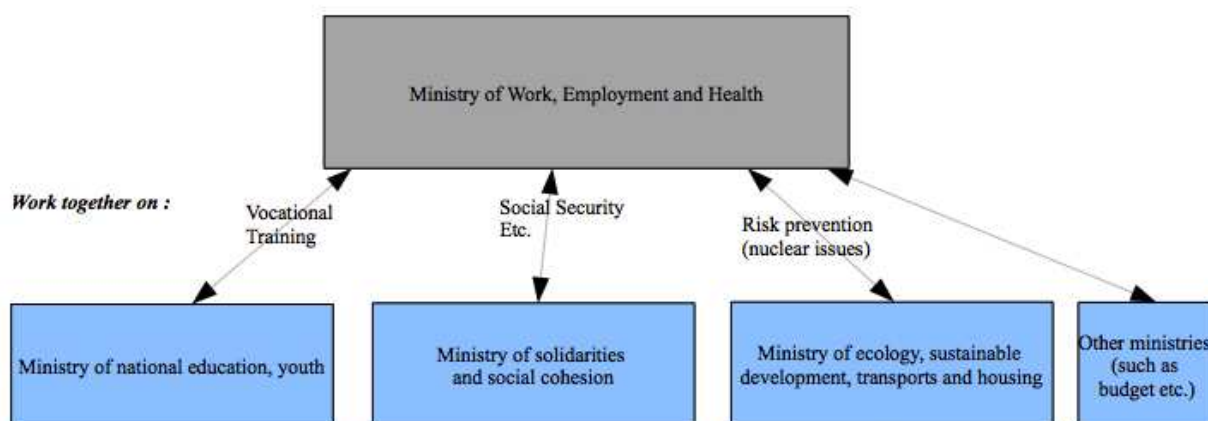
under the competence of the central state. Current reforms will probably change some of the transfer of competences; but it is doubtful that it will have a major impact on the field of employment.

After analysing employment and social cohesion policies in the last decade regarding its multi stakeholders, multi levels and multi dimensional approach, the current situation will now be detailed with a focus on its governance scheme.

## French integrated approach and other fields' contribution

In the perspective of an integrated approach to activation, several public action domains have to be intertwined into common programs or organizations. One must keep in mind that the political and administrative framework of the French central state has been characterized by a strong compartmentalization. The heritage of the French nation-building process has led to a great centralization, and a strong autonomy of political sectors. The evolution towards an integrated approach, which aimed at transgressing these political and administrative boundaries, represents two critical challenges for France. The first one is to build horizontal coordination between ministries and administration at the national level. The second one consists in developing vertical coordination between central and local state services on the one hand, and between state administration and subnational political bodies (region, department, municipalities) on the other hand.

The following scheme represents the link between separate ministries:



Source: <http://www.travail-emploi-sante.gouv.fr/le-ministere,149/presentation-et-organigrammes,294/>

We can thus notice that some policy fields are connected, as an integrated approach requires. However, the link established between the ministry in charge of housing issues and the ministry in charge of employment issues appears to bring together health and ecology. Therefore, housing and employment have been spared any linkage regarding inter ministries' work, even though the importance of this link was brought to light by the Social Cohesion Plan in 2005.

The ministry of Work, Employment and Health is responsible for:

- Work

- Employment
- Vocational Training
- Retirement
- Health

All the policy fields that have just been listed represent the components of a French integrated approach at the national institutional level (it might indeed defer at the local level where other actors are involved and work differently). However, it is important to precise that all these fields also include several other fields. For example, social security - which results from the link between the ministry in charge of social issues and the ministry in charge of employment issues – works on family issues, addiction etc.

For the last three decades, the field of social policies has been confronted to a major trend of territorialisation, which can be read at three levels:

- Transferring political competencies to subnational public authorities (decentralization)
- Strengthening the autonomy of local state administration representatives (*'déconcentration'*)
- Creating new territorial organizations offering integrated services in the field of the employment and training.

These three logics of action are at stake in social policies generating competition and redundancy between organisations and programs. To fully understand this, it must be reminded that the French decentralizing legislation has left large areas of uncertainty in the distribution of competencies between state and local bodies. Yet, it is precisely these areas that are at stake in the challenge of an integrated approach (guidance, training, social assistance, re-schooling).

This situation has to be kept in mind while shortly looking at the structuring and at the contribution of other policy fields to employment policy.

## **A. Professional training and continuing education**

Professional training is one of the few policy fields, which have been fully

decentralised to regional councils. They are in charge of defining the main orientations and of coordinating public and private actors on their regional space. This trend has been impacted by the latest reform (November 24<sup>th</sup> 2009's Act) weakening the former unstable equilibrium. Indeed, it turned the main policy tool of the regional councils – the regional plan for the development of training created by the December 20<sup>th</sup> 1993 Act – into a contract submitted to both the signature of the president of the regional council, the *Préfet* (main state officer in the region) and the *Recteur* (Regional representative of the ministry of education). This new legislation is the transcription of an intersectoral agreement negotiated among the social partners in January 2009.

The regional councils are in charge of planning and coordinating the professional training policies towards youngsters (less than 25) and job seekers. The training of workers falls under the competency of social partners and industries.

## **B. Social assistance**

It has already been shown that, from 1982, general councils<sup>4</sup> are in charge of many aspects of the social assistance policy. This competency represents, together with the regional competency over the professional training policy, one of the two fields fully devolved to a local community in France. Among the flagship programs, integrating employment and social assistance policies, the RMI/RSA appears to be of paramount importance (see above).

In relation to employment policy, social assistance programs have a role of social fishnet. For example, job seekers non-eligible to benefits or at the end of the benefit period can be allowed a specific allocation under the national solidarity regime. In 2009, this population was estimated at 460 000 persons. Among them, 84% received the 'specific solidarity allocation' (460 €) and 13% received the 'pre-retirement allocation'<sup>5</sup>.

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<sup>4</sup> The general councils are together with the municipalities one of the oldest local public elected body. Created under Napoleon's regime, their territorial base is the French department (NUTS 3).

<sup>5</sup> It must be noticed that this passive measure consisting of compensating early retirements has been abolished in January.

## **C. Health**

Health care, including substance abuse, is a national state policy. It constitutes a fairly structured public action sector, and supports one of the three civil service administration (state administration, territorial administration and public hospitals administration). The territorialisation of health care policy is based on a growing autonomy which is given to local agents of the health ministry. The creation of the regional health agencies in 2009 represents a key moment in this process. These agencies are in charge of regulating the provision of care in all health policies' fields including hospitals, general medicine, and public health actions (substance abuse and health education for example). Its relation to an integrated activation policy is double-sided. On one side, the provision of care and health services is more and more individualised in relation with 'individualised social conditions', including elements such as professional status or income. Bringing these dimensions into health policy allows the association of local public authorities. On the other side, health is an important aspect of labour legislation and employment policies at three levels. Firstly, industrial medicine is connected to health, labour and social security in order to prevent and treat professional risks. Secondly, professional integration of disabled workers is an important, highly externalised and territorialised part of employment policies. Finally, the segment of health policies dedicated to substance abuse represents an important dimension of the placement activity of job seekers when talking about a vulnerable and disaffiliated public. This last dimension largely relies on NGO's activities in France.

## **D. Housing**

In France, housing policy remains centralised in terms of its macroeconomic regulation. However, social housing has been territorialised. Even if the decision-making process and incentives (national urban restructuring agency, '*politique de la ville*', opposable right to lodging, suburbs action plan) often come from the central state, most of its implementation relies on local agents' actions - such as social landlords or local elected authorities -. The latter are in charge of the urban planning and of the local programs aiming at providing social housing construction. The local actors are in charge of giving a fair access to housing for vulnerable persons, while promoting social interaction and diversity.

## **E. Childhood/family**

Childhood policies are a central issue notably dealing with the personal/professional life conciliation topic. They also directly refer to the characteristics of each national welfare state. For a long period, France has shown a tradition of a generous family policy articulated with a logic of optional familialisation (a soften model of the male breadwinner cf. Jacquot, Ledoux, Palier, 2011).

The schooling of under compulsory school kids in the French '*maternelles*' is optional, but very largely followed by nearly 100% of the families. Children are taken in charge by this French institution when they reach 3 years old, and even under if possible (2 years and a half was quite usual before the ministry of education's budget was cut down, now only 11% of the children of 2 are schooled). Kindergarden structures are offered either by municipalities or NGO's often ruled by parents.

Parental leave going further than the legal maternity leave is provided by the labour code. It lasts for an initial length of 1 year, and can be extended up to 3 years. It is unpaid, but the worker keeps his job and should be able to get it back at its return. The parental leave remains mainly used by women: only 1% of fathers take benefit of it. This also has to be understood with regards to wages inequality between men and women. They also can be used as a form of temporary part time work, for which the number of hours per week (between 16 and 32 hours) is fixed by the employee although the timetable remains fixed by the employer.

Lots of actors, several levels of decision, and several fields brought together and then separated and then brought together again: this seems to reflect the current situation. The number of actors may question the efficiency of the implemented policies. Do all of them communicate together? Regarding the levels of decision, even though several levels are involved, the central state remains the main stakeholder in terms of decision-making. The two main fields that have been linked over the years are social and employment issues. However, it appears that if the state has the authority on employment issues, social issues have been territorialized to local authorities. Hence, can both these fields really be linked? What kind of link can be established in such context? Those are some of the questions that will be deepened all through the LOCALISE project. To give a clear analysis of the multi-stakeholder, multi-level and multi-dimensional French integration approach, a dynamic analysis will be elaborated in the following part and will try to understand the nature of change regarding

these aspects over the last decade.

## **Dynamic analysis of integration policies and governance**

Changes regarding the integration and governance of employment and social cohesion policies have clearly been revealed all through this paper. These changes have been identified and analysed. However, the intensity of these changes should also be questioned. The focus will be put on three main components of public policies: actors, goals and instruments. These ones will be analysed regarding activation, territorialisation and coordination. During the last decade, what were the most important changes within employment and social cohesion policies? How did they to activation, territorialisation and coordination dynamics?



## National Dimensions of Integrated Policies (2000 – 2010)

### POLICY GOALS

COUNTRY	Activation		Vertical (territorialization)		Horizontal (coordination/ integration)	
	Of Individuals	Of Expenses	Multilevel coordination	Decentralization	Public / public Coordination	Public / private Coordination
<i>France</i>						
<b>Policy goals</b> <b>What for?</b>	Over this decade, the perceptions of employment policy's aims over individuals have followed a major shift towards activation. The main dimension of this evolution is the development of an individualized responsibility vis-à-vis the labour market. In semantic terms, it can be identified by the growing use of the concept of employability in public space, and by debates over unemployment.	Here also, social perceptions of the goal of employment policy are to consider that social benefits should be used to get people back to work (workfare). Moreover, it is now considered that unemployment benefits should no longer be a right but a reward for an active behaviour on labour market.	Regarding employment matters, the main issue seems to regionalize employment policies in order to cope with training policies. Many attempts have been made including a possible devolution to regions. However, this question remains on the administrative agenda.	The main goal in terms of decentralisation is to clarify once and for all the share of competencies between state and local authorities. This need of clarification is even more necessary as two important dimensions of integrated policies (social assistance and training policies) have been devolved over the 80's, but left undecided fields of public action. These latter have become battlefields among the state and local elected authorities.	At the beginning of the year 2000, it seems that the main issue was to ease communications between ministries in order to overwhelm the structural compartmentalization of public administrations.  During the decade, this idea has evolved towards a more neo-liberal approach, which consisted on rationalizing the number of public administrations. The idea is now to sort out public agencies in order to reduce public debt. One of the most illustrative measure is the decision to only replace one on two retiring public servant	In order to increase efficiency in public management and reduce the costs of public action, the development of public/private partnerships has become an important objective.  The spreading of governance's practices - as promoted by the European commission - is considered a progress of paramount importance in public management.  The other issue is to harmonize management methods in order to break with bureaucratic practices and foster a better service.

## POLICY INSTRUMENTS

COUNTRY	Activation		Vertical (territorialization)		Horizontal (coordination/ integration)	
	Of Individuals	Of Expenses	Multilevel coordination	Decentralization	Public / public Coordination	Public / private Coordination
France						
<p><b>Policy Instruments</b></p> <p><b>With what?</b></p> <p><i>Nota bene : only significant tools are exposed here.</i></p>	<ul style="list-style-type: none"> <li>• <b>PARE-PAP (2001)</b> initiated in 2001, the PARE-PAP allows job seekers to have a placement service as counterpart of an ending of a tapering benefit</li> <li>• <b>VAE (2002)</b> : In order to secure transitions on the labour market and reduce segmentation, it creates an access to « diplomation » based on the assessment of professional experience</li> <li>• <b>DIF (2004)</b> : Initiates a right to training for every worker 20 hours/year for a maximum cumulated of 120 hours</li> <li>• <b>DUDE (2005)</b> : creates a single electronic file for each job seeker in order to ease information's circulation among employment services</li> <li>• <b>Personalized action plan and Disciplinary action against unemployed (2008)</b> : The PPAE has been created as an contractual relation between job seekers and the job centers' services. It is controlled by the setting of progressive disciplinary measures (around 24.000 exclusion each month)</li> <li>• RMI → RSA (2009) See above</li> </ul>	<p>The main measure in terms of activation of expenses is to postpone the retirement legal age.</p> <p>The <b>retirement's reform</b> started in <b>2003</b> by the Fillon Reform introduces a progressive transition from 37,5 years to 40 years of legal working time. In <b>2007</b>, another reform has merged a number of special regimes with the general conditions of access to retirement. In <b>2010</b>, the Woerth reform has introduced a progressive extent (over 6 years) of the legal age of retirement from 60 to 62 when the number of working years is complete (41,5 years), and of 65 to 67.</p>	<p>We find very few instruments dedicated to multilevel coordination. As a heritage of a deeply centralized state, the question of multilevel administration coordination has been conceived as a matter of hierarchical relations between center and periphery. When looking at these hierarchical relations inside employment public service, it is easy to show some gaps between stakeholders. <i>Pôle emploi</i> and the <i>AFFPA</i> have a strong and direct hierarchical relation between national and local administrations. It is quite different for labour and employment ministry that demonstrates a crossed-hierarchy between sectoral and general administration.</p>	<p>Decentralizing legislation mainly concerns training policies. They have been devolved as general competency in <b>1982</b> and more specifically for youngsters in <b>1993</b>. But in <b>2004</b>, the competency of regional councils upon the coordination of training policies has been extended to jobseekers. In <b>2009</b>, this decentralizing trend has been turned down by the decision to reintroduce state regulation within regional councils competences.</p> <p>Another major experience on territorialization has been launched in <b>2008</b> by the Youth experiment fund. This fund has been financing local experiments aimed at securing professional path for youngsters. Designed for 3 years, these innovative actions will be ending by the end of this year. The use of systematic evaluation procedures will allow to seize the structuring effects of these new and unstable instruments</p>	<p>To implement coordination inside public authorities and improve the diffusion of public management practices, the French government has introduced 2 major reforms:</p> <ul style="list-style-type: none"> <li>• Introduced in <b>2001</b>, the LOLF is an Act of parliament reorganizing the public budget aimed at producing a better control of public spending. It reorganizes national budget by functions.</li> <li>• In <b>2008</b>, the general review of public policies is an attempt to rationalize public policies, avoid redundancies and eliminate useless public organizations. The overall aim is to reduce the public spending in all services including several institutions in employment policy.</li> </ul> <p>Also to be mentioned (see above), the use of subsidized contracts (emplois jeunes for example in 1997) in public administrations.</p>	<p>To organize public/private partnership and especially the call for tenders, a new Public market code was introduced in <b>2005</b>. Answering EU pressure promoted by DG competition, the public market code rules training and employment policies' implementation. It has produced structuring effects on NGO's practices. NGOs submitted to this code in their relations to public authorities (state and local administrations), have been weakened by the strict rules of this new financial instrument.</p> <p>As for the public sector, subsidized contracts in NGOs and firms have been used to enhance private/public coordination.</p>

## ACTORS

COUNTRY	Activation		Vertical (territorialization)		Horizontal (coordination/ integration)	
	Of Individuals	Of Expenses	Multilevel coordination	Decentralization	Public / public Coordination	Public / private Coordination
France						
<b>Actors</b> <b>Who?</b>	<p><b>2009:</b> Merging of unemployment benefits and placement services (creation of <i>Pôle Emploi</i>)</p> <p>Labour ministry reorganization at the local level (employment and training merging: <b>1993</b> (NUTS3) - <b>1995</b> (NUTS 2) - <b>1997</b> (NUTS 1))</p> <p>Regional councils (training)</p> <p>General councils (social assistance)</p> <p>NGOs</p>	<p>Ministry of budget</p> <p>Ministry of social affairs</p> <p>Ministry of employment</p>	<p>2004: transformation of the National committee on professional training into the National council for life-long learning. This council is in charge of training and employment policies' evaluation.</p> <p>2007: Reform of territorial organization of state administration. This reform has transformed public offices at the departmental and regional levels. It was implemented through reducing the number of administrations and transferring more power to the regional level.</p>	<p><i>Ministère de l'intérieur</i> (in charge of the decentralization policy)</p> <p>Local authorities (NUTS 2: <i>Conseils régionaux</i>, NUTS 3: <i>Conseils régionaux</i>)</p> <p>Regional delegate of social partners</p> <p>Reform of territorial representatives: in 2010 a major reform was adopted. It changes local elections for public authorities as well as the organization of local communities. It should be implemented within the upcoming years but encounters a strong resistance from local elected and national representatives (multiple office holding)</p>	<p>CCREFP (local coordination committees on employment and training)</p> <p>Public employment service</p> <p>Interministerial committees</p>	<p>COPIRE (private and public representatives coordination committee at the regional level)</p> <p>CBE (local Committees bringing together employment administration, firms representatives and local elected)</p>

## **A. Actors: the evolution of the French public employment service (PES)**

The evolution of the employment public service went through several important changes during the last decade. It is therefore highly relevant to analyse it when questioning change's intensity. Indeed, the way it is managed, the actors at stake, along with its content, went through several changes. It questions both the main issues of this paper: the integrated approach and employment and social cohesion policies' governance.

The French public employment service was set up in 1984. At that time, it was made of the Ministry of Work's administration, the *AFPA* and the *ANPE* (former *Pôle Emploi*). In 1998, the Law against exclusion widened this service and included women's rights and social action to the PES. In 2005, the Social Cohesion Law defined and reinforced the widening of this public service (cf. above). Indeed, the government tried to integrate all the actors involved in the employment service, into the PES. These actors can be associated to three different levels, according to their role in terms of employment policies. In sum, the PES kept on being widened by the integration of several new actors.

In 2008, the government created *Pôle Emploi*, which merged the *ASSEDIC* and the employment national agency. The responsibility of orientation was transferred from the *AFPA* to this new authority. Thereby, *Pôle Emploi* reinforced its key role within a dispersed public employment service (Conseil Economique, Social et Environnemental, 2011).

The French PES has been partly territorialised during the last decade. Indeed, in 2004, regions became responsible for adults job seekers vocational training. Except from this field, employment issues are still under the responsibility of the State - even though several tasks have been territorialised -. The decentralisation process that has occurred during the last decades in France does not directly concern employment policies. It reached fields at the margins of employment policies such as social issues. Regarding the core of employment policies, the process at stake is rather the “*déconcentration*” one. A regionalisation can be noticed, along with the programmed disappearance of the infra departmental level.

The evolution of the French PES brings to light a clear reinforcement of activation policies since 2000. It increased incentives, and the number of sanctions increased.

## B. Goals

Change's intensity regarding the goals of employment and social cohesion policies can be analysed through two main prisms. This dual analysis aims at distinguishing what the government declares to the French population, as well as the way France presents its public policies to European authorities.

The analysis of intersectoral national agreements and the way they are transposed in the grounds' laws will help us identifying social perceptions of employment and social cohesion issues in France.

The role of social partners in designing employment policies increased since the amendment of the 31<sup>st</sup> January 2007's law. "Bargaining at the intersectoral level has become the norm of producing legislation on employment and vocational education. However, this evolution did not happen to the detriment of the regulating capacity of the state. Negotiations that have preceded the different intersectoral agreements have been very strongly supervised by the government (...) From January 2008 to July 2009, 5 intersectoral national agreements<sup>6</sup> were signed and developed into legislative texts." (Berthet, 2011).

The analysis of these documents highlights the main national trends. The intersectoral agreement on labour market's modernization put the emphasis on the permanent contract as being the norm. It also initiates a new way of ending a contract in order to facilitate this procedure. Several other measures appear in the law, which resulted from the agreement. However, the use of the concept of "making contracts secure" is interesting. Indeed, it is used several times regarding different kinds of contracts and is set as a clear objective. The law that followed the intersectoral national agreement on development of life-long professional training, making more professional and more secure career paths, insists on the economic context and intends to secure career paths in order for the population to be able to face future challenges. Maintaining that we will all have to change jobs during our career path, this law focuses on moving situations and the need to be adaptable.

The other intersectoral agreements also reveal an emphasis put on a changing economic context, on the need to be flexible and on the will to secure career paths through

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<sup>6</sup> Intersectoral national agreement on January 11, 2008 on labour market's modernization, intersectoral national agreement on November 14, 2008 on forward-looking management of jobs and skills, intersectoral national agreement on December 23 on unemployment benefit, intersectoral national agreement on January 7, 2009 on the development of life-long professional training, making more professional and more secure career paths, and intersectoral national agreement on July 8, 2009 on social management of economical crisis' consequences on employment

different instruments.

National Reform Program (NRP) shows the way the country presents its new reforms and, more generally, its trends to European authorities. They often use a specific vocabulary. Indeed, concepts of flexicurity, activation, etc. are broadly used. However, in the national context, these concepts are not usually used. It reinforces the idea that NRP represents a way to show how the country tries to adapt its public policies according to European recommendations.

The concept of activation was brought to light in the 2005-2008 NRP: “the main direction which has been set consists of putting activity back in social policy’s core” (French NRP 2005-2008, translated by the author, 25). Back-to work policies are emphasized and several measures were presented (merging of placement bodies and of the authority in charge of the benefit system).

The following French national reform programme (2008-2010) put the focus on three main directions: “the first deals with sustainable growth, innovation and the development of competitive businesses”; “the second (...) focuses on labour market reforms in order to offer citizens of all ages the widest range of opportunities”; and “the third line of this programme - the sustainability of public finances - will be achieved by raising potential growth, by carrying through an in-depth reform of the organisation of public administrations and by a strict control of expenditure, which will lead to a cut of the spending growth rate in half” (French NRP 2008-2010, 3). Economic growth through businesses and innovation development appear to be of the main topics of this NRP, even though the emphasis is also put on chance equality in terms of opportunity to find employment for everyone. Flexicurity is also highlighted. The French government even presented a French approach of flexicurity, which is based on the intersectoral national agreement that resulted on the modernisation of labour Act. However, the concept of flexicurity is never used in the intersectoral agreement and the Act itself. It shows how sensible is this concept in the national setting (Berthet, 2011).

## **C. Instruments**

In this section, we have a qualitative insight on three policy instruments, which may characterize the dynamics at stake in French employment policies.

## 1. “Unintegrated” subsidised contracts

The main policy instrument used in the French employment policy is, with no doubt, what is called *contrat aidé* or subsidised contract. Subsidised contracts are derogatory to common labour law. Addressed to selected public and beneficiaries, they rely on a public funding, which can take various shapes, such as direct subsidies for hiring, tax exemptions or training grants. The overall principle is to decrease hiring or training costs supported by the employers using direct or indirect funding. These subsidised contracts are usually targeted upon specific disadvantaged categories (senior, disabled, youngsters, immigrants, etc.). They concern both the competitive sector and the non-for profit sector. In the first case, they are signed with firms. In the second case, it is usually associations, local public authorities or public enterprises that conclude them. Several kinds of subsidised contracts have been created since the first generation of TUC (collective useful jobs) in 1984. The ministry of labour services manages them.

The main political advantage of the subsidised contracts is to produce immediate effects on the labour market. They are regularly used to temporarily lower down the number of job seekers (in electoral times for example). The monthly unemployment rate is a social indicator largely followed by decision-makers as well as by public opinion. This explains why subsidised contracts have become of paramount importance; and are, at the same time, very criticised. They are deemed to offer a temporary relief without allowing a stable professional situation, even when they include training actions. As an instrument traditionally used by the socialist governments, these contracts have been criticised by liberal (right wing) politicians for generating unemployment traps. But even if the liberal governments prefer using tax exemptions, they also regularly use subsidised contracts when the unemployment rate gets high.

Used as a major policy tool, they still don't offer interesting perspectives in terms of integrated policy. They could be used as a useful instrument in a conciliation friendly policy, or to promote targeted integrated actions towards vulnerable beneficiaries. However, their implementation is usually conducted in an 'industrial' way, with the unique objective of lowering the unemployment rate.

## 2. Activating the minimum income

It is partly to answer this lack of activation (in the sense of articulating employment

and social inclusion to foster a fair access to the labour market) that the RSA was implemented in June 2009. Replacing the former RMI (minimum income) and the API (single parents allowance), the RSA has been created in a deliberate ‘activation friendly’ way. The RSA is a minimum income granted to low wages workers and former RMI beneficiaries. To be eligible to the RSA, beneficiaries must be over 25 (or less than 25 parents and workers for at least two years). They also must have been working for a certain amount of time and in a setting of getting back to work. The RSA benefit is lowered as soon as their wages start to grow. The RSA benefit can be contingent upon training or coaching activities. It is then a supplementary income for working poor, aimed at keeping them on the labour market, as well as a minimum income for job seekers. It is financed by the *Conseils généraux* at the NUTS 3 level and implemented by the *Caisse d’allocations familiales* (CAF).

The implementation of the RSA is also interesting in the way this instrument has been launched. It first started in 2007 as an experimental device in twenty-five *Conseils généraux* (*départements*) before being evaluated, and then generalised. By this way, the RSA has introduced a new policy making process in the field of social policies. The experimental process, coupled with the promotion of RCT (randomised controlled trial) evaluation procedures has now become a way to promote evidence based policies with evaluation methods imported from the epidemiology science.

But the policy time goes faster than what is necessary to conduct a public policy evaluation. Therefore, this instrument was generalised prior to getting results of the evaluation procedure. Yet, results provided afterwards did not reveal any strong evidence of a positive effect on the beneficiaries regarding their professional re-integration. In June 2011, 2 million individuals were granted a benefit from the RSA, a third less than initially anticipated by the CAF services.

### **3. Local employment coordination structures (*missions locales, comités de bassin d’emploi, maisons de l’emploi*)**

In France, the idea of building an integrated strategy is often represented by the concept of *guichet unique* (one stop shop). It takes the form of an integrated service in one single localised office. Two goals are underlying this strategy: the first one is to soften the sectoral compartmentalisation by housing several different service-providers belonging to different ministries under one roof. Here, the integration of services does not mean merging



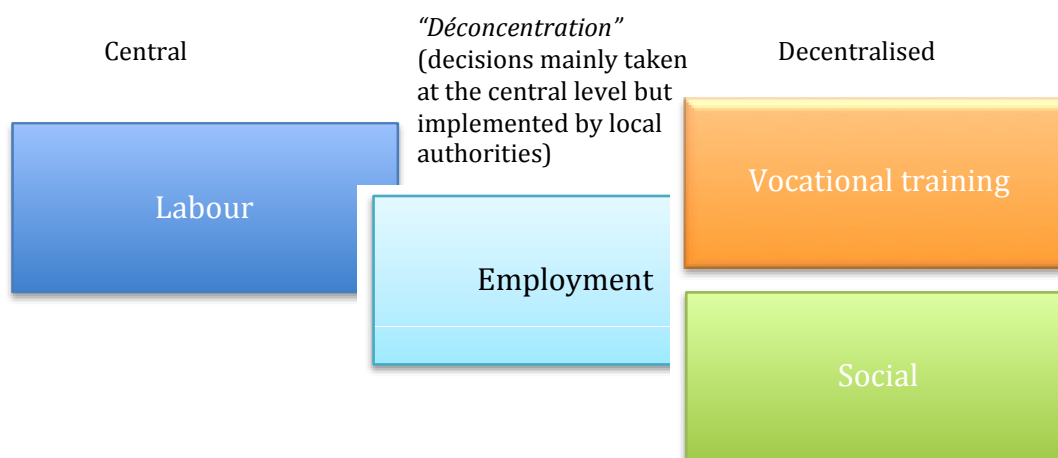
them in one single generalist service. The idea is rather to foster a common location for different specialised services. The second aim of this strategy is to promote proximity by delivering an integrated service at the community level. Once again, we find an experimental process at the beginning. Each of the three kinds of structures we are going to briefly describe starts with a local experiment generalised by the central state, and turned into a national public policy.

The *missions locales* were created in 1982 as a temporary local device aimed at providing a single location for youngsters aged between 16 and 25 for all their social problems. They were supposed to disappear as soon as what was considered as a temporary problem was over: youth massive unemployment. Firstly experimented in the northeast industrial part of France, they were then generalised. The way they were created is original: they rely on the initiative of municipalities' mayors. This political dimension of the *mission locale* has allowed them to build strong local partnership, which explains that they are still active, and became an important actor of social policies' institutional framework.

This is true for the two other structures: *comités de bassin d'emploi* and *maison de l'emploi*. The *comités de bassin d'emploi* have been initiated in 1981 as a coordination structure composed of local elected, employment civil servants and firms. They have been rapidly generalised, and in one decade, they rapidly decreased. The *maisons de l'emploi* were also initiated by local actors, and rapidly spread by the French government who gave strong incentives in the 2005<sup>th</sup> Social Cohesion Act. Five years later, those that were dynamic are still alive, but the weakest have disappeared, or have no effective action going on anymore.

The experience of these three structures promoting an integrated policies' approach reveals one important point in terms of territorialization. Although they started by the same experimental mechanism, although they are trying to bring together and coordinate local employment actors, and although they are strongly localised, one important rule emerges: local partnership cannot be prescribed from the national level at the same rhythm, with the same partners, and with the same success everywhere. What probably explains the persistence of the *missions locales* and their growing importance, is their political backing by local elected, and the intensive political work conducted by their collective representatives.

As the following scheme shows, the borders of public action's fields in France are not clearly defined and thus are floating. Indeed, even though each field are very different from the other in terms of its governance, its actors, etc., they all interact with one another.



The French State territorialises policy fields that are flexible. What are the flexible policy fields? France makes changes in terms of governance when the situation is secure, when unemployment is low.

Labour Rights fall under the responsibility of the central state. It has always been hard to make changes in that field. Employment still mainly falls under the competence of the state. However, this field has largely been "*déconcentré*" to the large number of actors dealing with this field. Finally, social issues have strongly been decentralised during the past decades.

Regarding the intensity of change of employment policy, it seems possible to argue a double-sided change. On the one hand and with regards to the systemic action towards the labour market, changes introduced during the 2000's are incremental. Traditional instruments (subsidised contracts, tax exemptions, early retirements, etc.) remain unchanged and their relative importance varies only in terms of intensity. On the other hand and dealing with the action towards individuals, we can argue a change of paradigm. The overall goals have been progressively changed towards a new equilibrium between rights and obligations of beneficiaries. More individualisation and proactive behaviour is asked. The organisational framework has been transformed. For example, the merging of placement and payment services is clearly designed to allow the use of unemployment benefits to put pressure on job seekers. Finally, instruments are redefined to fit in the activation's philosophy. Individualised following, disciplinary instruments, and a targeted use of the minimum income scheme are clear examples of this redefinition. With regards to Peter Hall's framework (Hall, 1991) we

can then argue as a preliminary conclusion that systemic action encounters a change of first order. Action toward job seekers tends to be central in French employment policy and faces a change of third order (change of paradigm). At the national level, we can observe a Janus-faced change, which gives to activation principles a growing importance. In terms of integration, the evolution is less convincing. Compartmentalization of public action domains seems to remain the rule although the territorialisation process has been eroding its traditional strength in the French administrative system.

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